

PHOTO  QUIP INDIA LTD.

ANNUAL REPORT 2009 – 2010

BOARD OF DIRECTORS

JAYANT P. SONI – Chairman & Managing Director
DHAVAL J. SONI
VIMAL J. SONI
MOHIB N. KHERICHA
MOHAN M. JAYAKAR
DR. VISHNU J. ACHARYA

REGISTERED OFFICE

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

CORPORATE OFFICE

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

AUDITORS

M/s. MAYANK SHAH & ASSOCIATES
Chartered Accountants

BANKERS

BANK OF INDIA, Mumbai Overseas Branch
APNA SAHAKARI BANK LTD. Wadala Branch

SHARE TRANSFER AGENT

SHAREX DYNAMIC INDIA PVT. LTD.
17/B, Dena Bank Building
2nd Floor, Horniman Circle
Fort, Mumbai – 400 001

DEPOSITORY NO.

ISIN – INE 813B01016

NOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of PHOTOQUIP INDIA LIMITED. will be held at A-33 Royal Industrial Estate, Naigaon Cross Road, Wadala (E), Mumbai 400 031 on Saturday 18th September, 2010 at 10.30 a.m. to transact the following business.

ORDINARY BUSINESS

- 1) To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Mohan M. Jayakar, who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To appoint Auditors of the Company to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS BEHALF ON A POLL ONLY, A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
Proxy form in order to be effective, should be duly completed, stamped, signed and must be deposited at the Registered Office of the Company not less than forty-eight hours before the Commencement of the meeting.
- 2) The Register of Members and the Share Transfer Books of the Company will remain closed from 17th September, 2010 to 18th September, 2010 (both days inclusive).
- 3) Members / Proxies should bring the Attendance Slips duly completed for attending the Meeting.
- 4) Members should bring their copies of the Annual Report to the Annual General Meeting. No copies will be distributed at the Meeting as a measure of economy.

By Order of the Board of Directors

Jayant P. Soni
Chairman and Managing Director

Place : Mumbai
Date : 20th August, 2010

Registered Office:
A-33 Royal Industrial Estate
Naigaon Cross Road,
Wadala, Mumbai 400 031

DIRECTORS' REPORT

To,
The Members of
PHOTOQUIP INDIA LIMITED

Your Directors have pleasure in presenting the Eighteenth Annual Report of the Company and Audited Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS

	(Rs. In Lacs)	
	Year ended 31.03.2010	Year ended 31.03.2009
Turnover & Other Receipts	4,663.72	3,662.36
Profit before Interest, Depreciation & Tax	618.05	806.53
Less :		
Interest / Financial Charges	47.82	62.03
Depreciation	45.42	26.30
Deferred Development Exp written off	74.05	78.15
Preliminary Expenses written off	1.26	1.26
Profit before Tax	449.50	638.79
Provision for FBT	-	3.45
Deferred Tax Liability	4.63	14.57
Provision for Income Tax	2.10	-
Profit (Loss) after Tax	442.77	620.76

OPERATIONS

It gives us immense pleasure to share with you the continued growth achieved by your Company during the financial year under review.

	2009 – 10	2008 - 09
Sales / Other Receipts	4,663.73	3,662.36
Exports	3,340.67	2,790.50
Net Profits	442.77	620.76

DIVIDEND

Your Company is in the process of consolidating its financial position. With this view your Company has not declared dividend for the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO: [Information under Section 217 (1) (e)]

Information pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

a) Conservation 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.

- i) Energy Conversion measures taken in the recent past : No new energy conservation measures were undertaken during the year 2009-10.

- ii) Additional investment and proposal for reduction of energy consumption being implemented : NIL
- iii) Impact of measure (i) and (ii) above for reduction of energy consumption and consequent impact on the cost of production of goods : NIL

b) Technology Absorption

i) **Specific areas in which Research & Development carried out by the Company:**

The Company carries out R & D activities in the following areas:

Product / Process improvement and development.

Import Substitution of various components and sub-assemblies used in Cameras & Flash units and Photographic Labs.

Product support by way of indigenising tooling and design support for vendor development

The Company has an ongoing R & D:

Improvement in existing product range / progressive indigenisation of new flash lights and components & accessories.

Absorption and adoption of technology for manufacture of photographic flash.

ii) **Benefits derived as a result of R & D :**

Considerable benefits have been derived by the Company from its Research & Development activities primarily by way of improvement in quality and time saving.

c) Foreign Exchange Earnings and Outgo

	(Rs. In Lacs)	
	2009 – 10	2008 – 09
Foreign Exchange Earnings	3,340.67	2,790.50
Foreign Exchange Outgo	987.84	763.15

PARTICULARS OF EMPLOYEES

The Company has no employee under section 217(2A) of the Companies Act, 1956.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. Mohan M. Jayakar retires by rotation and being eligible offer himself for re-appointment. Your Directors recommend his re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of sub-section (2AA) of Section 217 of the Companies Act, 1956, your Directors confirm:

- a) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed alongwith proper explanations relating to material departures;
- b) that 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 as on 31st March, 2010 and of the profit of the Company for the year ended on that date;
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) that the Directors have prepared the annual accounts on a going concern basis.

SECRETARIAL AUDIT

As Directed by Security and Exchange Board of India (SEBI) secretarial audit is being carried out at the specific periodicity by a practicing Company Secretary. The findings of the secretarial audit were entirely satisfactory.

CORPORATE GOVERNANCE

The report on corporate governance and the certificate on compliance with the conditions of corporate governance under Clause 49 of the Listing Agreement is annexed to this report.

The Company is listed on Mumbai Stock Exchange (BSE) & on Ahmedabad Stock Exchange (ASE). The Company has paid listing fees to both the stock exchanges on time.

AUDITORS

The Statutory Auditors, M/s. Mayank Shah & Associates, Chartered Accountants, Ahmedabad, retire at the conclusion of the forthcoming Annual General Meeting. The Company has received the requisite certificate pursuant to Section 224 (1B) of the Companies Act, 1956, from them regarding their eligibility for re-appointment as the Auditors of the Company. The Board recommends their reappointment

COMPLIANCE WITH THE CODE OF CONDUCT

The Company has put in place a code of conduct for its Board of Directors and senior management personnel, Declarations of compliance with the code of conduct have been received from all Board members and senior management personnel. A certificate to this effect from Mr. Jayant P. Soni, Chairman & Managing Director forms part of this Report.

PERSONNEL

The Directors wish to place on record their sincere appreciation for the dedicated services of all employees of your Company.

APPRECIATION

The Directors wish to place on record their sincere appreciation of the contribution made by the employees at all levels and for their dedication and commitment to the Company throughout the year. The Directors would also like to record their thanks to the Company's Shareholders, bankers, customers. Suppliers and vendors for their valuable support and co-operation.

For and on behalf of the Board of Directors

Jayant P. Soni
Chairman and Managing Director

Place : Mumbai
Date : 20th August, 2010

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

I Jayant P. Soni, Chairman & Managing Director of the Company, hereby declare that the Company has adopted a code of conduct for its Board Members and senior management, at a meeting of the Board of Directors held on 29th September, 2005 and the Board Members and senior management have affirmed compliance with the Code of Conduct as applicable to them for the year ended 31st March, 2010.

For PHOTOQUIP INDIA LTD.

Jayant P. Soni
Chairman and Managing Director

Place : Mumbai
Date : 20th August, 2010

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

The Company is committed to good Corporate Governance and transparency in all its dealings and places due emphasis on business ethics, responsible conduct, integrity and accountability in the functioning of the Company and the conduct of its business internally and externally. The Company strives to achieve business excellence in increasing long term shareholder value, keeping in view the needs and interests of all its stakeholders.

2. BOARD OF DIRECTORS :

The Board of Directors of the Company comprises of 6 Directors. The Company has Executive Chairman and the number of independent Director is 50% of the total number of the Directors. The number of non executive Directors is 50% of the total number of Directors. None of the Directors on the Board is a Member on more than 10 committees and Chairman of more than 5 committees (as specified on Clause 49 of the Listing Agreement), across all the companies in which he is a Director. The necessary disclosure regarding committee positions have been made by all the Directors. The constitution of the Board is given below:

Name	Category / Designation	No. of outside Directorship and Committee membership / Chairmanship			
		Public Company	Private Company	Committee membership	Chairmanship
Mr. Jayant P.Soni	Chairman & Managing Director Promoter	Nil	Nil	Nil	Nil
Mr. Dhaval J.Soni	Whole time Director Promoter	Nil	Nil	Nil	Nil
Mr. Vimal J. Soni	Whole time Director Promoter	Nil	Nil	Nil	Nil
Mr. Mohib N.Khericha	Non Executive Independent Director	5	10	3	Nil
Mr. Mohan M.Jayakar	Non Executive Independent Director	3	2	Nil	Nil
Dr. Vishnu J.Acharya	Non Executive Independent Director	Nil	Nil	Nil	Nil

Five (5) Board Meetings were held during the financial year ended 31st March 2010 i.e. 29th April 2009, 30th July 2009, 31st August, 2009, 30th October, 2009, and 27th January 2010. The Company placed before the Board the annual operating plans, budgets and performance of various divisions from time to time. Information regarding recruitment of senior executives, show cause notices which are materially important, default if any, in financial obligations, details of joint ventures & collaborations, labour problems, signing of wage agreements, etc is also placed before the Board as and when the same takes place. The attendance of the Directors at the said Board Meetings and at the last Annual General Meeting is as under:

Director	No. of Meetings		Attendance at Last AGM
	Held	Attended	
Mr. Jayant P. Soni	5	5	Yes
Mr. Dhaval J. Soni	5	5	Yes
Mr. Vimal J. Soni	5	5	Yes
Mr. Mohib N. Khericha	5	5	Yes
Mr. Mohan M. Jayakar	5	5	No
Dr. Vishnu J. Acharya	5	5	Yes

3. **AUDIT COMMITTEE:**

Brief description of terms of reference

The terms of reference of the Audit Committee, as stipulated by the Board of Directors, in accordance with the items listed in Clause 49 II D of the Listing Agreement are as follows:

- (a) Overview of the Company's Financial Reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- (b) Reviewing with the Management, the quarterly, half yearly and annual financial statements before submission to the Board for approval, with particular reference to:
 - (i) Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same.
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by management.
 - (iv) Significant adjustments made in the financial statements arising out of audit findings.
 - (v) Compliance with listing and other legal requirements relating to financial statements.
 - (vi) Disclosure of any related party transactions.
 - (vii) Qualifications in the draft audit report.
- (c) Reviewing the adequacy of Internal Audit function.
- (d) Reviewing with the Management, performance of Statutory & Internal Auditors, the adequacy of internal control systems & procedures.
- (e) Discussing with the Internal Auditors, any significant finding & follow-up on such issue.
- (f) Reviewing the findings of any internal investigations by the Internal Auditors in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, and then reporting such matters to the Board.
- (g) Discussing with statutory auditors before the Audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern.
- (h) Reviewing/recommending the appointment, re-appointment & replacement or removal of internal & statutory auditors of the Company, fixation of remuneration/audit fees & also approval for payments for any other services rendered by them.
- (i) Reviewing substantial defaults in the payment to the depositors and shareholders (in case of non-payment of declared dividends) and creditors.
- (j) Reviewing the Management discussion and analysis of financial condition and results of operations.
- (k) Reviewing the Statement of significant related party transactions submitted by the management.
- (l) Reviewing the risk assessment and minimization procedures to ensure that executive management controls risk through means of a properly defined framework.

The Audit Committee has been granted powers as prescribed under clause 49II C of the listing agreement.

Composition of Audit Committee

The audit committee of the company has been constituted with three Directors, Viz.,

1. Shri Mohib N. Khericha - Chairman
2. Shri Mohan M. Jayakar
3. Shri Vishnu J. Acharya

The Committee met 4 times during the year on 28th April, 2009, 31st July, 2009, 31st October, 2009, 31st January, 2010 and the attendance of members of the committee was as follows:

Director	No. of Meetings	
	Held	Attended
Shri Mohib N. Khericha	4	4
Shri Mohan M. Jayakar	4	4
Shri Vishnu J. Acharya	4	4

4. REMUNERATION COMMITTEE :

A remuneration committee has been constituted as a sub-committee of Board on 30th April, 2009 & 30th October, 2009. The Remuneration committee of the company has been constituted with three Directors, Viz.

1. Shri Dhaval J. Soni, Chairman
2. Shri Mohib N. Khericha
3. Shri Mohan M. Jayakar

Non-executive directors have been paid Rs. **38,250/-** by way of sitting fees for attending Board Meetings or meeting of committee thereof. The Managing Director's remuneration will also be in conformity with the existing laws and regulations and approved by the shareholders.

5. SHAREHOLDERS / INVESTORS' GRIEVANCE COMMITTEE :

As a measure of good Corporate Governance and to focus on the shareholders' grievances, if any, and towards strengthening investor relations, an Investors' Grievance Committee has been constituted as a committee of the Board, on 30th April, 2009 to redress / minimize the grievances, if any, of shareholders / investors.

The functions of the committee include:

The specifically look into redressing investors' grievances pertaining to:

- a) Transfer of shares
- b) Dividends
- c) Dematerialization of shares
- d) Replacement of lost / stolen / mutilated Share Certificates
- e) Any other related issues

The committee comprises of the following Directors:

- a. Shri Mohib N. Khericha - Chairman
- b. Shri Dhaval J. Soni
- c. Shri Mohan M. Jayakar

During the year the Company received three Communications pertaining to non-receipt of shares sent for transfer, non –receipt of Shares sent for transfer and non- receipt of credit or document sent for de-mat. All the Communications were satisfactorily replied. There are no shares pending for transfer for a period of transfer for a period of more than 21 days from the day of receipt, so long as the documents are clear in all respects.

6. **GENERAL BODY MEETING :**

The location and time of the Annual General Meeting held during the last three years is as follows:

Date	Venue	Time
September 30, 2009	A-33 Royal Industrial Estate, Naigaon Cross Road, Wadala, Mumbai 400 031	10.30 A.M.
September 20, 2008	A-56 Royal Industrial Estate, Naigaon Cross Road, Wadala, Mumbai 400 031	10.30 A.M.
September 29, 2007	10/116, Vidyalkar College Road Antop Hill, Wadala (E) Mumbai 400 037	10.00 A.M.

7. **MANAGEMENT DISCUSSION AND ANALYSIS:**

The Company has Strong Research & Development base and uses Cutting-edge Technology in development of Digital Flash Lights, Photographic Labs and other products. The Company enjoys Global presence for its Digital Flash Lights.

The Company has opportunity in increasing presence in the global arena and penetrate unexplored local market for the company's products especially Digital Flash Lights.

Since, presently the Company operates in only one segment of Photographic & allied equipments, the management discussion analysis is not material and accordingly the report on the same is not attached with the Directors report.

8. **DISCLOSURES:**

- a. The independent directors do not have any material pecuniary relationship or transactions with the Company, its promoters, its management, their relatives or the Company's subsidiaries, which in the judgement of the Board affect the independence of judgement of the Directors or which may have a potential conflict with interests of the Company. The register of contracts containing the transactions in which the directors are interested is placed before the Board regularly. Transactions with related parties are disclosed in the schedules to the Annual Accounts in the Annual Report.
- b. The Company has continued to comply with the requirement of Stock Exchanges, SEBI and other statutory authorities on all matter relating to capital markets during the last three years; no penalties, strictures have been imposed on the Company either by SEBI or stock exchanges or other statutory authorities relating to above.
- c. The Company is reviewing the existing risk based control system. During the year, an analysis of the Company's risks covering strategic (business), operational, financial and legal & compliance risks, as perceived by the Management had been made and control procedures and systems for mitigating these risks have also been identified.

- d. The Company has established procedures to enable its Board to periodically review compliances of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances.
- e. The non-mandatory requirements of the Clause 49 of the listing agreement are neither necessary nor desirable and hence the Company does not consider the need to adopt them.

9. **MEANS OF COMMUNICATION:**

- a. The quarterly and half yearly results, published in the proforma prescribed by the Listing Agreement, are approved and taken on record by the Board of Directors of the company within one month of the close of the relevant quarter. The approved results are forthwith sent to the Stock Exchanges where the company's shares are listed. The results are also published within 48 hours in one English language and one Marathi language newspaper having wide circulation.
- b. The annual audited results are also communicated to the stock exchanges where the Company is listed, published in the newspapers.
- c. Presentation made to institutional Investors or to Analyst: No

General Information for Shareholders

- a) AGM - Date : 18th September, 2010
Time : 10.30 a.m.
Place : A-33, Royal Industrial Estate,
Naigaon Cross Road, Wadala (E)
Mumbai 400 031
- b) The financial year of the company is from 1st April 2009 to 31st March, 2010
- c) **Dates of Book Closure:** From 17th September, 2010 to 18th September, 2010 (In connection with the Annual General Meeting)
- d) The shares of the company are listed on Ahmedabad Stock Exchange and Mumbai Stock Exchange. The listing fees for the year 2009-10 have been paid to all the stock exchanges where the shares of the company are listed.
- e) **Stock Code:** Bombay Stock Exchange : **526588** and Ahmedabad Stock Exchange is **44881**.
- f) **De-mat ISIN Number for NSDL and CDSL : ISIN – INE 813B01016**
- g) **Market Price Data:** High, low during each month in last financial year i.e. 1st April 2009 to 31st March 2010 at Bombay Stock Exchange.

Month	Highest	Lowest Rate (Rs.)	Month Rate (Rs.)	Highest Rate (Rs.)	Lowest Rate (Rs.)
April, 2009	11.44	8.85	October, 2009	31.80	26.00
May, 2009	19.44	12.01	November, 2009	28.80	23.00
June, 2009	24.50	19.25	December, 2009	44.90	26.30
July, 2009	24.75	20.70	January, 2010	40.25	26.30
August, 2009	31.75	26.85	February, 2010	33.10	24.30
September, 2009	32.80	28.00	March, 2010	30.40	20.70

h) **Registrar and Transfer Agents for De-mat and Physical mode:** SHAREX DYNAMIC INDIA PVT. LTD., 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai 400 001.

i) **Shares Transfer System:** Transfers of shares are processed by the Share Transfer Agent and approved by the Share Transfer Committee called as "Investors' / Shareholders' Grievance Committee", which meets at frequent intervals. Share transfers are registered and returned within 15 days from the date of receipt, if the relevant documents are complete in all respects.

j) **Shareholders Holding More than 1% of the Share as at 31st March 2010**

Sr. No.	Name of the Holder	No. of Shares	% to Share Capital
1.	Jayant P. Soni	806750	16.805
2.	Dhaval J. Soni	422550	8.801
3.	Vimal J. Soni	432750	9.015
4.	Tara J. Soni	254114	5.293
5.	Shaheen Javed Saiyed	131870	2.747
6.	Sanjay B. Shah	100000	2.083
7.	Javed S. Saiyed	89943	1.874
8.	Sudha Ashok Ajmera	61124	1.273
9.	Hareesh Chamanlal Soni	61050	1.272
10.	Mahendra Chandulal Shah	49000	1.021
11.	Piri Systems Pvt. Ltd.	125000	2.604
12.	Sulaxmi Exports & Marketing P. Ltd.	50000	1.041
	Total Public [1% & Above]	2584151	53.829

k) **Distribution of Shareholding as on 31st March, 2010**

Distribution of Shareholding as on 31 st March, 2010	No. of Shares	No. of Shareholders	% of Shareholders to No. of shares
1 To 5000	7597310	4640	87.27
5001 To 10000	3127390	362	6.81
10001 To 20000	2526310	158	2.97
20001 To 30000	1295730	50	0.94
30001 To 40000	650870	18	0.34
40001 To 50000	970610	21	0.39
50001 To 100000	2579620	35	0.66
100001 & Above	29260160	33	0.62
Total	48008000	5317	100.00

Category of shareholders as on 31st March, 2010

Shareholding Pattern As At March 31, 2010

Sr. No.	Category	No. of Shares	Total Shares	% to Share Holding
A	Based in India (Promoter)			
i.	Indian Ind/HUF & Relatives	1956664		40.757
ii.	Persons acting in concert (also)	125000	2081664	2.604
B	Public Holding (Institutions)			
i.	Mutual Funds	5000		0.104
ii.	Venture Cap Fund	1000		0.021
iii.	Foreign Ven. Cap. Inv.	1300	7300	0.027
C	Non Institutions			
a.	Indian Corp Bodies / Trust / Partnership	312153		6.502
b.	Individual Holding			
i.	Upto Rs. 1/- lac	1578547		32.881
ii.	Above Rs. 1/- lac	676891	2567591	14.100
D.	Any Other Clearing Members	144245	144245	3.005
	TOTAL	4800800	4800800	100.00

- l) Dematerialization of shares and liquidity **89.99%** of the paid up capital has been dematerialized as on 31st March, 2010 & **10.01%** of the paid up capital is in physical form.
- m) The company has not issued any GDRs / ADRs

Address for correspondence:

Shareholders' correspondence should be addressed to: Photoquip India Ltd., A-33, Royal Industrial Estate, Naigaon Cross Road, Wadala, Mumbai 400 031.

Investors Relations:

All the Complaints received from shareholders have been cleared within the financial year. The Complaints are generally replied to within 10 days from their lodgment with the Company.

Declaration under Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct:

The Board of Directors of the Company has adopted the Code of Conduct for the Directors and senior Management Personnel have affirmed their compliance with the respective codes.

CEO CERTIFICATE:

We hereby certify that for the financial year ending 31st March, 2010 on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that :-

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2009-10 which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls. We have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee those deficiencies of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.
5. We further certify that :-
 - a) there have been no significant changes in internal control during this year.
 - b) there have been no significant changes in accounting policies during this year
 - c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control systems.

By Order of the Board of Directors

Place : Mumbai
Date : 20th August, 2010

Jayant P. Soni
Chairman & Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
PHOTOQUIP INDIA LTD.
Royal Industrial Estate,
Wadala, Mumbai

We have examined the compliance of conditions of corporate governance by Photoquip India Limited (the Company) for the year ended 31st March, 2010 as stipulated in clause 49 of the listing agreement of the Company with Stock exchanges.

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 compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned listing agreements.

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

For MAYANK SHAH & ASSOCIATES

Chartered Accountants
(Firm Regn.No. 106109W)

M. S. SHAH

Partner
Mem.No.44093
Place : Mumbai
Date : 20th August, 2010

AUDITORS REPORT

To,
The Members of
Photoquip India Ltd.

We have audited the attached Balance Sheet of **PHOTOQUIP INDIA LTD.** as at 31st March, 2010 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with Auditing Standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors' Report) Order, 2003 as amended by The Companies (Auditor's Report) Amendment Order, 2004 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
3. Further to our comments in the annexure referred to in paragraph 2 above, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 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 the books;
 - c. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account ;
 - d. In our opinion, the Balance Sheet , Profit & Loss Account and Cash Flow Statement dealt with by his report comply with the Accounting Standards referred to in Sub - section 3 [c] of section 211 of the Companies Act, 1956.
 - e. On the basis of written representations received from the Directors, and taken on record by Board of Directors, we report that none of the Directors, are disqualified as on 31st March, 2010 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the notes thereon give the information required by the Companies Act, 1956 in manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In case of Balance Sheet, of the state of affairs of the company as at 31st March, 2010
 - (ii) In case of the Profit and Loss Account, of the profit for the year ended on that date and
 - (iii) In case of Cash Flow Statement, of the cash flows for the period ended on that date.

**FOR MAYANK SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm Regn. No. 106109W)**

Place : Mumbai
Date : 20th August , 2010

M.S. Shah
Partner
Mem. No. 44093

ANNEXURE TO THE AUDITORS' REPORT
(Annexure referred to in paragraph 2 of our Auditors Report of even date on financial statements of Photoquip India Limited for the year ended 31/03/2010)

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

1.
 - a) The Company has maintained proper records showing full particulars including quantitative details.
 - b) According to the information and explanation given to us, the Company has formulated a regular program of verification by which all the assets of the company shall be verified in a phased manner, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. To the best of our knowledge, no material discrepancies were noticed on the verification conducted during the year as compared with the book records.
 - c) There was no disposal of a substantial part of fixed assets.
 2.
 - a) As explained to us, the inventory has been physically verified during the year by the Management. In our opinion the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management were reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
 3.
 - a) According to the information and explanation given to us, the company had not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act during the current year. However in the previous Financial Years the Company had granted the interest free unsecured deposits of Rs. 68,71,156/- and advances of Rs. 12,61,618/- for Capital Assets to concern in which Directors are interested.
 - b) The Company has not granted any loans to parties covered in the register maintained under Section 301 of the Companies Act, the clause of rates of interest and other terms & condition is not applicable to the Company.
 - c) As the Company has not granted any loans to parties covered in the register maintained under Section 301 of the Companies Act, the clause of repayment of principal amount is not applicable to the Company.
 - d) The Company has not taken loans, secure or unsecured from companies, firms or other parties covered in the registered maintained u/s 301 of the Act. Accordingly, clauses (iii) (f) and (iii) (j) of paragraph 4 of the order are not applicable to the company.
 4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase of inventories and fixed assets, and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
 5. To the best of our knowledge and belief and as explained to us the Company has not entered into any transactions required to be entered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, clause 4(v) (b) of the order is not applicable.
 6. In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public within the meaning of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
 7. In our opinion, the Company has an internal audit system commensurate with the size of business.
 8. We have been informed that the Central government has not prescribed maintenance of Cost records under Section 209 (1) (d) of the Companies Act, 1956.
-
-

9. a) According to the records of the company and information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Excise Duty, Custom Duty, Service Tax, VAT, Cess, Investor Education and Protection Fund and any other material statutory dues as applicable to it, with the appropriate authorities during the year.
- b) The disputed dues that have not been deposited on account of matters pending before respective authorities are as under.

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which amount relates	Forum where dispute is pending
Bombay Sales Tax Act, 1959	Sales Tax	7,85,185/- 10,75,138/- 3,49,620/-	2000 – 2001 2001 – 2002 2002 – 2003	Assistant Commissioner of Sales Tax, Mumbai

10. The company does not have accumulated losses at the end of the financial year and the company has not incurred cash losses during the current and immediately preceding financial year.
11. According to the information and explanation given to us, the Company has not defaulted in repayment of dues to banks. The company had no transaction with financial institution and held no debentures outstanding during the year.
12. According to the information and explanation given to us the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund, nidhi, or any mutual fund / societies are not applicable to the company.
14. In respect of dealing / trading in shares, securities and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares and other securities have been held by the Company in its own name.
15. According to the information and explanations given to us, the company has not given guarantee for loans taken by others from banks or financial institutions.
16. In our opinion the term loan have been applied for the purpose for which they were raised.
17. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanation given to us, there are no funds raised on short-term basis which have been used for long term investment.
18. The Company had not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of a public issue during the year.
21. During the course of our examination of the books of account and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

FOR MAYANK SHAH & ASSOCIATES
 CHARTERED ACCOUNTANTS
 (Firm Regn. No. 106109W)

Place : Mumbai
 Date : 20th August , 2010

M.S. Shah
 Partner
 Mem. No. 44093

PHOTOQUIP INDIA LIMITED
Balance Sheet as at 31st March, 2010

	Particulars	Schedule	As At 3/31/10 Rupees	As At 3/31/09 Rupees
I.	<u>Sources of Funds</u>			
1.	Shareholders' Funds			
	Share Capital	A	48,008,000	48,008,000
	Reserves & Surplus	B	185,589,010	142,327,120
			233,597,010	190,335,120
2.	Loan Funds			
	Secured Loans	C	29,878,064	37,325,880
	Deferred Tax Liability		3,347,438	2,884,599
	Total RS.		266,822,512	230,545,599
II.	<u>Application of Funds</u>			
3.	Fixed Assets	D		
	Gross Block		122,849,254	111,372,752
	Less: Depreciation		35,827,534	31,661,027
	Net Block		87,021,720	79,711,725
4.	Investments	E	5,386,530	280,000
5.	Current Assets, Loans & Advances			
	Inventories	F	41,672,027	66,224,402
	Sundry Debtors	G	65,007,602	42,472,649
	Cash & Bank Balances	H	9,140,335	19,536,409
	Loans & Advances	I	110,180,715	52,123,061
			226,000,679	180,356,521
6.	Less: Current Liabilities & Provisions	J	58,995,890	44,743,589
	Net Current Assets		167,004,789	135,612,931
7.	Miscellaneous Expenditure	K		
	To the extent not written off or adjusted		7,409,473	14,940,942
	Total RS.		266,822,512	230,545,599
	Notes forming part of the accounts	T		

As per our Report of even date attached
For Mayank Shah & Associates
Chartered Accountants
(Firm Regn. No:- 106109W)

M.S. Shah
Partner
Mem. No. 44093

Place: Mumbai
Date: 20th August, 2010

For and on behalf of the Board of Directors

Jayant P. Soni
Chairman & Managing Director

Dhaval J. Soni
Whole Time Director

Vimal J. Soni
Whole Time Director

PHOTOQUIP INDIA LIMITED					
Profit and Loss Account for the year ended 31st March, 2010					
	Particulars	Schedule	As At 31/03/10 Rupees	As At 31/03/09 Rupees	
I.	<u>Income</u>				
	Sales	L	459,078,298	357,286,990	
	Other Income	M	7,293,246	8,949,402	
			466,371,545	366,236,392	
II.	<u>Expenditure</u>				
	Material Consumed & Stock Variation	N	347,509,390	231,888,540	
	Manufacturing Expenses	O	7,916,583	9,901,722	
	Administrative & Other Expenses	P	22,692,791	25,485,732	
	Personnel Expenses	Q	13,767,370	8,942,940	
	Selling Expenses	R	12,680,395	9,364,290	
	Financial Charges	S	4,782,371	6,203,295	
				409,348,900	291,786,518
		Profit / (Loss) before Depreciation and Amortisation		57,022,644	74,449,873
		Depreciation		4,542,003	2,629,668
	Deferred Development Expenditure Written off		7,405,260	7,815,220	
	Preliminary Expenses Written off		126,209	126,216	
	Profit / (Loss) before Tax		44,949,172	63,878,769	
	Deferred Tax Liability		462,839	1,456,916	
	Provision for FBT		-	345,391	
	Provision for Income Tax		7,849,713	-	
	MAT Credit Entitlement		(7,639,306)	-	
	Profit / (Loss) after Tax		44,275,926	62,076,462	
	Balance b/f from Previous Year		105,931,658	44,502,663	
	Prior Period and Extra-ordinary Items				
	Income Tax Provision (Net of MAT Credit Entitlement) of Previous Year		(790,028)	-	
	Prior Period Income / (Expenses)		(224,008)	(647,467)	
	Balance c/f to Balance Sheet		149,193,548	105,931,658	
	Basic as well as diluted EPS		9.22	12.93	
	Notes forming part of the Accounts	T			
As per our Report of even date attached For Mayank Shah & Associates Chartered Accountants (Firm Regn. No:- 106109W) M.S. Shah Partner Mem. No. 44093 Place: Mumbai Date: 20th August, 2010		For and on behalf of the Board of Directors Jayant P. Soni Chairman & Managing Director Dhaval J. Soni Whole Time Director Vimal J. Soni Whole Time Director			

PHOTOQUIP INDIA LTD.
Cash Flow Statement - 2009-10

Particulars	As at 31/03/2010 (Rupees)	As at 31/03/2009 (Rupees)
Cash Flow from Operations		
Profit Before Tax and Extra-ordinary items	44,949,172	63,878,769
Adjustment for :		
Depreciation	4,542,003	2,629,270
Loss on Sale of Fixed Assets	194,336	-
Interest and Dividend	(409,531)	(461,561)
Financial Charges	4,782,371	6,203,295
Deffered Development Exps written off	7,405,260	7,815,220
Preliminary Expenses written off	126,209	126,216
Operating Profit before Working Capital Changes	61,589,821	80,191,209
Adjustment :		
Trade and Other Receivables	(65,715,836)	(29,494,335)
Inventories	24,552,375	2,552,414
Trade Payables and other Payables	(1,624,904)	259,206
	(42,788,366)	(26,682,715)
Cash generated from Operations before extraordinary & prior period	18,801,455	53,508,494
Prior period Expenses	(224,008)	(647,467)
Cash generated from Operations after extraordinary & prior period	18,577,447	52,861,027
Cash Flow from Investing Activities		
Investments	(5,106,530)	-
Purchase of Fixed Assets	(12,321,334)	(7,059,931)
Sale of Fixed Assets	275,000	40,000
Net Cash Generated from investing activities	(17,152,864)	(7,019,931)
Cash Flow from Financing Activities		
Increase in Term Loan	(5,654,904)	(5,668,100)
Increase / (Decrease) in Working Capital Loan	(2,708)	(20,040,412)
Financial Charges	(4,782,371)	(6,203,295)
Increase / (Decrease) in Other Borrowings	(1,790,204)	(52,959)
Interest and Dividend	409,531	461,561
Net Cash Flow from Financing Activities	(11,820,656)	(31,503,205)
Net Increase in Cash & Cash Equivalents	(10,396,073)	14,337,891
Cash & Cash Equivalents Opening Balance	19,536,408	5,198,517
Cash & Cash equivalents Closing Balance	9,140,335	19,536,408

Note : The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3 on Cash Flow Statements issued by The Institute of Chartered Accountants of India.

As per our Report of even date attached
For Mayank Shah & Associates
Chartered Accountants
(Firm Regn. No:- 106109W)

M.S. Shah
Partner
Mem. No. 44093

Place: Mumbai
Date: 20th August, 2010

For and on behalf of the Board of Directors

Jayant P. Soni
Chairman & Managing Director

Dhaval J. Soni
Whole Time Director

Vimal J. Soni
Whole Time Director

PHOTOQUIP INDIA LIMITED		
Schedules forming part of Balance Sheet as at 31st March 2010		
PARTICULARS	31/03/2010 (Rupees)	31/03/2009 (Rupees)
<u>Schedule A : Share Capital</u>		
Authorised Capital 1,50,00,000 (Equity Share of Rs: 10/-each)	150,000,000	150,000,000
<u>Issued, Subscribed and Paid up Capital</u>		
4,800,800 Equity Shares of Rs. 10/- each fully paid up	48,008,000	48,008,000
Total Rs.	48,008,000	48,008,000
<u>Schedule B : Reserves & Surplus</u>		
Capital Reserve	23,000,000	23,000,000
General Reserve	13,395,462	13,395,462
Profit & Loss Account	149,193,548	105,931,658
Total Rs.	185,589,010	142,327,120
<u>Schedule C : Secured Loans</u>		
Term Loan - Apna Sahakari Bank Ltd.	19,895,315	25,550,219
Working Capital Loans - Bank of India Export Packing Credit	9,982,749	9,985,457
Vehicle Finance	-	1,790,204
Total Rs.	29,878,064	37,325,880
<p>Term Loan from Apna Sahakari Bank Ltd. is secured by way of Equitable Mortgage of Land & Building located at Antop Hill, Mumbai</p> <p>Working Capital Limits from Bank of India, Mumbai Overseas Branch are secured by way of Hypothecation of Dies & Moulds, Stock and Book Debts of the Company, Pledge of Fixed Deposits, Personal Guarantee of Promoter Directors and Partnership Firm in which the Promoter Director is interested, Equitable Mortgage of two office premises owned by Promoter Directors of the Company, Factory Gala owned by a Partnership Concern in which a Promoter Director is interested and Pledge of shares of the Company held by the Directors and their relatives.</p>		

PHOTOQUIP INDIA LIMITED
Schedules forming part of Balance Sheet as at 31st March, 2010

Schedule D - Fixed Assets		Gross Block						Depreciation			Net Block	
		As at 01.04.09	Addition	Deduction/ Adjustment	As at 31.03.10	As at 01.04.09	Addition	Deduction/ Adjustment	As at 31.03.10	As on 31.03.10	As on 31.3.2009	
Sr. No	Particulars											
1	Machinery	2,759,768	235,000	-	2,994,768	826,882	132,923	-	959,805	2,034,963	1,932,886	
2	Lab tools Equipments	294,072	3,200	-	297,272	234,924	47,857	-	282,781	14,491	59,148	
3	Dies & Moulds	23,514,449	3,800,553	-	27,315,002	18,736,874	1,470,653	-	20,207,527	7,107,475	4,777,575	
4	Electrical Fittings	608,847	103,585	-	712,432	223,942	44,879	-	268,821	443,611	384,905	
5	Office Equipments	1,303,968	85,095	-	1,389,063	491,791	86,865	-	578,656	810,407	812,177	
6	Air Conditioner	1,125,797	469,192	-	1,594,989	310,967	81,841	-	392,808	1,202,181	814,830	
7	Computer	5,856,958	1,648,636	-	7,505,594	4,368,500	1,093,338	-	5,461,838	2,043,756	1,488,458	
8	Typewriter	8,000	-	-	8,000	5,315	507	-	5,821	2,179	2,685	
9	Sign Board	933,671	-	-	933,671	443,774	59,102	-	502,875	430,796	489,897	
10	Furniture Fixture	5,252,722	1,613,534	-	6,866,256	2,745,271	378,672	-	3,123,943	3,742,313	2,507,451	
11	Motor Car	4,668,203	1,952,663	844,832	5,776,034	1,247,218	501,211	375,495	1,372,934	4,403,100	3,420,985	
12	Factory Building	16,824,731	2,230,728	-	19,055,459	971,177	590,534	-	1,561,711	17,493,748	15,853,554	
13	Land	45,039,530	-	-	45,039,530	-	-	-	-	45,039,530	45,039,530	
14	Office Building	3,182,036	179,148	-	3,361,184	1,054,392	53,621	-	1,108,013	2,253,171	2,127,644	
	Total	111,372,752	12,321,334	844,832	122,849,254	31,661,027	4,542,003	375,495	35,827,533	87,021,721	79,711,725	
	Previous Year	97,470,781	14,014,331	112,360	111,372,752	29,031,757	2,629,668	398	31,661,027	79,711,725	68,439,024	

PHOTOQUIP INDIA LIMITED		
Schedules forming part of the Balance Sheet as at 31st March 2010		
PARTICULARS	31/03/2010 (Rupees)	31/03/2009 (Rupees)
Schedule E : Investments		
Quoted		
Investments in Equity Shares 9000 Equity Shares of Rs: 10/- each of Chartered Capital & Investment Ltd. (Market Value as on 31.3.10 - Rs.3,11,400/-)	180,000	180,000
7,000 Equity Shares of Rs. 10/- each of Kiri Dyes Ltd. (Market Value as on 31.3.10 - Rs.48,86,000/-)	5,100,230	-
175 Equity Shares of Rs. 10/- each of NHPC Ltd. (Market Value as on 31.3.10 - Rs.5338/-)	6,300	-
Unquoted		
Investments in Equity Shares 4000 Equity Shares of Rs: 25/- each of Apna Sahakari Bank Ltd	100,000	100,000
Total Rs.	5,386,530	280,000
Schedule F : Inventories		
(Taken as valued and certified by the Management)		
Raw Material	23,145,788	45,903,583
Semi Finished Goods	-	2,036,607
Finished & Trading Goods	18,526,239	18,284,212
Total Rs.	41,672,027	66,224,402
Schedule G : Sundry Debtors		
(Unsecured and considered good)		
Exceeding 6 months	3,803,351	5,458,103
Others	61,204,251	37,014,546
Total Rs.	65,007,602	42,472,649
Schedule H : Cash and Bank Balances		
Cash on Hand (as certified by the Management)	1,514,966	464,393
Balance with Scheduled Banks		
in Current Accounts	791,664	600,953
in Deposit Accounts	5,152,053	4,880,655
Balance with Non Scheduled Banks		
in Current Accounts	1,287,871	1,126,524
Debit Balance in Cash Credit Account	393,781	12,463,884
Total Rs.	9,140,335	19,536,409
Schedule I : Loans and Advances		
(Unsecured considered goods unless otherwise stated.)		
Advances recoverable in cash or kind or for value to be received)		
Advance to Suppliers	15,132,766	12,333,405
Security Deposits	671,490	610,940
Advance Tax & TDS	14,775,004	599,035
MAT Credit Entitlement	14,876,771	-
VAT / CST & Octroi Receivables	46,081,670	24,489,642
Prepaid Expenses	995,654	311,387
Other Advances	17,647,359	13,778,651
Total Rs.	110,180,715	52,123,061

PHOTOQUIP INDIA LIMITED		
Schedules forming part of the Profit & Loss Account for the year ended 31st March 2010		
PARTICULARS	31/03/2010 (Rupees)	31/03/2009 (Rupees)
<u>Schedule J : Current Liabilities & Provisions</u>		
Current Liabilities		
Sundry Creditors for Goods	33,499,471	39,399,650
Sundry Creditors for Expenses	3,585,777	1,857,818
Provisions		
Provision for Taxation	15,877,161	345,391
Duties & Taxes	61,100	232,643
Provision for Expenses	4,967,021	2,271,141
Adjusted Gratuity Liability	1,005,360	636,946
Total Rs.	58,995,890	44,743,589
<u>Schedule K : Miscellaneous Expenditure</u>		
Deferred Development Expenditure	14,814,733	22,669,953
Less: Expenses written off during the year	(7,405,260)	(7,855,220)
	7,409,473	14,814,733
Deferred Revenue Expenses	126,209	252,425
Less: Expenses written off during the year	(126,209)	(126,216)
	-	126,209
Total Rs.	7,409,473	14,940,942
<u>Schedule L : Sales</u>		
Domestic Sales	125,011,012	78,236,854
Export Sales	334,067,286	279,050,136
Total Rs.	459,078,298	357,286,990
<u>Schedule M : Other Income</u>		
Interest Received	409,531	461,561
Misc. Income	126,068	16,656
Foreign Exchange Fluctuation - Gain	964,111	8,471,185
Creditors w/back	5,793,536	-
Total Rs.	7,293,246	8,949,402
<u>Schedule N : Material Consumed & Stock Variation</u>		
Material Consumed		
Opening Stock	45,903,583	38,511,954
Add: Purchases	322,957,015	229,336,126
	368,860,598	267,848,080
Less: Closing Stock	23,145,788	45,903,583
Total (a) Rs.	345,714,810	221,944,497
Stock Variation		
Closing Stock - Semi-finished Goods	-	2,036,607
Closing Stock - Trading Goods	18,526,239	18,284,212
	18,526,239	20,320,819
Less:		
Opening Stock - Semi-finished Goods	2,036,607	8,234,389
Opening Stock - Trading Goods	18,284,212	22,030,473
	20,320,819	30,264,862
Total (b) Rs.	1,794,580	9,944,043
Total (a+b)Rs.	347,509,390	231,888,540

PHOTOQUIP INDIA LIMITED		
Schedules forming part of the Profit & Loss Account for the year ended 31st March 2010		
PARTICULARS	31/03/2010 (Rupees)	31/03/2009 (Rupees)
<u>Schedule O : Manufacturing Expenses</u>		
Labour Charges	1,209,997	2,012,322
Factory Staff Wages	4,873,758	5,697,940
Custom Over Time Expenses	-	667,644
Electricity Charges	825,342	640,320
Loading & Unloading Charges	302,730	244,141
Freight Charges	379,983	290,507
Godown Expenses	48,000	189,000
Design & Development Charges	276,773	159,848
Total Rs.	7,916,583	9,901,722
<u>Schedule P : Adminisitrative & Other Expenses</u>		
Auditors Remuneration and Expenses	235,822	222,420
Bad Debts	933,384	4,953,354
Conveyance	574,480	252,487
Custodial Fees	26,128	17,488
Directors Remuneration	7,751,188	5,570,632
Directors Meeting Expenses	33,000	29,000
Electricity Charges (Office)	35,246	487,625
Insurance Charges	103,322	100,386
Key Man Insurance Premium	100,000	1,100,000
Legal & Professional Fees	3,378,216	3,422,175
General & Other Admin Expenses	299,048	806,592
Postage & Courier	208,158	131,020
ECGC Premium	49,273	59,870
Printing & Stationery	316,697	105,785
Research & Development Expenses	113,368	145,862
Rent, Rates & Taxes	1,410,589	1,309,222
Repair & Maintenance	2,062,002	1,163,979
Security Charges	266,049	353,106
Society Maintenance Charges	244,115	181,279
Telephone & Internet Charges	950,799	825,410
Travelling Expenses	2,990,459	3,675,049
Loss on Sale of Vehicle	194,336	-
Vehicle Expenses	417,112	572,991
Total Rs.	22,692,791	25,485,732
<u>Schedule Q : Personnel Expenses</u>		
Salary and Allowances	10,637,866	6,632,697
Bonus	1,013,598	610,906
Employer's ESIC Contribution	96,747	109,642
Employer's PF Contribution	725,548	425,196
Employer's MLWF Contribution	4,518	4,284
Gratuity, LTA & Medical Expenses	941,289	924,435
Staff Insurance, Uniform & Welfare Expenses	218,813	165,027
PF Administration Expense	128,991	70,753
Total Rs.	13,767,370	8,942,940
<u>Schedule R : Selling Expenses</u>		
Advertisement	1,384,357	904,843
Freight Charges	4,763,649	1,966,900
Packing Expenses	50,866	122,036
Sales Commission	330,082	161,541
Exhibition Expenses	2,559,230	1,874,764
Sales Discount	1,738,958	3,242,832
Sales Promotion	1,853,253	1,091,373
Total Rs.	12,680,395	9,364,290
<u>Schedule S : Finance Charges</u>		
Bank Charges & Commission	928,237	599,053
Interest to Banks	3,806,724	5,383,298
Interest - Vehicle Loans	47,410	220,944
Total Rs.	4,782,371	6,203,295

Schedule - 'T' –

NOTES TO ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES

1) SIGNIFICANT ACCOUNTING POLICIES :

ACCOUNTING CONVENTIONS:

i) Basis of Preparation of Financial Statements

The financial statements of the Company are prepared under the historical cost convention on accrual basis of accounting in all material respects in accordance with the notified Accounting Standards by Companies (Accounting Standards) Rules 2006 (as amended) and the relevant Provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company during the year.

ii) Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

FIXED ASSETS:

i) Tangible :

Fixed Assets are stated at cost of acquisition / construction (less Accumulated Depreciations). Cost comprises the purchase price and other attributable costs.

ii) Intangible :

Intangible Assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and accumulated impairment loss, if any.

DEPRECIATION/ AMORTIZATION

i) Tangible :

Depreciation on Fixed Assets is provided on straight-line method on pro rata basis at rates and in manner specified in Schedule XIV of the Companies Act, 1956

ii) Intangible :

Intangible Assets are amortised over their estimated useful life on a straight-line basis.

INVESTMENTS:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investment. Long term investments are stated at cost of acquisition. Provision for diminution in the value of long term investments is made, only if such decline is other than temporary.

INVENTORIES:

Finished goods (including for trade), work-in-process, semi-finished goods for trade, Raw materials and Stores are valued at cost or net realizable value whichever is lower. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present

location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company. The cost formulae used for determination of cost is 'First in First Out'.

FOREIGN CURRENCY TRANSACTIONS:

- (i) All Transactions in foreign currency, are recorded at the rates of exchange prevailing as at the date of the transaction.
- (ii) Monetary assets and liabilities in foreign currency, outstanding at the close of the year, are converted in Indian currency at the appropriate rates of exchange prevailing at the close of the year. The resultant gain or loss is accounted for during the year.

PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

REVENUE RECOGNITION:

i) Sales

The Company recognizes sale of goods when the significant risks and rewards of ownership are transferred to the buyer, which is usually when the goods are dispatched to customers.

ii) Other Income

Other Income are accounted on accrual basis.

EMPLOYEE BENEFITS:

1. Short Term Employees Benefit:

Short Term Benefits are recognized as expenditure at the undiscounted value in the Profit and Loss Account of the year in which the related services are rendered.

2. Post Employment Benefit:

a. Defined Contribution Plans: Monthly contributions to the Provident Fund and E.S.I. which are defined contribution schemes are charged to Profit and Loss Account and deposited with the Provident Fund and E.S.I. Authorities on monthly basis.

b. Defined Benefit Plans: Gratuity to Employees are covered under the Employees Group Gratuity Policy of Life Insurance Corporation of India (LIC) and the premium is paid on the basis of their actuarial valuation using the Projected Unit Credit Method. Actuarial gain and losses arising on such valuation are recognized immediately in the Profit and Loss Account. Any shortfall in case of premature termination / resignation to the extent not reimbursed by LIC is being absorbed in the year of payment. The amount funded by the trust administered by the Company under the aforesaid policy is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on net basis.

3. Termination Benefit:

Termination Benefits are charged to Profit & Loss Account in the year of accrual.

TAXES ON INCOME:

Tax expense comprises of current tax and deferred taxes. Provision for current income taxes is made on the taxable income at the tax rate applicable to the relevant assessment year. Deferred income taxes are recognised for the future tax consequences attributable to timing differences between the financial statement determinations of income and their recognition for tax purposes. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in income using the tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the year, in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay income tax higher than MAT during the specified period.

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.

IMPAIRMENT OF ASSETS:

The Company assesses, at each Balance Sheet date, whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss account. If at the Balance Sheet date there is an indication that if previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

BORROWING COSTS:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

MISCELLANEOUS EXPENDITURE:

Deferred Revenue Expenditures are written off over a period of 5 years. Deferred Development Expenditure is expenditure incurred for the development of new products, and is written off over a period of 5 years from the year in which it is commercially developed.

2) **CONTINGENT LIABILITY :**

Contingent Liabilities not provided for in respect of:

- a) Sales Tax Liability in respect of disputed cases amounting to Rs. 22,09,943/- (Previous year Rs. 22,09,943/-)
- b) Bond for Rs. 2,50,00,000/- issued to The President of India on behalf of Assistant of Commissioner of Customs / Central Excise at Mumbai towards obligation of exports from 100% EOU unit.

3) Previous year's figures have been recast and regrouped, wherever necessary, to make them comparable with those of the current year.

4) Balances of Debtors, Creditors and Loans & Advances are subject to confirmation and reconciliation, if any.

5) **(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 an insurance company in the form of a qualifying insurance policy.

The following table summaries the components of net benefit expenses recognized in the Profit and Loss Account and the funded status and amounts recognized in the Balance Sheet for gratuity benefits.

1. Assumption	As on 31/03/2010	As on 31/03/2009
Discount Rate	8.00%	8.00%
Salary Escalation	5.00%	5.00%

2. **Table showing changes in present value of obligations As on 31/03/2010 31/03/2009**

Present value of obligations as at beginning of year	1739597	1582069
Interest cost	139168	118992
Current Service Cost	179722	179722
Benefit Paid	(46990)	(127495)
Actuarial (gain) / Loss on obligations	156651	(13691)
Present value of obligations as at end of year	2168148	1739597

3. **Table showing changes in the fair value of plan assets As on 31/03/2010 31/03/2009**

Fair value of plan assets at beginning of year	1102651	1126983
Expected return on plan assets	96153	95891
Contributions	10974	7272
Benefits paid	(46990)	(127495)
Actuarial Gain / (Loss) on plan assets	NIL	NIL
Fair value of plan assets at the end of year	1162788	1102651

4. **Table showing fair value of plan assets**

Fair value of plan assets at beginning of year	1102651	1126983
Actual return of plan assets	96153	95891
Contribution	10974	7272
Benefits Paid	(46990)	(127495)
Fair value of plan assets at the end of year	1162788	1102651
Funded status	(1005360)	(636946)
Excess of Actual over estimated return on plan assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)	NIL	NIL

5. **Actuarial Gain / Loss recognized**

Actuarial (gain) / Loss for the year - Obligation	(156651)	(13691)
Actuarial (gain) / Loss for the year - plan assets	NIL	NIL
Actuarial (gain) / Loss for the year	156651	(13691)
Actuarial (gain) / Loss recognized in the year	156651	(13691)

6. **The amount to be recognized in the balance sheet and statement of Profit and Loss**

Present value of obligations as at the end of year	2168148	1739597
Fair value of plan assets as at the end of the year	1162788	1102651
Funded status	(1005360)	(636946)
Net Asset / (liability) recognized in balance sheet	1005360	636946

7. **Expenses Recognized in statement of Profit and Loss**

Current Service Cost	179722	179722
Interest Cost	139168	118992
Expected return on plan assets	(96153)	(95891)
Net Actuarial (gain) / Loss recognized in the year	156651	(13691)
Expenses recognized in statement of Profit and loss	379388	283801

b. **Defined Contribution Plan**

The Company has recognized the following amount in Profit & Loss Account which is included under contribution to funds.

	31/03/2010	31/03/2009
Employer's contribution to Provident Fund	10,70,453	7,77,543
Employer's contribution to ESIC	96,747	1,65,857

Note:

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

- 6) In the opinion of the Board of Directors, Current Assets, Loans and Advances have a value, on realisation in the ordinary course of business, equal to the amount at which they are stated in the Balance Sheet.

- 7) Loans and Advances includes Rs. 68,71,156/- (Previous Year Rs. 68,71,156/-) as interest – free rent deposits and advances for capital asset of Rs. 12,61,618/- (Previous Year Rs.12,61,618/-) given to concerns in which Directors are interested for leased premises taken by the Company.
- 8) A provision for Taxation of Rs. 78,49,713/- has been made towards income tax for F.Y. 2010-11 (Previous year : Rs. 80,27,448/-). MAT Credit Entitlement for F.Y.2010-11 is Rs.76,39,306/- (Previous year : Rs.72,37,465/-).
- 9) The effect on the profit for the year consequent to compliance with Accounting Standard 22 “Accounting for Taxes on Income” and the break up of the deferred tax liability are as under.

NATURE OF TIMING DIFFERENCE	DEFERED TAX (LIABILITY)/ ASSETS AS AT 01.04.2009	DEFERED TAX (LIABILITY)/ ASSETS AS AT YEAR	DEFERED TAX (LIABILITY)/ ASSETS AS AT 01.04.2010
Depreciation	(28,84,599)	(6,25,723)	(35,10,321)
Unpaid Bonus u/s. 43B	-	1,62,884	1,62,884
TOTAL	(28,84,599)	(4,62,839)	(33,47,437)

- 10) Segment Reporting :-

a) Primary Segment	2009-2010	2008-2009
The company has only one segment i.e. “Photographic Equipment”	-	-
b) Secondary Segment (By Geographical segment)		
Sales and Operating Income :		
India	12,50,011,012	7,82,36,854
Outside India	33,40,67,286	27,90,50,136
TOTAL	45,90,78,298	35,72,86,990

In view of the interwoven / intermix nature of business and manufacturing facility, other segment information not ascertainable.

- 11) **Earning per Equity Shares:** Basic and Diluted earnings per equity share are recorded in accordance with Accounting Standard 20 “Earnings per Share”. Earning per share is calculated by dividing the profit attributable to the Equity Shareholders (after adjustment for deferred taxes) by the weighted average number of Equity shares outstanding during the period. The numbers used in calculating basic and diluted Earnings per Equity Share are as stated below.

	31.03.2010	31.03.2009
Profit after tax	4,42,75,926	6,20,76,463
Weighted average number of equity shares	48,00,800	48,00,800
Basic & Diluted Earning per share	9.22	12.93
Nominal value per share	10	10

12) **Micro, Small, Medium Enterprises Development Act, 2006**

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes due on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

- 13) Expenditure incurred on employees in receipt of remuneration of not less than Rs. 24,00,000/- per annum or Rs. 2,00,000/- per month if employed for a part of the year.

No. of Employees	Employed throughout the year		Employed for part of the year	
	2009-2010 NIL	2008-2009 NIL	2009-2010 NIL	2008-2009 NIL
14) Audit Fees	165,450	165,450		
Other Matters	-	-		
15) Directors' Remuneration	54,75,000	42,00,000		
Directors' Perquisites	22,76,188	10,10,632		
16) Licensed & Installed Capacity	2009 – 2010		2008 – 2009	
	Licensed	Installed	Licensed	Installed
Photolabs	100 Nos.	100 Nos.	100 Nos.	100 Nos.
Other Items				
a) Camera	10000 Nos.	10000 Nos.	10000 Nos.	10000 Nos.
b) Flash Lights	10000 Nos.	10000 Nos.	10000 Nos.	10000 Nos.
c) Accessories / Components and Spare Parts				
d) Umbrellas & Soft Boxes made from (Reflective Cloth –embossed Reflective and Diffuser Cloth	100000 Nos. 50000 Mtrs.	100000 Nos. 50000 Mtrs.	100000 Nos. 50000 Mtrs.	100000 Nos. 50000 Mtrs.

(As certified by the Management and relied upon by the Auditors being a technical matter.)

- 17) The company has paid Rs. 1.00 Lacs to ICICI Prudential Insurance Company Limited towards premium of Key Man Insurance Policies taken for its directors Shri Dhaval J. Soni & Shri Vimal J. Soni. The amount of renewal premium Rs. 1.00 Lacs so paid has been debited to the Profit & Loss A/c under the head Key man Insurance Premium.

	2009-10	2008-09
18) EXPENDITURE ON RESEARCH AND DEVELOPMENT		
Capital Expenditure	NIL	NIL
Revenue Expenditure	1,13,368	1,45,862

19) **RELATED PARTY DISCLOSURE**

a) Names of related parties and nature of relationship where control exists are as under :

- i) Enterprise under significant : Piri Systems Pvt. Ltd.
Influence of Key Management : Vijay Studio
Personnel : Photoquip
- ii) Key Management Personnel : Mr. Jayant P. Soni Chairman & Managing Director
Mr. Dhaval J. Soni Whole Time Director
Mr. Vimal J. Soni Whole Time Director
- iii) Relatives of Key : Mrs. Tara J. Soni
Management Personnel : Mr. Pulin D. Soni

b) **TRANSACTION WITH RELATED PARTIES** (Rs. in Lacs)

NATURE OF TRANSACTION	ENTERPRISE UNDER KEY MANAGEMENT PERSONNEL	KEY MANAGEMENT PERSONNEL	RELATIVE OF KEY MANAGEMENT PERSONNEL
a) Volume of Transaction			
i) Key Man Insurance	-	1	-
ii) Services obtained	2.52	-	-
iii) Remuneration	-	54.75	7.43
iv) Perquisites	-	22.76	-
b) Closing Balances			
i) Payable at year end	1.55	24.93	0.86
ii) Receivables at year end	68.71	-	-

NOTE : 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.

20) Particulars in respect of production, sales & closing stocks (Figures / Amount stated in bracket pertains to previous year).

	Opening Balance		Production / Purchase		Sales / Samples		Closing Balance	
	Qty.	Value (Rs.)	Qty.	Value (Rs.)	Qty.	Value (Rs.)	Qty.	Value (Rs.)
MANUFACTURED GOODS								
Studio Light	0 0	0 0	33455 (25388)	0 (-)	33455 (25388)	224165703 (168338522)	0 (-)	0 (-)
Photographic Lab	3 (3)	345366 (345366)	0 (0)	0 (0)	3 (0)	0 (0)	0 (3)	0 (345366)
Components & Accessories	0 (-)	45558218 (38511954)	0 (-)	87489153 (117757877)	0 (-)	109901583 (110711614)	0 (-)	23145788 (45558218)
Work in Progress	- (-)	2036607 (7889023)	0 (-)	0 (-)	- (-)	- (-)	- (-)	0 (2036607)

TRADING GOODS								
Studio Light	2718 (3393)	8550118 (7762984)	5381 (6527)	35783867 (22584954)	6519 (7202)	53392241 (32721370)	1580 (2718)	6739363 (8550118)
Camera	18387 (19895)	0 (7940810)	0 (632)	0 (90165)	8969 (2140)	0 (558727)	9418 (18387)	0 0
Stand	449 -836	269807 -290532	8244 -10089	3392654 -3385975	7570 -10476	5106776 -4664454	1123 -449	475182 -269807
Umbrella	214 (203)	22812 (21640)	517 (376)	62250 (25320)	518 (365)	179646 (82221)	213 (214)	26625 (22812)
Photographic Lab	0 (4)	0 (852260)	0 (0)	0 (0)	0 (4)	0 (2019255)	0 (0)	0 (0)
Components & Accessories	0 (-)	9441474 (5162247)	0 (-)	72635512 (35627841)	- (-)	66332349 (38190827)	0 (-)	11285069 (9441474)
TOTAL		66224402 (68776816)	0 (-)	0 (-)	0 (-)	459078298 (357286990)		41672027 (66224402)

The Company purchases numerous items of Components & Accessories, which are used for production as well as sale. It is not practical to bifurcate between components and accessories meant for production and sale at the time of purchase. Hence, it is not possible to give quantitative information as regards Components & Accessories.

	2009-2010	2008-2009
	Lacs	Lacs
21) EXPENDITURE IN FOREIGN CURRENCY		
Foreign Traveling	19.55	10.59
22) EARNINGS IN FOREIGN CURRENCY		
Export of goods on FOB basis	3340.67	2790.50
23) VALUE OF IMPORTS CALCULATED ON CIF BASIS	(Rs. in lacs)	(Rs. in lacs)
Raw Materials	421.24	502.35
Capital Goods	-	-
Trading Goods	547.04	250.21

24) **VALUE OF RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED**

	2009-10		2008-09	
	(Rs. In lacs)	%	(Rs. In lacs)	%
Raw Material				
Imported	1098.25	31.77	776.44	34.98
Indigenous	2358.90	68.23	1443.00	65.02
	3457.15	100.00	2219.44	100.00

Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I REGISTRATION DETAILS

Registration Code **L74940MH1992PLC067864**
State Code 11
Balance Sheet Date 31st March 2010

II CAPITAL RAISED DURING THE YEAR (Rs. in Thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Rs. in Thousand)

Total Liabilities	266822	Total Assets	266822
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Sources of Funds

Paid-up Capital	48008
Reserve & Surplus	185589
Secured Loans	29878
Deferred Tax Liability	3347

Application of Funds

Net Fixed Assets	87022
Investment	5386
Net Current Assets	167005
Miscellaneous Expenditure	7409

IV PERFORMANCE OF THE COMPANY (Rs. in Thousand)

Total Turnover	466372	Total Expenditure	421423
Profit Before Tax	44949	Profit After Tax	44275
Earning Per Share in	9.22	Dividend Rate %	NIL

V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY

(as per monetary terms)

Product Description	FLASH LIGHT	CAMERAS
Item Code No. (ITC Code)	900661	900653

Signature to Schedules A to T.

As per our Report of even date attached

For and on behalf of the Board of Directors

for MAYANK SHAH & ASSOCIATES

Chartered Accountants

(Firm Regn. No. 106109W)

M.S.Shah

Partner

Mem.No. 44093

Jayant P. Soni

Chairman & Managing Director

Dhaval J. Soni

Whole Time Director

Place : Mumbai

Date : 20th August, 2010

Vimal J. Soni

Whole Time Director

PROXY

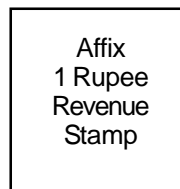
PHOTOQUIP INDIA LIMITED

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

I/We.....
of.....being a member / members of
Photoquip India Limited hereby appoint.....
of.....or
failing himof
..... as my / our
proxy to vote of me / us and on my / our behalf at the Sixteenth Annual General Meeting of the Company to be
held on 18th September, 2010.

Signed this day of 2010

Signature of Shareholder/s



Note : This form duly completed should be deposited at the Registered Office of the Company at Mumbai 48 hours before the meeting.

-----TEAR HERE-----

ATTENDANCE SLIP

PHOTOQUIP INDIA LIMITED

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

Please sign this attendance slip and hand it over at the entrance of the hall to facilitate registration formalities at the Meeting place.

I hereby record and confirm my presence at the Sixteenth Annual General Meeting of the Company held at A 56 Royal Industrial Estate, Naigaon Cross Road, Wadala, Mumbai 400 031.

Client I.D.

D.P.I.D.

FULL NAME
(In Block Letters)

SIGNATURE

i) Member

ii) Proxy

L.F.No.

If undelivered please return to:

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