

Annual Report

F Y 2015 - 16

PHOTOQUIP[®] INDIA LTD.

BOARD OF DIRECTORS

JAYANT P. SONI – Chairman and Managing Director
DHAVAL J. SONI
ANJU D. SONI
MOHIB N. KHERICHA
MOHAN M. JAYAKAR
DR. VISHNU J. ACHARYA

**REGISTERED / CORPORATE
OFFICE**

A/33, ROYAL INDUSTRIAL ESTATE
NAIGAON CROSS ROAD
WADALA, MUMBAI – 400 031.

AUDITORS

M/S. MAYANK SHAH & ASSOCIATES
Chartered Accountants

BANKERS

APNA SAHAKARI BANK LTD.
D. Sarfare Chowk Branch, Wadala.

SHARE TRANSFER AGENT

SHAREX DYNAMIC (INDIA) PVT. LTD.
Unit-1, Luthra Industrial Premises
Andheri-Kurla Road, Safed Pool
Andheri (E), Mumbai – 400 072.

DEPOSITORY NO.

ISIN – INE 813B01016

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 24th Annual General Meeting (AGM) of the Members of **PHOTOQUIP INDIA LTD.** will be held on Saturday 17th September, 2016 at 9.30 am at the registered office of the Company at A/33 Royal Industrial Estate, Naigaon Cross Road, Wadala, Mumbai 400 031, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016, the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To consider and if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act 2013 and the Listing Agreement entered into with the Stock Exchanges, Dhaval J. Soni (DIN: 000751362), Director of the Company, who is liable to retire by rotation at the Annual General Meeting and in respect of whom the Company has received a notice pursuant to the provisions of 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 term shall be subject to retirement by rotation.”

“RESOLVED FURTHER that all other terms and conditions as mentioned in the ordinary resolution passed at the 22nd Annual General Meeting held on 30th September, 2014 in relation to the appointment of Mr. Dhaval J. Soni, the Whole-time Director of the Company shall remain unchanged.

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

“RESOLVED THAT the appointment of Mayank Shah and Associates, Chartered Accountants, (Firm Registration No. 106109W), the Statutory Auditors, to hold office from the conclusion of this AGM until the conclusion of the next AGM of the Company to be held in the year 2017 on a remuneration as may be determined by the Board of Directors.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and to take all such steps as may be necessary, proper or expedient or desirable to give effect to this resolution.”

By Order of the Board

Jayant P. Soni
Chairman & Managing Director

Place : Mumbai
Date : 30th May, 2016

NOTES

- 1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.**

Proxies, in order to be effective, should be duly completed, stamped and signed and must be received at the registered office of the company 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. Proxy shall have no right to speak on any business item in the meeting.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. A statement giving the relevant details of the Directors seeking re-appointment under Item No. 2 of the accompanying Notice, as required by Regulation 36 (3) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges is annexed herewith.
3. Relevant documents referred to in the accompanying Notice and the statement pursuant to Section 102 of the Act, shall be open for inspection by the members at the Registered Office of the Company between 11 a.m. to 1 p.m. on all working days, barring Saturdays and Sundays, prior to the date of the AGM.
4. Electronic copy of the Annual Report for 2015-16 along with Notice of the 24th AGM is being sent to all the members whose e-mail addresses are registered with the Company/ Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of it. The members who have not registered their e-mail addresses, physical copies of the Annual Report along with Notice of 24th AGM are being sent to them in the permitted mode, inter alia, indicating the process and manner of e-voting along with attendance slip and proxy form.
5. Members can opt for only one mode of voting i.e. either physical voting at the AGM or voting through electronic means. A member, who has voted through e-voting mechanism, is not debarred from participating in the general meeting physically. However, he shall not be allowed to vote in the meeting again and his earlier vote (cast through e-means) shall be treated as final.
6. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. Pursuant to the provisions of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to the following:

Corporate Email id – info@photoquip.com

Compliance Officer – Vivek Divekar

Email id – vivek.divekar@photoquip.com

The Annual Report, including the notice of the 24th AGM, is available on the website of the Company www.photoquip.com

8. Members are requested to bring their attendance slips duly completed and signed mentioning therein

details of their DP ID and Client ID/ Folio No. Further the members are requested to bring their copies of the Annual Report to the AGM. As a measure of economy no copies will be distributed at the Meeting.

9. 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 at the Meeting.
10. (a) In accordance with the provision of Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the shareholders may exercise their option to participate through electronic voting system and the company is providing the facility for voting by electronic means (e-voting) to all its members. The company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facilities and enabling the members to cast their vote in a secured manner. It may be noted that this e-voting facility is optional. This facility will be available at the link www.evotingindia.com during the following voting period:

Commencement of e-voting	:	9.00 am on 14 th September, 2016
End of e-voting	:	5.00 pm on 16 th September, 2016

e-voting shall not be allowed beyond 5.00 pm on 16th September, 2016 During the e-voting period, the shareholders of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cut-off date, may cast their vote electronically. The cut-off date for eligibility for e-voting is 10th September, 2016

(b) Kala Agrawal, Company Secretary in Whole Time Practice, has been appointed as a Scrutinizer for conducting the e-voting process and the physical voting at the AGM, if any, in a fair and transparent manner.

(c) "Voting by electronic means" or "electronic voting system" means a 'secured system' based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate 'cyber security'. It also helps the shareholders to cast their vote from anywhere and at any time during e-voting period.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their DEMAT accounts. Members holding shares in physical form should submit their PAN to the Company.
12. The register of members and share transfer book of the Company will remain closed from 11th September, 2016 to 17th September, 2016 (both days inclusive).
13. **Instructions for shareholders voting electronically are as under:**
 - (i) The voting period begins on 14th September, 2016 from 9 am and ends on 16th September, 2016 at 5 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 10th September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iv) Click on Shareholders.
 - (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID

- b. For NSDL: 8 character DP ID followed by 8 digit Client ID
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Photoquip India Ltd. on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (xv) 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.

- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for Android-based mobiles. The m-Voting app can be downloaded from Google Playstore. iPhone and Windows phone users can download the app from the App Store and Windows Phone Store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) Note for Non – Individual Shareholders and Custodians
- Non-individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Annexure to Item No. 2 of the Notice

Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Dhaval J. Soni
Director Identification Number (DIN)	00751362
Date of Birth	13 th December, 1958
Nationality	Indian
Date of Appointment on Board	24 th July, 1992
Qualification	B. Sc.
Experience	26 years
Terms and conditions of appointment and remuneration	The terms and conditions of appointment of Dhaval J. Soni shall be open for inspection the members at the Registered Office of the Company on all working days, except Saturdays and Sundays, during business hours prior to the date of the AGM.
Relationship with other Directors, Managers and KMP of the Company	Son of Jayant P. Soni Husband of Anju D. Soni
Shareholding in Photoquip India Limited as on 31 st March 2016	5,31,400 Equity Shares
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Public Limited Companies : Nil Private Limited Companies : Nil
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	3

BOARD'S REPORT

To
The Members
Photoquip India Ltd.

Your Directors have pleasure in presenting their 24th Annual Report on the business and operations of the Company and the accounts for the financial year ended 31st March, 2016.

Financial Summary of the Company

Particulars	Rs. In Lacs	
	2015-16	2014-15
Gross Operating Income	6,034.01	10,114.18
Add: Other Income	211.21	37.62
Total Income	6,245.22	10,151.80
Profit Before Interest, Depreciation and Exceptional items	(27.66)	104.54
Less: Finance Charges	194.04	201.31
Less: Provision for Amortization and Depreciation	191.21	187.37
Less: Exceptional items	52.98	157.97
Net Profit/ (Loss) Before Tax	(465.89)	(442.11)
Less: Deferred Tax Liability / (Asset)	(125.81)	(168.20)
Less: Taxes of earlier years	12.21	22.39
Net Profit / (Loss) After Tax	(352.29)	(296.31)
Add: Balance of Profit brought forward	2,157.39	2,460.70
Balance available for appropriation	1,805.10	2,164.40
Less: Additional Depreciation (pursuant to revised schedule II of Companies Act, 2013)	Nil	6.99
Surplus carried to Balance Sheet	1,805.10	2,157.39

The Company proposes to carry forward Rs. 1,805.10 Lacs to Reserves and Surplus.

Operational Review

During the year under review, your Company earned an income of Rs. 6,245.22 Lacs as against Rs. 10,151.80 Lacs in the previous year, a decrease of 38.48% as compared to the previous year primarily on account of discontinuance of LED division and decrease in exports turnover during FY 2015-16. The Company has incurred a Net Loss of Rs. 352.29 Lacs as against Net Loss of Rs. 296.31 Lacs in the previous financial year.

The summarized key indicative figures are mentioned below. (Rs. In Lacs)

Particulars	2015-16	2014-15
Sales / Other Receipts	6,034.01	10,114.18
Exports	3,322.01	4,466.94
Net Profit / (Loss)	(352.29)	(296.30)

During the year losses have also increased by Rs. 55.99 Lacs due to increase in raw material prices during the year.

Dividend

In the absence of profits your Company has not declared dividend for the year under review.

Internal Financial Control Systems and its adequacy

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

Business Risk Management

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has constituted a Business Risk Management Committee. The details of the committee and its terms of reference are set out in the corporate governance report forming part of the Board's report.

Whistle Blower Policy

Pursuant to the provisions of Sections 177(9) and (10) of the Companies Act, 2013, a Whistle Blower for directors and employees to report genuine concerns has been established, which is embedded in its Code of Conduct. It serves as a guide for daily business interactions, reflecting your Company's standard for appropriate behavior and Corporate Values. The Code of Conduct has been uploaded on the website of the Company.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under Section 134(3)(m) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts) Rules 2014 are appended as **Annexure I**.

Corporate Governance and Management Discussion and Analysis Report

The Corporate Governance Report together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance and Management Discussion and Analysis Report, which form an integral part of this Report, is set out as **Annexure II** and **Annexure III** respectively, as stipulated in the Listing Regulations.

Particulars of Employees

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the registered office of the Company during business hours on working days, barring Saturdays and Sundays, prior to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Company.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Remuneration Policy

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration

Policy is stated in the Corporate Governance Report.

Particulars of loans, guarantees or investments under Section 186

The Company has not given any loans covered under the provisions of Section 186 of the Companies Act, 2013. The details of guarantees and investments made by Company are given in the notes to the financial statements.

Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit and Loss of the Company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern 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 were operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Declaration by Independent Director(s)

The Independent Directors have given the declaration pertaining to the criteria of independence as per Section 149 (6) of the Act. The Company has provided suitable training to independent directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates and business model of the Company.

Re-appointment

As per the provisions of Companies Act, 2013, Mr. Dhaval Jayant Soni, retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends his re-appointment.

Meetings

During the year under review, 7 (Seven) Board Meetings and 22 (Twenty-Two) Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Board and Committee Meetings were within the period prescribed under the Companies Act, 2013.

Extract of Annual Return

As required pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in **MGT 9** is a part of this Annual Report as **Annexure IV**.

Material Changes and Commitments

Pursuant to the provisions of Section 188 and all other applicable provisions if any of the Companies Act 2013, read with the Regulations 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 governing related party transactions and further to consent of the Members already obtained by the Company by way of ordinary resolution passed under Section 180(1)(a) of the Companies Act 2013 by postal ballot on December 23, 2014, the members of the company vide its postal ballot resolution dated 18th February, 2016 has approved a contract with Corvy LED Private Limited, in which a relative of Directors is interested, for sale of Intellectual property Rights which includes various trademarks and designs registered/ pending registration in / outside India relating to brand "Corvi", together with domain name www.corvi.com for consideration of Rs. 300 Lacs.

Particulars of contracts or arrangements with related parties:

Particulars of every contract or arrangement 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 are disclosed in Form No. AOC-2 as **Annexure V**.

Auditors

Mayank Shah and Associates, Chartered Accountants, retire from the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment up to the conclusion of next Annual General Meeting. There are no qualifications or adverse remarks in the Auditors Report.

Secretarial Audit Report

In terms of Section 204 of the Act and Rules made there under, Kala Agarwal, Practising Company Secretary, has been appointed Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed as **Annexure VI** to this report. The qualifications in the Secretarial Auditor's report for the year 2015-16 have been appropriately dealt with at the respective areas.

Awards and Recognition

During the fiscal year 2016, the Company has been awarded for the Best Export Oriented Unit (MSME) in the product category of Electronic and Computer Software products for its outstanding performance in the year 2012-13. Jayant P.Soni, Chairman and Managing Director of the Company received the Award from N.P.S. Monga - Development Commissioner of SEEPZ Special Economic Zone, Mumbai on 30th November 2015.

General

No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme
4. No significant or material orders were passed by the regulators or court or tribunals which impact the going concern status and Company's operation in future.
5. No material changes and commitments have occurred after the close of the financial year till the date of this report, which affect the financial position of the Company.
6. There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year under review, though the Company has

adopted a policy for prevention of Sexual Harassment of Women at workplace, which is reviewed by Committee at regular intervals

Acknowledgments

The Company wishes to place on record its sincere appreciation of all with whose help, co-operation and hard work the Company is able to achieve the results.

For and on behalf of the Board of Directors

Jayant P. Soni
Chairman and Managing Director

Place: Mumbai
Date: 30th May, 2016

ANNEXURE INDEX

Annexure	Content
I	Conservation of energy, technology absorption and foreign exchange earnings and outgo
II	Corporate Governance Report
III	Management Discussion and Analysis Report
IV	Annual Return Extracts in MGT-9
V	AOC 2 – Related Party Transactions disclosure
VI	MR-3 Secretarial Audit Report

Annexure - I**a) Conservation of energy**

(i)	the steps taken or impact on conservation of energy	No new energy conservation measures were undertaken during the year under review.
(ii)	the steps taken by the Company for utilizing alternate sources of energy	The Company is not a major user of energy. However, the measures taken by the Company have resulted in savings in energy consumption
(iii)	the capital investment on energy conservation equipment's	Nil

(b) Technology absorption

(i)	the efforts made towards technology absorption	Ongoing import substitution of various passive electronic components and sub-assemblies used in Digital Studio Flash Lights.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Considerable benefits have been derived by the Company from its Research and Development activities primarily by way of improvement in quality and cycle time.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Not applicable
	(a) the details of technology imported	Not applicable
	(b) the year of import;	Not applicable
	(c) whether the technology been fully absorbed	Not applicable
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not applicable
(iv)	the expenditure incurred on Research and Development	Rs.7,000

(c) Foreign Exchange earnings and Outgo

During the year, the total foreign exchange outflow was Rs. 1,380.89 Lacs and the total Foreign Exchange inflow was Rs. 3,393.23 Lacs.

Annexure II

Corporate Governance Report for the year 2015-16

Company Philosophy:

We continue to believe that good corporate Governance is essential to achieve long-term corporate goals and to enhance stockholders value. The Company is listed on the Bombay and Ahmedabad Stock Exchanges. The Company has complied with in all material respect with the features of corporate governance as specified in the Listing Regulations. The securities are being regularly traded at Bombay Stock Exchange.

Board of Directors:

The Board of Directors has a mix of Executive and Independent Non-Executive Directors. The Board comprises of the Chairman and Managing Director, one Whole-Time Director, one Woman Director and three Independent Non-Executive Directors. Accordingly, the composition of the Board is in conformity with the Listing Regulations.

Other relevant details of Directors:

Name of Director	Category	No. of Directorship(s) held in Indian public and private Limited Companies (Including Photoquip)	Committee(s) position (including Photoquip)	
			Member	Chairman
Jayant P. Soni	Chairman and Managing Director	1	Nil	Nil
Dhaval J. Soni	Whole-time Director	1	1	2
Mohib N. Khericha	Independent, Non-executive Director	15	5	4
Mohan M. Jayakar	Independent, Non-executive Director	8	4	1
Dr. Vishnu J. Acharya	Independent, Non-executive Director	1	1	Nil
Anju D.Soni	Non-executive Woman Director	2	Nil	Nil

During the year 2015-16, Seven Board Meetings, were held on 13thApril, 2015, 30thMay, 2015, 14thAugust, 2015, 10thNovember, 2015, 28th December, 2015, 12th February, 2016 and 21stMarch, 2016. The last Annual General Meeting of the Company was held on 28th September, 2015. The attendance details of each Directors are given below:

Name of Director	No. of Board Meetings attended	Attendance at the AGM held on 28th Sep, 2015
Jayant P. Soni	7	Yes
Dhaval J. Soni	7	Yes
Mohib N. Khericha	7	Yes
Mohan M. Jayakar	7	No
Dr. Vishnu J. Acharya	7	Yes
Anju D. Soni	7	Yes

Committees of the Board of Directors

The Board has constituted five committees to review various aspects of business. Details of members of committee, meetings held, terms of reference of each committee are as under:

(a) Audit Committee

The Audit Committee continued working under Chairmanship of Mohib N. Khericha and Mohan M. Jayakar and Dr. Vishnu J. Acharya as co-members. During the year, the sub-committee met on five occasions with full attendance of all the members.

The composition of the Audit Committee as at 31st March, 2016 and details of the Members participation at the Meetings of the Committee are as under:

Attendance Meeting held on	Name of Directors		
	Mohib N. Khericha	Mohan M. Jayakar	Vishnu J. Acharya
	Chairman	Member	Member
30 th May, 2015	Yes	Yes	Yes
14 th August, 2015	Yes	Yes	Yes
10 th November, 2015	Yes	Yes	Yes
12 th February, 2016	Yes	Yes	Yes
30 th March, 2016	Yes	Yes	Yes

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Some of the important functions performed by the Committee are:

Financial Reporting and Related Processes

The terms of reference of the Audit Committee include:

- To review any change in accounting policies and practices.
- To confirm whether major accounting entries are based on exercise of judgments by management.
- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To recommend the appointment, remuneration and terms of appointment of auditors of the Company.
- To check whether there are any qualifications made in the draft Auditors' Report.
- To review whether there are any significant adjustments arising out of audit.
- To confirm whether the accounts are prepared on going concern basis.
- To confirm whether the accounts are prepared by applying applicable accounting standards.
- To review whether the financial statements comply with the Stock Exchange and Legal requirements.
- To check whether there are any related party transactions which may have potential conflict with interests of Company.

- To discuss with auditors on whether they have any post audit concerns.
- To check whether there are any defaults in payment to creditors and shareholders.
- To evaluate internal financial controls and risk management systems of the Company.
- To review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- To approve the appointment of CFO (i.e. the Whole-time Finance Director or any other person heading the Finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Chief Internal Auditor to get their inputs on significant matters relating to their areas of audit.

(b) Risk Management Committee -

Business Risk Evaluation and Management is an on-going process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The composition of the Risk Management Committee as at 31st March, 2016 and details of the Members participation at the Meetings of the Committee are as under:

Attendance Meeting held on	Name of Directors		
	Dhaval J. Soni	Mohib N. Khericha	Mohan M. Jayakar
	Chairman	Member	Member
30 th May, 2015	Yes	Yes	Yes
14 th August, 2015	Yes	Yes	Yes
10 th November, 2015	Yes	Yes	Yes
12 th February, 2016	Yes	Yes	Yes

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, and mitigation and reporting of risks.

(c) Stakeholder's Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The composition of the Stakeholders' Relationship Committee as at 31st March, 2016 and details of the Members participation at the Meetings of the Committee are as under:

Attendance at the Meeting held on	Name of Directors		
	Mohib N. Khericha	Dhaval J. Soni	Mohan M. Jayakar
	Chairman	Member	Member
13 th April, 2015	Yes	Yes	Yes
28 th April, 2015	Yes	Yes	Yes
5 th May, 2015	Yes	Yes	Yes
16 th June, 2015	Yes	Yes	Yes
14 th July, 2015	Yes	Yes	Yes
8 th September, 2015	Yes	Yes	Yes
9 th November, 2015	Yes	Yes	Yes
30 th March, 2016	Yes	Yes	Yes

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares and debentures

During the year 2015-16, shareholder's complaints received through SCORES (online portal of SEBI for lodging complaints against listed companies) have been promptly attended to and action taken reports on these complaints as received from Transfer Agent have been submitted to the SEBI through SCORES.

During the year, 1 (one) complaint was received from a shareholder, which was promptly attended to and resolved within 30 days. As on 31st March, 2016, no investor grievance has remained unattended/ pending for more than Thirty days.

(d) Independent Directors' Meeting

During the year under review, pursuant to requirements of Schedule IV of the Companies Act 2013, a separate meeting of Independent Directors without the presence of executive directors was held on 10th November, 2015, inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties;

Attendance at the Meeting held on	Name of Directors		
	Dr. Vishnu Acharya	Mohib N. Khericha	Mohan M. Jayakar
	Chairman	Member	Member
10 th November, 2015	Yes	Yes	Yes

(e) Nomination and Remuneration Committee

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing "Remuneration Committee" as the "Nomination and Remuneration Committee".

The composition of the Nomination and Remuneration Committee as at 31st March, 2016 and details of the Members participation at the Meetings of the Committee are as under:

Attendance at the Meeting held on	Name of Directors		
	Vishnu Acharya	Mohib N. Khericha	Mohan M. Jayakar
	Chairman	Member	Member
30 th May, 2015	Yes	Yes	Yes
14 th August, 2015	Yes	Yes	Yes
10 th November, 2015	Yes	Yes	Yes
12 th February, 2016	Yes	Yes	Yes

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual

performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Terms of Appointment and Remuneration of Directors

Remuneration paid to Directors (excluding contribution to Gratuity and Provision for Leave Encashment on Retirement) during the year ended 31st March, 2016 are given below:

Sr. No.	Name	Designation	Salary and Perquisites Rs.	Sitting fees Rs.	Commission Rs.	Total Rs.
1	Jayant P. Soni	Chairman and Managing Director	2,400,000	Nil	Nil	2,400,000
2	Dhaval J. Soni	Whole-time Director	2,400,000	Nil	Nil	2,400,000
3	Mohib N. Khericha	Independent Director	Nil	166,750	Nil	166,750
4	Mohan M. Jayakar	Independent Director	Nil	166,750	Nil	166,750
5	Dr. Vishnu J. Acharya	Independent Director	Nil	163,000	Nil	163,000
6	Anuj D. Soni	Non-executive, Woman Director	Nil	Nil	Nil	Nil

Note:

- The Salary and Perquisites include all fixed and variable elements of remuneration ie. salary, performance linked bonus and other allowances and benefits
- There were no other pecuniary relationships or transactions of non-executive director's vis a vis the Company. The Company has not issued any Stock Options to the Directors
- Pursuant to the limits approved by the Board, all Non-Executive Directors are paid Sitting fees of Rs. 20,000 for attending Board Meeting and Rs. 750 for attending Committee Meetings.
- Details of Service contract are given below :

Name	Date of Initial Appointment	Current Terms	From / To
Jayant P. Soni	1 st November, 1993	3 years	1 st April 2014 to 31 st March, 2017
Dhaval J. Soni	1 st August, 1994	3 years	1 st April 2014 to 31 st March, 2017

- e) For any termination of Service contract, the Company or the Non-Executive Director is required to give a notice of 3 months or pay 3 months' salary in lieu thereof to the other party.

EXECUTIVE DIRECTORS:

Managerial Remuneration

Disclosure pursuant to Section 197(12) of Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided below:

There were 75 permanent employees on the rolls of the Company as on 31st March 2016 with median remuneration of Rs. 3,49,071

Details of the ratio of the remuneration of each director to the median employee's remuneration of the Company for the year 2015-16 are given as below.

Name of Director	Nature of Director ship	Median Ratio
Jayant P. Soni	Chairman and Managing Director	6.88 : 1
Dhaval J. Soni	Whole-time Director	6.88 : 1
Mohib N. Khericha	Independent Director	0.00 : 1
Mohan M. Jayakar	Independent Director	0.00 : 1
Dr. Vishnu J. Acharya	Independent Director	0.00 : 1

Listing Agreement

The Securities and Exchange Board of India (SEBI), on 2nd September, 2015 issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of Listing Agreement for different segments of the capital market to ensure better enforceability. The said regulations were effective from 1st December, 2015. Accordingly, all listed companies were required to enter in to the Listing Agreement within six months from the effective date. The Company entered in to a Listing Agreement with Bombay and Ahmedabad Stock Exchanges on 15th December, 2015.

Disclosures:

(a) Related party transactions

There were no materially significant related party transactions having potential conflict with the interest of the Company at large during the financial year 2015-16. Related party disclosures are included in the notes forming part of the accounts as per Accounting Standard – 18 notified by the Companies (Accounting Standards) Rules, 2006.

(b) Disclosure requirement as per Listing Regulations on Corporate Governance

The Company has broadly complied with all statutory requirements of the Listing Regulations with the stock exchanges as well as regulations and guidelines prescribed by SEBI.

During the preceding 3 years, no penalty was imposed and / or stricture was made on it by any stock exchange or SEBI or any other statutory authority, on any matter related to capital markets or guidelines issued by the Government.

(c) Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 8/2014 dated 4th April, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

(d) Internal Controls

The Company has a formal system of internal controls which examines both design and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company's business processes are on Microsoft Dynamics NAV platform and have a strong monitoring and reporting process resulting in financial discipline and accountability.

(e) CEO and MD / CFO Certification

The CEO and MD and the CFO have issued relevant certificates pursuant to the provisions of Regulation 17 (8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed to and forms a part of this Annual Report.

(f) Code of Conduct

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Code has been posted on the Company's website www.photoquip.com

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity at the work place in business practices and in dealing with stakeholders. The Code gives guidance, through examples, on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members, Senior Management personnel and designated employees have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

(g) Vigil Mechanism / Whistle Blower Policy

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has a Fraud Risk Management Policy (FRM) to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. Pursuant thereto, the concerned person should make full disclosure of all facts and circumstances thereof to Managing Director of the Company. Also officers and employees must first obtain approval from the Managing Director before accepting a Directorship.

(h) Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Company Secretary and Head Compliance is responsible for implementation of the Code.

(i) Means of Communication

I. In which newspapers quarterly results were normally published	Financial Express, Mumbai Lakshadweep
ii. Any Website where results or official news are displayed	BSE Official Website, and company's Official Website, www.photoquip.com

General Shareholder Information**A) Market Information****Listing on Stock Exchanges**

The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

Name and Address of the Stock Exchanges	Stock Code/ Scrip Code	ISIN Number for NSDL/CDSL (Dematerialized share)
BSE Limited 25 th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	526588	ISIN – INE 813B01016
Ahmedabad Stock Exchange 1 st floor, Kamdhenu Complex, Panjarapole, Ambawadi, Opp Sahajanand College, Ahmedabad – 380 015	44881	ISIN – INE 813B01016

B) Share Price on BSE vis-a-vis BSE Sensex April 2015 - March 2016

Month	BSE Sensex Close	Share Price			No. of shares traded during the month	Turnover Rs.
		High	Low	Close		
Apr 2015	27,011.31	33.50	25.10	28.80	16,334	4,56,007
May 2015	27,828.44	32.90	21.20	28.40	97,350	24,91,864
Jun 2015	27,780.83	26.60	21.25	24.80	22,012	5,16,023
Jul 2015	28,114.56	32.75	22.10	26.10	114,885	32,22,048
Aug 2015	26,283.09	28.00	22.40	23.25	18,975	4,60,980
Sep 2015	26,154.83	24.40	21.00	21.35	13,131	2,99,431
Oct 2015	26,656.83	24.40	21.10	22.90	14,074	3,09,858
Nov 2015	26,145.67	24.15	20.20	23.10	19,708	4,32,757
Dec 2015	26,117.54	30.00	22.95	30.00	42,781	11,05,604
Jan 2016	24,870.69	38.25	28.00	29.50	6,15,801	1,95,73,537
Feb 2016	23,002.00	30.50	19.20	21.00	86,178	19,60,605
Mar 2016	25,341.86	23.05	19.45	19.90	19,302	4,24,119

C) Book Closure :

The register of members and share transfer books of the Company will remain closed from 11th September, 2016 to 17th September, 2016 (both days inclusive)

Share Transfer System and other related matters**a) Share transfers**

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

b) Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

c) Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

d) Pending Investors' Grievances

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary and Head Compliance at the Registered Office with a copy of the earlier correspondence.

Sr. No.	Nature of Queries/Compliant	Pending as on 1st April, 2015	Received during the year	Redressed during the year	Pending as on 31st March, 2016
1	Transfer/Transmission/Issue of Duplicate Share Certificate	Nil	1	1	Nil
2	De-materialisation/Re-materialisation of Shares	Nil	Nil	Nil	Nil
3	Complaints received from:				
	SEBI	Nil	Nil	Nil	Nil
	Stock Exchanges/NSDL/CDSL	Nil	Nil	Nil	Nil
	ROC/MCA/Others	Nil	Nil	Nil	Nil
4	Others	Nil	Nil	Nil	Nil
	Grand Total	Nil	Nil	Nil	Nil

E) Reconciliation of Share Capital Audit

As required by the Securities and Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited and is also placed before Stakeholders' Relationship Committee and the Board of Directors.

Shareholding Pattern on the basis of ownership as on 31st March, 2016

Sr. No.	Category	No. of Shares	Total Shares	% to Share Holding
A	Based in India (Promoter)			
i.	Indian Ind/HUF and Relatives	24,61,990		51.283
ii.	Persons acting in concert	1,25,000	25,86,990	2.604
B	Public Holding (Institutions)			
i.	Mutual Funds	5,000		0.104
ii.	Any other	16,711	21,711	0.348
C.	Non Institutions			
i.	Individual Holding			
ii.	Upto Rs. 2/- lac	10,73,546		22.362
	Above Rs. 2/- lac	9,40,633	20,14,179	19.593
D.	Any Other Clearing Members	1,77,920	1,77,920	3.706
	TOTAL	48,00,800	48,00,800	100.00

The Company has not issued any GDRs / ADRs.

SEBI has directed that all issuer Companies shall obtain quarterly certificate regarding reconciliation of shares held in both depositories and in physical form. The said certificate is obtained from a practicing Company Secretary and submitted to the stock exchange within 30 days of the end of each quarter.

Statement showing Shareholding of more than 1% of the Capital as on 31st March, 2016

Sr. No.	Name of the Shareholder	No. of Shares	Percentage of Capital
1.	Jayant Purshottam Soni	9,22,247	19.21
2.	Dhaval Jayant Soni	5,31,400	11.07
3.	Tara Jayant Soni	5,27,395	10.99
4.	Vimal Jayant Soni	4,44,277	9.25
5.	Dimple Amar Parikh	2,30,000	4.79
6.	Piri Systems Pvt Ltd	1,25,000	2.60
7.	Dheeraj Kumar Lohia	1,02,241	2.13
8.	Rajesh Kumar Agrawal	97,603	2.03
9.	Sudha Ashok Ajmera	73,891	1.53
10.	Raj Kumar Lohia	61,626	1.28
11.	Ashok Parmanand Ajmera	50,237	1.05
	Total Public [1% and Above]	31,65,917	65.94

Dematerialisation of Shares and Liquidity

The break-up of equity shares held in Physical and Dematerialised form as on 31st March, 2016, is given below:

Particulars	No. of Shares	Percentage
Physical Segment	4,29,751	8.95
Demat Segment		
NSDL	34,97,646	72.85
CDSL	8,73,403	18.20
Total	48,00,800	100.00

General Body Meetings

Particulars of last three Annual General Meetings held at registered office situated at A/33, Royal Industrial Estate, Naigaon Cross Road, Wadala (E) Mumbai- 400 031.

AGM	For the Year ended	Date	Time
21 st	31 st March, 2013	30 th September, 2013 09.30 a.m.	
22 nd	31 st March, 2014	30 th September, 2014 11.00 a.m.	
23 rd	31 st March, 2015	28 th September, 2015 3.00 p.m.	

Meetings for approval of quarterly and annual financial results were held on the following dates

Quarter	Date of Board Meeting
1 st Quarter	30 th May, 2015
2 nd Quarter	14 th August, 2015
3 rd Quarter	10 th November, 2015
4 th Quarter	12 th February, 2016

Ordinary Resolutions passed through postal ballot during 2015-16

The shareholders of the Company have approved with requisite majority, the following ordinary Resolutions under the provisions of the Companies Act 2013

Ordinary resolution for sale of Intellectual Property rights relating to brand 'Corvi' together with domain name www.corvi.com to Covri LED Private Limited, a related party wherein Jayant Soni and Dhaval Soni, Directors of the Company are interested as relative of Vimal Soni, who is Director and Member of Corvi LED Private Limited.

Postal Ballot notice dated 28th December, 2015 was served to all shareholders for voting as per the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014. Heena Shah, Practicing Company Secretary was appointed as scrutinizer for conduct of postal ballot. The details of the voting are as under:

Promoter / Public	No. of Share held	No. of votes polled / E-voted	% of Votes Polled on Outstanding Shares	No. of Votes— in Favor	No .of Votes- Against	% of Votes in Favor On votes Polled	% of Votes Against On votes polled
	(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(*2)]*100	(7)=[(5)/(2)]*100
Promoters	27,96,990	6,89,066	24.64	6,89,066	0	100.00	0
Public	20,03,810	3,18,884	15.97	3,18,884	0	100.00	0
Total	48,00,800	10,07,950	21.00	10,07,950	0	0	0

Note: The above resolution was passed unanimously on 15th February, 2016

e-voting Facility to members

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 24th Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Ltd. (CDSL). Pursuant to the amendments made in clause 35B of the Listing Agreement by SEBI, the Company has sent assent/dissent forms to the members to enable those who do not have access to e-Voting facility to cast their vote on the shareholder's resolution to be passed at the ensuing Annual General Meeting, by sending their assent or dissent in writing.

Financial Calendar - 2015:

Listing of Equity shares on stock exchanges.	Bombay Stock Exchange & Ahmedabad Stock Exchange
BSE Stock Code	526588
ASE Stock Code	44881
Registrar and Transfer Agents	Sharex Dynamic India Pvt. Ltd.

Financial Year – FY 2015-16	1 st April 2015 to 31 st March 2016
Board Meeting for consideration of audited results for the financial year ended 31st March, 2016	30 th May 2016
Posting of Annual Reports – FY 2015-16	23 rd August, 2016
Book Closure Date	11 th Sept, 2016 to 17 th Sept, 2016 (Both days inclusive)
Last date for receipt of Proxy Forms	Before 9.30 a.m. on 15 th September, 2016
AGM – FY 2015-16	17 th September, 2016 at 9.30 am A/33, Royal Industrial Estate, Naigaon Cross Road, Wadala, Mumbai 400031
Dividend Payment Date	Not applicable

Financial Calendar – 2016

Financial Year – 2016-17	1 st April, 2016 to 31 st March, 2017
Unaudited financial results for the first three quarters	Board meeting to be held within 45 days from the end of each quarter, Financial results will be intimated to stock exchanges within fifteen minutes of the conclusion of Board meeting.
Fourth quarter results / annual audited financial results for the year ending on 31 st March, 2017	Board meeting to be held on or before 30 th May, 2017. Financial results will be intimated to stock exchanges within fifteen minutes of the conclusion of Board meeting.
AGM – FY 2016-17	September, 2017 (tentative)

By Order of the Board

Jayant P. Soni
Chairman and Managing Director

Place: Mumbai
Date: 30th May, 2016

Annexure - III**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**❖ **FORWARD-LOOKING STATEMENTS**

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

❖ **INDUSTRY STRUCTURE AND DEVELOPMENTS**

The Company is engaged in Photographic and Allied Products industry. The Company manufactures, exports and trades in Digital Studio Flashlights and Photographic Accessories and similar products. It is an OEM for Elinchrom SA, a Company based in Switzerland and a renowned named in the global photographic industry. It is a distributor for Elinchrom SA in India since 1986. The Company, over the decades, has been understanding and catering to the needs of the photographic fraternity and has dedicatedly ensured that every photo studio is equipped with the best equipment that meets the most stringent requirements.

The strong fundamental character of Indian economy indicating the increase in production activities act as fuel for the growth of the Company.

❖ **BUSINESS OVERVIEW**

The financial highlights of FY 2015-16 are given below: -

Particulars	Rs. In Lacs
Sales for the year 2015-16	6,034.01
Add: Other Income	211.22
Gross Operating Income	6,245.23
Provision for Taxation	Nil
Deferred Tax Liability / (Asset)	(125.81)
Taxes of Earlier years	12.21
Profit/(Loss) after tax	(352.29)
Paid-up equity Share Capital as on 31 st March, 2016	480.08

❖ **MARKETING**

The Company is setting up a good marketing team to boost its turnover.

❖ **SWOT ANALYSIS**

a) **STRENGTHS** : Our strengths are our experience and our presence in this field since last 5 decades, adaptation to modern technology and a competent and committed workforce, who have extensive experience in the industry. Their skills, industry knowledge and operating experience provide significant competitive advantages to the Company.

b) **OPPORTUNITIES** : The photographic market is rapidly maturing in India and therein lies an opportunity for the Company to capitalize. The Company has strong Research and Development base and uses cutting edge technology in development of digital studio flash lights and other products.

The Company participates in various exhibitions and workshops and is in the process of tapping the right opportunities to expand its client base.

c) **THREATS / WEAKNESSES** : The Company entire exports are made to a single buyer i.e. Elinchrom. The constant fluctuations in foreign exchange and global recession are a threat that the Company encounters frequently. Intense competition in the market for technology products could affect our pricing which, in turn, could impact our revenue.

❖ **INTERNAL CONTROL**

The Company has adequate internal control system commensurate with the size of its operations. Adequate records and documents are maintained as required by applicable laws. The Company's Audit Committee reviews the internal control system. During the year such controls were tested and no reportable material weaknesses in the design or operations were observed.

❖ **SEGMENTWISE REPORTING**

During the year under review, Company has only one primary segment ie. Digital Studio Lights and Photographic accessories. Two secondary segments have been identified based on the geographical locations of customers i.e. domestic and exports.

In view of stiff competition and non-viability of continuing the business, the members of the Company had unanimously approved sale of its intellectual property rights with regards to brand 'Corvi' to Covri LED Private Limited vide its postal ballot resolution dated 18th February, 2016.

❖ **OUTLOOK**

Effective initiatives have been initiated by your Company for technological advances in the areas of business which has resulted in reduction in cost of production and improvement in quality of products.

❖ **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Company organizes various developmental programs for its employees relating to improvement of behavioral / managerial and core competencies. These programs help employees to keep them updated with the latest developments and changes happening in the field of operations, technology, HR, finance etc.

❖ **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.**

The Company is aggressively pursuing its marketing strategy of increasing the market share. However due to adverse overseas markets conditions, exports of the company had declined to Rs. 33.22 crores during the FY 2015-16.

The turnover during the financial year 2015-16 has decreased to Rs. 60.34 crore as compared to Rs.101.14 crores in the previous year on account of discontinuation of LED lights segment and decrease in export turnover.

❖ **RISKS AND CONCERNS**

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavor is to maximize returns. The Company continues to take all steps necessary to minimize its expenses through detailed studies and interaction with experts.

❖ **CAUTIONARY STATEMENT**

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, estimates, expectations or predictions are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations.

Annexure - IV**FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN**As on financial year ended on 31st March, 2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management and Administration) Rules, 2014.

I. Registration and Other Details:

CIN	L74940MH1992PLC067864
Registration Date	24 th July, 1992
Name of the Company	Photoquip India Ltd.
Category/Sub-category of the Company	Company Limited by Shares
Address of the Registered office and contact details	A/33, Royal Industrial Estate, Naigaon, Cross Road, Wadala, Mumbai – 400 031. Phone : 022- 61474000
Whether listed Company	Listed Company
Name, Address and contact details of the Registrar and Transfer Agent, if any.	Sharex Dynamic (India) Private Ltd. Unit -1, Luthra Industrial Premises, Safed Pool, Andheri-Kurla Road, Andheri (E), Mumbai – 400 072. Phone: 2851 5606, 2851 5644, Fax : 2851 2885.

II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**(All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1.	Digital Studio Flash Lights and Photographic Accessories	31505 and 33208	100%

III. **SHARE HOLDING PATTERN**

- A) Equity Share Capital Breakup as percentage of Total Equity) – Refer **Annexure IV- A**
 B) Shareholding of Promoter- Refer **Annexure IV-B**
 C) Change in Promoters' Shareholding – Refer **Annexure IV- B**
 D) Shareholding of Directors and Key Managerial Personnel - Refer **Annexure IV-B**
 E) Shareholding Pattern of top ten Shareholders:
 (Other than Directors, Promoters and Holders of GDRs and ADRs) – Refer **Annexure IV-C**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	505,62,992	Nil	Nil	505,62,992
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	505,62,992	Nil	Nil	505,62,992
Change in Indebtedness during the financial year				
- Addition	54,58,136	Nil	Nil	54,58,136
- Reduction	(2,04,09,723)	Nil	Nil	(2,04,09,723)
Net Change	(1,49,51,587)	Nil	Nil	(1,49,51,587)
Indebtedness at the end of the financial year				
i) Principal Amount	3,56,11,405	Nil	Nil	3,56,11,405
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	3,56,11,405	Nil	Nil	3,56,11,405

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manag**

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Amount (in Rs.)
		Jayant P. Soni	Dhaval J. Soni	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	24,00,000	24,00,000	48,00,000
	(b) Value of perquisites u/s 17 (2) of Income -Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary u/s 17(3) of Income - Tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	24,00,000	24,00,000	48,00,000

B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors			Amount (in Rs.)
		Mohib N. Khericha	Mohan M Jayakar	Dr. Vishnu J Acharya	
1	Independent Directors				
	Fees for attending board committee meetings	1,66,750	1,63,000	1,66,750	496,500
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	166,750	1,63,000	1,66,750	496,500
2	Other Non-Executive Directors	Nil	Nil	Nil	Nil
	Fees for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	166,750	1,63,000	1,66,750	496,500

- A.** Remuneration to Key Managerial Personnel other than Managing Director / Manager / Whole-time Director – The Company does not have any other Key Managerial Personnel other than mentioned above. Hence no information is provided.

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Annexure IV-A

SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)

I) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTER'S									
(1). INDIAN									
(a). individual	2,671,990	-	2,671,990	55.66%	2,461,990	-	2,461,990	51.28%	-4.37%
(b). Central Govt.									
(c) State Govt(s).									
(d). Bodies Corp.	125,000	-	125,000	2.60%	125,000	-	125,000	2.60%	0.00%
(e). FIINS / BANKS.									
(f). Any Other									
Sub-total (A) (1):-	2,796,990	-	2,796,990	58.26%	2,586,990	-	2,586,990	53.89%	-4.37%
(2). FOREIGN									
(a). Individual NRI / For Ind									
(b). Other Individual									
(c). Bodies Corporates									
(d). Banks / FI									
(e). Any Other Specify									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) =	-	-	-	0.00%	-	-	-	0.00%	0.00%
(A)(1)+(A)(2)	2,796,990	-	2,796,990	58.26%	2,586,990	-	2,586,990	53.89%	-4.37%
(B) (1). PUBLIC SHAREHOLDING									
(a). Mutual Funds		5,000	5,000	0.10%		5,000	5,000	0.10%	0.00%
(b). Banks / FI									
(c). Central Govt.									
(d). State Govt.									
(e). Venture Capital Funds	12,000		12,000	0.25%					-0.25%
(f). Insurance Companies									
(g). FIs		1,300	1,300	0.03%	15,411	1,300	16,711	0.35%	0.32%
(h). Foreign Venture Capital Funds									
(i). Others (specify)									
Sub-total (B)(1):-	12,000	6,300	18,300	0.38%	15,411	6,300	21,711	0.45%	0.07%
2. Non-Institutions									
(a). BODIES CORP. - Indian	56,287	11,900	68,187	1.42%	46,811	11,900	58,711	1.22%	-0.20%
(b). Individuals									
(i) Individual shareholders holding nominal share capital	700,833	324,151	1,024,984	21.35%	695,867	321,551	1,017,418	21.19%	-0.16%
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	727,913	-	727,913	15.16%	996,761	-	996,761	20.76%	5.60%
(c). Other (specify)									
Non Resident Indians	44,200	90,000	134,200	2.80%	29,024	90,000	119,024	2.48%	-0.32%
Overseas Corporate Bodies	22,400		22,400	0.47%					-0.47%
Foreign Nationals									
Clearing Members	7,826		7,826	0.16%	185		185	0.00%	-0.16%
Trusts									
Foreign Boodies - D R									
Sub-total (B)(2):-	1,559,459	426,051	1,985,510	41.36%	1,768,648	423,451	2,192,099	45.66%	4.30%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1,571,459	432,351	2,003,810	41.74%	1,784,059	429,751	2,213,810	46.11%	4.37%
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	4,368,449	432,351	4,800,800	100.00%	4,371,049	429,751	4,800,800	100.00%	0.00%

Annexure IV-B**(i) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2015			Shareholding at the end of the year 31/03/2016			% Change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Piri Systems Pvt. Ltd.	125,000	2.60%		125,000	2.60%		0.00%
2	Dhaval J. Soni	531,400	11.07%		531,400	11.07%		0.00%
3	Jayant P. Soni	922,247	19.21%		922,247	19.21%		0.00%
4	Vimal J. Soni	654,277	13.63%		444,277	9.25%		-4.37%
5	Tara Jayant Soni	527,395	10.99%		527,395	10.99%		0.00%
6	Anju D. Soni	16,300	0.34%		16,300	0.34%		0.00%
7	Kruti Harshvardhan Suthar	5,971	0.12%		5,971	0.12%		0.00%
8	Pullin D. Soni	8,400	0.17%		8,400	0.17%		0.00%
9	Jenita D. Soni	6,000	0.12%		6,000	0.12%		0.00%

(ii) Change in promoters' Shareholding (please specify, if there is no change)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2015			Shareholding at the end of the year 31/03/2016			% of total Shares of the Company
		No. of Shares at the beginning 01-04-2015	% of total Shares of the company	Date	Increasing / Decrease in Shareholding	Reason	No. of Shares	
1	Vimal Jayant Soni	654,277	13.63%	01-04-15				
				15-01-16	-210,000	Transfer	444,277	9.25%
	-Closing Balance			31-03-16			444,277	9.25%

(iii) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2015			Shareholding at the end of the year 31/03/2016			% of total Shares of the Company
		No. of Shares at the beginning 01-04-2015	% of total Shares of the company	Date	Increasing / Decrease in Shareholding	Reason	No. of Shares	
1	Mohan Motiram Jayakar	9,900	0.2062%	01-04-15				
	-Closing Balance			31-03-16			9,900	0.206%

Annexure IV-C

Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	No. of Shares at the beginning (01-04-2015) end of the year (31-03-2016)	% of total Shares of the Company	Date	Increase / Decrease in shareholding	Reason	No. of Shares	% of total Shares of the company
1	Ashok Parmanand Ajmera (HUF)	24,828	0.52%	01-04-15				
				15-05-15	1,000	Transfer	25,828	0.54%
				22-05-15	-1,000	Transfer	24,828	0.52%
				28-08-15	500	Transfer	25,328	0.53%
				23-10-15	108	Transfer	25,436	0.53%
				08-01-16	4,811	Transfer	30,247	0.63%
				15-01-16	1,526	Transfer	31,773	0.66%
				22-01-16	167	Transfer	31,940	0.67%
				19-02-16	5,353	Transfer	37,293	0.78%
	-Closing Balance			31-03-16			37,293	0.78%
2	Luthria Girish Ghanshamdas	42,300	0.88%	01-04-15				
	-Closing Balance			31-03-16			42,300	0.88%
3	Sanjay B. Shah	45,417	0.95%	01-04-15				
	-Closing Balance			31-03-16			45,417	0.95%
4	Raj Kumar Lohia	42,417	0.88%	01-04-15				
				24-07-15	7,552	Transfer	49,969	1.04%
				08-01-16	5,085	Transfer	55,054	1.15%
				19-02-16	6,572	Transfer	61,626	1.28%
	-Closing Balance			31-03-16			61,626	1.28%
5	Sudha Ashok Ajmera	71,076	1.48%	01-04-15	-		-	0.00%
				10-04-15	1,815	Transfer	72,891	1.52%
				31-07-15	954	Transfer	73,845	1.54%
				07-08-15	46	Transfer	73,891	1.54%
	-Closing Balance			31-03-16			73,891	1.54%
6	Ashok Parmanand Ajmera	48,314	1.01%	01-04-15				
				10-04-15	519	Transfer	48,833	1.02%
				31-07-15	1,000	Transfer	49,833	1.04%
				15-01-16	404	Transfer	50,237	1.05%
	-Closing Balance			31-03-16			50,237	1.05%
7	Rajesh Kumar Agrawal	109,166	2.27%	01-04-15				
				10-04-15	9	Transfer	109,175	2.27%
				17-04-15	729	Transfer	109,904	2.29%
				08-05-15	1,219	Transfer	111,123	2.31%
				05-06-15	1,242	Transfer	112,365	2.34%
				12-06-15	10	Transfer	112,375	2.34%
				19-06-15	1,327	Transfer	113,702	2.37%
				03-07-15	915	Transfer	114,617	2.39%
				10-07-15	17	Transfer	114,634	2.39%
				24-07-15	(434)	Transfer	114,200	2.38%
				07-08-15	1	Transfer	114,201	2.38%
				04-09-15	1	Transfer	114,202	2.38%
				09-10-15	35	Transfer	114,237	2.38%

Annexure IV-C

Shareholding Pattern of top shareholders (other than Directors, Promoters and Holders and ADRs):

Sr. No.	Name	No. of Shares at the beginning (01-04-2015) end of the year (31-03-2016)	% of total Shares of the Company	Date	Increase / Decrease in shareholding	Reason	No. of Shares	% of total Shares of the company
				20-11-15	4,457	Transfer	118,694	2.47%
				04-12-15	11	Transfer	118,705	2.47%
				31-12-15	2,682	Transfer	121,387	2.53%
				08-01-16	-19,537	Transfer	101,850	2.12%
				15-01-16	-2,757	Transfer	99,093	2.06%
				22-01-16	-2,093	Transfer	97,000	2.02%
				26-02-16	601	Transfer	97,601	2.03%
				11-03-16	2	Transfer	97,603	2.03%
	-Closing Balance			31-03-16			97,603	2.03%
8	Javed S. Saiyed	32,412	0.68%	01-04-15				
				17-04-15	2,711	Transfer	35,123	0.73%
	-Closing Balance			31-03-16			35,123	0.73%
9	Haresh Chamanlal Soni	39,983	0.83%	01-04-15				
				08-05-15	-60	Transfer	39,923	0.83%
				15-05-15	-1	Transfer	39,922	0.83%
				19-06-15	-423	Transfer	39,499	0.82%
				03-07-15	-1,499	Transfer	38,000	0.79%
				08-01-16	-1,500	Transfer	36,500	0.76%
				29-01-16	-227	Transfer	36,273	0.76%
				25-03-16	-773	Transfer	35,500	0.74%
	-Closing Balance			31-03-16			35,500	0.74%
10	Dimple Amar Parikh	209,000	4.35%	22-01-16				
				19-02-16	21,000	Transfer	230,000	4.79%
	-Closing Balance			31-03-16			230,000	4.79%
11	Dheeraj Kumar Lohia	40,790	85.00%	01-04-15				
				08-01-16	10,871	Transfer	51,661	1.08%
				15-01-16	362	Transfer	52,023	1.08%
				22-01-16	5,575	Transfer	57,598	1.20%
				29-01-16	1	Transfer	57,599	1.20%
				05-02-16	847	Transfer	58,446	1.22%
				12-02-16	2,221	Transfer	60,667	1.26%
				19-02-16	30,052	Transfer	90,719	1.89%
				04-03-16	952	Transfer	91,671	1.91%
				11-03-16	5,000	Transfer	96,671	2.01%
				25-03-16	5,570	Transfer	102,241	2.13%
	-Closing Balance			31-03-16			102,241	2.13%
12	Bainabi Pramanik	34,112	0.71%	01-04-15				
	-Closing Balance			31-03-16			34,112	0.71%

Annexure V**FORM NO. AOC -2 – Disclosure of particulars of contracts / agreements with Related parties (Pursuant to clause (h) of sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sr.No.	Particulars	Details
a)	Name (s) of the related party and nature of relationship	Piri Systems Pvt. Ltd.
b)	Nature of contracts/arrangements/transaction	Leave and License agreement for use of office premises
c)	Duration of the contracts/arrangements/transaction	1 st March 2009 to 28 th February, 2019
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Monthly lease rentals of Rs. 21,000
e)	Justification for entering into such contracts or arrangements or transaction's	Business purpose
f)	Date of approval by the Board	21st January, 2009
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188	30 th September, 2009

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sr.No.	Particulars	Details
a)	Name (s) of the related party and nature of relationship	Corvi LED Pvt. Ltd.
b)	Nature of contracts/arrangements/transaction	Sale of Intellectual Property Rights
c)	Duration of the contracts/arrangements/transaction	Permanent Transfer of Intellectual Property Rights
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of Intellectual property Rights which includes various trademarks and design registered/ pending registration in / outside India relating to brand "Corvi", together with domain name www.corvi.com for consideration of Rs. 300 Lacs.
e)	Date of approval by the members (via postal ballot)	18 th February, 2016
f)	Amount paid as advances, if any	Nil

Annexure VI**FORM NO. - MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016,**

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

To
The Members
PHOTOQUIP INDIA LTD.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **PHOTOQUIP INDIA LTD. (hereinafter called “the Company”)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns are filed and other records are maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have scrutinized the books, papers, minute books, forms and returns filed and other records maintained by “the Company” for the financial year ended on **31st March, 2016**, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (,SEBI Act):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer

- Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; 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) Other laws applicable specifically to the Company:
- a) Income Tax Act, 1961
 - b) Service Tax Act, 1994
 - c) Customs Act, 1962
 - d) Central Excise Act, 1944
 - e) The Indian Stamp Act, 1889
 - f) The Industrial and Labour Laws consisting of
 - i. Factories Act, 1948
 - ii. Contract Labour (Regulation and Abolition) Act, 1970
 - iii. The Minimum Wages Act, 1948
 - iv. The Payment of Wages Act, 1936
 - v. Payment of Gratuity Act, 1972
 - vi. Equal Remuneration Act, 1976
 - vii. The Maternity Benefit Act, 1961
 - viii. Sale of Goods Act, 1930
 - ix. The Employees' Provident Fund And Miscellaneous Provisions Act, 1952
 - x. Shop and Establishment Act, as applicable
 - xi. The Payment of Bonus Act, 1965, and rules made thereunder
 - xii. Employees' State Insurance Act, 1948, and rules made thereunder
 - xiii. Hazardous Wastes (Management, Handling & Transboundary Movement) Rules, 2008.
 - xiv. Sexual Harassment of Women at work place (Prevention and Redressal) Act, 2013

We have also reviewed the compliances with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and Ahmedabad Stock Exchange.

During the period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. As per the explanation given and on basis of examinations of records produced by the management, it was observed that Company has made efforts in getting the appointment of suitable candidate for the post of whole time Company Secretary in employment with the company as required under provisions of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and a qualified Company Secretary as their Compliance officer as required under Chapter III of Regulation 6(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The Wholetime Director of the Company, Dhaval Jayant Soni, performs the activities as the Chief Financial Officer of the Company. However, he is not appointed a Chief Financial Officer as required under provisions of Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

We further report that, the Board of Directors of the Company is duly constituted, maintaining proper balance of Executive Directors, Non-Executive Directors and Independent Directors except to the extent as specified above. There were no changes in the composition of Board of Directors of the Company during the audit period.

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.

We 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.

We further report that to the best of our knowledge and belief, no other events having a major bearing on the company's affairs have been occurred during the audit period in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above).

Kala Agarwal

Practising Company Secretary

COP No.: 5356

Place: Mumbai

Date: 30th May, 2016

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

‘ANNEXURE A’

To
The Members
PHOTOQUIP INDIA LTD.

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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.

Kala Agarwal
Practising Company Secretary
COP No.: 5356

Place: Mumbai
Date: 30th May, 2016

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Photoquip India Ltd.

We have examined the compliance of conditions of Corporate Governance by Mis. Photoquip India Ltd. for the year ended 31st March, 2016, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 of the said Company with the Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us and the representation by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 pursuant to the Listing Agreement of the said Company with Mumbai and Ahmedabad Stock Exchanges.

We state that such compliance is neither an assurance to the future viability of the Company nor the efficiency and effectiveness with which the management has conducted the affairs of the company.

Kala Agarwal
Practising Company Secretary
COP No.: 5356

Place: Mumbai
Date: 30th May, 2016

CEO/CFO CERTIFICATION AS PER REGULATION 17(8) OF THE SECURITIES EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Board of Directors
Photoquip India Ltd.

We have reviewed the financial statements and the cash flow statement of Photoquip India Ltd. for the year ended 31st March, 2016 and to the best of our knowledge and belief:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Jayant P. Soni
Chairman and Managing Director

Dhaval J. Soni
Whole-time Director

Place : Mumbai
Date : 30th May, 2016

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

As provided under Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31st March, 2016.

By Order of the Board

Jayant P. Soni
Chairman and Managing Director

Place : Mumbai
Date : 30th May, 2016

DECLARATION BY MANAGING DIRECTOR UNDER LISTING REGULATIONS

To
The Members
Photoquip India Ltd.

I hereby declare that all the Directors and the designated employees in the senior management of the Company have affirmed compliance with their respective codes for the financial year ended 31st March, 2016.

By Order of the Board

Jayant P. Soni
Chairman and Managing Director

Place : Mumbai
Date : 30th May, 2016

MAYANK SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS

706/708 – A, MAHAKANT
OPP. V. S. HOSPITAL, ELLISBRIDGE,
AHMEDABAD –380006.

INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF PHOTO QUIP INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **PHOTO QUIP INDIA LIMITED** (“the Company”), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, 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 Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. 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 these 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 financial statements based on our audit.

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

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

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

accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section(11) of Section 143 of the Companies Act, 2013, we give in the '**Annexure A**' a statement on the matters specified in paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid 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 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure B**'.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31st March, 2016 on its financial position in its financial statement – Refer Note 29 to the Financial Statements.

- ii. The Company did not have any pending long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company, during the year ended 31st March, 2016.

**For Mayank Shah & Associates
Chartered Accountants
Firm Registration No: 106109W**

**F.S. Shah
Partner
Membership No. 133589**

**Place: Mumbai
Date: 30th May, 2016**

Annexure 'A' to the Independent Auditors' Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" section of our report of even date)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets;
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory has been physically verified by the Management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For goods-in-transit at year end, relevant evidences have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause (iii) of paragraph 3 of the order are not applicable to the Company. However company had granted the interest free unsecured deposits for leased premises taken by Company of Rs. 68,71,156/- and advances of Rs. 12,61,618/- for Capital Assets to concern in which Directors are interested.
- (iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Sections 186 of the Act in respect of investments made or loans or guarantees or security provided to the parties covered under Section 186.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Sections 73 to 76 or any other relevant provision of the Act and the rules framed thereunder. Accordingly, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Companies Act, 2013 are not applicable to the Company for the year under audit.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Duty of

Customs, Duty of Excise, Value Added Tax, Cess, and any other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues were in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, details of dues towards Income Tax, Sales Tax which have not been deposited by the Company on account of disputes are as follows,

Statement of Disputed Dues

Name of the Statute	Nature of the Dues	Amount (in Rs)	Period to which amount relates	Forum where dispute is pending
Maharashtra Value Added Tax Act, 2002	Sales Tax	1,53,57,425	A.Y. 2013-14 to A.Y. 2016-17	Sales Tax Tribunal
Income Tax Act, 1961	Income Tax	26,70,921	A.Y. 2006-07	Income tax Appellate Tribunal
		43,12,490	Various Years	Assessing Officer

According to the information and explanations given to us, there are no dues of Service Tax, Excise Duty, Customs Duty, Value Added Tax and Cess which have not been deposited with the appropriate authorities on account of any dispute.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institution. The Company does not have any loans or borrowings from government and has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, the provisions of clause (ix) of paragraph 3 of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided for in accordance with the requisite approvals mandated by the provisions of the Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, the provisions of Clauses (xii) of paragraph 3 of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial

statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transaction with the Directors or Persons connected with its Directors and covered under Section 192 of the Act. Accordingly, the provisions of Clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause (xvi) of paragraph 3 of the Order are not applicable to the Company.

For Mayank Shah & Associates
Chartered Accountants
Firm Registration No: 106109W

F. S. Shah
Partner
Membership No. 133589

Place : Mumbai
Date : 30th May, 2016

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **PHOTOQUIP INDIA LIMITED** ('the Company') as of March 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the '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.

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 prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For MayankShah & Associates
Chartered Accountants
Firm Registration No: 106109W

F.S. Shah
Partner
Membership No. 133589

Place : Mumbai
Date : 30th May, 2016

PHOTOQUIP INDIA LIMITED
BALANCE SHEET AS AT 31st MARCH, 2016

Amount (in Rs.)

PARTICULARS	NOTES	As at 31 st March,2016	As at 31 st March,2015
EQUITY AND LIABILITIES			
1 Shareholder's funds			
Share Capital	2	48,008,000	48,008,000
Reserves & Surplus	3	180,510,255	215,739,412
		228,518,255	263,747,412
2 Non-current liabilities			
Long term Borrowings	4	15,205,219	30,059,720
		15,205,219	30,059,720
3 Current liabilities			
Short-term Borrowings	5	98,258,710	78,975,297
Trade Payables	6		
Due to Micro and Small Enterprises		-	-
Due to others		101,272,808	128,716,716
Other Current Liabilities	7	20,860,797	21,619,144
Short-term Provisions	8	11,670,043	11,774,910
		232,062,357	241,086,067
	TOTAL Rs.	475,785,831	534,893,198
ASSETS			
1 Non-current Assets			
Fixed Assets	9		
Tangible Assets		116,488,850	122,955,126
Intangible Assets		-	19,378,510
Capital Work in Progress		-	2,737,671
		116,488,850	145,071,307
Non-current Investments	10	286,300	286,300
Deferred Tax Assets (Net)	11	32,697,694	20,116,586
Long-term Loans and Advances	12	120,277,138	119,252,858
Other Non Current Assets	13	11,816,130	27,791,318
		165,077,262	167,447,061
2 Current Assets			
Inventories	14	72,634,434	101,577,120
Trade Receivables	15	49,489,621	26,924,810
Cash and Bank Balances	16	12,784,239	16,709,343
Short-term Loans and Advances	17	51,354,366	74,680,533
Other Current Assets	18	7,957,058	2,483,025
		194,219,718	222,374,830
	TOTAL Rs.	475,785,831	534,893,198
Significant Accounting Policies	1		
The notes are an integral part of the financial statements			

As per our report of even date attached
For **MAYANK SHAH & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Registration No. 106109W

F. S. SHAH
PARTNER
Membership No. 133589

Place : Mumbai
Date : 30th May, 2016

For AND ON BEHALF OF THE BOARD OF DIRECTORS

Jayant P. Soni
Chairman & Managing Director
DIN : 00249057

Dhaval J. Soni
Whole-time Director
DIN : 00751362

Place : Mumbai
Date : 30th May, 2016

PHOTOQUIP INDIA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

Amount (in Rs.)

PARTICULARS	NOTES	Year 2015-16	Year 2014-15
INCOME			
Revenue from Operations	19	603,400,767	1,011,418,421
Other Income	20	21,121,888	3,761,662
Total Revenue		624,522,655	1,015,180,084
EXPENDITURE			
Cost of Material Consumed	21	273,194,208	364,005,258
Purchase of Stock in Trade	22	215,221,999	505,773,169
Changes in Inventories	23	19,564,920	(26,528,182)
Employee Benefit Expenses	24	45,493,684	64,186,158
Finance Costs	25	19,403,679	20,131,250
Depreciation and Amortisation Expense	26	19,121,497	18,736,641
Other Expenses	27	84,410,198	128,884,308
Total Expenses		676,410,185	1,075,188,602
Profit/(Loss) Before Tax and Exceptional Items		(51,887,530)	(60,008,518)
Less : Exceptional Items	28	5,298,095	15,797,130
Profit/(Loss) Before Tax		(46,589,435)	(44,211,388)
Tax Expenses			
Current Tax		-	-
Deferred Tax		(12,581,109)	(16,820,314)
Tax in respect of Earlier Years		1,220,832	2,239,511
		(11,360,277)	(14,580,803)
Profit / (Loss) for the year		(35,229,158)	(29,630,586)
Basic & Diluted Earning per Share after tax & before Exceptional Items of face value of Rs. 10 each(in Rs.)		(8.44)	(9.46)
Basic & Diluted Earning per Share after tax & after Exceptional Items of face value of Rs. 10 each(in Rs.)		(7.34)	(6.17)
Significant Accounting Policies	1		
The notes are an integral part of the financial statements			

As per our report of even date attached
For **MAYANK SHAH & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Registration No. 106109W

F. S. SHAH
PARTNER
Membership No. 133589

Place : Mumbai
Date : 30th May, 2016

For AND ON BEHALF OF THE BOARD OF DIRECTORS

Jayant P. Soni
Chairman & Managing Director
DIN : 00249057

Dhaval J. Soni
Whole-time Director
DIN : 00751362

Place : Mumbai
Date : 30th May, 2016

PHOTOQUIP INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016

Amount (in Rs.)

PARTICULARS	Year 2015-16	Year 2014-15
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before Tax and after Exceptional Items	(46,589,435)	(44,211,388)
Adjustment for		
Depreciation and amortisation	19,121,497	18,736,641
Unrealised Foreign Exchange Loss / (Gain)	(1,404,367)	(6,777,523)
Finance Cost	19,403,679	20,131,250
(Profit)/Loss on Sale of Assets/Investment	154	351,124
Exceptional Items	(5,298,095)	(15,797,130)
Interest/Dividend received	(7,663,532)	(2,671,194)
Operating profit before Working Capital Changes	(22,430,099)	(30,238,220)
Adjustment for :		
(Increase) / Decrease in Trade Receivables	(21,160,444)	21,976,503
(Increase) / Decrease in Inventories	28,942,686	(22,512,320)
(Increase) / Decrease in Other Receivables	14,231,748	15,046,036
Increase / (Decrease) in Trade Payables & Other Current Liabilities	(28,871,357)	15,087,374
Cash generated from Operations	(29,287,467)	(640,627)
Direct Taxes Paid (Net of Refund)	559,512	373,309
Net Cash from Operating Activities (A)	(29,846,979)	(1,013,936)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(616,968)	(28,992,264)
Decrease/(Increase) in Capital Work in Progress	2,737,671	-
Sale of Fixed Assets	30,000,000	17,677,778
Interest/Dividend received	7,663,532	2,671,194
Net Cash used in Investing Activities (B)	39,784,235	(8,643,292)
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Long Term Borrowings	(14,951,587)	(11,226,870)
Increase / (Decrease) in Short Term Borrowings	19,283,414	30,142,746
Finance Cost	(19,403,679)	(20,131,250)
Net Cash received from Financing Activities (C)	(15,071,852)	(1,215,374)
NET INCREASE/(DECREASE) IN CASH & EQUIVALENTS	(5,134,596)	(10,872,602)
CASH & CASH EQUIVALENTS- OPENING BALANCE	10,741,693	21,614,295
CASH & CASH EQUIVALENTS- CLOSING BALANCE	5,607,097	10,741,693

As per our report of even date attached
For MAYANK SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 106109W

F. S. SHAH
PARTNER
 Membership No. 133589

Place : Mumbai
 Date : 30th May, 2016

For AND ON BEHALF OF THE BOARD OF DIRECTORS

Jayant P. Soni
 Chairman & Managing Director
 DIN : 00249057

Dhaval J. Soni
 Whole-time Director
 DIN : 00751362

Place : Mumbai
 Date : 30th May, 2016

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

COMPANY BACKGROUND

Photoquip India Ltd, is a public limited company listed at Bombay and Ahmedabad Stock Exchanges.

The company is engaged in manufacturing of Digital Studio Flash Lights and Photographic Accessories which is a 100% EOU and is an OEM for a company based in Switzerland. The Company also operates a trading division wherein it trades in similar products and has exclusive rights to market in India the products of the Swiss company.

1 . Significant Accounting Policies:**1 . 1 Basis of Preparation of Financial Statements****a) Basis of Accounting**

The financial statements of the Company have been prepared on an accrual basis under historical cost convention and in accordance with Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act 2013 ("the 2013 Act"), as applicable. The accounting policies adopted in the presentation of the financial statements are consistent with those followed in the previous year.

b) Use of Estimates

The preparation of the financial statements is in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

c) Current / Non Current Classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

1.2 Fixed Assets and Depreciation / Amortization**a) Tangible Fixed Assets**

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful life as specified in Schedule II.

Depreciation on tangible fixed assets of the Company is provided on straight line method on pro-rata basis at rates and in manner specified in Schedule II of the Companies Act, 2013.

b) Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Costs incurred on acquisition of intangible assets are capitalized and amortized on a straight-line basis over their technically assessed useful life, as mentioned below :

Intangible Assets	Estimated Useful Life (Years)
Trade Mark	5
Website	5

c) Capital Work-in-Progress

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

d) Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

1.3 Investments

Investments are classified into current and non-current investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at the lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

Non-current investments are stated at cost. A provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is recognised in the Statement of Profit and Loss.

1.4 Inventories

a) Raw materials, finished goods, stock-in-trade, and stores and spares are carried at the lower of cost and net realizable value after providing for obsolescence, if any. The comparison of cost and net realizable value is made on an item-by-item basis.

b) In determining the cost of raw materials, stock-in-trade, stores and spares, First-in-First-Out (FIFO) method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

c) Cost of finished goods includes the cost of raw materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition.

1.5 Transactions in Foreign Currency:

a) Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

b) Measurement of foreign currency items at the Balance Sheet date:

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

c) Forward exchange contracts:

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

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

1.6 Revenue Recognition

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer, the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Sales are recognised net of trade discounts, rebates, sales taxes and excise duties (on goods manufactured and outsourced).

Export Incentives are recognised when the right to receive credit as per the terms of Incentives is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Dividend Income is recognised when the right to receive dividend is established.

Interest income is recognised on the time proportion basis.

Other incomes are accounted on accrual basis.

1.7 Employee Benefits**a) Short Term Employee Benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, short term compensated absences, ex-gratia, etc. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

b) Post Employment Benefit**Defined Contribution Plans:**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Employee Provident Fund to Government administered Provident Fund scheme and Employees' State Insurance Corporation (ESIC) which are a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans:

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the Balance Sheet date.

The Company recognizes all actuarial gains and losses arising from defined benefit plans immediately in the Statement of Profit and Loss. All expenses related to defined benefit plans are recognized in employee benefits expense in the Statement of Profit and Loss. The Company recognizes gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

The Company has funded its gratuity liability with Life Insurance Corporation of India (LIC) under the Employees Group Gratuity and Ass. Scheme.

Termination Benefits:

Termination Benefits are charged to the Statement of Profit and Loss in the year of accrual.

Compensated Absences:

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

1.8 Borrowing Cost

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, upto the date when the assets are ready for their intended use. All other borrowing costs are expensed in the period they occur.

1.9 Provisions and Contingencies

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

A contingent liability exists when there is a possible but not probable obligation or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

1.10 Taxes on Income

Income tax expenses comprise current and deferred taxes. Current tax is determined on income for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws and after considering credit for Minimum Alternate Tax (MAT) available under the said Act. MAT paid in accordance with the tax laws which gives future economic benefits in the form of adjustments to future tax liability, is considered as an asset if there is convincing evidence that the future economic benefit associated with it will flow to the Company resulting in payment of normal income tax.

Deferred tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversing in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and the

tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets are recognised for timing differences other than unabsorbed depreciation and carry forward losses only to the extent that there is a reasonable certainty that there will be sufficient future taxable income to realise the assets. Deferred tax asset pertaining to unabsorbed depreciation and carry forward of losses are recognised only to the extent there is a virtual certainty of its realisation.

1.11 Segment Accounting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company's primary segment is identified as business segment based on nature of products, risks, returns and the internal business reporting system and secondary segment is identified based on the geographical location of the customers.

1.12 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

1.13 Research and Development Expenditure

Expenditure on Research and Development of revenue nature incurred by the Company are charged to Profit and Loss Account, while those of capital nature are treated as Fixed Assets.

1.14 Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amount 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.

1.15 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

PHOTOQUIP INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH 2016

Amount (In Rs.)

PARTICULARS		As at 31 st March 2016	As at 31 st March 2015		
2	Share Capital				
	Authorized: 15,000,000 (P. Y. 15,000,000) Equity Shares of Rs.10/- each	150,000,000	150,000,000		
	TOTAL Rs.	150,000,000	150,000,000		
	Issued, Subscribed & Fully Paid-up: 4,800,800 (P. Y. 4,800,800) Equity Shares of Rs. 10/- each	48,008,000	48,008,000		
	TOTAL Rs.	48,008,000	48,008,000		
2.1	Reconciliation of the number of shares				
	PARTICULARS	As at 31st March, 2016	As at 31st March, 2015		
		No. of Shares	No. of Shares		
	Equity Shares				
	At the beginning of the period	4,800,800	4,800,800		
	Issued during the period	-	-		
	Outstanding at the end of the period	4,800,800	4,800,800		
2.2	Rights, preferences and restrictions attached to Equity shares				
	The company has one class of Equity shares having a par value of Rs. 10 per share. Each share holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.				
2.3	Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company @:				
	Name of Shareholder	As at 31st March, 2016		As at 31st March, 2015	
		No. of Shares	% held	No. of Shares	% held
	Equity Shares				
	Jayant Purshottam Soni	922,247	19.21%	922,247	19.21%
	Dhaval Jayant Soni	531,400	11.07%	531,400	11.07%
	Tara Jayant Soni	527,395	10.99%	527,395	10.99%
	Vimal Jayant Soni	444,277	9.25%	654,277	13.63%
	@As per the records of the company, including its register of members.				

PHOTOQUIP INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2016

Amount (In Rs.)

PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
3	Reserves & Surplus		
a)	Capital Reserves At the commencement and at the end of the year	23,000,000	23,000,000
b)	General Reserves At the commencement and at the end of the year	13,395,462	13,395,462
c)	Surplus in the Statement of Profit and Loss At the commencement of the year	179,343,950	209,674,081
	Add / (Less) : Surplus / (deficit) during the year	(35,229,158)	(29,630,586)
	Add / (Less) : Adjustment for Depreciation (Refer Note 3.1)	-	(699,546)
	At the end of the year	144,114,793	179,343,950
	TOTAL Rs.	180,510,255	215,739,412

- 3.1 In the previous year, the Company had adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act 2013. Accordingly, depreciation of Rs. 6.99 lakhs net of deferred tax of Rs. 3.13 Lakhs on account of assets whose useful life had already exhausted on 1st April, 2014, has been adjusted against Profit & Loss Account.

PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
4	Long-term borrowings		
a)	Secured Loan		
	Term Loans		
	From Banks	15,205,219	30,059,720
	TOTAL Rs.	15,205,219	30,059,720

Current Maturities of Long Term Borrowings *20,406,186 *20,503,272

*Amount disclosed under other current liabilities (Refer Note 7)

4.1 Nature of Security and terms of repayment for Long Term secured borrowings

- 4.1.1 Term Loan of Rs. 335.12 Lacs (P.Y. Rs. 474.53 Lac) is primarily secured by way of Equitable Mortgage of Property situated at C.S No.10/116, Salt Pan Division, Antop Hill, Mumbai, and further secured by Personal Guarantees of Promoter Directors of company repayable in 60 Monthly Installments starting from April, 2013. Last Installment due in March, 2018. Rate of Interest 13.5% p.a. (Previous Year 13.5% p.a.) at year end.
- 4.1.2 Term Loan of Rs. 5.99 Lacs (P.Y. Rs. 12.98 Lacs) is secured by Hypothecation of the specific Vehicle of the Company repayable in 36 Monthly Installments starting from April, 2014. Last Installment due in March, 2017. Rate of Interest 10.5% p.a. at year end.
- 4.1.3 Term Loan of Rs. 15.00 Lacs (P.Y. Rs. 18.10 Lacs) is secured by Hypothecation of the specific Vehicle of the Company repayable in 60 Monthly Installments starting from April, 2015. Last Installment due in February, 2020. Rate of Interest 10.50% p.a.
- 4.2 Installments falling due in respect of all the above Loans up to 31st March, 2017 have been grouped under "Current maturities of long-term debt".
- 4.3 The Company has not defaulted in the repayment of loans and interest in current and previous year.

PHOTOQUIP INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH 2016

Amount (In Rs.)

PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
5	Short-term Borrowings		
	Secured		
	Cash Credit Facility	98,258,710	78,975,297
	TOTAL RS.	98,258,710	78,975,297

- 5.1 Cash Credit facility is primarily secured by stock and book debts, present and future and further collaterally secured by sole charge on Gala Nos C-23 and A-33 located at Royal Industrial Estate, Naigaon Cross Road, Wadala, Mumbai and property situated at 10/116, Salt Pan Division, Antop Hill, Mumbai. It is further collaterally secured by Personal Guarantees of Promoters Directors and secured by lien marked Fixed Deposit of Rs. 60,00,000 & interest accrued thereon.

PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
6	Trade Payable		
	Due to Micro and Small Enterprises (Refer Note 39)	-	-
	Due to others (Refer Note 6.1)	101,272,808	128,716,716
	TOTAL Rs.	101,272,808	128,716,716

- 6.1 Trade Payables include Rs. 32,61,002/- (P.Y. 57,16,580/-) to related parties (Refer Note 33)

PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
7	Other Current Liabilities		
	Current Maturities of Long Term Debt (Refer Note 4)	20,406,186	20,503,272
	Statutory Liabilities (Note 7.1)	454,611	1,115,872
	TOTAL Rs.	20,860,797	21,619,144

- 7.1 Statutory liabilities represent amounts payable towards TDS, Service Tax etc.

PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
8	Short-term Provisions		
	Provision for Employee Benefits (Refer Note 32)	8,932,688	10,726,444
	Provision for Taxes (Net of Advance Tax & TDS)	2,737,354	1,048,466
	TOTAL Rs.	11,670,043	11,774,910

PHOTOQUIP INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

Description	Gross Block				Depreciation / Amortisation				Net Block	
	As at 1st April, 2015	Additions during the Year	Deductions during the Year	As at 31st March, 2016	As at 1st April, 2015	Retained Earnings	During the Year	Deduction / Adjustment	As at 31st March, 2016	As at 31st March, 2015
		Year	Year		2015		Year			
Tangible Assets										
Land	45,039,530	-	-	45,039,530	-	-	-	-	45,039,530	45,039,530
Office Building	9,298,321	-	-	9,298,321	52,405	-	350,610	-	8,895,306	9,245,916
Factory Building	23,218,982	-	-	23,218,982	5,199,669	-	724,572	-	17,294,741	18,019,313
Machinery	4,314,360	-	-	4,314,360	1,931,318	-	256,813	-	2,188,131	2,383,042
Lab Tools/Equipment	492,272	-	-	492,272	450,363	-	17,295	-	467,658	41,909
Dies & Moulds	67,292,981	271,606	-	67,564,587	32,583,375	-	2,430,378	-	35,013,753	34,709,606
Electrical Fittings	760,365	-	-	760,365	522,412	-	78,035	-	600,447	237,953
Office Equipment	2,817,718	131,796	-	2,949,514	2,245,389	-	304,359	-	2,549,748	572,329
Air Conditioner	1,656,767	-	-	1,656,767	831,838	-	85,458	-	917,296	824,929
Computers	10,725,021	213,566	-	10,938,587	9,159,450	-	428,783	-	9,588,233	1,565,571
Typewriter	8,000	-	8,000	-	7,846	-	-	7,846	-	154
Sign Board	933,671	-	-	933,671	813,134	-	73,853	-	886,987	46,684
Furniture & Fixtures	7,746,609	-	-	7,746,609	5,173,931	-	522,070	-	5,696,001	2,572,678
Motor Car	11,038,752	-	-	11,038,752	3,417,093	-	1,810,864	-	5,227,957	7,621,659
Total Tangible Assets	185,343,349	616,968	8,000	185,952,317	62,388,223	-	7,083,090	7,846	69,463,467	122,955,126
Intangible Assets										
Trade Mark	9,724,009	-	9,724,009	-	4,526,054	-	2,168,293	6,694,347	-	5,197,955
Web Site	19,310,378	-	19,310,378	-	5,129,823	-	3,171,938	8,301,761	-	14,180,555
Total Intangible Assets	29,034,387	-	29,034,387	-	9,655,877	-	5,340,231	14,996,108	-	19,378,510
Capital Work in Progress	-	-	-	-	-	-	-	-	-	2,737,671
Total Fixed Assets	214,377,736	616,968	29,042,387	185,952,317	72,044,100	-	12,423,321	15,003,954	69,463,467	145,071,307
Previous Year	192,690,852	26,581,553	4,894,669	214,377,736	61,656,164	1,012,368	12,038,465	2,662,897	71,051,732	131,361,648

9.1 Depreciation of Rs. Nil (31st March, 2015 - Rs. 10.12 Lakhs subject to deferred tax) on account of assets whose useful life was exhausted on 1st April, 2014 has been adjusted against Profit & Loss Account pursuant to adoption of estimated useful life assets as stipulated by Schedule II of the Companies Act, 2013.

PHOTOQUIP INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2016

Amount (In Rs.)

PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
10	Non-current Investments		
	Long Term Investment		
	Trade Investment(Unquoted)		
	4000 (P.Y. 4000) Equity Shares of Apna Sahakari Bank Ltd. of Rs. 25/- Each Fully Paid Up	100,000	100,000
	Total Of Trade Investments	100,000	100,000
	Other Non Current Investments (Quoted)		
	9000 (P.Y. 9000) Equity Shares of Chartered Capital Investment Ltd of Rs. 10/- Each Fully Paid Up	180,000	180,000
	175 (P.Y. 175) Equity Shares of NHPC Ltd. of Rs. 10/- Each Fully Paid Up	6,300	6,300
	Total Of Other Non-Current Investments	186,300	186,300
	TOTAL Rs.	286,300	286,300
	Aggregate of Quoted Investments:		
	At Book value	186,300	186,300
	At Market Price	382,218	387,783
	Aggregate of Unquoted Investments:	100,000	100,000

PARTICULARS		As at 31 st March 2016	As at 31 st March 2015
11	Deferred Tax Assets (Net)		
	Deferred Tax Liability		
	Difference between book depreciation and Tax depreciation	(1,261,550)	(10,606,943)
	Deferred Revenue Expenditure	-	(5,795,261)
	Deferred Tax Assets		
	Expenditure Covered by Section 43B of the Income Tax Act, 1961	668,878	1,529,507
	Carried Forward Loss/Unabsorbed Depreciation	44,290,366	34,989,282
	TOTAL Rs.	32,697,694	20,116,586

PARTICULARS		As at 31 st March 2016	As at 31 st March 2015
12	Long Term Loans and Advances		
	(Unsecured and considered Good)		
	Capital Advances	29,758,694	39,366,069
	Security Deposit	1,401,640	1,651,640
	Balance With Statutory Authorities (Refer Note 12.1)	79,226,531	67,836,875
	Staff Advances	257,500	765,500
	Inter corporate Loans	1,500,000	1,500,000
	Other Advances (Refer Note 12.2)	8,132,774	8,132,774
	TOTAL Rs.	120,277,138	119,252,858

12.1 Balance with Statutory Authorities includes balances with Sales Tax, Octroi etc.

12.2 Other advances include Rs. 8,132,774/- (P.Y. 8,132,774/-) to related parties (Refer Note 33)

PHOTOQUIP INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH 2016

Amount (In Rs.)

	PARTICULARS	As at 31 st March, 2016	As at 31 st March, 2015
13	Other Non-Current Assets (Unsecured and considered Good)		
	Deffered Revenue Expenditure	17,861,800	24,559,976
	Less : Transferred to Statement of Profit & Loss	6,698,176	6,698,176
	Less: Sold during the year	11,163,624	-
		-	17,861,800
	MAT Credit Entitlement	4,373,444	2,404,465
	Bank Deposits		
	-Maturing after 12 months from the reporting date*	7,442,686	7,525,053
	TOTAL Rs.	11,816,130	27,791,318

* Held as security against Cash Credit facilities

	PARTICULARS	As at 31 st March, 2016	As at 31 st March, 2015
14	Inventories (Valued at the lower of cost and net realisable value)		
	Raw Materials	26,473,196	35,850,962
	Stock In Trade	46,161,238	65,726,158
	TOTAL Rs.	72,634,434	101,577,120

	PARTICULARS	As at 31 st March, 2016	As at 31 st March, 2015
15	Trade Receivables (Unsecured, considered good)		
	Trade receivables outstanding for a period exceeding Six months from the due date for payment	1,327,980	2,272,487
	Trade receivables outstanding for a period less than Six months from the due date for payment	48,161,641	24,652,323
	TOTAL Rs.	49,489,621	26,924,810

15.1 Trade Receivables are shown as net off advance received from customers in routine course of business.

15.2 Trade Receivables includes Rs. 22,589,995/- (P. Y. NIL) to related parties (Refer Note 33)

	PARTICULARS	As at 31 st March 2016	As at 31 st March 2015
16	Cash and Bank Balances Cash and Cash Equivalents		
	Cash on Hand	4,293,546	7,111,116
	Balance with Banks	1,313,551	3,630,577
		5,607,097	10,741,693
	Other Bank Balances		
	Term Deposits with original maturity of more than 3 months but less than 12 months	7,177,142	5,967,650
	TOTAL Rs.	12,784,239	16,709,343

PHOTOQUIP INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH 2016

Amount (In Rs.)

PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
21	Cost of Materials Consumed		
	Opening Stock	35,850,962	39,866,824
	Add. Purchases during the year	263,816,442	359,989,396
		299,667,404	399,856,220
	Less : Closing Stock	26,473,196	35,850,962
	TOTAL Rs.	273,194,208	364,005,258
21.1	Major Raw Material Consumed		
	Electronic Sub-assemblies	138,262,645	172,209,328
	Flash Tubes	24,052,379	25,949,796
	Flash Capacitors	-	36,279
	Other Electronic / Plastic Moulded Components	110,879,184	165,809,855
	TOTAL Rs.	273,194,208	364,005,258

21.2 Composition of Raw Material Consumed

Particulars	2015-16		2014-15	
	%	Amount	%	Amount
Imported	68.26	186,488,374	63.12	229,768,340
Indigenous	31.74	86,705,834	36.88	134,236,918
TOTAL Rs.	100.00	273,194,208	100.00	364,005,258

PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
22	Purchase of Stock In Trade		
	Purchase of Stock in Trade	215,221,999	505,773,169
	TOTAL Rs.	215,221,999	505,773,169
22.1	Details of Purchase of Stock In Trade		
	Digital Studio Flash Lights	147,536,473	137,873,702
	LED Lights	-	276,315,870
	Components & Photographic Accessories	67,685,526	91,583,597
	TOTAL Rs.	215,221,999	505,773,169

22.2 Composition of Purchase of Stock In Trade

Raw Material	2015-16		2014-15	
	%	Amount	%	Amount
Imported	18.61	40,062,029	7.56	38,252,452
Indigenous	81.39	175,159,970	92.44	467,520,717
TOTAL Rs.	100.00	215,221,999	100.00	505,773,169

PHOTOQUIP INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2016

Amount (In Rs.)

PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
23	Changes In Inventories Of Stock In Trade		
	Inventories at the end of the year	46,161,238	65,726,158
	Total (A)	46,161,238	65,726,158
	Inventories at the beginning of the year	65,726,158	39,197,976
	Total (B)	65,726,158	39,197,976
	Total (B) - (A)	19,564,920	(26,528,182)
PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
24	Employee Benefit Expenses		
	Salaries, Wages and Bonus	40,984,956	58,265,726
	Contribution to Provident and other funds (Refer Note 32)	3,746,606	4,950,637
	Staff Welfare Expenses	762,122	969,795
	TOTAL Rs.	45,493,684	64,186,158
PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
25	Finance Cost		
	Interest Expenses	18,114,495	17,388,586
	Other Borrowing Cost	1,289,184	2,742,664
	TOTAL Rs.	19,403,679	20,131,250
PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
26	Depreciation/Amortisation		
	Depreciation on Tangible Assets	7,083,090	7,058,104
	Amortisation of Intangible Assets	5,340,231	4,980,361
	Amortisation of Deferred Revenue Expenses	6,698,176	6,698,176
	TOTAL Rs.	19,121,497	18,736,641

PHOTOQUIP INDIA LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2016

Amount (In Rs.)

PARTICULARS		As at 31 st March, 2016	As at 31 st March, 2015
27	Other Expenses		
	Designing & Development	-	297,911
	Loading & Unloading	20,513	49,463
	Electricity	345,545	396,802
	Repair Maintaiance	975,652	2,732,420
	Legal & Professional Fees (Refer Note 27.1)	8,464,277	8,281,748
	Bad Debts	-	295,243
	Printing & Stationary	633,494	2,247,349
	Rent & Taxes	3,161,797	3,190,309
	Repair & Maintenance - Vehicles	767,146	811,354
	Insurance	1,975,414	2,594,991
	Telephone	1,132,444	1,571,166
	Travelling exps.	2,305,882	8,950,758
	Loss on Sale of Investment/Assests	154	351,124
	Research & Development Expenses	7,000	1,233,063
	Advertisement & Sales Promotion	49,848,107	56,290,612
	Freight Charges	2,451,359	11,594,554
	Packing Expenses	585,568	1,296,791
	Exhibition Expenses	6,141,372	15,406,740
	Other Expenses	5,594,474	11,291,910
	TOTAL Rs.	84,410,198	128,884,308
27.1	Includes Payment to Statutory Auditor's (inclusive of Service Tax) as below :		
	Particulars	2015-16	2014-15
	i) Audit Fees	275,000	308,990
	ii) Other Services	125,000	140,450
28	PARTICULARS	As at 31 March 2016	As at 31 March 2015
	Exceptional Items		
	Profit on sale of Intangible Asset (Refer Note 28.1)	5,298,095	-
	Profit on sale of Tangible Asset	-	15,797,130
	TOTAL Rs.	5,298,095	15,797,130

28.1 Exceptional items refers to profit from sale of Intellectual Property Rights related to the brand 'corvi' to Corvi LED Pvt. Ltd. The said sale was proposed by the Board of Directors in their meeting held on 28th December, 2015 and further approved by shareholders via postal ballot on 18th February, 2016.

29 Contingent Liabilities and Commitments (to the extent not provided for)

Sr. No.	Contingent Liabilities	2015-16	2014-15
A)	Disputed matters in appeals/contested in respect of: Income Tax Sales Tax	2,670,921 15,357,425	4,900,228 2,209,943
	Future cash outflows in respect of the above are determinable only on receipt of Judgments /decisions pending with various forums/authorities. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the additional demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.		
B)	Bonds/Undertakings given by the Company under Concessional duty/exemption to Customs/Excise Authorities(Net of redemption applied for)	25,000,000	25,000,000

30 During the year Company has sold its Intellectual Property Rights and Deferred Revenue Expenditure related to the brand 'corvi' to Corvi LED Pvt. Ltd. The said sale was proposed by the Board of Directors in their meeting held on 28th December, 2015 and further approved by shareholders via postal ballot on 18th February, 2016.

31 Foreign Currency Exposure

The company does not enter into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. Details of un-hedged foreign currency exposure as on 31st March, 2016 is as follows :

Particulars	Currency	Foreign Currency Value		Foreign Currency Value (In Rs.)	
		2015-16	2014-15	2015-16	2014-15
Debtors	CHF	335,083	497,610	23,148,279	31,861,466
Advance to Supplier of Goods	USD	301,540	365,832	20,008,043	22,897,718
Advance to Supplier of Goods	JPY	-	685,440	-	357,183
Creditors for Goods	CHF	5,210	31,543	359,918	2,019,667
Creditors for Goods	USD	170,215	169,503	36,766,069	10,609,328

32 Employees' Benefits**a) Defined Benefit Plan****Gratuity:**

The Company has a defined benefit Gratuity plan. Every employee who has completed Five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of qualifying insurance policy.

The following table sets out the funded status of the gratuity plan and the amounts recognised in the company's financial statements based on actuarial valuations being carried out as at 31st March 2016.

	31st March, 2016	31st March, 2015
Change in present value of obligations		
Present value of obligations as at beginning of year	6,131,153	4,898,759
Interest cost	490,492	391,901
Current Service Cost	359,928	307,337
Benefits Paid	(629,933)	-
Actuarial (Gain)/Loss on obligations	192,401	533,156
Present value of obligations as at end of year	6,544,041	6,131,153
Change in the fair value of plan assets		
Fair value of plan assets at beginning of year	736,343	652,237
Expected return on plan assets	22,327	59,053
Employers Contributions	25,060	25,053
Benefits paid	(629,933)	-
Actuarial (Gain)/Loss on plan assets	-	-
Fair value of plan assets at the end of year	153,796	736,343
Net Gratuity Cost		
Current Service cost	359,928	307,337
Interest Cost	490,492	391,901
Expected return on plan assets	(22,327)	(59,053)
Net Actuarial (Gain)/Loss recognised in the year	192,401	533,156
Net Gratuity Cost	1,020,494	1,173,341
Actual Return on Plan Assets		
Expected return on plan assets	22,326	59,053
Actuarial Gain/(Loss) on plan assets	-	-
Actual return on plan assets	22,326	59,053
Balance Sheet Reconciliation		
Net Liability/(Asset), beginning of the year	5,394,810	4,246,522
Gratuity Cost as above	1,020,494	1,173,341
Employers Contribution	25,060	(25,053)
Amount recognised in the Balance Sheet-Current	6,440,364	5,394,810
Category of Assets		
Insurer Managed Funds (100%)	153,796	736,343
Assumptions		
Discount Rate	8%	8%
Salary Escalation	5%	5%

The estimated future salary increases take account of inflation, seniority, promotion and other retirement factors such as supply and demand in the employment markets.

Amount recognised in current year and previous four years

Particulars	As at 31 st March				
	2016	2015	2014	2013	2012
Defined Benefit Obligation	6,544,041	6,131,153	4,898,759	4,265,154	3,570,654
Fair Value of Plan Assets	153,796	736,343	652,237	814,055	1,136,530
(Surplus)/ Deficit in the plan	6,440,364	5,394,810	4,246,522	3,451,099	2,434,124
Actuarial (Gain) / loss on plan obligation	192401	533,156	226,853	585,139	498,237
Actuarial (Gain) / loss on plan assets	-	-	-	-	-

The expected contributions for Defined Benefit Plan for the next financial year will be in line with F.Y. 2015-16

b) Defined Contribution Plan

The company has recognized the following amount in profit and loss account which is included under contribution to funds-

Particulars	31 st March 2016	31 st March 2015
Employer's Contribution to Provident Fund	2,268,943	3,524,119
Employer's Contribution to E.S.I.C.	150,116	162,697

33 Related Party Disclosure**a) I. Key Management Personnel and their relatives (KMP)**

1. Jayant P. Soni Chairman & Managing Director
2. Dhaval J. Soni Whole Time Director
3. Vimal J. Soni Whole Time Director (Resigned on 26th March, 2015)
4. Tara J. Soni Relative of Director
5. Pulin D. Soni Relative of Director
6. Anju D. Soni Non-Executive, Woman Director

II. Enterprise under significant influence of Key Management Personnel (Enterprise)

1. Piri Systems Pvt. Ltd.
2. Vijay Studio System
3. Photoquip
4. Corvi LED Pvt. Ltd.

b) Transactions with related parties

Related party disclosure	Relationship	31st March, 2016	31st March, 2015
Remuneration(Including Perquisites)			
Jayant P. Soni	KMP	2,400,000	2,400,000
Dhaval J. Soni	KMP	2,400,000	2,400,000
Vimal J. Soni	KMP	-	2,400,000
Tara Soni	KMP	840,000	840,000
Pulin Soni	KMP	840,055	840,055
Rent paid			
Piri Systems Pvt. Ltd.	Enterprise	252,000	252,000
Royalty Income			
Corvi LED Pvt. Ltd.	Enterprise	4,273,612	-
Sales of Assets			
Corvi LED Pvt. Ltd.	Enterprise	30,000,000	-
Amounts Payable			
Piri Systems Pvt. Ltd.	Enterprise	651,888	622,712
Pulin Soni	KMP	170,198	170,198
Tara Soni	KMP	929,000	657,840
Dhaval J. Soni	KMP	177,754	823,772
Jayant P. Soni	KMP	904,744	3,012,229
Vimal J. Soni	Relative of Director	427,418	429,829
Amounts Receivable			
Photoquip	Enterprise	3,535,774	3,535,774
Vijay Studio System	Enterprise	4,597,000	4,597,000
Corvi LED Pvt Ltd.	Enterprise	22,589,995	-

Note :-

(i) No amounts pertaining to related parties have been provided for as doubtful debts. Also no amounts have been written off or written back during the year.

34 Segment Reporting

The Company's primary segment is identified as business segment based on nature of products, risks, returns and the internal business reporting system and secondary segment is identified based on the geographical location of the customers as per Accounting Standard 17. The Company is principally engaged in a single business segment viz., "Digital Studio Lights and Photographic Accessories".

The geographical segment has been considered for disclosure as secondary segment.

Two secondary segments have been identified based on the geographical locations of customers i.e. Domestic and Export. Information about geographical segments are as below :

	31st March 2016	31st March, 2015
a) Sales and Operating Income:-		
Domestic Operation	259,372,397	560,728,845
External Operation	344,028,370	450,689,576
Total	603,400,767	1,011,418,421
b) Carrying Amount of Segment Assets		
Domestic Operation	419,529,547	463,665,664
External Operation	56,256,284	71,227,534
Total	475,785,831	534,893,198
c) Segment Capital Expenditure		
Domestic Operation	616,968	26,581,553
External Operation		
Total	616,968	26,581,553

- a) Revenue from external operations comprises of income from sale of products, and other operating revenues.
- b) Carrying amount of segment assets comprises of non-current assets and current assets identified to the respective segments. However segment assets in India also includes certain common assets used to generate revenue in both segments but not feasible of allocation.
- c) Capital expenditure during the year represents net additions to Tangible and Intangible assets and movement in Capital work in progress.

35 Earnings per Equity Share

Particulars	31st March 2016	31st March, 2015
Net (Loss) / Profit before Tax & after Exceptional items	(40,527,253)	(45,427,716)
Weighted average number of Equity Shares for Basic and diluted EPS	4,800,800	4,800,800
Basic and Diluted Earnings per Share	(8.44)	(9.46)
Net (Loss) / Profit after Tax & after Exceptional items	(35,229,158)	(29,630,586)
Weighted average number of Equity Shares for Basic and diluted EPS	4,800,800	4,800,800
Basic and Diluted Earnings per Share	(7.34)	(6.17)
Nominal Value per Share	10	10

36 Value Of Import CIF Basis	31st March, 2016	31st March, 2015
Imports	148,365,985	249,010,061

37 Earning In Foreign Currency	31st March, 2016	31st March, 2015
F.O.B. Value of Exports	344,028,370	450,689,576

38 Expenditure in Foreign Currency	31st March 2016	31st March, 2015
Travelling	1,262,041	6,683,293
Consultancy Charges	-	969,998

- 39 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2015-16, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act :

	Particulars	31 st March, 2016	31 st March, 2015
a	Principal and interest amount remaining unpaid	-	-
b	Interest due thereon remaining unpaid	-	-
c	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e	Interest accrued and remaining unpaid	-	-
f	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

40 Corporate Social Responsibility

Provisions of Sections 135 of the Companies Act, 2013, requires every Company having a net of Rupees 500 Crore or more, or turnover of Rupees 1000 crore or more or a net profit of Rupees 5 crore or more during any financial year shall spend at least 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR).

Company doesn't fall in any of the above criteria during current year, hence provisions of Section 135 of the Companies Act, 2013, is not applicable to Company.

A. Gross amount required to be spent by the Company during the year 2015-16 – Rs. NIL (Previous year – Rs. 2.65 Lacs)

B. Amount spent during the year on : Amount (in Lac Rs.)

Particulars	2015-16			2014-15		
	In Cash*	Yet to be paid in Cash	Total	In Cash*	Yet to be paid in Cash	Total
i) Construction / Acquisition of any Assets	-	-	-	-	-	-
ii) Purposes other than (i) above	-	-	-	-	2.65	2.65

*Represents actual outflow during the year.

41 Previous year's figures have been rearranged and reclassified wherever necessary.

Signature to Notes 1 to 41

As per our Report of even date attached

As per our report of even date attached
For **MAYANK SHAH & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Registration No. 106109W

F. S. SHAH
PARTNER
Membership No. 133589

For AND ON BEHALF OF THE BOARD OF DIRECTOR

Jayant P. Soni
Chairman & Managing Director
DIN : 00249057

Dhaval J. Soni
Whole-time Director
DIN : 00751362

Place : Mumbai
Date : 30th May, 2016

Place : Mumbai
Date : 30th May, 2016

PHOTOQUIP INDIA LIMITED

CIN NO. L74940MH1992PLC067864

A/33 Royal Industrial Estate, Naigaon Cross Road, Wadala, Mumbai 400 031

www.photoquip.com, info@photoquip.com, Tel No. 022-61474000

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

PROXY FORM

Name of the Company	Photoquip India Ltd.
Registered Address	A/33, Royal Industrial Estate, Naigaon Cross Road, Wadala, Mumbai - 400 031.

Name of the Member(s)		
Registered Address:		
E-mail Id	Folio No. / Client ID	DP ID

I/We, being the members(s) holding _____ shares of Photoquip India Ltd., hereby appoint

Name :	E-mail Id:
Address:	
Signature _____, or failing him	

Name :	E-mail Id:
Address:	
Signature _____, or failing him	

Name :	E-mail Id:
Address:	
Signature _____, or failing him	

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 24th AGM of the Company, to be held on the 17th September, 2016 at 9.30 am at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions as indicated below:

Sr. No.	Resolution(s)	Vote	
		For	Against
1.	Adoption of statement of Profit and Loss, Balance Sheet, report of Director and Auditors for the financial year ended 31 st March, 2016		
2.	Re-appointment of Dhaval Soni as Whole Time Director liable to retire by rotation		
3.	Appointment of Mayank Shah & Associates, Chartered Accountants, as Statutory Auditors and authorizing the Board to fix their remuneration		

Signed this _____ day of _____ 2016

Signature of Shareholder Signature of Proxy holder

Affix Revenue Stamp of appropriate Value

Note:

- 1) This form of proxy, in order to be effective, should be duly completed, stamped and signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the Company.

BOOK - POST

If undelivered please return to:

PHOTOQUIP[®] INDIA LTD.

Reg. Office: A-33 Royal Indl. Estate, Naigaon Cross Road, Wadala, Mumbai 400 031.