

Annual Report

FY 2017-18

PHOTO  QUIP[®] INDIA LTD.

BOARD OF DIRECTORS

Name of Director	DIN	Designation
Jayant P. Soni	00249057	Chairman And Managing Director
Dhaval J. Soni	00751362	Whole time Director
Pulin D. Soni	07606822	Executive Director
Mohib N. Khericha	00010365	Independent Director
Dr. Vishnu J. Acharya	01508749	Independent Director
Parvin J. Dumasia	07606857	Independent Woman Director

CORPORATE IDENTITY NUMBER

L74940MH1992PLC067864

REGISTERED / CORPORATE OFFICE

10/116, Salt Pan Division, Lloyds Compound,
Vidyalankar College Road, Antop Hill,
Wadala (E) Mumbai - 400037

DEPOSITORY NO.

ISIN – INE 813B01016

CONTACT NO.

022-24110110

AUDITORS

M/S. F P& ASSOCIATES,
Chartered Accountants, Ahmedabad.

WEB PAGEwww.photoquip.com**BANKERS**

Apna Sahakari Bank Ltd.
ICICI Bank
State Bank of India

EMAIL IDinfo@photoquip.com**SHARE TRANSFER AGENT**

Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Industrial Premises
Andheri-Kurla Road, Safed Pool
Andheri (E), Mumbai – 400 072.

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 26th Annual General Meeting (AGM) of the Members of **PHOTOQUIP INDIA LTD.** will be held on Monday 24th September, 2018 at 09:30 A.M. at Society Office, 04th Floor, Royal Industrial Estate Co-operative Society, 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 2018, 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, Mr. Dhaval J. Soni (DIN: 00751362), 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 whole-time 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.”

“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.”

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 M/s. F P and Associates, Chartered Accountants, (Firm Registration No. 143262W), 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 2019 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.”

SPECIAL BUSINESS

4. To consider appointment of Jayant P. Soni as Chairman and Managing Director of the Company with retrospective effect from 01st April, 2017.

“RESOLVED THAT, pursuant to the provisions of Section 196 and 197 and all other applicable provisions of the Companies Act, 2013 read with Schedule V thereto, approval of the shareholders of the Company, be and is hereby accorded for the re-appointment of Jayant P. Soni (DIN- 00249057) , as Chairman & Managing Director of the Company for a period of three years with effect from 01st April, 2017 upto 31st March, 2020 on the terms and conditions, remuneration and perquisites, upto a maximum as may be permitted under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof set out in annexure to this notice and the Board of Directors be and is hereby authorized to alter or vary his terms of remuneration as may be agreed upon with Jayant P. Soni subject to overall ceiling on remuneration specified in the said Schedule V and other applicable provisions of the said act, for the time being in force.”

By Order of the Board

Dhaval Soni
Whole time Director
Place : Mumbai
Date : 30th May, 2018

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, 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. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013 and Listing Agreement, in respect of Special Business at the meeting, is annexed hereto and forms a part of this notice.

A statement giving the relevant details of the Directors seeking re-appointment under Item No. 2 and 4 of the accompanying Notice, as required by Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered 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 11:00A.M. to 01:00P.M. on all working days, barring Saturdays and Sundays, prior to the date of the AGM.

4. Electronic copy of the Annual Report for 2017-18 along with Notice of the 26thAGM 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 26th 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 26th 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	:	09:00 A.M. on Monday, 21st September, 2018
End of e-voting	:	05:00 P.M. on Wednesday, 23rd September, 2018

E-voting shall not be allowed beyond 5.00 P.M. on Wednesday, 23rd September, 2018. 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 cutoff date, may cast their vote electronically. The cut-off date for eligibility for e-voting is 17th September, 2018.

(b) Kala Agrawal, Company Secretary in Whole Time Practice, has been appointed as a Scrutinizer for conducting the e-voting process 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 18th September, 2018 to 24th September, 2018 (both days inclusive).

13. Instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 21st September, 2018 from 09:00 A.M. and ends on 23rd September, 2018 at 05:00 P.M.. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 17th September 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first-time user follow the steps given below:

For Members holding shares in Demat 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> <p>_____</p> <p>_____</p> <p>_____</p> <p>number in the PAN field.</p> <p>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. E.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</p>

DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.

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

- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians

- Non-individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and 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 they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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.

EXPLANATORY STATEMENT (Pursuant to Section 102 of the Companies Act, 2013)

ANNEXURE TO ITEM No. 2 OF THE NOTICE

Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting in pursuance of SEBI (Listing Obligations and Disclosure) Regulations, 2015

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	01 st August 1993
Qualification	B. Sc.
Experience	28 years
Terms and conditions of appointment and remuneration	The terms and conditions of appointment of Dhaval J. Soni shall be open for inspection by 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 Father of Pulin D. Soni
Shareholding in Photoquip India Limited as on 31 st March 2018	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

ANNEXURE TO ITEM. NO. 4 OF THE NOTICE

Jayant P. Soni was appointed as the Chairman & Managing Director of the Company and his term expired on 31st March 2017. Accordingly, the Board proposes to reappoint him for a term of three years ending on 31st March 2020

Name of the Director	Jayant P. Soni
Director Identification Number (DIN)	00249057
Date of Birth	15 th September 1929
Nationality	Indian
Date of Appointment on Board	01 st November, 1993
Qualification	Diploma in Photography
Experience	45 Years
Terms and conditions of appointment and remuneration	The terms and conditions of appointment of Jayant P. Soni shall be open for inspection by 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	Father of Dhaval J. Soni Father in law of Anju D. Soni Grand Father of Pulin D. Soni
Shareholding in Photoquip India Limited as on 31 st March 2018	9,27,247 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	Not applicable

BOARD'S REPORT

To

The Members

Photoquip India Ltd.

Your Directors have pleasure in presenting the 26th Annual Report on the business and operations of the Company and the accounts for the financial year ended 31st March 2018.

Financial Summary of the Company

Certain key aspects of the Company's performance during financial year ended 31st March 2018 as compared to previous financial year are summarised as below :

Particulars	Rs. In Lacs	
	2017-18	2016-17
Gross Operating Income	4312.25	4878.48
Add: Other Income	63.58	36.07
Total Income	4375.83	4914.55
Profit Before Interest, Depreciation and Exceptional items	140.96	2.45
Less: Finance Charges	182.38	188.00
Less: Provision for Amortization and Depreciation	72.54	69.65
Less: Exceptional items	-8.39	Nil
Net Profit / (Loss) Before Tax	-105.57	-255.20
Less: Deferred Tax Liability / (Asset)	-43.27	-93.54
Less: Taxes of earlier years	1.59	12.62
Net Profit / (Loss) After Tax	-63.89	-174.28
Other Comprehensive Income (OCI)	-1.31	-8.00
Total Comprehensive Income	-65.20	-182.28

Operational Review

The financial year 2017-18 has been beset with both opportunities and challenges on several fronts, including global and domestic issues. Developments like GST implementation and static exports have resulted in a mixed bag for the Company during the financial year under review.

During the year, the turnover of the Company decreased by 10.96% and stood at Rs. 4375.83 lacs. However, inspite of the compressed topline the net loss during the year reduced by 63.34% as compared to the previous financial year and stood at Rs. 63.89 Lacs mainly on account of reduction in overall operating costs.

Raw Material Consumption has gone down by 5.18%, overall expenses also have reduced, though marginally by 1.06%. These are encouraging signs on the Company's recovery path. The Company is upbeat about turning the corner during FY 2018-19.

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

Particulars	2017-18	2016-17
Sales / Other Receipts	4375.82	4914.55
Exports	2720.82	2728.85
Net Profit / (Loss)	-63.89	-174.28

The Ministry of Corporate Affairs (MCA) on 16th February, 2015, notified that the Indian Accounting Standard (IND-AS) are applicable to certain classes of companies from 1st April, 2017 with a transition date of 1st April, 2016. Thus, IND-AS is applicable to your Company from 1st April, 2017.

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 a 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 the Company's 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' 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 way 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.

Prevention, prohibition and redressal of sexual harassment at workplace

The Company has zero tolerance for sexual harassment at workplace and has formulated a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Company has also constituted an Internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action.

There were no cases reported / filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year under review.

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.

Corporate Social Responsibility (CSR)

The CSR initiatives of the Company are aligned with the business strategies. During the year under review liability on CSR activities was Rs. Nil.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors confirm 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 as at 31st March 2018 and of the profit and loss of the Company for year ended on that date;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual financial statements have been prepared 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.

Board of Directors and Key Managerial Personnel

The Board of Directors of the Company is duly constituted, maintaining proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Pursuant to provisions of Section 203 of Companies Act, 2013, Vivek Divekar has been appointed as Chief Financial Officer (CFO) of the Company wef. 01st June 2017.

Mohan M. Jayakar, an Independent Director of the Company has been disqualified by ROC u/s 164(2) of Companies Act, 2013 from 01st November 2016 to 31st October 2021. Accordingly, vacation of his office as an independent director of the Company was discussed and approved in board meeting held dated 30th May 2018 under provisions of Section 164(2) of Companies Act 2013.

Anju D. Soni, an executive director of the Company has resigned from Board of Directors wef. 30th May 2018.

Jayant P. Soni, held the office as the Managing Director of the Company till 31st March, 2017. After completion of his term, he is being reappointed as the Managing Director for a term of three years, ending 31st March 2020 subject to approval by shareholders at ensuing AGM.

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

None of the present Directors of the Company including those seeking re-appointment at ensuing AGM are disqualified for being appointed as Directors, as specified in Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Meetings

During the year under review, 4 (Four) Board Meetings and 18 (Eighteen) 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 was 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 at Annexure IV.

Material Changes and Commitments

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to

which these financial statements relate and on the date of this report.

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 at Annexure V.

Statutory Auditors and Auditor's Report

M/s F. P. and Associates, Chartered Accountants, retire at the end of the ensuing Annual General Meeting and are eligible for re-appointment up to the conclusion of next Annual General Meeting to be held in year 2019.

There are no qualifications or adverse remarks in the Auditors Report. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Secretarial Audit Report

In terms of Section 204 of the Act and Rules made there under, Kala Agarwal, Practicing Company Secretary, has been appointed Secretarial Auditor of the Company for the year 2017-18. The report of the Secretarial Auditor is enclosed at Annexure VI to this report. The qualifications in the Secretarial Auditor's report for the year 2017-18 have been appropriately dealt with at the respective areas.

Boards Comments on qualifications in Secretarial audit report –

The Company is in the process of appointing a suitable candidate as the Company Secretary in Whole time employment of the Company.

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.

Acknowledgments

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

For and on behalf of the Board of Directors

DhavalJ. Soni

Whole time Director

Place: Mumbai

Date: 30th May 2018

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. 12,65,584

(c) Foreign Exchange earnings and Outgo

During the year, the total Foreign Exchange outflow was Rs. 529.31 Lacs and the total Foreign Exchange inflow was Rs. 2720.82 Lacs.

Annexure II

Corporate Governance Report for the financial year 2017-18

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 Stock Exchange. The Company has complied with all material respect with the features of corporate governance as specified in the Listing Regulations. The securities are being regularly traded on the 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, three Independent Non-Executive Directors (including a woman director) and one Executive Director. 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)	Audit / stakeholders 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
Dr. Vishnu J. Acharya	Independent, Non executive Director	1	1	Nil
Pulin D. Soni	Executive Director	1	Nil	Nil
Parvin J. Dumasia	Independent WomanDirector	1	Nil	Nil

During the year 2017-18, four Board Meetings, were held on 30th May 2017, 13th September 2017, 11th December 2017, and 13th February 2018. The last Annual General Meeting of the Company was held on 28th September, 2017. The attendance details of each Director are given below:

Name of Director	No. of Board Meetings attended	Attendance at the AGM held on 28 th Sep, 2017
Jayant P. Soni	4	Yes
Dhaval J. Soni	4	Yes
Mohib N. Khericha	4	No
Mohan M. Jayakar	4	No
Dr. Vishnu J. Acharya	4	No
Anju D. Soni	4	Yes
Pulin D. Soni	4	Yes
Parvin J. Dumasia	4	No

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 with Mohan M. Jayakar and Dr. Vishnu J. Acharya as co-members. During the year, the sub-committee met on four occasions with full attendance of all the members.

The composition of the Audit Committee as at 31st March 2018 and details of the members' participation at the Meetings of the Committee are as under:

Date of the Meeting	Name of Directors		
	Mohib N. Khericha	Mohan M. Jayakar	Dr. Vishnu J. Acharya
	Chairman	Member	Member
30 th May, 2017	Yes	Yes	Yes
13 th September, 2017	Yes	Yes	Yes
11 th December, 2017	Yes	Yes	Yes
13 th February, 2018	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 the interests of Company.

To discuss with auditors 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 to 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 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 2018 and details of the members' participation at the Meetings of the Committee are as under:

Date of the Meeting	Name of Directors		
	Dhaval J. Soni	Mohib N. Khericha	Mohan M. Jayakar
	Chairman	Member	Member
30 th May, 2017	Yes	Yes	Yes
13 th September, 2017	Yes	Yes	Yes
11 th December, 2017	Yes	Yes	Yes
13 th February, 2018	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) Stakeholders' Relationship Committee

The composition of the Stakeholders' Relationship Committee as at 31st March 2018 and details of the members' participation at the Meetings of the Committee are as under:

Date of the Meeting	Name of Directors		
	Mohib N. Khericha	Dhaval J. Soni	Mohan M. Jayakar
	Chairman	Member	Member
30 th May, 2017	Yes	Yes	Yes
13 th September, 2017	Yes	Yes	Yes
11 th December, 2017	Yes	Yes	Yes
13 th February, 2018	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 / stakeholder's grievances;

All other matters incidental or related to shares and debentures

During the year 2017-18, no shareholder's complaints received through SCORES (online portal of SEBI for lodging complaints against listed companies).

During the year, no complaint was received from any shareholder. As on 31st March 2018, no investor grievance has remained unattended / pending for more than 30 (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 11th December, 2017, inter alia, to discuss:

Evaluation of the performance of Non-Independent Directors and the Board of Directors;

Evaluation of the performance of the chairman of the Company, considering

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;

Date of the Meeting	Name of Directors			
	Dr. Vishnu J. Acharya Chairman	Mohib N. Khericha Member	Parvin J. Dumasia Member	Mohan M. Jayakar Member
11 th December, 2017	Yes	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 2018 and details of the members' participation at the Meetings of the Committee are as under:

Date of the Meeting	Name of Directors		
	Dr. Vishnu J. Acharya Chairman	Mohib N. Khericha Member	Mohan M. Jayakar Member
30 th May, 2017	Yes	Yes	Yes
13 th September, 2017	Yes	Yes	Yes
11 th December, 2017	Yes	Yes	Yes
13 th February, 2018	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.

(f) **Corporate Social Responsibility Committee**

The composition of the Stakeholders' Relationship Committee as at 31st March 2018 and details of the Members participation at the Meetings of the Committee are as under:

Date of the Meeting	Name of Directors		
	Anju D Soni	Dhaval J. Soni	Dr. Vishnu J. Acharya
	Chairman	Member	Member
13 th February, 2018	Yes	Yes	Yes

The terms of reference of the Committee are:

1. Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken.
2. Approve the projects that are in line with the CSR Policy.
3. Put monitoring mechanisms in place to track the progress of each project
4. Recommending the amount of expenditure for the CSR activities, and
5. Monitoring CSR activities from time to time.

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 (including contribution to Gratuity and Provision for Leave Encashment on Retirement) during the year ended 31st March 2018 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	83,000	Nil	83,000
4	Mohan M. Jayakar	Independent Director	Nil	83,000	Nil	83,000
5	Dr. Vishnu J. Acharya	Independent Director	Nil	83,000	Nil	83,000
6	Anju D. Soni	Non-executive Woman Director	Nil	Nil	Nil	Nil
7	Pulin D. Soni	Executive Director	840,055	Nil	Nil	840,055
8	Parvin J. Dumasia	Independent Woman Director	Nil	83,000	Nil	83,000

Note:

- a) The Salary and Perquisites include all fixed and variable elements of remuneration i.e. salary, performance-linked bonus and other allowances and benefits
- b) There were no other pecuniary relationships or transactions of non-executive directors vis-a-vis the Company. The Company has not issued any Stock Options to the Directors
- c) 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.
- d) 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 2017 to 31 st March, 2020

- 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 72 permanent employees on the rolls of the Company as on 31st March 2018 with median remuneration of Rs. 3,36,000

Details of the ratio of the remuneration of each director to the median employee's remuneration of the Company for the year 2017-18 are given as below.

Name of Director	Nature of Director ship	Median Ratio
Jayant P. Soni	Chairman and Managing Director	7.14 : 1
Dhaval J. Soni	Whole-time Director	7.14 : 1
Mohib N. Khericha	Independent Director	0.24 : 1
Mohan M. Jayakar	Independent Director	0.24 : 1
Dr. Vishnu J. Acharya	Independent Director	0.24 : 1
Pulin D. Soni	Executive Director	2.50: 1
Parvin J. Dumasia	Independent Woman Director	0.24: 1

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 2017-18. Related party disclosures are included in the notes forming part of the accounts as required under Indian Accounting Standard – 24, Related Party Disclosures specified under Section 133 of the Companies Act 2013.

(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 Indian Accounting Standards as specified under Section 133 of the Companies Act 2013. 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 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 behavior from an employee in each 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 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 Exchange

As on 31st March 2018, the Company's shares are listed on the Bombay Stock Exchange and the Listing Fees have been paid to the Exchange.

Name and Address of the Stock Exchanges	Stock Code/ Scrip Code	ISIN Number for NSDL/CDSL (Dematerialized share)
BSE Limited 25 th Floor, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai – 400 001.	526588	ISIN – INE 813B01016

B) Share Price on BSE vis-a-vis BSE Sensex April 2017 - March 2018

Month	BSE Sensex close	Open	High	Low	Close	No. of shares traded during the month	Total Turnover Rs.
Apr-2017	29,918.40	25.45	25.45	18.10	19.30	15,183	2,97,086
May-2017	31,145.80	19.20	20.70	16.65	17.15	18,270	3,33,301
Jun-2017	30,921.61	17.00	18.45	15.80	16.50	15,039	2,50,956
Jul-2017	32,514.94	16.50	18.00	15.20	16.80	21,620	3,45,464
Aug-2017	31,730.49	18.30	20.00	14.00	18.70	16,038	2,74,927
Sep-2017	31,283.72	19.55	21.20	16.25	21.10	19,073	3,23,969
Oct-2017	33,213.13	22.10	22.70	19.40	21.90	1,970	40,366
Nov-2017	33,149.35	22.15	22.50	17.10	22.50	3,510	66,549
Dec-2017	34,056.83	22.50	24.00	19.80	22.55	1,005	21,952
Jan-2018	35,965.02	23.00	27.00	21.85	23.10	56,110	14,01,064
Feb-2018	34,184.04	21.95	24.95	20.00	20.00	4,292	99,484
Mar-2018	32,968.68	19.00	19.00	15.40	16.15	11,904	1,85,619

C) Book Closure:

The register of members and share transfer books of the Company will remain closed from 18th September 2018 to 24th September 2018 (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/Complaint	Pending as on 1 st April, 2017	Received during the year	Redressed during the year	Pending as on 31 st March, 2018
1	Transfer/Transmission/Issue of Duplicate Share Certificate	Nil	Nil	Nil	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 regarding the same is submitted to BSE Limited and is also placed before

Stakeholders' Relationship Committee and the Board of Directors.

Shareholding Pattern based on ownership as on 31st March 2018

Sr. No.	Category	No. of Shares	Total Shares	% to Share Holding
A	Based in India (Promoter)			
i.	Indian Ind/HUF and Relatives	24,73,853		51.53
ii.	Persons acting in concert	1,25,000	25,98,853	2.60
B	Public Holding (Institutions)			
i.	Mutual Funds	5,000	5000	0.10
ii.	Any other	0	0	0
C.	Non-Institutions			
i.	Individual Holding			
ii.	Up to Rs. 2 Lac	9,87,626		20.58
	Above Rs. 2 Lac	10,18,662	20,06,288	21.22
D.	Any Other Clearing Members	1,90,659	1,90,659	3.97
	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 March 31, 2018

Sr. No.	Name of Shareholder	No. of Shares	Percentage of Capital
1	Jayant Purshotam Soni	9,27,247	19.31
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	Dheeraj Kumar Lohia	1,35,287	2.82
7	Piri Systems Pvt. Ltd.	1,25,000	2.60
8	Rajesh Kumar Agrawal	1,19,500	2.49
9	Sudha Ashok Ajmera	76,371	1.59
10	Raj Kumar Lohia	82,883	1.73
11	Ashok Paramanand Ajmera	51,747	1.08
	Total	32,51,107	67.72

Dematerialization of Shares and Liquidity

The break-up of equity shares held in Physical and Dematerialized form as on 31st March 2018, is given below:

Particulars	No. of Shares	Percentage
Physical Segment	4,25,751	8.87
Demat Segment		
NSDL	34,06,405	70.95
CDSL	9,68,644	20.18
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
23 rd	31 st March, 2015	28 th September, 2015	03.00 p.m.
24 th	31 st March, 2016	17 th September, 2016	09:30 a.m.
25 th	31 st March, 2017	28 th September, 2017	09:30 a.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, 2017
2 nd Quarter	13 th September, 2017
3 rd Quarter	11 th December, 2017
4 th Quarter	13 th February, 2018

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 26th 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 – 2017-18:

Listing of Equity shares on stock exchanges.	Bombay Stock Exchange
BSE Stock Code	526588
Registrar and Transfer Agents	Sharex Dynamic India Pvt. Ltd.
Financial Year 2017-18	1 st April 2017 to 31 st March 2018
Board Meeting for consideration of audited results for the financial year ended 31 st March 2018	30 th May, 2018
Posting of Annual Reports – FY 2017-18	31 st August, 2018
Book Closure Date	18 th September 2018 to 24 th September 2018 (both days inclusive)
Last date for receipt of Proxy Forms	Before 9.30 am on 22 nd September, 2018
AGM – FY 2017-18	24 th September 2018 at 9.30 am at Society Office, 04 th Floor, Royal Industrial Estate Co-operative Society, Naigaon Cross Road, Wadala, Mumbai – 400031
Dividend Payment Date	Not applicable

Financial Calendar – 2018-19

Financial Year – 2018-19	1 st April 2018 to 31 st March, 2019
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, 2019	Board meeting to be held on or before 30 th May 2019. Financial results will be intimated to stock exchanges within fifteen minutes of the conclusion of the Board meeting.
AGM – FY 2018-19	September 2019 (tentative)

By Order of the Board

Dhaval J. Soni
Whole time Director

Place: Mumbai
Date: 30th May 2018

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 from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, based on 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 delicately ensured that every photo studio is equipped with the best equipment that meets the most stringent requirements.

Financial year 2017-2018 has been an eventful year overall for the Indian Economy with long awaited nationwide rollout of GST. Disruptions and anxiety due to perceptions, certain lack of clarity and overall adaptation of HSN based tax rates, though affected the business in 2nd/ 3rd quarter, have now been overcome and settled.

The improvement seen in the Indian Industrial Production (IIP) numbers since last couple of months suggest that the Indian economy has now moved on a recovery path which is a good indicator.

The Government expects India's GDP to expand at a growth rate of 7.4 percent during 2018-19. There are certain challenges faced by the country's economic growth due to subdued manufacturing, lower exports and lower capital expenditure. Initiatives such as Make in India, Invest India and Start Up India and are

expected to further improve the ease of doing business and provide a boost to manufacturing sector in the country.

At Company level going forward it is our conviction that the transparent policies and level playing field provided by the GST regime, along with the stringent statute compliance with initiatives like E-way bill implementation, will further help the growth of organized sector due to reduction of unethical practices which had led to unfair and unjust competition in the past

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 are given below: -

	Rs. In Lacs	
Particulars	FY 2017-18	FY 2016-17
Revenue from sale of products (Exports)	2720.82	2678.56
Revenue from sale of stock in trade (Domestic sale)	1562.63	2159.33
Other operating revenue	28.80	40.59
Total Revenue from Operations	4,312.25	4,878.48
Add: Other Income	63.58	36.07
Total Income from Operations	4,375.83	4,914.55
Provision for Taxation	Nil	Nil
Deferred Tax Liability / (Asset)	(43.27)	(93.54)
Taxes of Earlier years	1.59	12.62
Profit / (Loss) after tax	(63.89)	(174.28)
Paid-up equity Share Capital as on 31 st March, 2018	480.08	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 6 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 i.e. Digital Studio Lights and Photographic accessories. Two secondary segments have been identified based on the geographical locations of customers i.e. domestic and exports.

❖ 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.**

During the year, GST led destocking across trade and channels led to subdued domestic performance in first half of the year. After a muted H1FY18, the Company witnessed strong growth in H2 on the back of healthy domestic demand recovery against this backdrop, however the overall domestic turnover during the financial year 2017-18 has decreased to Rs. 1,562.63 Lacs as compared to Rs. 2,159.33 lacs in the previous year.

Further, due to adverse overseas markets conditions exports of the company had marginally increased to Rs. 2,720.82 Lacs during the FY 2017-18 as compared to Rs. 2,678.56 Lacs in the previous year.

The FY 2017-18 has been a challenging period for us and we have utilized the situation to work on opportunities that strengthen our operations

The Company is aggressively pursuing its marketing strategy of increasing the market share.

With the demand environment further improving, we are confident of reporting normalized growth rates in the coming fiscal.

New Product Launches

Photoquip India Ltd. has been committed towards equipping the Indian photo-imaging industry with exceptional quality, cutting-edge products. During the FY 2017-18 with the objective to provide innovative products which will enhance the offerings and improve the top and bottom line of both the Channel Partners and the Company, your Company has introduced following two international brands in India –

Light & Motion:

Designed, manufactured and tested in California, Light & Motion sets a new standard in broadcast, cinema and photo lighting. The products consists of cutting-edge technology and innovative design to meet both the recognized and unrecognized needs of our customers.

Jupio Batteries and Chargers:

Manufactured in Netherlands with superior quality raw materials and using advanced technology, Jupio offers an extensive range of power related products that deliver true enhanced performance and tremendous value for money. These products were introduced in India at India International Photo Video Trade Fair 2017. These state of the art brands are all set to revolutionize the future of the photography and broadcasting industry in India.

❖ 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 2018

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	10/116, Salt Pan Division, Lloyds Compound, Vidyalankar College Road, Antop Hill, Wadala (E) Mumbai - 400037 Phone: 022- 24110110
Whether listed Company	Listed Company
Name, Address and contact details of the Registrar and Transfer Agent, if any.	Sharex Dynamic (India) Pvt. 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	1,87,69,685	Nil	Nil	1,87,69,685
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i + ii + iii)	1,87,69,685	Nil	Nil	1,87,69,685
Change in Indebtedness during the financial year				
- Addition	5,77,40,741	Nil	Nil	5,77,40,741
- Reduction	2,25,13,184	Nil	Nil	2,25,13,184
Net change	- 3,52,27,557	Nil	Nil	- 3,52,27,557
Indebtedness at the end of the financial year				
i) Principal Amount	5,39,97,242	Nil	Nil	5,39,97,242
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i + ii + iii)	5,39,97,242	Nil	Nil	5,39,97,242

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Chief Financial Officer (CFO) Vivek Divekar	Amount (in Rs.)
		Jayant P. Soni	Dhaval J. Soni	Pulin D. 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	8,40,055	20,35,200	76,75,255
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2	Stock option	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4	Commission - as % of Profit - others, specify...	Nil	Nil	Nil	Nil	Nil
5	Others please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	24,00,000	24,00,000	8,40,054	20,35,200	76,75,255

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	Parvin J. Dumasia	
1	Independent Directors					
	Fee for attending board committee meetings	83,000	83,000	83,000	83,000	3,32,000
	Commission	Nil	Nil	Nil	Nil	Nil
	Other, please Specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	83,000	83,000	83,000	83,000	3,32,000
2	Other Non-Executive Directors	Nil	Nil	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration (B) = (1+2)	83,000	83,000	83,000	83,000	3,32,000

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

Annexure - IV - A											
SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)											
1) 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	Demat	Physical	Total					
A. PROMOTER'S											
(1). INDIAN											
(a). Individual	2466990	0	2466990	51,387	2473853	2473853	51.53	0	0	0	0.143
(b). Central Govt.	0	0	0	0	0	0	0	0	0	0	0
(c). State Govt(s)	0	0	0	0	0	0	0	0	0	0	0
(d). Bodies Corp.	125000	0	125000	2,604	125000	125000	2.604	0	0	0	0
(e). FILNS / BANKS.	0	0	0	0	0	0	0	0	0	0	0
(f). Any Other	0	0	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	2591990	0	2591990	53,991	2598853	2598853	54.134	0	0	0	0.143
(2). FOREIGN											
(a). Individual NRI / For Ind	0	0	0	0	0	0	0	0	0	0	0
(b). Other Individual	0	0	0	0	0	0	0	0	0	0	0
(c). Bodies Corporates	0	0	0	0	0	0	0	0	0	0	0
(d). Banks / FI	0	0	0	0	0	0	0	0	0	0	0
(e). Any Other Specify	0	0	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2591990	0	2591990	53,991	2598853	2598853	54.134	0	0	0	0.143
(B) (1). PUBLIC SHAREHOLDING											
(a). Mutual Funds	0	5000	5000	0.104	5000	5000	0.104	0	0	0	0
(b). Banks / FI	0	0	0	0	0	0	0	0	0	0	0
(c). Central Govt.	0	0	0	0	0	0	0	0	0	0	0
(d). State Govt.	0	0	0	0	0	0	0	0	0	0	0
(e). Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0
(f). Insurance Companies	0	0	0	0	0	0	0	0	0	0	0
(g). FIs	0	1300	1300	0.027	1300	1300	0.027	0	0	0	0
(h). Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0
(i). Others (specify)	0	0	0	0	0	0	0	0	0	0	0
Sub-total (B) (1):-	0	6300	6300	0.131	6300	6300	0.131	0	6300	6300	0
2. Non-institutions											
(a). BODIES CORP. - Indian	335569	11900	454569	0.947	57005	11900	68905	1.435	0	0	0.468
(b). Individuals	675341	320251	995592	20.738	612850	317851	930501	19.382	0	0	-1.356
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1037592	0	1037592	21.613	1075787	0	1075787	22.408	0	0	0.795
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	0	0	0	0	0	0	0	0	0	0	0
(c). Other (specify)	26129	90000	116125	2.419	24194	89300	114094	2.377	0	0	-0.042
Non Resident Indians	0	0	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0	0	0
Foreign Nationals	7743	0	7743	0.161	6360	0	6360	0.132	0	0	-0.029
Clearing Members	0	0	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0	0	0
Sub-total (B) (2):-	1780359	422151	2202510	45.878	1776196	419451	2195647	45.734	419451	2195647	-0.144
Total Public Shareholding (B)=(B)(1)+(B)(2)	1780359	428451	2208810	46.009	1776196	425751	2201947	45.865	0	0	-0.144
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.000	0	0	0	0.000	0	0	0
Grand Total (A+B+C)	4372349	428451	4800800	100.00	4375049	425751	4800800	100.00	4800800	425751	0

Annexure - IV - B

(i) Shareholding of Promoters

SR No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2017			Share holding at the end of the Year 31/03/2018			% change in share holding during theyear
		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	JAYANT PURUSHOTAM SONI	927247	19.314	-	927247	19.314	-	0
2	DHAVAL JAYANT SONI	531400	11.069	-	531400	11.069	-	0
3	TARA JAYANT SONI	527395	10.986	-	527395	10.986	-	0
4	VIMAL JAYANT SONI	444277	9.254	-	444277	9.254	-	0
5	PIRI SYSTEMS PVT LTD	125000	2.604	-	125000	2.604	-	0
6	ANJU DHAVAL SONI	16300	0.34	-	16300	0.34	-	0
7	JENITA DHAVAL SONI	6000	0.125	-	12863	0.268	-	0.143
8	PULIN DHAVAL SONI	8400	0.175	-	8400	0.175	-	0
9	KRUTI HARSHVADAN SUTHAR	5971	0.124	-	5971	0.124	-	0

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

SR No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2017			Share holding at the end of the Year 31/03/2018			% of total Shares of the company
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	
1	JENITA DHAVAL SONI	6000	0.125	01-04-2017				
				01-09-2017	2863 Buy		8863	0.185
				12-01-2018	4000 Buy		12863	0.268
	-Closing Balance			31-03-2018			12863	0.268

(iii) Shareholding of Directors and Key Managerial Personnel

SR No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2017			Share holding at the end of the Year 31/03/2018			% of total Shares of the company
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	
1	Mohan Motiram Jayakar	9900	0.206	01-04-2017				
	-Closing Balance			31-03-2018			9900	0.206
					No Change			

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 (01-04-2017) / end of the year (31-03-2018)	% of total Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company		
1	DIMPLE AMAR PARIKH	230000	4.791	01-04-2017		No Change	230000	4.791		
	-Closing Balance			31-03-2018						
2	DHEERAJ KUMAR LOHIA	132876	2.768	01-04-2017						
	-Closing Balance			26-01-2018	2411	Buy	135287	2.818		
3	RAJESH KUMAR AGRAWAL	104611	2.179	01-04-2017						
	-Closing Balance			21-04-2017	838	Buy	105449	2.196		
	-Closing Balance			05-05-2017	1500	Buy	106949	2.228		
	-Closing Balance			12-05-2017	419	Buy	107368	2.236		
	-Closing Balance			26-05-2017	1183	Buy	108551	2.261		
	-Closing Balance			09-06-2017	3904	Buy	112455	2.342		
	-Closing Balance			16-06-2017	23	Sold	112430	2.342		
	-Closing Balance			30-06-2017	36	Sold	112466	2.346		
	-Closing Balance			07-07-2017	-204	Sold	112262	2.330		
	-Closing Balance			14-07-2017	5143	Buy	117069	2.439		
	-Closing Balance			04-08-2017	-32	Sold	117037	2.438		
	-Closing Balance			22-09-2017	301	Buy	117338	2.444		
	-Closing Balance			20-10-2017	-30	Sold	117308	2.444		
	-Closing Balance			03-11-2017	2	Buy	117310	2.444		
	-Closing Balance			17-11-2017	190	Buy	117500	2.446		
	-Closing Balance			01-12-2017	-75	Sold	117425	2.446		
	-Closing Balance			12-01-2018	300	Buy	117725	2.452		
	-Closing Balance			19-01-2018	275	Buy	118000	2.458		
	-Closing Balance			28-01-2018	908	Buy	118908	2.477		
	-Closing Balance			09-02-2018	24	Buy	118930	2.477		
	-Closing Balance			16-02-2018	570	Buy	119500	2.489		
	-Closing Balance			31-03-2018			119500	2.489		
4	RAJ KUMAR LOHIA	72883	1.518	01-04-2017						
	-Closing Balance			23-03-2018	10000	Buy	82883	1.726		
	-Closing Balance			31-03-2018			82883	1.726		
5	SUDHA SHOK AJMERA	75191	1.566	01-04-2017						
	-Closing Balance			19-05-2017	60	Buy	75251	1.567		
	-Closing Balance			02-06-2017	1000	Buy	76251	1.588		
	-Closing Balance			15-09-2017	120	Buy	76371	1.591		
	-Closing Balance			31-03-2018			76371	1.591		
6	ASHOK PARMANAND AJMERA	50237	1.046	01-04-2017						
	-Closing Balance			08-09-2017	1011	Buy	51248	1.067		
	-Closing Balance			15-09-2017	500	Buy	51748	1.078		
	-Closing Balance			22-09-2017	-1	Sold	51747	1.078		
	-Closing Balance			31-03-2018			51747	1.078		
7	ASHOK PARMANAND AJMERA (HUF)	39478	0.822	01-04-2017						
	-Closing Balance			01-09-2017	2000	Buy	41478	0.864		
	-Closing Balance			15-09-2017	4446	Buy	45924	0.957		
	-Closing Balance			31-03-2018			45924	0.957		
8	SANJAY B SHAH	45417	0.946	01-04-2017						
	-Closing Balance			31-03-2018			45417	0.946		
9	LUTHRIA GIRISH GHANSHAMDAS	42300	0.881	01-04-2017						
	-Closing Balance			31-03-2018			42300	0.881		
10	JAVED SAJJADMEHDI SAYYED	35123	0.732	01-04-2017						
	-Closing Balance			31-03-2018			35123	0.732		
11	HARESH CHAMANLAL SONI	35398	0.737	01-04-2017						
	-Closing Balance			05-05-2017	-21	Sold	35377	0.737		
	-Closing Balance			12-05-2017	-718	Sold	34659	0.722		
	-Closing Balance			19-05-2017	-610	Sold	34049	0.709		
	-Closing Balance			21-07-2017	-1100	Sold	32949	0.686		
	-Closing Balance			11-08-2017	-11	Sold	32938	0.686		
	-Closing Balance			05-09-2017	-500	Sold	32438	0.665		
	-Closing Balance			05-01-2018	-875	Sold	31563	0.647		
	-Closing Balance			26-01-2018	-302	Sold	30761	0.641		
	-Closing Balance			16-03-2018	-500	Sold	30261	0.63		
	-Closing Balance			31-03-2018			30261	0.63		

Annexure V

FORM NO. AOC -2 – Disclosure 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 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 arm's 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 transactions'	Business purpose
f)	Date of approval by the Board	21 st 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)	Not applicable	

Annexure VI

**FORM NO. – MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31STMARCH, 2018**

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

To,
The Members,
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 compliance and expressing my opinion thereon.

Based on our verification of the Photoquip India Ltd, 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, 2018, 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 2018, 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 Borrowing;
- 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) Indian Stamp Act, 1889
 - f) Central Goods and Services Tax Act, 2017
 - g) Maharashtra Goods and Services Tax Act, 2017
 - h) The Industrial and Labour Laws consisting of

- i. Factories Act, 1948
- ii. Contract Labour (Regulation and Abolition) Act, 1970
- iii. Minimum Wages Act, 1948
- iv. Payment of Wages Act, 1936
- v. Payment of Gratuity Act, 1972
- vi. Equal Remuneration Act, 1976
- vii. Maternity Benefit Act, 1961
- viii. Sale of Goods Act, 1930
- ix. Employee's Provident Fund and Miscellaneous Provisions Act, 1952
- x. Shop and Establishment Act, as applicable
- xi. Payment of Bonus Act, 1965, and rules made thereunder
- xii. Employee's 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 compliance with the applicable clauses of the following:

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

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 by the management, the Company has made efforts in appointing a 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, who shall also act as the compliance officer of the Company under Chapter III of Regulation 6(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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. Further,

Mohan Jayakar, an Independent Director of the Company has been disqualified by ROC u/s 164(2) of Companies Act, 2013 from 01st November 2016 to 31st October 2021.

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

Place: Mumbai
Date: 30th May 2018

Kala Agarwal
Practising Company Secretary
COP No.: 5356

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.

Place: Mumbai
Date: 30th May 2018

Kala Agarwal
Practising Company Secretary
COP No.: 5356

Certificate on Corporate Governance

To,
The Members,
Photoquip India Ltd.

We have examined the compliance of conditions of Corporate Governance by **Photoquip India Ltd** ('the Company'), for the year ended 31st March, 2018, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub – Regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, ('Listing Regulations'). The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purpose (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

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 specified in Regulations 17 to 27, clauses (b) to (i) of sub – Regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of the Listing Regulations, as applicable.

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

Restriction on use

This Certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

Place: Mumbai
Date: 30th May 2018

Kala Agarwal
Practising Company Secretary
COP No.: 5356

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

To,
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 2018 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 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.

For, Photoquip India Ltd.

Vivek Divekar

Chief Financial Officer

Place: Mumbai

Date: 30th May 2018

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 2018.

By Order of the Board

Dhaval J. Soni
Whole time Director

Place: Mumbai
Date: 30th May 2018

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 2018.

By Order of the Board

Jayant P. Soni
Chairman & Managing Director

Place: Mumbai
Date: 30th May 2018

**F P & ASSOCIATES
CHARTERED ACCOUNTANTS**

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

INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF PHOTOQUIP INDIA LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of PHOTOQUIP INDIA LIMITED (‘the Company’), which comprise the Balance Sheet as at 31st March 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management’s Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (‘Ind AS’) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the

accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and order issued under section 143(11) of the Act.

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening Balance Sheet as at 1st April, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies(Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March, 2017 and 31st March, 2016 dated 30th May, 2017 and 30th May, 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion on the Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

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 Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, we report to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which

to the best of our knowledge and belief were necessary for the 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 those books;
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account;
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the company, and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, 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 on its financial position in its Ind AS financial statements -Refer Note 35 to the financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For F P & Associates
Chartered Accountants
Firm Registration No: 143262W**

Place : Mumbai
Date : 30th May 2018

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

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to the paragraph 1 under "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 except goods-in-transit 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. In our opinion and according to information & explanation given to us, 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 advances of Rs. 5,13,027/- for Capital Assets to concern in which Directors are interested.

iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

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 there under. 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, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service tax, cess, and any other material statutory dues, as applicable, with the appropriate authorities.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service tax, Cess and any other material statutory dues were in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.

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

Name of the Statute	Nature of the Dues	Amount (in Rs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	26,70,921	A.Y. 200607	Income Tax Appellate Tribunal
	Income Tax	9,69,000	A. Y. 200809	Assessing Officer
	Tax Deducted at Source	7,177	Various Years	CPC
Maharashtra Value Added Tax Act, 2002	Sales Tax	1,53,57,425	A.Y. 201314 to A.Y. 201617	Sales Tax Tribunal

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

i. 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 institutions. The Company does not have any loans or borrowings from government and has not issued any debentures.

ii. 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.

iii. 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.

iv. In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite

approvals mandated by the provisions of the Section 197 read with Schedule V to the Act.

v. 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.

vi. 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 Ind AS financial statements as required by the applicable Indian Accounting Standards.

vii. 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.

viii. 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.

ix. 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, Clause (xvi) of paragraph 3 of the Order is not applicable to the Company.

For F P & Associates
Chartered Accountants
Firm Registration No: 143262W

Place : Mumbai
Date : 30 th May, 2018

F.S. SHAH
Partner
Membership No. 133589

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls 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 31st March 2018 in conjunction with our audit of the IndAS 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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 Control over Financial Reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered accountants of India and the Standards on Auditing 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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Control 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 Control over Financial Reporting included obtaining an understanding of Internal Financial Control over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Control system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS 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:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have

a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of Internal Financial Controls system over Financial Reporting, including the possibility of collusion or improper management over ride 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 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, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the criteria for internal financial controls over financial reporting 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.

For F P & Associates
Chartered Accountants
Firm Registration No: 143262W

Place : Mumbai
Date : 30th May , 2018

F.S. SHAH
Partner
Membership No. 133589

COMPANY BACKGROUND

Photoquip India Limited (the 'Company') is a public limited company is incorporated in 1992 under provisions of the Companies Act, 1956. The Company is engaged in the business of manufacturing of Digital Studio Flash Lights and Photographic Accessories. The Company sells its products in the domestic as well as export markets. The equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE).

1. SIGNIFICANT ACCOUNTING POLICIES:**1.1. Basis of preparation of financial statements****(i) Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under Section 133 of the Companies Act, 2013 ("Act) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

For all periods up to and including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

These financial statements are the first financial statements prepared under Ind AS. The date of transition to Ind AS is 1st April, 2016. Refer Note 42 for an explanation of how the transition from Indian GAAP (IGAAP) to Ind AS has affected the Company's financial position, financial performance and cash flows.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values (Refer note No. 33) and Defined benefit planned assets measured at fair value (Refer note no. 41) at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(ii) Use of estimated and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(iii) Current / Non- Current Classification

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

1.2. Property, Plant and Equipment:

The Company has applied for the one time transition exemption of considering the previous GAAP carrying value of all its Property Plant and Equipment as on the transition date i.e. April 1, 2016 as deemed cost of property plant and equipment under INDAS. Hence regarded thereafter as historical cost.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are

met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets is determined as prescribed in Schedule II of Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

1.3. Impairment

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Assets that are subject to depreciation are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash in flows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expense. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

1.4. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

- a. Financial assets measured at amortised cost;
- b. Financial assets measured at fair value through other comprehensive income (FVTOCI);
- c. Financial assets measured at fair value through statement of profit and loss (FVTPL)

The Company classifies its financial assets in the above mentioned categories based on:

- a. The Company's business model for managing the financial assets;
- b. The contractual cash flows characteristics of the financial asset.

Financial assets measured at amortised cost

This category generally applies to trade and other receivables.

A financial asset is measured at amortised cost if both of the following conditions are met:

- a. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- b. The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- a. The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets;
- b. The asset's contractual cash flows represent SPPI.

Financial assets measured at fair value through the statement of profit and loss (FVTPL)

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments

All the equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL.

If the company decides to classify an equity instrument as at FVTOCI, then all the fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within FVTPL category are measured at fair value with all the changes recognized in statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's balance sheet) when:

- a. The contractual rights to the cash flows from the financial asset have expired, or
- b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
- c. The Company has transferred substantially all the risks and rewards of the asset, or
- d. The Company has neither transferred nor retained substantially all the risks and

rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company assesses impairment based on expected credit loss (ECL) model to the following:

- a. Financial assets measured at amortised cost;
- b. Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables, under the simplified approach; the Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable which is adjusted for management's estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowing, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in case of loans and borrowing and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and short term borrowing.

Subsequent measurement

- a. Financial liabilities measured at amortised cost;
- b. Financial liabilities subsequently measured at fair value through statement of profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for

trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Trade and other payables

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

| Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

| Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

| Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

1.5. Inventories

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.

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.

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.

1.6. Revenue Recognition

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates allowed by the Company.

Revenue includes only the gross inflows of economic benefits, including excise duty, received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as sales tax and value added tax are excluded from revenue.

Sale of products:

Sales are recognized when substantial risk and rewards of ownership are transferred to customer, In case of domestic customer, generally sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers,

generally sales take place when goods are shipped onboard based on bill of lading.

Revenue from services:

Revenue from services is recognized when the stage of completion can be measured reliably. Stage of completion is measured by the services performed till Balance Sheet date as a percentage of total services contracted

Interest and dividends:

Interest income is recognized using effective interest method. Dividend income is recognized when the right to receive dividend is established.

Other Operating Revenue -Export Incentive:

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

1.7. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

1.8. Borrowing Costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

1.9. Earnings per Share

Basic earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity Shares outstanding during the year.

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit for the year attributable to the equity holders of the Company by weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares in to Equity shares.

1.10. Foreign Currency Translation

Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate 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.

Transactions and balances:

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

1.11. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to

apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

1.12. Provisions and Contingent Liabilities

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources

embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

1.13. Employee Benefits

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.

Other long-term employee benefit obligations

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

Post-Employment Benefits:

(i) Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered provident fund scheme for all applicable employees.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceed the contributions already

paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(ii) Defined Benefit plans:

Provident Fund scheme:

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. The contributions are made to a government administered Provident Fund towards which the Company has no further obligations beyond its monthly contributions.

Defined benefit Gratuity plan:

The Company has funded its gratuity liability with Life Insurance Corporation of India (LIC)

Defined Privilege Leave Benefit plan

Provision for Leave Encashment, which are expected to be availed and encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of leave encashment as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Leave encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits.

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined

benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the LIC within the next twelve months.

1.14. Recent accounting pronouncements Standards issued but not yet effective

In March, 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, Revenue from Contract with Customers, Appendix B to Ind AS 21, Foreign Currency Transactions and advance consideration and amendments to certain other standards. These amendments are in line with recent amendments made by International Accounting Standards Board (IASB). These amendments are applicable to the Company from 1st April, 2018. The Company will be adopting the amendments from their effective date.

a) Ind AS 115, Revenue from Contract with Customers:

Ind AS 115 supersedes Ind AS 11, Construction Contracts and Ind AS 18, Revenue, Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers. The Principle of Ind AS 115 is that an entity should recognize revenue that demonstrates the transfer of promised goods and services to customers at an amount

that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard can be applied either retrospectively to each prior reporting period presented or can be applied retrospectively with recognition of cumulative effect of contracts that are not completed contracts at the date of initial application of the standard.

Based on the preliminary assessment performed by the Company, the impact of application of the standard is not expected to be material.

b) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

The Appendix clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the asset, expenses or income (or part of it) is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration towards such asset, expenses or income. If there are multiple payments or receipts in advance, then an entity must determine transaction date for each payment or receipts of advance consideration.

The impact of the Appendix on the financial statements, as assessed by the Company, is expected to be not material.

1.15. KEY ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer Note 32).

Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Defined Benefit Obligation

The costs of providing gratuity and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 41, 'Employee benefits'.

Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions.

PHOTOQUIP INDIA LIMITED
BALANCE SHEET AS AT 31st MARCH, 2018

Amount in Rs.

PARTICULARS	NOTES	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
ASSETS				
Non-current Assets				
Property, Plant and Equipment	2	112,751,287	110,123,790	116,488,850
Financial Assets				
Investment	3	633,589	636,609	482,218
Loan	4	2,013,027	9,632,774	9,632,774
Other Financial Assets	5	32,446,817	29,097,567	9,128,444
Current Tax Assets (net)	6	2,334,741	2,233,966	-
Deferred Tax Assets (net)	7	51,596,380	47,212,066	37,431,300
Other Non-current Assets	8	89,510,102	109,970,147	108,686,566
Current Assets				
Inventories	9	91,169,000	95,902,222	72,634,434
Financial Assets				
Trade Receivables	10	10,716,595	9,279,197	49,489,621
Cash and Cash Equivalents	11A	1,258,722	418,664	5,607,097
Other Balance with Banks	11B	-	-	7,177,142
Other Current Assets	12	27,709,364	46,276,731	59,063,924
TOTAL ASSETS		422,139,625	460,783,731	475,822,369
EQUITY & LIABILITIES				
EQUITY				
Equity Share Capital	13A	48,008,000	48,008,000	48,008,000
Other Equity	13B	153,722,796	160,242,071	179,510,170
LIABILITIES				
NON-CURRENT LIABILITIES				
Provisions	14	100,839,72	9,116,224	7,555,816
Financial Liabilities				
Borrowings	15	47,982,878	398,169	15,177,911
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	16	51,574,693	95,719,440	98,258,710
Trade Payables	17	-	-	-
Due to Micro and Small Enterprises		-	-	-
Due to Others		96,999,964	123,583,384	101,202,526
Other Financial Liabilities	18	4,965,594	20,818,345	22,533,586
Other Current Liabilities	19	7,839,871	1,823,926	838,296
Provisions	20	961,858	1,074,172	-
Income Tax Liabilities (Net)	21	-	-	2,737,354
TOTAL EQUITY AND LIABILITIES		422,139,625	460,783,731	475,822,369
Significant Accounting Policies and key accounting estimates and judgements Notes are an integral part of the financial statements	1			

As per our report of even date attached
For F P & ASSOCIATES

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF PHOTOQUIP INDIA LIMITED

Chartered Accountant
(Firm Registration No. 143262W)

(F.S.SHAH)
PARTNER
Membership No. 133589

Jayant P. Soni
Chairman & Managing Director
(DIN: 00249057)

Dhaval J. Soni
Whole Time Director
(DIN: 00751362)

Place : Mumbai
Date : 30th May 2018

Vivek Divekar
Chief Financial Officer

PHOTOQUIP INDIA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2018

Amount in Rs.

PARTICULARS	NOTES	Year 2017- 18	Year 2016-17
REVENUE FROM OPERATIONS			
Revenue from sale of products	22	272,082,383	267,856,414
Revenue from sale of stock in Trade	22	156,262,824	215,932,790
Other Operating Revenues	22	2,879,587	4,058,526
Other Income	23	6,358,198	3,607,419
TOTAL INCOME (I)		437,582,992	491,455,148
EXPENSES			
Cost of Materials Consumed	24	236,360,274	237,792,306
Purchases of Stock-in-Trade	25	106,635,531	187,348,674
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	26	(10,079,649)	(23,781,246)
Excise duty		2,928,307	11,176,000
Employee Benefit Expenses	27	42,862,837	44,612,889
Finance Costs	28	18,238,148	18,800,400
Depreciation and Amortisation Expense	29	7,253,789	6,965,504
Other Expenses	30	43,101,826	34,061,265
TOTAL (II)		447,301,064	516,975,793
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		(9,718,072)	(25,520,645)
Exceptional Items	31	838,843	-
PROFIT BEFORE TAX		(10,556,915)	(25,520,645)
Tax Expenses			
Current Tax		-	-
Deferred Tax		(4,327,073)	(9,353,908)
Tax in respect of earlier years		158,880	1,262,335
Total Tax expense		(4,168,193)	(8,091,573)
PROFIT AFTER TAX		(6,388,722)	(17,429,072)
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified to Statement of Profit and Loss			
(a) (i) Remeasurement benefit of defined benefit plans		(184,774)	(1,381,418)
(ii) Income tax expense on remeasurement benefit of defined benefit plans		57,095	426,858
(b) Net fair value gain/(loss) on investments in equity instruments through OCI		(3,020)	154,391
(ii) Income tax expense on investments in equity instruments through OCI		146	-
TOTAL OTHER COMPREHENSIVE INCOME (A+B)		(130,553)	(800,169)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(6,519,275)	(18,229,240)

PHOTOQUIP INDIA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2018

Amount in Rs.

PARTICULARS	NOTES	Year 2017- 18	Year 2016-17
Earnings per equity share (Face value of Rs. 10 each)			
1) Basic (in Rs.)		(1.33)	(3.63)
2) Diluted (in Rs.)		(1.33)	(3.63)
Significant Accounting Policies and key accounting estimates and judgements Notes are an integral part of the financial statements			

As per our report of even date attached
For F P & ASSOCIATES

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF PHOTOQUIP INDIA LIMITED

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Whole Time Director
(DIN: 00751362)

Place : Mumbai
Date : 30th May 2018

Vivek Divekar
Chief Financial Officer

PHOTOQUIP INDIA LIMITED
STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH 2018

PARTICULARS	As at 31st March 2018	As at 31st March 2017
A) EQUITY SHARE CAPITAL		
Balance at the beginning of the Reporting period	48,008,000	48,008,000
Changes in Equity Share capital during the year		
Balance at the end of the reporting period	48,008,000	48,008,000

Amount In Rs.

B) OTHER EQUITY	Reserver & Surplus			Equity Instrument through OCI	Total
	Capital Reserve	General Reserve	Retained Earning		
Balance as at April 1, 2016 (A)	23,000,000	13,395,462	142,918,790	195,918	179,510,170
Addition during the year:					
Profit for the period	-	-	(17,429,072)	-	(17,429,072)
Prior Period Adjustment	-	-	(1,038,859)	-	(1,038,859)
Items of OCI for the year, net of tax					
Remeasurement benefit of defined benefit plans	-	-	(954,560)	-	(954,560)
Net fair value loss on investment in equity instruments through OCI	-	-	-	154,391	154,391
Net fair value gain on investment in debt instruments through OCI	-	-	-	-	-
Total Comprehensive Income for the year 2016-17 (B)	-	-	(19,422,490)	154,391	(19,268,099)
Balance as at 31st March 2017 (C)=(A+B)	23,000,000	13,395,462	123,496,300	350,309	160,242,071
Addition during the year:					
Profit for the period	-	-	(6,388,722)	-	(6,388,722)
Items of OCI for the year, net of tax					
Remeasurement benefit of defined benefit plans	-	-	(127,679)	-	(127,679)
Net fair value loss on investment in equity instruments through OCI	-	-	-	(2,874)	(2,874)
Total Comprehensive Income for the year 2017-18(D)	-	-	(6,516,401)	(2,874)	(6,519,275)
Balance as at 31st March, 2018 (E)=(C+D)	23,000,000	13,395,462	116,979,899	347,435	153,722,796

As per our report of even date attached
For F P & ASSOCIATES

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF PHOTOQUIP INDIA LIMITED

Chartered Accountant
(Firm Registration No. 143262W)(F.S.SHAH)
PARTNER
Membership No. 133589Jayant P. Soni
Chairman & Managing Director
(DIN: 00249057)Dhaval J. Soni
Whole Time Director
(DIN: 00751362)Place : Mumbai
Date : 30th May 2018Vivek Divekar
Chief Financial Officer

PHOTOQUIP INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018

PARTICULARS	Amount in Rs.	
	Year 2017-18	Year 2016-17
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Prior Period item,tax and after exceptional items	(10,556,915)	(25,520,645)
Adjustment for		
Depreciation and Amortisation	7,253,789	6,965,504
Exceptional items	(838,843)	-
Bad Debts written off	126,053	-
Finance Costs	18,238,148	18,800,400
Net unrealized foreign exchange loss/ (Gain)	(6,776,168)	(382,364)
Interest/Dividend/Rent received	(1,086,816)	(873,575)
Prior Period adjustments	-	(1,038,859)
Operating Profit before Working Capital Changes	6,359,248	(2,049,539)
Adjustment for :		
(Increase) / Decrease in Trade Receivables	5,212,717	40,592,788
(Increase) / Decrease in Financial Assets	4,270,497	(19,969,123)
(Increase) / Decrease in Inventories	4,733,221	(23,267,787)
(Increase) / Decrease in Other assets	39,027,411	18,680,754
Increase / (Decrease) in Trade and other payables	36,420,227	21,632,687
Increase / (Decrease) in Provisions	6,70,660	1,253,162
Cash generated from Operations activities	23,853,527	36,872,941
Direct Taxes Paid (Net of Refund)	259,655	6,233,655
Net Cash from Operating Activities (A)	23,593,872	30,639,287
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Property, Plant and equipment including Capital Work in Progress and capital advances	(18,220,130)	(600,444)
Sale of Property, Plant and Equipment	9,177,686	-
Interest/Dividend/Rent received	1,086,816	873,575
Net Cash used in Investing Activities (B)	(7,955,628)	273,131
C CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Non- Current Borrowing	50,638,586	(14,793,804)
Increase / (Decrease) in Current Borrowing	(47,198,623)	(2,539,270)
Finance Cost	(18,238,148)	(18,767,777)
Net Cash used in Financing Activities (C)	14,798,185	(36,100,851)
NET INCREASE/(DECREASE) IN CASH & EQUIVALENTS	840,059	(5,188,433)
Cash & Cash Equivalents at the beginning of the year	418,664	5,607,097
Cash & Cash Equivalents at the end of the year	1,258,722	418,664

PHOTOQUIP INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2018

Notes:

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind-As-7)- Statement of Cash Flow

(b)

PARTICULARS	Amount In Rs.	
	As at 31st March,2018	As at 31st March,2017
Cash and Cash Equivalents comprises of		
Balance with Banks:		
-Current Accounts	142,361	45,445
Cash on hand	1,116,361	373,219
Cash and cash Equivalent	1,258,722	418,664

As per our report of even date attached
For F P & ASSOCIATES

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF PHOTOQUIP INDIA LIMITED

Chartered Accountant
(Firm Registration No. 143262W)

(F.S.SHAH)
PARTNER
Membership No. 133589

Jayant P. Soni
Chairman & Managing Director
(DIN: 00249057)

Dhaval J. Soni
Whole Time Director
(DIN: 00751362)

Place : Mumbai
Date : 30th May 2018

Vivek Divekar
Chief Financial Officer

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2018

NOTE: 2 PROPERTY, PLANT AND EQUIPMENT

PARTICULAR	Gross Carrying Value			Accumulated Depreciation			Net Carrying Value	
	Balance as at April 1, 2017	Additions during the year	Deductions during the year	Balance as at March 31, 2018	Balance as at April 1, 2017	Depreciation during the year	Deductions during the year	Balance as at March 31, 2018
Land	45,039,530	-	-	45,039,530	-	-	-	45,039,530
Office Building	9,298,321	-	9,040,000	258,321	753,626	174,625	701,157	31,227
Factory Building	23,218,982	-	-	23,218,982	6,648,813	724,572	-	15,845,598
Machinery	4,314,360	-	-	4,314,360	2,444,944	256,813	-	1,612,603
Lab Tools/Equipment	492,272	-	-	492,272	467,658	-	-	24,614
Dies & Moulds	67,899,587	14,069,322	-	81,968,909	37,445,743	3,365,807	-	41,157,359
Electrical Fittings	760,365	-	-	760,365	678,482	22,833	-	58,950
Office Equipment	3,109,558	-	-	3,109,558	2,864,835	237,529	-	7,194
Air Conditioner	1,656,767	-	-	1,656,767	1,002,754	66,333	-	587,680
Computers	11,043,987	125,970	-	11,169,957	9,978,238	445,458	-	746,261
Sign Board	933,671	-	-	933,671	886,987	-	-	46,684
Furniture & Fixtures	7,746,609	4,024,838	-	11,771,447	6,218,071	803,330	-	4,750,046
Motor Car	11,038,752	-	-	11,038,752	7,038,821	1,156,390	-	2,843,542
	186,552,761	16,220,130	9,040,000	195,732,891	76,428,970	7,253,790	701,157	112,751,287

PARTICULAR	Gross Carrying Value			Accumulated Depreciation			Net Carrying Value	
	Balance as at April 1, 2016	Additions during the year	Deductions during the year	Balance as at March 31, 2017	Balance as at April 1, 2016	Depreciation during the year	Deductions during the year	Balance as at March 31, 2017
Land	45,039,530	-	-	45,039,530	-	-	-	45,039,530
Office Building	9,298,321	-	-	9,298,321	403,015	350,610	-	8,544,695
Factory Building	23,218,982	-	-	23,218,982	5,924,241	724,572	-	17,294,741
Machinery	4,314,360	-	-	4,314,360	2,188,131	256,813	-	2,126,229
Lab Tools/Equipment	492,272	-	-	492,272	467,658	-	-	24,614
Dies & Moulds	67,564,587	335,000	-	67,899,587	35,013,753	2,431,990	-	30,453,844
Electrical Fittings	760,365	-	-	760,365	600,447	78,035	-	159,918
Office Equipment	2,949,514	160,044	-	3,109,558	2,549,748	315,087	-	399,766
Air Conditioner	1,656,767	-	-	1,656,767	917,296	85,458	-	739,471
Computers	10,938,587	105,400	-	11,043,987	9,588,233	390,005	-	1,350,354
Sign Board	933,671	-	-	933,671	886,987	-	-	46,684
Furniture & Fixtures	7,746,609	-	-	7,746,609	5,696,001	522,070	-	2,050,608
Motor Car	11,038,752	-	-	11,038,752	5,227,957	1,810,865	-	3,999,930
	185,952,317	600,444	-	186,552,761	69,463,467	6,965,504	-	116,488,850

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

Amount in Rs.

PARTICULARS	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
NOTE: 3 INVESTMENT			
Non-current Investments*			
(A) Investments in Equity Instruments at fair value through Other Comprehensive Income (FVTOCI)			
9000 (P.Y. 9000) Equity Shares of Chartered Capital Investment Ltd of Rs. 10/- Each Fully Paid Up	528,750	531,000	378,000
175 (P.Y. 175) Equity Shares of NHPC Ltd. of Rs. 10/- Each Fully Paid Up	4,839	5,609	4,218
Total Quoted Equity Shares	533,589	536,609	382,218
(B) Investments in Equity Instruments at fair value through profit & Loss Account (FVTPL)			
4000 (P.Y. 4000) Equity Shares of Apna Sahakari Bank Ltd. of Rs. 25/- Each Fully Paid Up	100,000	100,000	100,000
Total Un Quoted Equity Shares	100,000	100,000	100,000
Total Investment in Equity Instruments	633,589	636,609	482,218
Refer Note 33 for information about fair value measurement, credit risk and market risk of investments.			
NOTE 4 : LOANS			
Unsecured and Considered good			
(a) Loan to related party (Refer Note 4.1)	513,027	8,132,774	8,132,774
(b) Inter corporate Loan	1,500,000	1,500,000	1,500,000
TOTAL Rs.	2,013,027	9,632,774	9,632,774
* Refer Note 33 for information about fair value measurement, credit risk and market risk of investments.			
4.1 : Loan to related party includes Rs. 5,13,027/- (31st March, 2017 : Rs. 81,32,774 ; 1st April 2016 : Rs. 81,32,774/- to related parties (Refer Note 39)			
NOTE 5 : OTHER NON CURRENT FINANCIAL ASSETS			
Unsecured and Considered good			
Security Deposits	1,453,305	629,220	1,401,640
Bank Deposits :-Maturing after 12 months from the reporting date	8,511,047	7,989,633	7,726,804
Advances to related Party	22,482,465	20,478,714	-
TOTAL Rs.	32,446,817	29,097,567	9,128,444
* Refer Note 33 for information about fair value measurement, credit risk and market risk of investments.			
Advance to related party includes Rs. 2,24,82,465/- (31st March, 2017 : Rs. 2,04,78,714/-, 1st April, 2016 : Rs. Nil) to related parties (Refer Note 39)			
NOTE 6 : CURRENT TAX ASSETS (NET)			
Advance Tax (Net of Provision for tax)	2,334,741	2,233,966	-
TOTAL Rs.	2,334,741	2,233,966	-

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

Amount in Rs.

PARTICULARS	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
NOTE 7 : DEFERRED TAX ASSETS (NET)			
Deferred Tax Assets			
Bonus & Leave provisions	619,578	589,047	668,878
Carried Forward Loss/Unabsorbed Depreciation	53,090,324	53,339,766	44,290,366
Provision for employee benefits	3,413,161	742,548	360,162
Re-measurement benefit of the defined benefit plans through OCI	483,953	426,858	-
Other (Net Off)	30,426	-	-
MAT Credit Entitlement	4,373,444	4,373,444	4,373,444
Difference in carrying value and tax base of investment measured at FVTPL	146	-	-
Total Deferred Tax Assets (A)	62,011,032	59,471,663	49,692,850
Deferred Tax Liability			
Property, plant and equipment - difference between value of assets as per book base and tax base	10,414,652	12,259,597	12,261,550
Total Deferred Tax Liabilities (B)	10,414,652	12,259,597	12,261,550
TOTAL Rs. (A-B)	51,596,380	47,212,066	37,431,300

(i) Movements in Deferred Tax Assets and Liabilities during the year ended 31st March, 2018

Amount In Rs.

Particulars	Balance Sheet 01.04.2017	Profit and loss 2017-18	OCI 2017-18	Balance Sheet 31.03.2018
Property, plant and equipment - difference between value of assets as per book base and tax base	(12,259,597)	1,844,945	-	(10,414,652)
Difference in carrying value and tax base of Security Deposit	-	(20,007)	-	(20,007)
Bonus & Leave provisions	589,047	30,531	-	619,578
Carried Forward Loss/Unabsorbed Depreciation	53,339,766	(249,442)	-	53,090,324
Provision for employee benefits	742,548	2,670,613	-	3,413,161
Remeasurement benefit of the defined benefit plans through OCI	426,858	-	57,095	483,953
Difference in carrying value and tax base of investment measured at FVTPL	-	-	146	146
Other	-	50,433	-	50,433
MAT Credit	4,373,444	-	-	4,373,444
Deferred Tax (Expenses)/benefit	47,212,066	4,327,073	57,241	51,596,380
Net Deferred Tax Assets	47,212,066	4,327,073	57,241	51,596,380

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

(ii) Movements in Deferred Tax Assets and (Liabilities) during the year ended 31st March, 2017

Amount In Rs.

Particulars	Balance Sheet 01.04.2016	Profit and loss 2016-17	OCI 2016-17	Balance Sheet 31.03.2017
Property, plant and equipment - difference between value of assets as per book base and tax base	(12,261,550)	1,953	-	(12,259,597)
Bonus & Leave provisions	668,878	(79,831)	-	589,047
Carried Forward Loss/Unabsorbed Depreciation	44,290,366	9,049,400	-	53,339,766
Provision for employee benefits	360,162	382,386	-	742,548
Remeasurement benefit of the defined benefit plans through OCI	-	-	426,858	426,858
MAT Credit	4,373,444	-	-	4,373,444
Deferred Tax (Expenses)/benefit	37,431,300	9,353,908	426,858	47,212,066
Net Deferred Tax Assets	37,431,300	9,353,908	426,858	47,212,066

PARTICULARS	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
NOTE 8 : OTHER NON CURRENT ASSETS			
Deffered Revenue Expenditure	-	-	17,861,800
Less : Transferred to Statement of Profit & Loss	-	-	(6,698,176)
Less: Sold during the year	-	-	(11,163,624)
	-	-	-
Capital advances	14,027,812	28,292,450	29,758,694
Balances with government authorities	71,983,552	81,425,197	78,670,372
Advances to employees	234,500	252,500	257,500
Prepaid Rent	3,264,238	-	-
TOTAL Rs.	89,510,102	109,970,147	108,686,566
Balance with Statutory Authorities includes balances with sales tax, octroi etc.			
NOTE 9 : INVENTORIES (At lower of cost and net realisable value)			
Raw Materials	11,146,867	25,959,737	26,473,196
Stock In Trade	80,022,133	69,942,484	46,161,238
TOTAL Rs.	91,169,000	95,902,222	72,634,434

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

Amount in Rs.

PARTICULARS	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
NOTE 10 : TRADE RECEIVABLES*			
Secured, considered good	-	-	-
Unsecured, considered good	10,716,595	9,279,197	49,489,621
Unsecured, considered doubtful	-	-	-
	10,716,595	9,279,197	49,489,621
Less: Allowances for unsecured doubtful debts	-	-	-
TOTAL Rs.	10,716,595	9,279,197	49,489,621
<p>* Refer Note 33 for information about fair value measurement, credit risk and market risk of investments. Trade Receivable includes Rs. Nil (31st March, 2017 : Rs. Nil ; 1st April 2016 : Rs. 2,25,89,995/- to related parties (Refer Note 39) Trade Receivables are shown as net off advance received from customers in routine course of business</p>			
NOTE 11 : CASH AND BANK BALANCES			
(A) Cash and Cash Equivalents			
(a) Balances with Banks			
(i) Current Accounts	142,361	45,445	1,313,551
(b) Cash on hand	1,116,361	373,219	4,293,546
TOTAL Rs.	1,258,722	418,664	5,607,097
(B) Other Balances with Banks			
Term deposits with original maturity for more than 3 months but less than 12 months	-	-	7,177,142
TOTAL Rs.	-	-	7,177,142
<p>* Refer Note 33 for information about fair value measurement, credit risk and market risk of investments.</p>			
NOTE 12 : OTHER CURRENT ASSETS			
Advances to employees	89,529	22,529	257,705
Advance to Suppliers For Goods	22,324,113	35,173,506	48,494,481
Prepaid Expenses	1,655,031	1,598,370	2,354,680
Insurance Claim Due	-	297,362	-
Export Incentive Receivable	3,477,479	9,184,964	7,957,058
Prepaid Rent	163,212	-	-
TOTAL Rs.	27,709,364	46,276,731	59,063,924

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

NOTES: 13 EQUITY SHARE CAPITAL

PARTICULARS	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
A) EQUITY SHARE CAPITAL			
Authorised : 15,000,000 (P.Y. : 15,000,000) Equity shares of Rs.10/- each	150,000,000	150,000,000	150,000,000
	150,000,000	150,000,000	150,000,000
Issued, Subscribed & Fully Paid-up : 48,00,800 (P.Y. : 48,00,800) Equity shares of Rs.10/- each	48,008,000	48,008,000	48,008,000
	48,008,000	48,008,000	48,008,000

13.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:-

PARTICULARS	31 March 2018		31 March 2017		31 March 2016	
	No. of Shares	Amount Rs.	No. of Shares	Amount Rs.	No. of Shares	Amount Rs.
Equity Shares						
At the beginning of the period	4,800,800	48,008,000	4,800,800	48,008,000	4,800,800	48,008,000
Issued during the period	-	-	-	-	-	-
Outstanding at the end of the period	4,800,800	48,008,000	4,800,800	48,008,000	4,800,800	48,008,000

13.2 Detail Of The Rights, Preference and Restriction Attaching to Equity Shares

The company has only 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.

13.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	31 March 2018		31 March 2017		1st April 2016	
	No. of Shares	% Held	No. of Shares	% Held	No. of Shares	% Held
Equity Shares						
Jayant Purshotam Soni	927,247	19.31%	927,247	19.31%	922,247	19.21%
Dhaval Jayant Soni	531,400	11.07%	531,400	11.07%	531,400	11.07%
Tara Jayant Soni	527,395	10.99%	527,395	10.99%	527,395	10.99%
Vimal Jayant Soni	444,277	9.25%	444,277	9.25%	444,277	9.25%

PHOTOQUIP INDIA LIMITED
STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH 2018

Amount In Rs.

B) OTHER EQUITY	Reserver & Surplus			Equity Instrument through OCI	Total
	Capital Reserve	General Reserve	Retained Earning		
Balance as at April 1, 2016 (A)	23,000,000	13,395,462	142,918,790	195,918	179,510,170
Addition during the year:					
Profit for the period	-	-	(17,429,072)	-	(17,429,072)
Prior Period Adjustment			(1,038,859)	-	(1,038,859)
Items of OCI for the year, net of tax					
Remeasurement benefit of defined benefit plans			(954,560)	-	(954,560)
Net fair value loss on investment in equity instruments through OCI				154,391	154,391
Net fair value gain on investment in debt instruments through OCI					-
Total Comprehensive Income for the year 2016-17 (B)	-	-	(19,422,490)	154,391	(19,268,099)
Reductions during the year	-	-	-	-	-
Balance as at 31st March 2017 (C)=(A+B)	23,000,000	13,395,462	123,496,300	350,309	160,242,071
Addition during the year:					
Profit for the period			(6,388,722)		(6,388,722)
Items of OCI for the year, net of tax					
Re-measurement benefit of defined benefit plans			(127,679)	-	(127,679)
Net fair value loss on investment in equity instruments through OCI				(2,874)	(2,874)
Total Comprehensive Income for the year 2017-18(D)	-	-	(6,516,401)	(2,874)	(6,519,275)
Balance as at 31st March, 2018 (E)=(C+D)	23,000,000	13,395,462	116,979,899	347,435	153,722,796

PARTICULARS	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
NOTE 14 :PROVISION			
Provisions for Gratuity (Refer Note 41)	9,434,918	8,157,789	6,390,244
Provisions for Leave Encashment (Refer Note 41)	649,054	958,435	1,165,572
TOTAL Rs.	10,083,972	9,116,224	7,555,816

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

Amount in Rs.

PARTICULARS	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
NOTE 15 : BORROWING*			
Secured Loan			
Term Loans			
From Banks	47,982,878	398,169	15,177,911
TOTAL Rs.	47,982,878	398,169	15,177,911
Current Maturities of Long Term Borrowings *Amount disclosed under other current liabilities (Refer Note 18)	*2960488	*18339576	*20368931

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

- 15.1.1 Term Loan of Rs. 500.00 Lacs (31st March 2017 Rs Nil ; 1st April 2016 Rs. Nil) is primarily secured by sole charge on Gala Nos C-23 and A-33 located at Royal Industrial Estate, Naigaon Cross Road, Wadala, Mumbai and 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 120 Monthly Installments starting From October, 2018. Last Installment due in September, 2027. Rate of Interest 13.5% p.a. (Previous Year 13.5% p.a.) at year end.
- 15.1.2 Term Loan of Rs. Nil (31st March 2017 Rs 175.88 Lacs ; 1st April 2016 Rs. 335.12 lacs) 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.
- 15.1.3 Term Loan of Rs. 7.98 Lacs (31st March 2017 Rs 11.82 Lacs ; 1st April 2016 Rs. 15.00 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.
- 15.1.4 Term Loan of Rs. Nil (31st March 2017 Rs Nil ; 1st April 2016 Rs. 5.99 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.
- 15.1.5 Installments falling due in respect of all the above Loans upto 31st March 2019 have been grouped under "Current maturities of long-term debt".
- 15.1.6 The Company has not defaulted in the repayment of loans and interest in current and previous year.

* Refer Note 33 for information about fair value measurement, credit risk and market risk of investments.

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

Amount in Rs.

PARTICULARS	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
NOTE 16 : SHORT TERM BORROWING			
Term Loans			
Cash Credit Facility (Refer Note 16.1)	48,520,817	95,719,440	98,258,710
Loan Against Fixed Deposit	3,053,876	-	-
TOTAL Rs.	51,574,693	95,719,440	98,258,710

16.1 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 Promoter Directors and secured by Lien marked Fixed Deposit of Rs. 60,00,000 & Interest Accrued thereon.

PARTICULARS	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
NOTE 17 : TRADE PAYABLE			
Due to Micro and Small Enterprises (Refer Note 36)	-	-	-
Due to others	96,999,964	123,583,384	101,202,526
TOTAL Rs.	96,999,964	123,583,384	101,202,526

17.1 Trade Payable includes Rs. 5,85,036/- (31st March, 2017 : Rs. 30,85,449 ; 1st April 2016 : Rs. 32,61,002/- to related parties (Refer Note 39)

PARTICULARS	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
NOTE 18 : OTHER FINANCIAL LIABILITIES			
Current Maturities of Long Term Debt	2,960,488	18,339,576	20,368,931
Provisions for employee benefits	2,005,106	2,478,769	2,164,655
TOTAL Rs.	4,965,594	20,818,345	22,533,586
NOTE 19 : OTHER CURRENT LIABILITIES			
Statutory Liabilities	929,193	832,360	832,400
Advance for Expenses	81,362	32,010	-
Outstanding Liability	-	959,556	5,896
Advance from Customers	6,829,316	-	-
TOTAL Rs.	7,839,871	1,823,926	838,296

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

PARTICULARS	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
NOTE 20 : PROVISIONS			
Provisions for Gratuity (Refer Note 41)	720,876	698,411	-
Provisions for Leave Encashment (Refer Note 41)	240,982	375,761	-
TOTAL Rs.	961,858	1,074,172	-
NOTE 21 : INCOME TAX LIABILITIES			
Provisions for Taxes (Net of Advance Tax)	-	-	2,737,354
TOTAL Rs.	-	-	2,737,354

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

Amount in Rs.

PARTICULARS	2017-18	2016-17
NOTE 22 : REVENUE FROM OPERATIONS		
Revenue from Sale of Product		
Sale of Products	272,082,383	267,856,414
Sale of Stock in Trade	156,262,824	215,932,790
Other Operating Income	2,879,587	4,058,526
TOTAL Rs.	431,224,794	487,847,729
NOTE 23 : OTHER INCOME		
Interest Income	1,022,069	863,277
Interest income on security deposit	64,747	-
Dividend Income	-	10,298
Net Foreign Exchange Gain	4,100,694	1,408,945
Other Income	1,170,688	1,324,899
TOTAL Rs.	6,358,198	3,607,419
NOTE 24 : COST OF MATERIALS CONSUMED		
Inventory at the beginning of the Year	25,959,737	26,473,196
Add. Purchases during the year	221,547,404	237,278,848
	247,507,141	263,752,044
Less: Inventory at the end of the Year	11,146,867	25,959,737
TOTAL Rs.	236,360,274	237,792,306
NOTE 25 : PURCHASE OF STOCK IN TRADE		
Purchase of Stock in Trade	106,635,531	187,348,674
TOTAL Rs.	106,635,531	187,348,674

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

Amount in Rs.

PARTICULARS	2017-18	2016-17
NOTE 26 :Changes in inventories		
Inventory at the end of the Year	80,022,133	69,942,484
	80,022,133	69,942,484
Inventories at the beginning of the year	69,942,484	46,161,238
	69,942,484	46,161,238
Changes in Inventories	(10,079,649)	(23,781,246)
NOTE 27 : EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	38,300,665	39,821,137
Contribution to Provident and other funds (Refer Note 41)	3,887,149	4,103,846
Staff welfare expenses	675,023	687,906
TOTAL Rs.	42,862,837	44,612,889
NOTE 28 : FINANCE COSTS		
Interest on Bank Borrowings	17,155,321	17,821,109
Other Borrowing Cost	1,082,827	979,291
TOTAL Rs.	18,238,148	18,800,400
NOTE 29 : DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible Assets	7,253,789	6,965,504
TOTAL Rs.	7,253,789	6,965,504

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

Amount in Rs.

PARTICULARS	2017-18	2016-17
NOTE 30 : OTHER EXPENSES		
Designing & Development	124,100	55,000
Loading & Unloading	12,671	34,901
Electricity Expenses	255,000	461,780
Repair Maintenance	1,648,996	1,079,044
Legal & Professional fees *	3,646,129	5,377,174
Bad Debts	126,053	-
Printing & Stationary	607,661	574,127
Rent & Taxes	1,804,067	452,522
Repair & Maintenance - Vehicles	238,920	498,038
Insurance	667,164	1,370,068
Telephone	763,561	872,382
Travelling Expenses	1,720,228	3,303,671
Research & Development Expenses	1,265,584	5,727
Advertisement & Sales Promotion	4,380,302	6,214,956
Freight Charges	2,802,549	2,234,789
Packing Expenses	371,750	228,583
Exhibition Expenses	5,471,883	5,186,759
Other Expenses	17,195,209	6,111,745
TOTAL Rs.	43,101,826	34,061,265
* Payment to Auditor:		
As Auditor:		
Audit Fee	550,000	350,000
Tax Audit Fee	250,000	265,000
TOTAL Rs.	800,000	615,000
NOTE 31 : EXCEPTIONAL ITEMS		
Loss on sale of Asset (Refer Note 30.1)	838,843	-
TOTAL Rs.	838,843	-
30.1 Exceptional items refers to loss from sale of Vashi Godown.		

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

Amount in Rs.

PARTICULARS	2017-18	2016-17
NOTE 32 : INCOME TAX EXPENSES		
(a) Tax Expense recognised in the Statement of Profit & Loss		
Current Tax		
Current tax on taxable income for the year	-	-
Adjustments for the current tax of prior periods	158,880	1,262,335
Total Current Tax Expenses	158,880	1,262,335
Deferred Tax		
Deferred Tax charge/(credit)	(4,327,073)	(9,353,908)
Total Deferred Tax Expenses	(4,327,073)	(9,353,908)
Total Income Tax Expenses	(4,168,193)	(8,091,573)
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit Before Tax	(10,556,915)	(25,520,645)
Tax at the Indian tax rate of 30.9% (previous year - 30.9%)	-	-
Adjustment for:		
Difference between Book and Tax depreciation	(1,844,945)	(1,953)
Carry Forward Tax Losses	249,442	(9,049,400)
Other items	(2,731,570)	(302,555)
TOTAL	(4,327,073)	(9,353,908)
Adjustment in respect of current income tax of previous year	158,880	1,262,335
Tax Expenses as per Statement of Profit & Loss	(4,168,193)	(8,091,573)

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

NOTE 33 : FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS								
A. Financial instruments by category and their fair value								Amount in Rs.
As at 31 March 2018	Carrying amount				Fair value			
	FVTPL	FVOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	100,000	533,589	-	633,589	533,589	-	100,000	633,589
Loans-Non Current	-	-	2,013,027	2,013,027	-	-	-	-
Security deposits (Non current)	-	-	1,453,305	1,453,305	-	-	1,453,305	1,453,305
Other Financial Assets(Non Current)	-	-	30,993,512	30,993,512	-	-	-	-
Trade receivables	-	-	10,716,595	10,716,595	-	-	-	-
Cash and cash equivalents	-	-	1,258,722	1,258,722	-	-	-	-
Total financial assets	100,000	533,589	46,435,160	47,068,749	533,589	-	1,553,305	2,086,894
Financial liabilities								
Borrowings								
-Non-Current	-	-	47,982,878	47,982,878	-	-	-	-
-Current	-	-	54,535,180	54,535,180	-	-	-	-
Trade Payable	-	-	96,999,964	96,999,964	-	-	-	-
Other financial liabilities(Current)	-	-	2,005,106	2,005,106	-	-	-	-
Total financial liabilities	-	-	201,523,129	201,523,129	-	-	-	-
As at 31 March 2017	Carrying amount				Fair value			
	FVTPL	FVOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	100,000	536,609	-	636,609	536,609	-	100,000	636,609
Loans(Non Current)	-	-	9,632,774	9,632,774	-	-	-	-
Security deposits (Non current)	-	-	629,220	629,220	-	-	629,220	629,220
Other Financial Assets(Non Current)	-	-	28,468,347	28,468,347	-	-	-	-
Trade receivables	-	-	9,279,197	9,279,197	-	-	-	-
Cash and cash equivalents	-	-	418,664	418,664	-	-	-	-
Total financial assets	100,000	536,609	48,428,202	49,064,810	536,609	-	729,220	1,265,829
Financial liabilities								
Borrowings								
-Non-Current	-	-	398,169	398,169	-	-	-	-
-Current	-	-	114,059,016	114,059,016	-	-	-	-
Trade Payable	-	-	123,583,384	123,583,384	-	-	-	-
Other financial liabilities(Current)	-	-	2,478,769	2,478,769	-	-	-	-
Total financial liabilities	-	-	240,519,338	240,519,338	-	-	-	-

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

As at 1st April 2016	Carrying amount				Fair value			
	FVTPL	FVOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Non current investment	100,000	382,218	-	482,218	382,218	-	100,000	482,218
Loans(Non Current)	-	-	9,632,774	9,632,774	-	-	-	-
Security deposits (Non current)	-	-	1,401,640	1,401,640	-	-	1,401,640	1,401,640
Other Financial Assets(Non Current)	-	-	7,726,804	7,726,804	-	-	-	-
Trade receivables	-	-	49,489,621	49,489,621	-	-	-	-
Cash and cash equivalents	-	-	5,607,097	5,607,097	-	-	-	-
Other Bank Balances with Bank	-	-	7,177,142	7,177,142	-	-	-	-
Total financial assets	100,000	382,218	81,035,078	81,517,295	382,218	-	1,501,640	1,883,858
Financial liabilities								
Borrowings								
-Non-Current	-	-	15,177,911	15,177,911	-	-	-	-
-Current	-	-	118,627,641	118,627,641	-	-	-	-
Trade Payable	-	-	101,202,526	101,202,526	-	-	-	-
Other financial liabilities	-	-	2,164,655	2,164,655	-	-	-	-
Total financial liabilities	-	-	237,172,733	237,172,733	-	-	-	-
<p>The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.</p> <p>Types of inputs for determining fair value are as under:</p> <p>Level 1: This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments. The mutual funds are valued using the closing NAV.</p> <p>Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.</p> <p>Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.</p> <p>B. Measurement of fair values</p> <p>i) Valuation techniques and significant unobservable inputs</p> <p>The following tables show the valuation techniques used in measuring Level 2 and Level 3.</p> <p>Financial instruments measured at fair value</p>								
Particulars	Fair value hierarchy		Valuation technique		Inputs used			
Financial assets measured at amortised cost								
Security Deposits	Level 3		Discounted cash flow		Prevailing interest rates in the market, Future payouts, discounting cash flow			

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods

iii) Transfer out of Level 3

There were no movement in level 3 in either directions during the financial year ending on 31 March 2018 and 31 March 2017.

C. Financial risk management

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of Directors ('Board') oversee the management of these financial risks through its Risk Management Committee. The Risk Management Policy of the Company formulated by the Board, states the Company's approach to address uncertainties in its endeavor to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowing, investments, trade payables, trade receivables, loans and derivative financial instruments.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has insignificant interest bearing borrowing, the exposure to risk of changes in market interest rates is minimal. The Company has not used any interest rate derivatives.

Amount in lacs

Fixed-rate instruments	As At 31st March, 2018	As At 31st March, 2017	As At 1st April, 2016
Non current - Borrowing	479.83	3.98	151.78
Current portion of Long term borrowing	29.60	183.40	203.69
Total Rs.	509.43	187.38	355.47

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company operates, in addition to domestic markets, significantly in international markets through its sales and services in overseas and purchases from overseas suppliers in US\$ and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$. The Company does not enter into any derivative instruments for trading or speculative purposes.

The company does not enter into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials and other supplies denominated in foreign currency. The Company is also exposed to foreign exchange risk on its exports. Most of these transactions are denominated in US dollars.

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

Details of unhedged foreign currency exposure							
(A) Particulars of unhedged foreign currency exposure as at the reporting date are as follows:							
Amount in Rs.							
Unhedged Exposures	Foreign Currency Denomination	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
		Amount in Foreign Currency	Amount in Rs.	Amount in Foreign Currency	Amount in Rs.	Amount in Foreign Currency	Amount in Rs.
Trade Receivable	CHF	87,954	6,006,679	143,276	9,292,271	335,083	23,095,862
Advance from Customers	CHF	100,000	6,829,316	-	-	-	-
Advance to Supplier	USD	251,908	16,384,070	253,436	16,432,453	301,540	20,002,005
Advance to Supplier	EURO	259	20,891	-	-	-	-
Trade Payables	CHF	20,136	1,375,144	-	-	5,210	359,103
Trade Payables	USD	155,958	10,143,480	279,716	18,136,415	170,215	11,290,837
(c) Foreign Currency Risk Sensitivity							
The Company is mainly exposed to changes in USD. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.							
A change in Foreign currency would have following Impact on profit before tax							
Amount in Lacs							
	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016		
	5% Increase	5% Decrease	5% Increase	5% Decrease	5% Increase	5% Decrease	
USD	3.12	(3.12)	(0.85)	0.85	4.36	(4.36)	
C) Other Price Risk							
Other price risk is the risk arising from investments in equity instruments recognised at FVTOCI. As at 31st March, 2018, the carrying value of such instruments recognised at FVTOCI amounts to Rs. 5.34 Lacs (Rs. 5.37 Lacs as at 31st March, 2017 and Rs. 3.82 Lacs as at 1st April, 2016). The details of such equity instruments are given in Note 3 (A). Investments in equity instruments which is not considered to be significant.							
2) Credit Risk							
Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The Company considers Credit risk arises primarily from financial assets such as trade receivables, other balances with banks, loans.							
Credit risk arising from other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the credit rating agencies.							
Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.							
The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no provision considered.							

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

Ageing of Account receivables		Amount in Rs.		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	
Not Due	10,395,676	7,777,152	49,489,621	
2-4 months	-	12,755	-	
4-6 months	-	49,866	-	
6 months to 12 months	1,903	5,336	-	
beyond 12 months and less than 2 years	107,676	1,434,088	-	
More than 2 years	211,340	-	-	
Total	10,716,595	9,279,197	49,489,621	

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

3) Liquidity Risk
Liquidity risk is the risk that the company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the company to manage liquidity is to ensure, as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation. The company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

As on 31st March 2018	Less than 1 year	Between 1 to 5 Years	Beyond 5 years	Total
Borrowings				
- Non Current	2,946,714	14,380,582	30,655,582	47,982,878
- Current	54,535,180	-	-	54,535,180
Trade payables	84,206,201	12,793,763	-	96,999,964
Other financial liabilities-Current	2,005,106	-	-	2,005,106
Total	143,693,202	27,174,345	30,655,582	201,523,128

As on 31st March 2017	Less than 1 year	Between 1 to 5 Years	Beyond 5 years	Total
Borrowings				
- Non Current	-	398,169	-	398,169
- Current	114,059,016	-	-	114,059,016
Trade payables	121,991,825	1,591,559	-	123,583,384
Other financial liabilities	2,478,769	-	-	2,478,769
Total	238,529,610	1,989,728	-	240,519,338

As on 31st March 2017	Less than 1 year	Between 1 to 5 Years	Beyond 5 years	Total
Borrowings				
- Non Current	-	15,177,911	-	15,177,911
- Current	118,627,641	-	-	118,627,641
Trade payables	96,293,889	4,908,637	-	101,202,526
Other financial liabilities	2,164,655	-	-	2,164,655
Total	217,086,185	20,086,548	-	237,172,733

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

NOTE 34 : CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholders' value.

As at 31st March, 2018, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary, adjust its capital structure.

Net Debt and Equity is given in the table below

:Amount in Rs.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total Shareholders' Equity as reported in Balance Sheet	201,730,796	208,250,071	227,518,170
Net Debt			
Long Term Borrowings (including current portion of long term debt)	50,943,366	18,737,745	35,546,842
Short Term Borrowings	51,574,693	95,719,440	98,258,710
Gross Debt	102,518,059	114,457,185	133,805,552
Less:			
Cash and Bank Balances	1,258,722	418,664	12,784,239
Net debt	(101,259,337)	(114,038,521)	(121,021,313)
Total Capital	100,471,458	94,211,549	106,496,857

NOTE 35: CONTINGENT LIABILITIES AND COMMITMENTS

Amount In Rs.

a. Contingent Liabilities	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Claims against the Company not acknowledged as debts:			
i. TDS in dispute under appeal	7,177	1,121,430	-
ii. Income Tax matters in dispute under appeal	3,639,921	3,639,921	2,670,921
iii. Sales Tax in dispute under appeal	15,357,425	15,357,425	15,357,425
TOTAL	19,004,523	20,118,776	18,028,346
b. Commitments	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
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	25,000,000
TOTAL	25,000,000	25,000,000	25,000,000

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

NOTE 36: DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER FOR THE YEAR 2017-18, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE "SUPPLIERS" REGARDING THEIR STATUS UNDER THE ACT.			
Amount In Rs.			
PARTICULARS	As at 31st March,2018	As at 31st March,2017	As at 01st April, 2016
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act) Principal amount due to micro and small enterprise Interest due on above	- - -	- - -	- - -
(ii) 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 during the period	-	-	-
(iii) 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 Development Act, 2006	-	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
(v) 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	-	-	-
	-	-	-
<p>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.</p>			

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

NOTE 37 : 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 Indian Accounting Standard 108. 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 :

SUMMARY OF GEOGRAPHICAL SEGMENT INFORMATION:

Amount In Rs.

PARTICULARS	As At 31st March, 2018	As At 31st March, 2017	As At 1st April, 2016
REVENUE FROM EXTERNAL CUSTOMERS			
Domestic Operation	156,262,824	215,932,790	259,372,397
External Operation	274,961,970	271,914,940	344,028,370
TOTAL Rs.	431,224,794	487,847,729	603,400,767
CARRYING AMOUNT OF SEGMENT ASSETS			
Domestic Operation	399,732,104	435,059,008	419,529,547
External Operation	22,407,521	25,724,724	56,256,284
TOTAL Rs.	422,139,625	460,783,732	475,785,831
SEGMENT CAPITAL EXPENDITURE			
Domestic Operation	18,220,130	600,444	616,968
External Operation	-	-	-
TOTAL Rs.	18,220,130	600,444	616,968

Information about major customers

Revenue from one of the customers of the Company's Digital Studio Lights and Photographic Accessories business is Rs. 2661.53 Lacs which is more than 10% each of the Company's total segment revenue, for the year ended 31 March 2018.

Revenue from one of the customers of the Company's Digital Studio Lights and Photographic Accessories business is Rs. 2696.77 Lacs which is more than 10% each of the Company's total segment revenue, for the year ended 31 March 2017.

NOTE 38 : EARNING PER SHARE

Amount (In Rs.)

PARTICULARS	As At 31st March, 2018	As At 31st March, 2017
Earning Per Share has been computed as under:		
Profit after tax as per Statement of Profit and Loss	(6,388,722)	(17,429,072)
Weighted average number of equity shares outstanding	4,800,800	4,800,800
Basic and diluted earnings per share in rupees (Face Value – Rs. 10 per share)	(1.33)	(3.63)

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2018

NOTE: 39 INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY IND AS- 24 - 'RELATED PARTY DISCLOSURES' FOR THE YEAR ENDED 31ST MARCH, 2018.

(i) Name of the Related Party and Nature of Relationship

a) Key Management Personnel		
Jayant P. Soni	Managing Director	
Dhaval J. Soni	Whole Time Director	
Pulin D. Soni	Executive Director	
Vivek A. Divekar	Chief Financial Officer	
b) Independent/ Non- Executive Director		
Mohib N. Khericha	Independent Director	
Mohan M. Jayakar	Independent Director	
Anju Dhaval Soni	Non-Executive Director	
Vishnu J. Acharya	Independent Director	
Parvin J. Dumasia	Independent Woman Director	
c) Relatives of Key Management Personnel		
Tara J. Soni	Relative	
Vimal J. Soni	Relative	
d) Enterprises of Key Management Personnel		
Piri System Private Limited	Enterprises	
Vijay Studio System	Enterprises	
Photoquip	Enterprises	
Corvi LED Private Limited	Enterprises	

(ii) Transactions carried out with related parties referred in (i) above, in ordinary course of business:

Amount (In Rs.)

Nature of Transactions	Relationship	As At 31st March, 2018	As At 31st March, 2017
(a) Remuneration			
Jayant P. Soni	Managing Director	2,400,000	2,400,000
Dhaval J. Soni	Whole Time Director	2,400,000	2,400,000
Tara J. Soni	Relative	840,000	840,000
Pulin D. Soni	Executive Director	840,055	840,055
(b) Rent Paid			
Piri System Private Limited	Enterprises	252,000	252,000
(c) Director Sitting Fees			
Mohib N Khericha	Independent Director	83,000	103,750
Mohan M Jaykar	Independent Director	83,000	103,750
Dr. Vishnu Acharya	Independent Director	83,000	103,750
Parvin J Dumasia	Independent Woman Director	83,000	40,000

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

(iii) Balances with related parties referred in (i) above, in ordinary course of business:				
Amount In Rs.				
Nature of Transactions	Relationship	As At 31st March, 2018	As At 31st March, 2017	As At 01st April, 2016
(a) Amount Payable at the year ended				
Piri System Private Limited	Enterprises	-	-	651,888
Pulin D. Soni	Executive Director	103,135	18,217	170,198
Tara J. Soni	Relative	-	1,163,815	929,000
Jayant P. Soni	Managing Director	-	1,536,058	904,744
Dhaval J. Soni	Whole Time Director	481,901	367,359	177,754
Vimal J. Soni	Relative	-	-	427,418
(b) Amount Receivable at the year ended				
Piri System Private Limited	Enterprises	803,020	2,116,583	-
Vijay Studio System	Enterprises	-	4,597,000	4,597,000
Photoquip	Enterprises	513,027	3,535,774	3,535,774
Corvi LED Private Limited	Enterprises	22,482,465	20,478,714	22,589,995
NOTE: 40 CORPORATE SOCIAL RESPONSIBILITY				
Provisions of Section 135 of the Companies Act, 2013, requires every Company having a net worth 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 the immediately preceding 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).				
The Company doesn't fall in any of the above criteria, hence provisions of Section 135 of the Companies Act, 2013, is not applicable to the Company				

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

NOTE 41 : EMPLOYEE BENEFITS**1) Post-employment benefits :**

The Company has the following post-employment benefit plans:

1.1) Defined benefit gratuity plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The scheme is funded with Life Insurance Corporation of India in the form of qualifying insurance policy.

1.2) Defined Previilege Leave Benefit plan

Provision for Leave Encashment, which are expected to be availed and encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of leave encashment as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Leave encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

As per Actuarial Valuation as on 31st March, 2018, 31st March, 2017 and 1st April, 2016 and recognised in the financial statements in respect of Employee Benefit Schemes:

A. Amount recognised in the Balance Sheet**Amount in Rs.**

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
Gratuity:		
Present value of plan liabilities	10,195,483	8,905,126
Fair value of plan assets	(39,689)	(48,926)
Deficit/(Surplus) of funded plans	10,155,794	8,856,200
Unfunded plans	-	-
Net plan liability/ (Asset)	10,155,794	8,856,200
Previilege Leave Benefit:		
Present value of plan liabilities	890,036	1,334,196
Fair value of plan assets	-	-
Deficit/(Surplus) of funded plans	890,036	1,334,196
Unfunded plans	-	-
Net plan liability/ (Asset)	890,036	1,334,196

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

B. Movements in plan assets and plan liabilities							Amount In Rs.
GRATUITY	Year ended 31st March, 2018			Year ended 31st March, 2017			
	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	Net	
As at 1st April	48,926	8,905,126	8,856,200	153,796	6,544,041	6,390,245	
Current service cost	-	657,608	657,608	-	608,068	608,068	
Interest Income	20,194	-	(20,194)	12,304	(12,304)	-	
Interest cost	-	602,197	602,197	-	523,523	523,523	
Return on plan assets excluding amounts included in Interest Income	(16,515)	-	16,515	(4,787)	-	4,787	
Actuarial loss/(gain) due to change in financial assumptions	-	(273,983)	(273,983)	-	915,692	915,692	
Actuarial loss/(gain) due to change in demographic assumption	-	-	-	-	415,703	415,703	
Actuarial loss/ (gain) due to experience adjustments	-	442,242	442,242	-	45,236	45,236	
Employer Contribution	467,006	-	(467,006)	34,750	-	(34,750)	
Past Services Cost	-	342,215	342,215	-	-	-	
Benefits paid	(479,922)	(479,922)	-	(147,137)	(147,137)	-	
As at 31st March,	39,689	10,195,483	10,155,794	48,926	8,905,126	8,856,200	
Amount In Rs.							
PREVILEGE LEAVE BENEFIT	Year ended 31st March, 2018			Year ended 31st March, 2017			
	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	Net	
As at 1st April	-	1,334,196	1,334,196	-	1,165,572	1,165,572	
Current service cost	-	427,460	427,460	-	362,954	362,954	
Interest Income	-	-	-	-	-	-	
Interest cost	-	95,395	95,395	-	83,338	83,338	
Return on plan assets excluding amounts included in Interest Income	-	-	-	-	-	-	
Actuarial loss/(gain) due to change in financial assumptions	-	(18,425)	(18,425)	-	(10,633)	(10,633)	
Actuarial loss/(gain) due to change in demographic assumption	-	-	-	-	71,662	71,662	
Actuarial loss/ (gain) due to experience adjustments	-	347,194	347,194	-	254,408	254,408	
Employer Contribution	-	-	-	-	-	-	
Benefits paid	-	(1,295,784)	(1,295,784)	-	(593,105)	(593,105)	
As at 31st March	-	890,036	890,036	-	1,334,196	1,334,196	

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses			Amount In Rs.
GRATUITY	As at 31st March, 2018	As at 31st March, 2017	
Current service cost	657,608	608,068	
Net interest cost	582,003	511,219	
Past service cost and loss/(gain) on curtailments and settlement	342,215	-	
Net impact on the Profit / (Loss) before tax	1,581,826	1,119,287	
Remeasurement of the net defined benefit liability:			
Return on plan assets excluding amounts included in Interest Income	16,515	4,787	
Actuarial gains/(losses) arising from changes in financial assumption	(273,983)	915,692	
Actuarial gains/(losses) arising from changes in demographic assumption	-	415,703	
Experience gains/(losses) arising on experience adjustments	442,242	45,236	
Net Gain recognised in the Other Comprehensive Income before tax	184,774	1,381,418	
PREVILEGE LEAVE BENEFIT	As at 31st March, 2018	As at 31st March, 2017	
Current service cost	427,460	362,954	
Net interest cost	95,395	83,338	
Net value of remeasurements on the obligation and plan assets	328,769	315,437	
Net impact on the Profit / (Loss) before tax	851,624	761,729	
D. Assets			Amount In Rs.
PARTICULAR	As at 31st March, 2018	As at 31st March, 2017	
GRATUITY:			
Policy of Insurance	39,689	48,926	
TOTAL	39,689	48,926	

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

E. Assumption				
With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and privilege Leave benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.				
The significant actuarial assumptions were as follows:				
Amount In Rs.				
PARTICULARS	As at 31st March, 2018		As at 31st March, 2017	
GRATUITY:				
Discount Rate	7.55%		7.15%	
Salary Growth Rate	7.00%		7.00%	
Withdrawal Rate	10% at younger ages reducing to 2% at older ages		10% at younger ages reducing to 2% at older ages	
PREVILEGE LEAVE BENEFIT				
Discount Rate	7.55%		7.15%	
Salary Growth Rate	7.00%		7.00%	
Withdrawal Rate	10% at younger ages reducing to 2% at older ages		10% at younger ages reducing to 2% at older ages	
Leave Availment Rate	5.00%		5.00%	
Leave Encashment Rate	0.00%		0.00%	
F. Sensitivity				
The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:				
Amount In Rs.				
Increase / (Decrease) in defined benefit obligation	Year ended 31st March, 2018		Year ended 31st March, 2017	
	Define Benefit Obligation(DBO)	Change in DBO%	Define Benefit Obligation(DBO)	Change in DBO%
GRATUITY:				
Discount Rate				
Increase by 0.50%	9,870,813	-3.18%	8,621,204	-3.19%
Decrease by 0.50%	10,540,045	3.38%	9,206,610	3.39%
Salary growth Rate				
Increase by 0.50%	10,530,617	3.29%	9,152,798	2.78%
Decrease by 0.50%	9,879,014	-3.10%	8,661,253	-2.74%
Withdrawal Rate				
Increase by 0.50%	10,205,864	0.10%	8,938,301	0.37%
Decrease by 0.50%	10,184,463	-0.11%	8,870,141	-0.39%

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

PREVILEGE LEAVE BENEFIT				
Discount Rate				
Increase by 0.50%	868,116	-2.46%	1,300,038	-2.56%
Decrease by 0.50%	913,197	2.60%	1,370,342	2.71%
Salary growth Rate				
Increase by 0.50%	913,206	2.60%	1,370,216	2.70%
Decrease by 0.50%	867,903	-2.49%	1,299,830	-2.58%
Withdrawal Rate				
Increase by 10%	889,403	-0.07%	1,332,446	-0.13%
Decrease by 10%	890,700	0.07%	1,336,028	0.14%

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore in presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

G Expected cash flows based on past service liability after year end 31st March, 2018 as follows:

PARTICULARS	Amount In Rs.	
	As at 31st March, 2018	As at 31st March, 2017
GRATUITY		
2018	-	1,907,358
2019	2,094,889	564,869
2020	1,157,199	1,109,895
2021	442,061	414,640
2022	452,697	423,305
2023	554,082	-
Thereafter	5,255,808	4,304,326
PREVILEGE LEAVE BENEFIT		
2018	-	375,761
2019	240,982	114,933
2020	99,758	131,555
2021	73,705	100,588
2022	70,749	96,836
2023	75,428	-
Thereafter	412,824	605,658

2. The Company has also certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The expense recognized during the period towards defined contribution plan is Rs. 22,70,851/- (31st March 2017 Rs. 23,99,326/-)

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

NOTE: 42 FIRST TIME ADOPTION OF Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

For all periods up to and including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). This note explains the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP for the following:

- a) Balance Sheet as at 1st April, 2016 (Transition date);
- b) Balance Sheet as at 31st March, 2017;
- c) Statement of Profit and Loss for the year ended 31st March, 2017; and
- d) Statement of Cash flows for the year ended 31st March, 2017.

EXEMPTIONS AVAILED:

Ind AS 101- First-time adoption of Indian Accounting Standards, allows first-time adopters, exemptions from the retrospective application and exemption from application of certain requirements of other Ind AS. The Company has availed the following exemptions as per Ind AS 101:

1 Fair value measurement of financial assets and liabilities

For financial instruments, wherein fair market values are not available (viz. interest free and below market rate security deposits or loans) the Company has elected to adopt fair value recognition prospectively to transactions entered after the date of transition.

2 Deemed Cost for Property Plant & equipment

The Company has elected to consider the carrying value of all its items of property, plant and equipment recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet.

3 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in financial instruments carried at FVTPL or FVOCI,
- Impairment of financial assets based on expected credit loss model
- Determination of the discounted value for financial instruments carried at amortised cost.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

4 Classification and measurement of financial assets:

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

5 Recognised of financial instruments through FVOCI

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

NOTE: 42 FIRST TIME ADOPTION OF Ind AS

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

I. Reconciliation of Balance Sheet as at April 1,2016		Amount in Rs.		
Effect of Ind AS adoption on the Balance Sheet as at 1st April, 2016	NOTES	Previous GAAP	Effect of Transition to IND AS	IND AS
ASSETS				
1 Non-current Assets				
Property, Plant and Equipment		116,488,850	-	116,488,850
Financial Assets				
Investment	1	286,300	195,918	482,218
Loan		9,632,774	-	9,632,774
Other Financial Assets	6	8,844,326	284,118	9,128,444
Deferred Tax Assets (net)	3	37,071,138	360,162	37,431,300
Other Non-current Assets	6	109,242,725	(556,159)	108,686,566
2 Current Assets				
Inventories		72,634,434	-	72,634,434
Financial Assets				
Trade Receivables		49,489,621	-	49,489,621
Cash and Cash Equivalents		5,607,097	-	5,607,097
Other Balance with Banks		7,177,142	-	7,177,142
Other Current Assets	6	59,311,424	(247,500)	59,063,924
TOTAL ASSETS		475,785,831	36,539	475,822,369
EQUITY & LIABILITIES				
EQUITY				
Equity Share Capital		48,008,000		48,008,000
Other Equity		180,510,255	(1,000,085)	179,510,170
LIABILITIES				
NON-CURRENT LIABILITIES				
Provisions	2	6,390,244	1,165,572	7,555,816
Financial Liabilities				
Borrowing	5	15,205,219	(27,308)	15,177,911
CURRENT LIABILITIES				
Financial Liabilities				
Borrowing		98,258,710	-	98,258,710
Trade Payables				
Due to Micro and Small Enterprises		-		
Due to Others	6	101,272,808	(70,282)	101,202,526
Other Financial Liabilities	5	22,570,841	(37,255)	22,533,586
Other Current Liabilities	6	832,400	5,896	838,296
Current Tax Liabilities (Net)		2,737,354	-	2,737,354
TOTAL EQUITY AND LIABILITIES		475,785,831	36,539	475,822,369

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

II Reconciliation of Balance Sheet as at March 31, 2017

Amount in Rs.

Effect of Ind AS adoption on the Balance Sheet as at 1st April, 2017	NOTES	Previous GAAP	Effect of Transition to IND AS	IND AS
ASSETS				
1 Non-current Assets				
Property, Plant and Equipment		110,123,790	-	110,123,790
Financial Assets				
Investment	1	286,300	350,309	636,609
Loan		9,632,774	-	9,632,774
Other Financial Assets		29,097,567	-	29,097,567
Current Tax Assets (net)		2,233,966	-	2,233,966
Deferred Tax Assets (net)	3	46,042,660	1,169,407	47,212,066
Other Non-current Assets		109,970,145	-	109,970,147
2 Current Assets				
Inventories		95,902,222	-	95,902,222
Financial Assets				
Trade Receivables		9,279,197	-	9,279,197
Cash and Cash Equivalents		418,664	-	418,664
Other Current Assets		46,276,731	-	46,276,731
TOTAL ASSETS		459,264,016	1,519,716	460,783,731
EQUITY & LIABILITIES				
EQUITY				
Equity Share Capital		48,008,000		48,008,000
Other Equity		162,320,985	(1,474,663)	160,242,071
LIABILITIES				
NON-CURRENT LIABILITIES				
Provisions	2	7,787,328	1,328,896	9,116,224
Financial Liabilities				
Borrowing	5	411,415	(13,246)	398,169
		-	-	-
CURRENT LIABILITIES				
Financial Liabilities				
Borrowing		95,719,440	-	95,719,440
Trade Payables		-	-	-
Due to Micro and Small Enterprises		-	-	-
Due to Others	6	123,315,439	267,945	123,583,384
Other Financial Liabilities	5 & 6	20,837,039	(18,693)	20,818,345
Other Current Liabilities	6	864,370	959,556	1,823,926
Provisions	2	-	1,074,172	1,074,172
TOTAL EQUITY AND LIABILITIES		459,264,016	1,519,716	460,783,731

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

III Reconciliation of Statement of Profit and Loss for the year ended March 31,2017 Amount in Rs.

Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended	NOTES	Regrouped Previous GAAP	IND AS adjustments	IND AS
REVENUE FROM OPERATIONS				
Revenue from sale of products	4	284,061,291	(16,204,877)	267,856,414
Revenue from sale of stock in Trade	4	220,420,476	(4,487,686)	215,932,790
Other Operating Revenues		4,058,526	-	4,058,526
Other Income	1	3,152,264	455155	3,607,419
TOTAL INCOME (I)		511,692,557	(20,237,408)	491,455,148
EXPENSES				
Cost of Materials Consumed		237,778,893	13,413	237,792,306
Purchases of Stock-in-Trade		187,348,674	-	187,348,674
Changes in inventories of finished goods, Stock-in-trade and work-in-progress		(23,781,246)	-	(23,781,246)
Excise duty		11,176,000	-	11,176,000
Employee Benefit Expenses	2	44,756,811	(143,922)	44,612,889
Finance Costs	5	18,767,777	32,623	18,800,400
Depreciation and Amortisation Expense		6,965,504	-	6,965,504
Other Expenses	4	54,578,599	(20,517,334)	34,061,265
TOTAL (II)		537,591,012	(20,615,220)	516,975,793
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX(I-II)				
		(25,898,455)	377,812	(25,520,645)
Exceptional Items		-	-	-
PROFIT BEFORE TAX		(25,898,455)	377,812	(25,520,645)
Tax Expenses				
Current Tax		-	-	-
Deferred Tax	3	(8,971,522)	(382,386)	(9,353,908)
Tax in respect of earlier years		1,262,335	-	1,262,335
Total Tax expense		(7,709,187)	(382,386)	(8,091,573)
PROFIT AFTER TAX		(18,189,268)	760,198	(17,429,072)
OTHER COMPREHENSIVE INCOME (OCI)*				
Items that will not be reclassified to Statement of Profit and Loss				
(a) (i) Remeasurement benefit of defined benefit plans	2	-	-	(1,381,418)

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended	NOTES	Regrouped Previous GAAP	IND AS adjustments	IND AS
(ii) Income tax expense on remeasurement benefit of defined benefit plans	2	-	-	426,858
(b) Net fair value gain/(loss) on investments in equity instruments through OCI	1	-	154,391	154,391
TOTAL OTHER COMPREHENSIVE INCOME		-	(800,169)	(800,169)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(18,189,268)	(39,971)	(18,229,240)

* Under the Previous GAAP, there was no concept of Other Comprehensive Income. Under Ind AS, specified items of income, expense, gains or losses are required to be presented in Other Comprehensive Income.

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

NOTE: FIRST TIME ADOPTION OF IND AS (CONTD.)				
A. Reconciliation of Total Comprehensive Income for the year ended 31st March 2017				
Nature of Adjustments	Footnote	For the Year ended 31.03.2017		
Net Profit (Loss) as reported under Previous GAAP		(18,189,268)		
Prior Period Adjustments	6	280,182		
Impact of borrowing cost	5	(46,292)		
Re-measurement of retirement benefit	2	312,546		
Leave benefit	2	(168,624)		
Deferred Tax	3	382,386		
Net Profit for the period as per Ind AS		(17,429,071)		
Effect of measuring investment at fair value through OCI	1	154,391		
Retirement Benefit (net off tax)	2 & 3	(954,560)		
Total Comprehensive Income as per Ind AS		(18,229,240)		
B. Reconciliation of Equity as at 31st March 2017 and 1st April 2016				
Nature of Adjustments	Footnote	As at 31 March, 2017	As at 01 April, 2016	
Equity as per Previous GAAP		210,328,985	228,518,255	
Remeasurement of retirement benefit	2	(1,068,872)	-	
Leave Benefit Obligation	2	(1,334,196)	(1,165,572)	
Impact of borrowing cost	5	18,271	64,563	
Prior Period Adjustment	6	(1,213,832)	(455,155)	
Deferred Tax	3	1,169,406	360,161	
Effect of measuring Non-Current Investment at fair value	1	350,309	195,918	
Equity as per IND AS		208,250,071	227,518,170	
C Effect of Ind AS adoption, on the Statement of Cash Flow for the year ended 31st March 2017				
Nature of Adjustments	Footnote	For the year ended 31st March 2017		
		Previous GAAP	Effect of transition to IND AS	IND AS
Net Cash flows from operating activities		30,639,287	-	30,639,287
Net Cash Flow from Investing activities		273,131	-	273,131
Net Cash flow from Financing activities		(36,100,851)	-	(36,100,851)
Net Increase in Cash and Cash equivalents		(5,188,433)	-	(5,188,433)
Cash and Cash equivalents at the beginning of the year		5,607,097	-	5,607,097
Cash and Cash equivalents at the end of the year	7	418,664	-	418,664

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

NOTE: 46 FIRST TIME ADOPTION OF Ind AS (Contd...)

Notes to the reconciliation of equity as at 1st April 2016 and 31st March 2017 and Total comprehensive income for the year ended 31st March 2017.

1 Fair Valuation of Investments

Fair value changes with respect to investments in equity instruments designated as at FVTOCI have been recognised in FVTOCI. The resulting fair value changes of these investments have been recognised as a separate component of equity, in the retained earnings as at the date of transition and subsequently in the Other Comprehensive Income(OCI) for the year ended 31st March 2017. This increased other reserves by Rs. 3.50 Lacs as at 31st March, 2017 (Rs. 1.96 Lacs As at 1 April, 2016).

2 Employee Benefits

Both under Previous GAAP and Ind-AS, the company recognises costs related to its post-employment defined benefit plan on an actuarial basis. Under Previous GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind-AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

Under Previous GAAP company is in process of taking Acturial Valuation for preveilage Leave Benefits. As a result of this change, the profit for the year ended 31st March 2017 is decreased by Rs.1.69 lacs and retained earnings decreased by Rs. 13.34 Lacs as at 31st March, 2017 (Rs. 11.65 Lacs As at 1 April, 2016).

3 Deferred Tax

In the financial statements prepared under Previous GAAP, deferred tax was accounted as per the income statement approach which required creation of deferred tax asset/liability on temporary differences between taxable profit and accounting profit. Under Ind AS, deferred tax is accounted as per the Balance Sheet approach which requires creation of deferred tax asset/liability on temporary differences between the carrying amount of an asset/liability in the Balance Sheet and its corresponding tax base.

The application of Ind AS has resulted in recognition of deferred tax on new temporary differences which were not required to be recognised under Previous GAAP. In addition, the above mentioned transitional adjustments relating to current/non-current investments have also led to temporary differences and creation of deferred tax thereon.

The above changes have resulted in creation of deferred tax assets (net) amounting to Rs. 3.60 lacs as at date of transition to Ind AS and Rs. 11.69 Lacs as at 31st March, 2017. For the year ended 31st March, 2017, it has resulted in a decrease in deferred tax expense by Rs. 3.82 Lacs in the Statement of Profit and Loss and recognition of deferred tax benefit by Rs. 4.27 Lacs in OCI.

4 Revenue from sale of products:

Under Previous GAAP, sales commission given was shown as as a part of other expenses. However, under Ind AS, such commission expenses amounting to Rs.206.93 lacs for the year ended 31st March, 2017 are reduced from revenue from sale of products. This has resulted in reduction in sales and other expenses.

PHOTOQUIP INDIA LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31st MARCH, 2018

The above changes do not affect equity as at date of transition to Ind AS, profit after tax for the year ended 31st March, 2017 and Equity as at 31st March, 2017.

5 Amortisation of Loan Processing Fees

Under previous GAAP, upfront fees paid to the lenders is charged to statement of profit and loss as and when incurred. However, Ind AS - 109 "Financial instruments" requires long term debt to be recognised at amortised cost and upfront fees are charged on the basis of effective interest rate method. Accordingly borrowings as at 31st March 2017 decreased by Rs 0.18 lacs (Rs. 0.65 Lacs as at 1st April, 2016) with corresponding effect in retained earning resulting in increase in total equity.

The above change has resulted in decrease in profit before tax for the year ended 31st March, 2017 by 0.46 lacs in the Statement of Profit and Loss Account.

6 Restatement of Prior Period Expenses

Under Previous GAAP, Prior period expenses of Rs. 4.55 lacs was recorded in the statement of Profit and Loss for the year ended March 31, 2017. However in accordance with the requirements of Ind AS the same has been recognised by restating the retained earnings as on April 01, 2016.

As per Ind AS Prior period expenses was restated in the previous year financial statements or retained earnings. Prior period expenses of Rs. 12.14 lacs was recognised by restating the retained earnings as on 31st March, 2017 and prior period expenses of Rs. 2.80 lacs recorded in the Profit and Loss for the year ended March 31, 2017.

7 Statement of cash flows

The transition from Indian GAAP to Ind AS do not any material impact on Statement of cash flows.

8 Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

As per our report of even date attached
For F P & ASSOCIATES

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF PHOTOQUIP INDIA LIMITED

Chartered Accountant
(Firm Registration No. 143262W)

(F.S.SHAH)
PARTNER
Membership No. 133589

Jayant P. Soni
Chairman & Managing Director
(DIN: 00249057)

Dhaval J. Soni
Whole Time Director
(DIN: 00751362)

Place : Mumbai
Date : 30th May 2018

Vivek Divekar
Chief Financial Officer

PHOTOQUIP INDIA LIMITED

CIN L74940MH1992PLC067864

10/116, Salt Pan Division, Lloyds Compound, Vidyalankar College Road, Antop Hill, Wadala (E) Mumbai - 400037
www.photoquip.com, info@photoquip.com, Tel No. 022-24110110[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	10/116, Salt Pan Division, Lloyds Compound, Vidyalankar College Road, Antop Hill, Wadala (E) Mumbai - 400037

Name of the Memeber(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 26th AGM of the company, to be held on the 24th September, 2018 at 9.30 am at Society Office, 04th Floor, Royal Industrial Estate Co-operative Society, Naigaon Cross Road, Wadala. Mumbai - 400 031 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 31st March, 2018		
2.	Re-appointment of Dhaval Soni as Whole Time Director liable to retire by rotation		
3.	Appointment of M/s. F P & Associates, Chartered Accountants, as Statutory Auditors and authorizing the Board to fix their remuneration		
4.	Appointment of Jayant P. Soni as Chairman & Managing Director for period of 3 years starting 1st April 2017 to 31st March 2020		

Signed this _____ day of _____ 2018

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 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the Company.

PHOTOQUIP INDIA LIMITED

CIN L74940MH1992PLC067864

10/116, Salt Pan Division, Lloyds Compound, Vidyalankar College Road,
Antop Hill, Wadala (E), Mumbai – 400 037.
www.photoquip.com, info@photoquip.com, Tel No. 022-24110110 / 116 / 117

ATTENDANCE SLIP

Annual General Meeting – 24th September 2018

DP ID – Client ID / Folio No.	
Name and Address of Sole Member	
Name of Joint Holder(s)	
No. of Shares held	

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the Annual General Meeting of the Company at Society Office, 4th Floor, Royal Industrial Estate, Naigaon Cross Road, Mumbai – 400 031 on 24th September, 2018 at 9.30 am.

Member / Proxy's Signature

----- cut here -----

ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	User ID	(Pan / Seq. No.)
180829057		

NOTE: Please read the complete instructions given under Note 13 of the Notice of the Annual General Meeting. Voting starts at 9 am 21st September, 2018 on and ends at 5 pm on 23rd September, 2018. The voting module shall be disabled by CDSL for voting thereafter.

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Reg. Office : 10/116, Salt Pan Division, Lloyds Compound, Vidyalkar College Road, Antop Hill, Wadala (E), Mumbai – 400 037.