

ANNUAL REPORT 2014 – 2015



GKB Ophthalmics Ltd.



BOARD OF DIRECTORS:

Mr. K. G. Gupta Chairman & Managing Director
Mr. K. M. Gupta
Mr. Vikram Gupta
Mr. Gaurav Gupta
Mr. Anil Palekar
Mr. Sadashiv Shet
Mr. Joseph A.A. D'Costa
Mr. Christopher Hickman
Mrs. Shashi K. Katreddi w.e.f. 31.03.2015

CFO & COMPANY SECRETARY:

Mr. Noel da Silva

AUDITORS:

M/s. Sharp & Tannan
Chartered Accountants
Mumbai

BANKERS:

State Bank of India
The Saraswat Co-op. Bank Ltd.
Canara Bank

REGISTERED OFFICE:

16-A, Tivim Industrial Estate
Mapusa, Goa - 403 526
India.

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CONTENTS

Notice	1
Directors' Report and Annexure thereon	13
Management Discussion and Analysis Report	35
Report on Corporate Governance	37
Practising Company Secretary's Certificate on Corporate Governance	47

FINANCIAL STATEMENTS 2014-15

STANDALONE

Auditors' Report	48
Balance Sheet	53
Statement of Profit and Loss	54
Cash Flow Statement	55
Notes to Financial Statements	56

CONSOLIDATED

Auditors' Report	82
Balance Sheet	88
Statement of Profit and Loss	89
Cash Flow Statement	90
Notes to Consolidated Financial Statements	91
Statement u/s 129(3) of the Companies Act, 2013	117



NOTICE

NOTICE is hereby given that the THIRTY THIRD ANNUAL GENERAL MEETING of GKB OPHTHALMICS LIMITED will be held on Saturday, September 26, 2015 at 11.00 A.M., at the Registered Office of the Company at 16-A, Tivim Industrial Estate, Mapusa – Goa, to transact the following business:

ORDINARY BUSINESS :

- 1(a). To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015, together with the Reports of the Directors and Auditors thereon.
- 1(b). To consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2015, together with the Report of Auditors thereon.
2. To appoint a Director in place of Mr. K. M. Gupta, (DIN: 00512135) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“ **RESOLVED THAT** pursuant to the Articles of Association of the Company and Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, of the Companies Act, 2013, if any, read with Rules 3 to 8, of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and in terms of recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors at their respective meetings held on March 31, 2015, approval of members be and is hereby accorded for re-appointment of Mr. K. G. Gupta, (DIN: 00051863) as Managing Director of the Company, at a remuneration and on the terms set out below, for a period of three years with effect from April 01, 2015 to March 31, 2018.

- I. **Salary** : Rs. 2,50,000/- (Rupees two lakh fifty thousand only) per month.
- II. **Commission** : Not exceeding 1% (one percent) of the net profit of the Company computed in the manner laid down under the Act as may be determined by the Board.
- III. **Housing** : Unfurnished leased accommodation, expenditure on which, will be subject to the ceiling of 40% of the salary over and above 10% payable by him. If no accommodation is provided by the Company, he will be entitled for a suitable House Rent Allowance.

Expenditure on gas, electricity, water and furnishing will be borne by the Company and shall be valued as per the Income Tax Rules, 1962.

IV. **Perquisites/Benefits :**

- a) Reimbursement of domiciliary medical expenses and Mediclaim Policy for hospitalization for self and spouse.
- b) Leave and Leave Travel Concession as per the rules of the Company.
- c) Personal Accident Insurance Policy.
- d) Expenses actually and properly incurred by him in the course of business.



e) Free use of car with driver on Company's business and telephone at residence.

V. Other Benefits:

a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund in accordance with the rules of the Company.

b) Gratuity at the rate of half month's salary for every completed year of service.

c) Encashment of leave at the end of the tenure.

VI. The appointment will be subject to termination by three months notice in writing on either side.

The above remuneration payable to Mr. K. G. Gupta shall be subject to the overall ceiling prescribed under Section 196 and 197 read with the provisions of Part I and Section II of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. K. G. Gupta, Managing Director, the Company has no profits or its profits are inadequate, the remuneration set out above, be paid as minimum remuneration, subject to such statutory approvals as may be applicable."

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

"**RESOLVED THAT** pursuant to Section 149, 150, 152 and 161(1) read with Schedule IV and other applicable provisions if any, of Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Shashi K. Katreddi (DIN: 07139250) who has given her consent in Form DIR-2 to act as a Director of the Company and who was appointed as Additional Director w.e.f. 31.03.2015 till the conclusion of the this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, under Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a period of five years from the conclusion of this Annual General Meeting of the Company to the conclusion of Company's Thirty Eight Annual General Meeting in the Calendar year 2020."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to Section 149, 150 and 152 read with Schedule IV and other applicable provisions if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Anil Palekar (DIN: 01987078), who was appointed as an Independent Additional Director vide Board of Directors' resolution passed on May 23, 2015, to hold the office upto the date of this Annual General Meeting of the Company and who has filed with the Company the required Declaration as per Section 149 (7) of the Companies Act, 2013 and consent in Form DIR-2 to act as Director, be and is hereby re-appointed as an Independent Director of the Company for a period of five years from the conclusion of this Annual General Meeting of the Company to the conclusion of Company's Thirty Eight Annual General Meeting in the Calendar year 2020."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to Section 149, 150 and 152 read with Schedule IV and other applicable provisions if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Sadashiv Shet (DIN: 02227102), who was appointed as an Independent Additional Director vide Board of Directors' resolution passed on May 23, 2015, to hold the office upto the date of this Annual General Meeting



of the Company and who has filed with the Company the required Declaration as per Section 149 (6) of the Companies Act, 2013 and consent in Form DIR-2 to act as Director, be and is hereby re-appointed as an Independent Director of the Company for a period of five years from the conclusion of this Annual General Meeting of the Company to the conclusion of Company's Thirty Eight Annual General Meeting in the Calendar year 2020."

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

"RESOLVED THAT pursuant to Section 149, 150 and 152 read with Schedule IV and other applicable provisions if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Joseph A.A. D'Costa (DIN: 03489392), who was appointed as an Independent Additional Director vide Board of Directors' resolution passed on May 30, 2015, to hold the office upto the date of this Annual General Meeting of the Company and who has filed with the Company the required Declaration as per Section 149 (7) of the Companies Act, 2013 and consent in Form DIR-2 to act as Director, be and is hereby re-appointed as an Independent Director of the Company for a period of five years from the conclusion of this Annual General Meeting of the Company to the conclusion of Company's Thirty Eight Annual General Meeting in the Calendar year 2020."

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

"RESOLVED THAT pursuant to Section 149, 150 and 152 read with Schedule IV and other applicable provisions if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Christopher Hickman (DIN: 06574204), who was appointed as an Independent Additional Director vide Board of Directors' resolution passed on May 30, 2015, to hold the office upto the date of this Annual General Meeting of the Company and who has filed with the Company the required Declaration as per Section 149 (7) of the Companies Act, 2013 and consent in Form DIR-2 to act as Director, be and is hereby re-appointed as an Independent Director of the Company for a period of five years from the conclusion of this Annual General Meeting of the Company to the conclusion of Company's Thirty Eight Annual General Meeting in the Calendar year 2020."

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution :**

" RESOLVED THAT pursuant to the provisions of Sections 5, 14 and any other applicable provisions, if any, of the Companies Act, 2013, approval of the members be and is hereby accorded to the Company to amend the Articles of Association of the Company in the following manner:

To replace the relevant Sections of the Companies Act, 1956 in various Articles by the corresponding Sections of the Companies Act, 2013 and adopt the same."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than ten percent of the total share capital of the Company. Proxies submitted on behalf of the Companies, etc. must be supported by appropriate resolution/letter of authority, as applicable. A proxy form is sent herewith.

A Proxy form, duly completed and stamped must reach the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid meeting.



2. Members / Proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the Meeting. They are also requested to bring their copies of the Annual Report. Copies of the Annual Report will not be distributed at the meeting.
3. Members holding shares in physical form are requested to notify immediately any change in their addresses to the Registrars and Share Transfer Agents of the Company and to their respective Depository Participants, in case shares are held in electronic mode.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed herewith.
5. Electronic copy of the Annual Report 2014-15 is being sent to all members whose e-mail IDs are registered with the Depository Participants for communication purposes, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail address, physical copies are being sent in the permitted mode and the Annual Report 2014-15, is also available on Company's website www.gkb.net
6. Members desirous of asking any questions at the Annual General Meeting (AGM) are requested to send in their questions so as to reach the Company at least 7 days before the AGM so that the same can be suitably replied.
7. Dividends which remain unpaid/unclaimed over a period of 7 years will have to be transferred by the Company to Investor Education and Protection Fund (IEPF) as per Section 124 and 125 of the Companies Act, 2013. Further, no claim by the shareholders shall lie for the unclaimed dividend transferred by the Company to IEPF.
8. Re-appointment of the Directors :

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Clause 49 of the Listing Agreement :

Name of the Director	Mr. K. M. Gupta	Mr. Anil Palekar	Mr. Sadashiv Shet
Date of Birth	27.12.1941	15.06.1949	22.02.1951
Date of Appointment on the Board	10.12.1981	26.05.2010	26.05.2010
Qualifications	B.Com.	Engineering Graduate from IIT Mumbai & PGDM	B.A., B.Com., LL.B., F.C.S.
Expertise	In the line of Ophthalmic Lenses	Wide range of experience in Corporate management in various Companies of Government of Goa	Company Secretarial
Directorship held in other companies	1. GKB Opticals Limited 2. GKB Optic Technologies Pvt. Ltd	Nil	Kore Food Limited
Membership/Chairmanships of committees in GKB Ophthalmics Limited	Chairman - Stakeholders' Grievance Committee	1. Chairman - Nomination and Remuneration Committee 2. Member-Audit Committee	1. Chairman - Audit Committee 2. Member-Nomination and Remuneration Committee
Shareholding of Non-Executive Directors	3,53,207	Nil	Nil
	1.Related to Mr. K. G. Gupta, Managing Director 2.Related to Mr. Vikram Gupta, Non-Executive Director 3.Related to Mr. Gaurav Gupta, Non-Executive Director		



Name of the Director	Mr. Joseph A.A. D'Costa	Mr. Christopher Hickman	Mrs. Shashi K. Katreddi
Date of Birth	02.11.1947	14.12.1950	29.01.1958
Date of Appointment on the Board	31.03.2011	28.05.2013	31.03.2015
Qualifications	B.Sc.	B.Sc., B.Ed.	Post Graduate in Child Psychology
Expertise	Vast experience in Banking field	Vast experience in Banking field	Vast experience in administration field
Directorship held in other companies	Nil	Nil	–
Membership/Chairmanships of committees in GKB Ophthalmics Limited	1. Member-Audit Committee 2. Member-Nomination and Remuneration Committee	Member-Audit Committee	–
Shareholding of Non-Executive Directors	Nil	Nil	Nil

9. Instructions for voting by Electronic means (e-voting).

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Clause 35 B of the Listing Agreement, the Company is providing to its members the facility of remote e-voting (e-voting from the place other than venue of AGM) to exercise their vote at the Annual General Meeting. Business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting by polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 23.09.2015 at 10.00 A.M. and ends on 25.09.2015 at 5.00 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 (record date) of 19.09.2015, 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. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.



- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat 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>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field</p>
DOB	<p>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.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)</p>

- (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 **GKB OPHTHALMICS LIMITED**.
- (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 Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts 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.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

10. All the documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, between 11.00 A.M. to 5.00 P.M., upto the date of the Annual General Meeting.

Explanatory Statement under Section 102 of the Companies Act, 2013

Item No. 4

Mr. K. G. Gupta, aged 74 years, was re-appointed as Managing Director at the Board Meeting held on February 13, 2012 for a period of 3 years from 01 April, 2012, which was approved by the members at their meeting held on August 13, 2012. Further the remuneration payable to Mr. K. G. Gupta was increased vide Board of Directors' resolution passed on August 13, 2014, which was approved by the members, through Postal Ballot conducted by the Company as per Section 110 of Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014. The tenure of Mr. K. G. Gupta, ended on March 31, 2015.

After taking all the relevant factors into consideration and in terms of recommendation of Nomination and Remuneration Committee, the Board of Directors after considering the contribution made by Mr. K. G. Gupta, thought it



fit in the interest of the Company to retain and avail the continuity of his expertise by re-appointing Mr. K. G. Gupta, as a Managing Director for a further period of three years w.e.f. April 01, 2015 to March 31, 2018.

Mr. K. G. Gupta is also a Director in GKB Vision Limited; Prime Lenses Pvt. Ltd., and Crysta Lenses Pvt. Ltd.

The Board of Directors recommend the passing of resolution as a Special Resolution.

Mr. K. G. Gupta, Managing Director holds 7,98,874 equity shares in the Company.

Mr. K. G. Gupta is interested in this resolution. Mr. K. M. Gupta, Mr. Vikram Gupta and Mr. Gaurav Gupta being related to Mr. K. G. Gupta are deemed to be concerned or interested in this resolution.

None of the other Directors, Key Managerial Personnel or their relatives are in any way concerned or interested financially or otherwise in this resolution.

Statement as required under Section II of Part II of Schedule V of the Companies Act, 2013, is given below :

I. GENERAL INFORMATION :

- (1) Nature of Industry :
The Company is engaged in the business of manufacture and export of Ophthalmic lenses. It has two manufacturing facilities at Tivim Industrial Estate, Mapusa – Goa. One for manufacture of glass lens and another for plastic lens.
- (2) Date or expected date of commencement of commercial production:
The Company started its commercial production in the year 1983.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:
Not Applicable
- (4)(a) Financial performance based on given indicators :

Rs. in lakhs

Financial Parameters	2012-13	2013-14	2014-15
Sales	3,346.00	3,218.90	3,105.56
Net Profit	(118.77)	83.08	(226.06)
Dividend %	–	–	–

- (4) (b) Export performance and net foreign exchange earnings :

Rs. in lakhs

Foreign Exchange Earned and used	2012-13	2013-14	2014-15
Foreign exchanged earned	2,032.70	1,653.48	2,027.76
Foreign exchanged used	1,475.95	643.94	895.00
Net earnings	556.75	1,009.54	1,132.76

- (5) Foreign investments or collaborations, if any :

The details of foreign investments are:

- (i) One equity share of Dirhams 1,50,000/- in GKB Ophthalmics Products FZE, Sharjah, UAE, equivalent to Rs. 18,30,150/- at par.
- (ii) Investment of Euros 25,564.59 in GKB Ophthalmics GmbH Oyten, Germany, equivalent to Rs. 10,81,488/- at par.



II. INFORMATION ABOUT THE APPOINTEE :

- (1) Background details:
Mr. K. G. Gupta is a Science Graduate and is well known figure in the Ophthalmic Industry all over the world and has a rich experience of over 53 years in the field. He has been the Chairman of the Board of Directors and is Managing Director of the Company since inception.
- (2) Past remuneration:
The last remuneration paid to Mr. K. G. Gupta was Rs. 26.45 lakhs for the year 2014-15. This was as per the terms approved by the members through Postal Ballot conducted by the Company as per Section 110 of Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014, on October 27, 2014, for a period of seven months w.e.f. September 01, 2015 to March 31, 2015.
- (3) Recognition or Awards:
 - (i) Mr. K. G. Gupta is the Past Chairman of Confederation of Indian Industry (CII) in Goa and was a member of Western Regional Council of CII.
 - (ii) Mr. K. G. Gupta was a member of Regional Governing Council for the year 2010-2012 and 2012-14, of SEEPZ, Special Economic Zone, Mumbai.
 - (iii) Under the leadership of Mr. K. G. Gupta, the Company has been winning the CAPEXIL Award for its performance in International Trade, since inception.
 - (iv) Also during his tenure as Chairman and Managing Director, the Company has :
 - (a) Won the prestigious Business Today – YES Bank, Best SME award 2010, in the International Trade.
 - (b) Been accorded the status of Star Export House, by the Government of India, Ministry of Commerce and Industry, SEEPZ, Special Economic Zone, Mumbai, based on its performance in the International Trade.
 - (c) Been ISO certified – 9001: 2008, for the manufacture and supply of glass and plastic lenses and glass moulds.
- (4) Job profile and his suitability :
Mr. K. G. Gupta was instrumental in starting plastic lens business in the Company for which an entire plant was imported from Spain. Plastic lens business now accounts for over 60% of the turnover of the Company and is expected to contribute significantly to the profits of the Company in future. Mr. K. G. Gupta has excellent knowledge and experience in all facets of the Ophthalmic Industry from Manufacturing to Sales, Finance, Administration and Exports.

The Company also made considerable progress in the area of R & D and Technology in plastic lenses.
- (5) Remuneration Proposed :
As mentioned in Item No. 4, under Special Business.
- (6) Comparative Remuneration:
Considering the size of the Company, the Industry benchmarks, experience of and the responsibilities shouldered by the appointee, the proposed remuneration paid is in line with the remuneration paid to similar appointees in the Industry.
- (7) Pecuniary Relationship :
Except for the proposed remuneration, Mr. K. G. Gupta does not have any pecuniary relationship directly or indirectly with the Company or any relationship with the managerial personnel of the Company.



III. OTHER INFORMATION :

- (1) Reasons of loss or inadequate profits :
The Company is in a transitory phase wherein the main focus is changing from manufacturing glass lenses to plastic lenses and we are converting more of our capacity from making glass lenses to making glass moulds which are used for manufacture of plastic lenses.

Also, the general slowdown of economy all over the world, has affected the profitability.
- (2) Steps taken or proposed to be taken for improvement :
We are in the process of increasing the capacity of plastic lenses from existing 10,000 pieces per day to 20,000 pieces per day during the current financial year, which is expected to contribute to the profitability of the Company.
- (3) Expected increase in productivity and profits in measurable terms :
A significant improvement in demand for plastic lenses is expected from overseas buyers, but it is not possible to quantify the increase in productivity and profitability in measurable terms as the same depends to improvement of economy and other factors beyond the control of the Company.

IV. DISCLOSURES :

- (1) Necessary disclosures as required under Clause IV of Section II, Part II of Schedule V of Companies Act, 2013, are mentioned in the Board of Directors Report under the heading "Corporate Governance" in the Annual Report 2014-15.
- (2) The disclosures regarding all elements of remuneration package and other required details have been made.

Item No. 5 :

As per Section 149(1) of the Companies Act, 2013, read with Rule 3 of the Companies (Appointment and Qualification of the Directors) Rules, 2014 and clause II A of Clause 49 of Listing Agreement, every listed Company shall have at least one Woman Director on its Board of Directors. Mrs. Shashi K. Katreddi, was appointed as Additional Director w.e.f. March 31, 2015.

Mrs. Shashi K. Katreddi is Post Graduate in Child Psychology from Ravi Shankar University, Raipur (M.P.). She has been the Principal/Headmistress of ACDIL Training Centre for nearly 2 decades and was awarded as the best Principal of Anganwadi Training Centre of Goa by the Ministry of HRD, Government of India. Mrs. Shashi K. Katreddi has experience in Administration field as required as per Section 149 read with Rule 5 of Companies (Appointment and Qualification of Directors) Rules, 2014.

As per the provisions of Companies Act and Clause 49 of the Listing Agreement, Independent Directors are permitted to be appointed for a consecutive period of five years without being liable to retire by rotation.

It is proposed to appoint Mrs. Shashi K. Katreddi as an Independent Director for a period of five years for a term up to the conclusion of Thirty Eight Annual General Meeting of the Company in the Calendar year 2020. Mrs. Shashi K. Katreddi is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given her consent to act as a Director. The Company has received a declaration from Mrs. Shashi K. Katreddi that she meets with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Notice in writing has been received from a member of the Company, pursuant to Section 160 of the Act, proposing the name of Mrs. Shashi K. Katreddi as a Director of the Company. As required by Section 160 of the Act, the member giving notice has deposited a sum of Rs. 1.00 lakh with the Company which shall be refunded to the member, if Mrs. Shashi K. Katreddi, is elected as a Director.



In the opinion of the Board, Mrs. Shashi K. Katreddi fulfills the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement.

Mrs. Shashi K. Katreddi is interested in the resolution set out in Item No. 5, with regard to her appointment and the Board recommends, the Ordinary Resolution for approval by the members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way concerned or interested, financially or otherwise in this resolution.

Item No. 6 - 7

Mr. Anil Palekar and Mr. Sadashiv Shet are Independent Directors of the Company and have held the position for the last five years respectively.

As per the provisions of the Companies Act and Clause 49 of the Listing Agreement, Independent Directors are permitted to be appointed for a consecutive period of five years without being liable to retire by rotation. As per Section 149(10) of Companies Act, Independent Directors are eligible for re-appointment for the next five years on passing of the Special Resolution at their meeting by the members.

It is proposed to appoint Mr. Anil Palekar and Mr. Sadashiv Shet, as an Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for five consecutive years for a term up to the conclusion of Thirty Eight Annual General Meeting of the Company in the Calendar year 2020.

Mr. Anil Palekar and Mr. Sadashiv Shet are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

In the opinion of the Board, Mr. Anil Palekar and Mr. Sadashiv Shet fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement.

Brief resume of Mr. Anil Palekar and Mr. Sadashiv Shet, nature of their expertise in specific functional areas and names of Companies in which they hold directorships and memberships /chairmanships of Board committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Note No. 8 of the Notice.

Notices in writing have been received from the members of the Company, pursuant to Section 160 of the Act, proposing the names of Mr. Anil Palekar and Mr. Sadashiv Shet, as Directors of the Company. As required by Section 160 of the Act, the members giving notice have deposited a sum of Rs. 1.00 lakh each, with the Company which shall be refunded to the members, if Mr. Anil Palekar and Mr. Sadashiv Shet, are elected as Directors.

Mr. Anil Palekar and Mr. Sadashiv Shet, are interested in the resolution set out respectively in Item Nos. 6 and 7 of the notice with regard to their respective appointments.

The Board of Directors recommend the passing of resolution as a Special Resolution.

None of the other Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in these resolutions.

Item No. 8 - 9

Mr. Joseph A.A. D'Costa, an Independent Director held the position for four years and Mr. Christopher Hickman, an Independent Director held the position for three years.

As per the provisions of the Companies Act and Clause 49 of the Listing Agreement, Independent Directors are permitted to be appointed for a consecutive period of five years without being liable to retire by rotation.



It is proposed to appoint Mr. Joseph A. A. D'Costa and Mr. Christopher Hickman as an Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for five consecutive years for a term up to the conclusion of Thirty Eight Annual General Meeting of the Company in the Calendar year 2020.

Mr. Joseph A. A. D'Costa and Mr. Christopher Hickman are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

In the opinion of the Board, Mr. Joseph A. A. D'Costa and Mr. Christopher Hickman, fulfills the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement.

Brief resume of Mr. Joseph A. A. D'Costa and Mr. Christopher Hickman, nature of their expertise in specific functional areas and names of Companies in which they hold directorships and memberships /chairmanships of Board committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Note No. 8 of the Notice.

Notices in writing have been received from the members of the Company, pursuant to Section 160 of the Act, proposing the names of Mr. Joseph A. A. D'Costa and Mr. Christopher Hickman, as Directors of the Company. As required by Section 160 of the Act, the members giving notice have deposited a sum of Rs. 1.00 lakh each, with the Company which shall be refunded to the members, if Mr. Joseph A. A. D'Costa and Mr. Christopher Hickman, are elected as Directors.

Mr. Joseph A. A. D'Costa and Mr. Christopher Hickman, are interested in the resolution set out respectively in Item Nos. 8 and 9 of the notice with regard to their respective appointments.

The Board of Directors recommends the passing of resolutions as an Ordinary Resolutions.

None of the other Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in these resolutions.

Item No. 10

The existing Articles of Association ("AOA") are based on the Companies Act, 1956 and several regulations in the existing AOA contain reference to specific Sections of the Companies Act, 1956 and some articles in the existing AOA are no longer in conformity with the Act. With the enactment of the Companies Act, 2013 and substantive Sections of the Act which deal with the general working of the Companies stand notified, several regulations in the existing AOA of the Company require alteration and/or deletion.

It is considered to replace the relevant Sections of the Companies Act, 1956 in existing AOA of the Company by corresponding Sections of the Companies Act, 2013 and adopt the same.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

The Board recommends this Special Resolution for your Approval.

Registered Office :
16-A, Tivim Industrial Estate
Mapusa - Goa, 403 526

Place: Mapusa-Goa
Date : August 12, 2015

By order of the Board of Directors
For GKB Ophthalmics Limited

Noel da Silva
CFO & Company Secretary

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present their 33rd Annual Report and the Audited Accounts of the year ended March 31, 2015.

FINANCIAL RESULTS :

		Rs. in lakhs	
		2014-15	2013-14
a)	Sales & Other Income	3,105.56	3,218.90
b)	Profit/Loss before Depreciation and Tax	(206.19)	374.28
c)	Provision for Depreciation	147.69	117.81
d)	Provision for Tax	76.62	(211.07)
e)	Exceptional Items	51.20	37.69
f)	Profit after Depreciation and Tax	(226.06)	83.08
g)	Balance from previous years	465.06	381.98
h)	Balance carried forward	195.43	465.06

OPERATIONS :

During the year under review, the turnover of the Company was slightly less to the tune of Rs. 3,105.56 lakhs compared to Rs. 3,218.90 lakhs in the previous financial year. There was a net loss of Rs. 226.06 lakhs, during the current financial year compared to a net profit of Rs. 83.08 lakhs during the previous financial year due to a steep decline in sale of glass lenses. Sale of plastic lenses has not picked up as expected, as there is severe competition from China.

CURRENT YEAR :

The Company's Unit I, manufactures glass lenses and Unit II, manufactures all types of plastic lenses both semi-finished and finished. Unit II, presently manufactures 10,000 plastic lenses, which is sought to be increased to 20,000 pieces per day. In Unit II, there are problems in running of the machinery and there are also production difficulties, which are being looked into and resolved.

DIVIDEND :

Since the Company has posted a loss, your Directors regret their inability to recommend any dividend for the year 2014-15.

ASSOCIATES AND SUBSIDIARIES :

The Company has dis-invested its entire investment of 10,58,986 equity shares in GKB Vision Limited to Essilor India Private Limited and Essilor Manufacturing India Private Limited (Essilor Group) at a price of Rs. 216.32 (approx.) per equity share. The entire proceeds aggregating to Rs. 2,290.90 lakhs have been received on July 01, 2015. Essilor Group now holds 50.10% in GKB Vision Limited.

Prime Lenses Private Limited has allotted by way of Preferential Allotment, 65,00,000 equity shares at a premium of 27.15 (approx.) to Essilor Group. Essilor Group now holds 50.60% in Prime Lenses Private Limited.

The Company's Wholly Owned Subsidiary (WOS) in Sharjah, UAE, Free Trade Zone Establishment, has achieved a turnover of Dirhams 7.13 million for the year ended December 31, 2014, as compared to Dirhams 7.11 million during the previous year. The net profit is Dirhams 1.16 million as compared to Dirhams 0.96 million during the previous year and has declared a dividend which entails an outflow of Dirhams 0.37 million.



GKB Ophthalmics Products FZE, a step down Subsidiary, has acquired Lensco – The Lens Company, USA from GKB Vision Limited, at a consideration of US\$ 1.00 Dollar. There is accumulated loss of US\$ 1,24,751 which is expected to be wiped out, by improved performance in next two years.

The proposal for winding up GKB Ophthalmics GmbH, is pending for approval with Reserve Bank of India, Mumbai.

A statement under Section 129(3) of the Companies Act, 2013 giving details of subsidiaries is attached in Form AOC-1. Audited Accounts in respect of subsidiaries is placed on website of the Company www.gkb.net. The Company will make the said annual accounts of its subsidiaries available to the members upon a written request. The audited annual accounts of the Subsidiaries is available at the Registered Office of the Company for inspection.

However, in accordance with Accounting Standards 21, issued by the Institute of Chartered Accountants of India, the Consolidated Accounts of the Company and its subsidiaries have been prepared and form part of this Annual Report.

DELISTING :

Information in accordance with Regulation 7(1)(d) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009.

The equity shares of the Company have been delisted from the Madras Stock Exchange Limited, w.e.f. January 13, 2015.

DIRECTORS AND KEY MANAGERIAL PERSONNEL :

Mr. K. M. Gupta will retire by rotation, pursuant to Articles of Association of the Company being eligible offers himself for re-appointment.

Pursuant to the provisions of the Listing Agreement and Schedule IV of the Companies Act, 2013, Mrs. Shashi K. Katreddi, has been appointed as Independent, Woman, Additional Director, w.e.f. March 31, 2015 and she holds office up to the date of this Annual General Meeting. It is proposed to appoint her for a period of five years from conclusion of this 33rd General Meeting of the Company till the conclusion of Thirty Eight Annual General Meeting.

Mr. Anil Palekar, Mr. Sadashiv Shet, Mr. Joseph A. A. D'Costa and Mr. Christopher Hickman are Independent Directors of the Company. It is proposed to appoint all of them for a period of five year each, from conclusion of this 33rd General Meeting of the Company till the conclusion of Thirty Eight Annual General Meeting.

Pursuant to provisions of Section 2 (51) and Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have designated the following existing officers of the Company as Whole-Time Key Managerial Personnel.

Mr. K. G. Gupta, Managing Director and Mr. Noel da Silva, CFO & Company Secretary, are Whole-Time Key Managerial Personnel of the Company.

PERFORMANCE EVALUATION :

In terms of Section 178(2) of the Companies Act, 2013 and in terms of Clause 49 of the Listing Agreement, the Board of Directors carried out the evaluation of every Director's performance, including the Chairman of the Board.

The performance evaluation of Independent Directors was done by the entire Board (excluding the Directors' being evaluated) and the performance evaluation of the Chairman was done by Independent Directors at a separate meeting, taking into account the views of Non-Executive Directors.



The parameters considered were promoting objectives of the Company for the benefit of its members as a whole and in the best interest of the Company, its employees, the community and for the protection of the environment, fulfilling the key responsibilities by exercising reasonable care, skill, diligence and independent judgement, level of engagement/contribution in decision making, attendance, quality time spend for Board Meetings and leadership and commitments of Directors.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to provision of Section 134 (5) of the Companies Act, 2013, the Directors hereby state and confirm :

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

AUDITORS :

The term of M/s. Sharp & Tannan, Chartered Accountants, Mumbai, (Firm Registration No. 109982W) as Statutory Auditors, expires at the conclusion of this Annual General Meeting and are eligible for re-appointment. The Auditors have given a certificate that the re-appointment, if made, will be within the prescribed limits specified under Section 139 (1) of the Companies Act, 2013. They also have given a certificate that they fulfill all the criteria laid down under Section 141 of the Companies Act, 2013.

AUDITORS' REPORT:

In respect of the observations made by the Auditors in their Report, the Board's response thereon is as follows:

- i) With regard to paragraph (vii) (a) of the Annexure referred to in paragraph 1 of the Auditors' Report, all undisputed statutory dues have since been paid by the Company.
- ii) With regard to paragraph (ix), the Company has since re-paid the entire term loan with Bank.
- iii) Paragraph (x) of the said Annexure is self explanatory.

INTERNAL FINANCIAL CONTROL :

As per Section 134 (5) (e) of the Companies Act, 2013 and read with Rule 8 (viii) of Companies (Accounts) Rules, 2014, the Board has laid the Internal Financial Control to be followed by the Company and that such Internal Financial Controls are adequate and are operating effectively.



RISK MANAGEMENT POLICY :

The Company has reconstituted the Risk Management Committee which has formulated Risk Management Policy for the Company. The policy is reviewed by the members in consultation with the Senior Management of the Company from time to time.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes Nos 3, 6, 8, 11 and 16 to the Financial Statements.

RELATED PARTY TRANSACTIONS :

Note 32 to the Financial Statements sets out the nature of transactions with the related parties. All such transactions are carried out at arm's length. Disclosures of such transactions are made to the Audit Committee. As required Under Clause 49 of the Listing Agreement, the Company has formulated a policy on dealing with Related Party Transactions. The same has been uploaded on the website of the Company at www.gkb.net and the web link thereto (<http://www.gkb.net/en/wp-content/uploads/Accounts/Related-Party-Transactions-Policy.pdf>). Information pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8 (2) of Companies (Accounts) Rules, 2014 in Form AOC-2 is annexed herewith as Annexure – I.

EXTRACT OF ANNUAL RETURN :

Extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure - II.

CORPORATE GOVERNANCE :

A report on Corporate Governance is enclosed as part of Annual Report along with a Certificate from a Practising Company Secretary, on its compliance.

SECRETARIAL AUDIT:

As per provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Practising Company Secretary is annexed herewith as Annexure- III. The Secretarial Audit Report is self explanatory and requires no comments.

CORPORATE SOCIAL RESPONSIBILITY :

Provisions of Section 135 of the Companies Act, 2013, and Rules made thereunder, regarding Corporate Social Responsibility are not applicable to the Company.

INSURANCE :

The Company has taken adequate insurance covers for its properties and insurable interest.

FIXED DEPOSIT :

The Company has not accepted any deposits from the public during the year. No amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

PERSONNEL :

The relations between the employees and the management, during the year, have been cordial.



PARTICULARS UNDER SECTION 197(12) AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 :

- (i) the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name	Ratio
Mr. K. G. Gupta, Chairman & Managing Director	21:1

- (ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Percentage
Mr. K. G. Gupta, Chairman & Managing Director	38.00%
Mr. Noel da Silva, CFO & Company Secretary	6.00%

- (iii) the percentage increase in the median remuneration of employees in the financial year : 11.1%

- (iv) the number of permanent employees on the rolls of Company : 264

- (v) the explanation on the relationship between average increase in remuneration and company performance :
Due to low profits, the Company has given 3.10% increase in remuneration.

- (vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the Company :
The total revenue from sales and other income of the Company for the previous year 2013-14 was Rs. 3,218.90 lakhs as compared to Rs. 3,346.01 lakhs for the year 2012-13. However there was a profit of Rs. 83.08 lakhs as compared to loss of Rs. 118.77 lakhs during the year 2012-13. The Company's performance during 2013-14 was considered while approving the increase in remuneration for the Key Managerial Personnel.

- (vii) variation in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year:

				Rs. in lakhs
Sr. No.	Particulars	As on March 31, 2015	As on March 31, 2014	Remarks
1	Market Capitalisation	2,984.34	1,337.50	Company's public offer was in the year April, 1996
2	Price earnings ratio	(12.97)	16.10	
3	Closing market price of equity shares	71.85	32.20	

- (viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: N.A.

- (ix) comparison of each remuneration of the Key Managerial against the performance of the Company:
The total revenue from sales and other income of the Company for the previous year 2013-14 was Rs. 3,218.90 lakhs as compared to Rs. 3,346.01 lakhs for the year 2012-13. However, there was a profit of Rs. 83.08 lakhs as compared to loss of Rs. 118.77 lakhs during the year 2012-13. The Company's performance during 2013-14 was considered while approving the increase in remuneration for the Key Managerial Personnel.



- (x) the key parameters for any variable component of remuneration availed by the directors :
Mr. K. G. Gupta, Managing Director is entitled to commission not exceeding 1% of the net profit of the Company computed in the manner laid down under the Act as may be determined by the Board. Due to loss, no commission was paid to him for the year under review. None of the other Directors are paid any remuneration except sitting fees and travelling expenses for attending Board and Committee Meetings.
- (xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year : N.A.
- (xii) affirmation that the remuneration is as per the remuneration policy of the Company :
The remuneration is as per the Remuneration Policy of the Company.

PARTICULARS OF EMPLOYEES :

Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of the employees is not applicable to the Company.

FINANCE :

The Company has not availed any additional loans from financial institutions during the financial year ended March 31, 2015. The term loans with Bank have been fully re-paid.

CREDIT RATING :

CRISIL has reaffirmed " CRISIL D " ratings for long term as well as Short-Term Bank facilities.

DISCLOSURE UNDER THE SEXUAL HARRASEMENT OF WOMEN AT WORKPLACE (Prevention, Prohibition and Redressal) Act, 2013 :

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review no complaints were received.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

Particulars required to be disclosed under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 are annexed herewith as Annexure - IV and forms an integral part of this report.

AKNOWLEDGEMENT :

Your Directors wish to acknowledge and are grateful for the excellent support received from all levels, clients, suppliers, regulatory authorities, Banks and all other stakeholders. Your Directors recognize and appreciate the hard work and efforts put in by all the employees of the Company and their contribution to the progress of the Company in a very challenging environment.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Mapusa – Goa.
Date : August 12, 2015

K. G. GUPTA
CHAIRMAN & MANAGING DIRECTOR



FORM AOC - 2

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

Form for disclosure of particulars of contracts/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 arms length transactions under third proviso thereto.

1	Details of contracts or arrangements or transactions not at arm's length basis	
(a)	Name of the related party and nature of relationship	
(b)	Nature of contracts/arrangements /transactions	
(c)	Duration of contracts/arrangements /transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first provision to Section 188	
2	Details of material contracts or arrangement or transactions at arm's length basis	
(a)	Name(s) of the related party and nature of relationship	(i) Subsidiary Companies 1. GKB Ophthalmics Products FZE 2. GKB Ophthalmics GmbH (ii) Associates/Enterprises in which directors exercise significant influence 1. Prime Lenses Pvt. Ltd. 2. GKB Vision Limited 3. Lensco – The Lens Company 4. GKB Optical Limited 5. GKB Optic Technologies Pvt. Ltd. (iii) Key Managerial Personnel 1. Mr. K. G. Gupta - Chairman and Managing Director (iv) Relatives of Key Managerial Personnel 1. Mrs. Veena Gupta 2. Mr. Vikram Gupta 3. Mr. Gaurav Gupta 4. Mr. K. M. Gupta
(b)	Nature of contracts/arrangements/transactions	Purchase of goods and services and Sale of good and services.
(c)	Duration of the contracts/arrangements/transactions	From April 01, 2014 to March 31, 2017
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	To purchase and sell optical lenses of glass and plastic lenses and glass moulds at prevailing market price. 1. Purchase of goods and services Subsidiary Company GKB Ophthalmics Products FZE - Associate Prime Lenses Pvt. Ltd. - GKB Vision Limited 67,481,177 2. Sale of goods and services Subsidiary Company GKB Ophthalmics Products FZE 38,871,928 Associates/significant influence enterprise Prime Lenses Pvt. Ltd. 71,421,262 GKB Vision Limited 14,633,601 GKB Optic Technologies Pvt. Ltd. 875,066 Lensco – The Lens Company 16,378,096
(e)	Date(s) of approval by the Board, if any;	July 05, 2014 and August 13, 2014
(f)	Amount paid as advances, if any;	-

For and on behalf of Board of Directors

Place : Mapusa - Goa
Date : 30th May, 2015

K. G. Gupta
Chairman & Managing Director

Gaurav Gupta
Director

Vikram Gupta
Director

Noel da Silva
CFO & Company Secretary

**FORM MGT-9****EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31.03.2015

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

I. REGISTRATION AND OTHER DETAILS :

i	CIN	:	L26109GA1981PLC000469
ii	Registration Date	:	10-12-1981
iii	Name of the Company	:	GKB OPHTHALMICS LIMITED
iv	Category/Sub-category of the Company	:	Company having share capital
v	Address of the Registered office & contact details	:	16-A, Tivim Industrial Estate Mapusa - Goa, 403 526 Tel No. : (0832) 2257253/6714444 Fax No. : (0832) 2257044 Email : gkbophthalmics@gkb.net Website : www.gkb.net
vi	Whether listed company	:	Yes (Listed in BSE, Delhi and Calcutta Stock Exchanges)
vii	Name, Address & Contact details of Registrar & Transfer Agent, if any	:	SHAREX DYNAMIC (INDIA) PVT. LTD. Unit -1, Luthra Industrial Premises, Andheri – Kurla Road, Safed Pool, Andheri (E), Mumbai - 400 072. Phone : + 91 22 2851 5606/ 2851 5644. Fax : + 91 22 2851 2885 Email : sharexindia@vsnl.com Website : www.sharexindia.com

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:

Sl. No	Name & Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
1	Manufacture and Export of Ophthalmics Lenses	32507	100.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of Shares held	Applicable Section
1	GKB Ophthalmics Products FZE 250, M2 Warehouse A3-083 SAIF ZONE, P.O. Box.9089, Sharja-U.A.E.	UIN: PJWAZ20040413	Subsidiary Company	100.00%	Section 2 (87)
2	GKB Ophthalmics GmbH 28876 Oyten Germany	UIN: PJWRA19970169	Subsidiary Company	100.00%	Section 2 (87)
3	GKB Vision Ltd 27 & 28, Pilerne Industrial Estate, Pilerne, Saligao, Bardez Goa-403 511	U33201GA2000PLC002864	Associate Company	36.47%	Section 2 (6)
4	Prime Lenses Pvt. Ltd D2-19, Tivim Industrial Estate, Mapusa, Goa-403 526	U52311GA1988PTC000823	Associate Company	37.51%	Section 2 (6)

IV. SHARE HOLDING PATTERN (Equity Shares Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	28,08,144	0	28,08,144	67.61	28,53,506	0	28,53,506	68.70	1.09
b) Central Govt/ State Govt(s)	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	0	0	0	0	0	0	0	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
SUB TOTAL : (A)(1)	28,08,144	0	28,08,144	67.61	28,53,506	0	28,53,506	68.70	1.09
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	0	0	0	0	0	0	0	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
SUB TOTAL : (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=(A)(1) + (A)(2)	28,08,144	0	28,08,144	67.61	28,53,506	0	28,53,506	68.70	1.09

IV. SHARE HOLDING PATTERN (Equity Shares Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	25,412	0	25,412	0.61	19,600	0	19,600	0.47	(0.14)
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL : (B)(1)	25,412	0	25,412	0.61	19,600	0	19,600	0.47	(0.14)
(2) Non-institutions									
a) Bodies Corporates	1,67,673	9,500	1,77,173	4027	2,78,469	1,200	2,79,669	6.73	2.46
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1.00 lakh	3,91,972	93,325	4,85,297	11.68	4,20,645	81,825	5,02,470	12.10	0.42
ii) Individual shareholders holding nominal share capital in excess of Rs. 1.00 lakh	6,50,132	0	6,50,132	15.65	4,71,779	0	4,71,779	11.36	(4.29)
c) Any other - Clr-Mem	200	0	200	0.01	20,104		20,104	0.48	0.47
NRI	7,222	0	7,222	0.17	6,452		6,452	0.16	
SUB TOTAL : (B)(2)	12,17,199	1,02,825	13,20,024	31.78	11,97,449	83,025	12,80,474	30.83	(0.95)
Total Public shareholding (B)=(B)(1) + (B)(2)	12,42,611	1,02,825	13,45,436	32.39	12,17,049	83,025	13,00,074	31.30	(1.09)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	
Grand Total (A+B+C)	40,50,755	1,02,825	41,53,580	100.00	40,70,555	83,025	41,53,580	100.00	

(ii) Share holding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
1	Mrs. Usha Gupta	2,09,000	5.032	0	2,09,000	5.032	0	No change
2	Mr. Vivek Gupta	75,375	1.815	0	75,375	1.815	0	No change
3	Mrs. Veena Gupta	2,89,233	6.963	0	3,00,635	7.238	0	0.275
4	Mr. Krishna Gopal Gupta	7,76,225	18.688	0	7,97,674	19.204	0	0.516
5	Mr. Aditya Gupta	75,830	1.826	0	75,830	1.826	0	No change
6	Mr. Krishna Murari Gupta	3,53,207	8.504	0	3,53,207	8.504	0	No change
7	Krishna Gopal Gupta (HUF)	68,250	1.643	0	68,250	1.643	0	No change
8	Mr. Gaurav Gupta	3,57,966	8.618	0	3,57,966	8.618	0	No change
9	Mr. Vikram Gupta	3,72,505	8.968	0	3,73,105	8.983	0	0.015
10	Mrs. Shefali Chawla	2,30,553	5.551	0	2,42,464	5.837	0	0.286
	TOTAL	28,08,144	67.608	0	28,53,506	68.700	0	1.092

iii) Change in Promoter's Shareholding (please specify, if there is no change)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of total shares of the Company
		No. of Shares at the beginning of the year	% of total Shares of the Company	Date	Increasing / Decreasing in shareholding	Reason	No. of shares	
1	Mr. Vikram Gupta	3,72,505	8.968	01.04.2014				
				16.05.2014	600	Transfer	3,73,105	8.983
	At the end of the year			31.03.2015			3,73,105	8.983
2	Mrs. Shefali Chawla	2,30,553	5.551	01.04.2014				
				09.05.2014				
				16.05.2014	1,100	Transfer	2,31,653	5.577
				10.10.2014	277	Transfer	2,31,930	5.584
				06.02.2015	534	Transfer	2,32,464	5.597
				27.02.2015	4,000	Transfer	2,36,464	5.693
				27.03.2015	2,000	Transfer	2,38,464	5.741
	At the end of the year			31.03.2015	4,000	Transfer	2,42,464	5.837
3	Mr. Krishna Gopal Gupta	7,76,225	18.688	01.04.2014			2,42,464	5.837
				11.04.2014				
				23.05.2014	195	Transfer	7,76,420	18.693
				28.11.2014	820	Transfer	7,77,240	18.713
				06.02.2015	934	Transfer	7,78,174	18.735
				27.02.2015	14,825	Transfer	7,92,999	19.092
				06.03.2015	1,730	Transfer	7,94,729	19.134
				13.03.2015	2,000	Transfer	7,96,729	19.182
	At the end of the year			31.03.2015	945	Transfer	7,97,674	19.204
4	Mrs. Veena Gupta	2,89,233	6.963	01.04.2014			7,97,674	19.204
				10.10.2014				
				17.10.2014	1,000	Transfer	2,90,233	6.988
				06.02.2015	206	Transfer	2,90,439	6.992
				27.02.2015	800	Transfer	2,91,239	7.012
				27.03.2015	4,100	Transfer	2,95,339	7.11
				31.03.2015	5,026	Transfer	3,00,365	7.231
	At the end of the year			31.03.2015	270	Transfer	3,00,635	7.238

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of total shares of the Company
		No. of Shares at the beginning of the year	% of total Shares of the Company	Date	Increasing / Decreasing in shareholding	Reason	No. of shares	
1	EDC Limited	50,000	1.204	01.04.2014				
	At the end of the year			31.03.2015			50,000	1.204
2	Atrun Fiscal Pvt. Ltd.	250	0.006	01.04.2014				
				08.08.2014	1,142	Transfer	1,392	0.034
				14.11.2014	1,145	Transfer	247	0.006
				21.11.2014	15,607	Transfer	15,854	0.382
				16.01.2015	12,066	Transfer	3,788	0.091
				23.01.2015	1,000	Transfer	2,788	0.067
				20.02.2015	10,466	Transfer	13,254	0.319
				27.02.2015	2,000	Transfer	15,254	0.367
				06.03.2015	9,286	Transfer	24,540	0.591
				13.03.2015	1,505	Transfer	26,045	0.627
				20.03.2015	895	Transfer	26,940	0.649
	At the end of the year			31.03.2015			26,940	0.649
3	New Millenium Technology	3,000	0.072	01.04.2014				
				22.08.2014	9,297	Transfer	12,297	0.296
				27.08.2014	20,960	Transfer	33,257	0.801
				05.09.2014	6,813	Transfer	40,070	0.965
				12.09.2014	4,810	Transfer	44,880	1.081
				19.09.2014	973	Transfer	45,853	1.104
				14.11.2014	16,149	Transfer	62,002	1.493
				21.11.2014	765	Transfer	62,767	1.511
				16.01.2015	4,001	Transfer	58,766	1.415
				23.01.2015	500	Transfer	5,866	1.403
				30.01.2015	18,758	Transfer	39,508	0.951
				20.02.2015	17,502	Transfer	57,010	1.373
	At the end of the year			31.03.2015			57,010	1.373
4	Brijendra Kumar Gupta(HUF)	30,000	0.722	01.04.2014				
				31.03.2015			30,000	0.722

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of total shares of the Company
		No. of Shares at the beginning of the year	% of total Shares of the Company	Date	Increasing / Decreasing in shareholding	Reason	No. of shares	
5	Mr. Rajendra Kumar Gupta	80,000	1.926	01.04.2014				
				09.05.2014	1,000	Transfer	79,000	1.902
				10.10.2014	2,000	Transfer	77,000	1.854
				14.11.2014	3,000	Transfer	74,000	1.782
				16.01.2015	2,000	Transfer	72,000	1.733
				23.01.2015	12,000	Transfer	60,000	1.445
				20.03.2015	2,000	Transfer	58,000	1.396
6	At the end of the year			31.03.2015			58,000	1.396
	Mr. Sanjiv Kumar Gupta	70,500	1.697	01.04.2014				
7	At the end of the year			31.03.2015			70,500	1.697
	Mr. Brijendra Kumar Gupta	1,59,000	3.828	01.04.2014				
8	At the end of the year			31.03.2015			1,59,000	3.828
	Mr. Lalit Gupta	45,800	1.103	01.04.2014				
9	At the end of the year			31.03.2015			45,800	1.103
	Mrs. Uma Gupta	79,850	1.922	01.04.2014				
10	At the end of the year			31.03.2015			79,850	1.922
	Ms. Shilpa Bhatia	5,441	0.131	12.09.2014				
				19.09.2014	6,559	Transfer	12,000	0.289
				10.10.2014	4,631	Transfer	16,631	0.4
				14.11.2014	10,959	Transfer	27,590	0.664
				21.11.2014	1,039	Transfer	28,629	0.689
	At the end of the year			31.03.2015			28,629	0.689

v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of total shares of the Company
		No. of Shares at the beginning of the year	% of total Shares of the Company	Date	Increasing / Decreasing in shareholding	Reason	No. of shares	
1	Mr. Krishna Gopal Gupta	7,76,225	18.688	01.04.2014				
				11.04.2014	195	Transfer	7,76,420	18.693
				23.05.2014	820	Transfer	7,77,240	18.713
				28.11.2014	934	Transfer	7,78,174	18.735
				06.02.2015	14,825	Transfer	7,92,999	19.092
				27.02.2015	1,730	Transfer	7,94,729	19.134
				06.03.2015	2,000	Transfer	7,96,729	19.182
				13.03.2015	945	Transfer	7,97,674	19.204
	At the end of the year			31.03.2015			7,97,674	19.204
2	Mr. Krishna Murari Gupta	3,53,207	8.503	01.04.2014				
	At the end of the year			31.03.2015			3,53,207	8.50
3	Mr. Vikram Gupta	3,72,505	8.968	01.04.2014				
				16.05.2014	600	Transfer	3,73,105	8.983
	At the end of the year			31.03.2015			3,73,105	8.983
4	Mr. Gaurav Gupta	3,57,966	8.618	01.04.2014				
	At the end of the year			31.03.2015			3,57,966	8.618
5	Mr. Anil Palekar	—	—	—	—	—	—	—
6	Mr. Sadashiv Shet	—	—	—	—	—	—	—
7	Mr. Joseph A.A. D'Costa	—	—	—	—	—	—	—
8	Mr. Christopher Hickman	—	—	—	—	—	—	—
9	Mrs. Shashi K. Katreddi	—	—	—	—	—	—	—
10	Mr. Noel da Silva, CFO & Company Secretary	—	—	—	—	—	—	—



V. INDEBTEDNESS :

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

Rs. in lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the year				
i) Principal Amount	1,253.98	-	-	1,253.98
ii) Interest due but not paid	3.47	-	-	3.47
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,257.45	-	-	1,257.45
Change in Indebtedness during the financial year				
* Addition	2,129.18	-	-	2,129.18
* Reduction	2,524.79	-	-	2,524.79
Net Change	(395.61)	-	-	(395.61)
Indebtedness at the end of the year				
i) Principal Amount	861.85	-	-	861.85
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	861.85	-	-	861.85

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Rs. in lakhs

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. K. G. Gupta, Managing Director	
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income - Tax Act, 1961	20.25	20.25
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6.20	6.20
	(c) Profits in lieu of salary under Section 17 (3) Income -tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)		26.45
	Ceiling as per the Act	5% of the net profits of the Company	



B. Remuneration to other Directors :

Rs. in lakhs

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Anil Palekar	Mr. Sadashiv Shet	Mr. Joseph A.A. D'Costa	Mr. Christopher Hickman	Mrs. Shashi K. Katreddi	
1	Independent Directors * Fee for attending board/ committee meetings * Commission * Others, please specify	0.60 — —	0.70 — —	0.80 — —	0.40 — —	0.10 — —	2.60 — —
	Total (1)	0.60	0.70	0.80	0.40	0.10	2.60
		Mr. K. M. Gupta	Mr. Vikram Gupta	Mr. Gaurav Gupta			
2	Other Non - Executive Directors * Fee for attending board /committee meetings * Commission * Others, please specify	0.10 — —	0.10 — —	0.50 — —			0.70 — —
	Total (2)	0.10	0.10	0.50			0.70
	Total (B)= (1+2)						3.30
	Total Managerial Remuneration (A+B)						29.75
	Over all Ceiling as per the Act	11% of the net profits of the Company					

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

Rs. in lakhs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel CFO & Company Secretary		Total Amount
1	Gross Salary (a) Salary as per provisions contained in Section 17(1)of the Income- Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17 (3) Income -tax Act, 1961	8.83	2.41	8.83 2.41 —
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission - as % of profit - others, specify	—	—	—
5	Others, please specify	—	—	—
	Total (A)	11.24		11.24



VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

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



**FORM No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015**

[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,
GKB OPHTHALMICS LIMITED
16A TIVIM INDUSTRIAL ESTATE,
MAPUSA – GOA 403526**

**AUTHORISED CAPITAL : Rs. 70,000,000/-
PAID UP CAPITAL : Rs. 41,535,800/-**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GKB OPHTHALMICS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **GKB OPHTHALMICS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31ST March, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **GKB OPHTHALMICS LIMITED** ("the Company") for the financial year ended on **31st March, 2015** 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 frame thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (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; **Not applicable**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable**



- (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; **Not applicable** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not applicable**
- (vi) NIL (Mention the other laws as may be applicable specifically to the company) **Not applicable**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (it is applicable w.e.f. 01st July, 2015).
- (ii) The Listing Agreements entered into by the Company with Bombay, Madras, Delhi and Calcutta Stock Exchange(s);

However the Company has delisted from Madras Stock Exchange w.e.f. January, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

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

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

All the decisions are taken unanimously after taking into consideration views, opinions expressed by all the members.

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

I further report that during the audit period the company has complied with the no other instances except as detailed in point (iii) below :

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.

Date : August 12, 2015
Place: Panaji Goa

CS Girija G. Nagvekar
Practising Company Secretary
ACS : 28111
COP: 10335



ANNEXURE TO DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

Power consumption in the manufacturing activities of the Company is not of any major significance. Still energy conservation continues to receive adequate attention. General awareness has been created about the need to conserve energy.

- (a) Energy Conservation measures taken :
 - (i) Scheduled and planned maintenance programme has resulted in improved performance of equipment.
 - (ii) Special analysis methods are used to improve performance of utilities like compressors, chillers, etc.
- (b) Additional investments and proposals being implemented for reduction of consumption of energy are :
 - (i) Use of Turbo Ventilators.
 - (ii) Automatic timer for street lights.
 - (iii) Installation of APFC (automatic power factor controller) panels in power circuits. Thus improving its power factor and enabling to claim rebate in energy bills.
 - (iv) Replacement of older air conditioners with energy efficient star rated air conditioners.
- (c) The measures taken in (a) and (b) above have resulted in lower consumption of energy and has helped the Company to improve productivity.
- (d) The Company is not covered under the list of Industries which should furnish information in Form 'A'.

B. TECHNOLOGY ABSORPTION

- (e) Efforts made in technology absorption as per Form 'B'

Research and Development (R & D)

1. The specific areas where R & D is carried out are as follows:
 - (i) Sustaining quality, improvement and upgradation of production process of plastic lenses.
 - (ii) Further research on ways and measures to reduce rejections.
2. Benefit derived as a result of above R & D :
 - (i) Import substitution at a low cost.
 - (ii) Increase in productivity.
3. Future plan of action:
 - (i) Continuous indigenization of imported spares
 - (ii) Introduction of new products/product range considering market requirements.
4. Expenditure on R & D (Rs. in lakhs):
No expenses have been incurred under head R & D during the financial year.

Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

The technology we have adapted, is best suited for our products and it is absorbed in full. The Company is however, on look out for ways and means to further improve productivity by introducing innovations and developments in the Company's line of business.
2. Benefit derived as a result of the above efforts :

Product quality improvement and import substitution.



3. Information regarding technology imported during the last 5 years:

Sl. No.	Technology Imported	Year of import	Status
1	Polymerization Plant	2010-11	Absorbed
2	Hard Coating Machine	2010-11	Machine not yet commissioned
3	Satis AR Coating Machine	2010-11	Machine not yet commissioned
4	Chillers	2012-13	Absorbed
5	Lens Pad Printing Machine	2013-14	Absorbed

C. FOREIGN EXCHANGE EARNINGS AND OUTGO.

- (f) Activities relating to exports, initiatives taken to increase exports development of new export markets for products and services and export plans:

The Company has Wholly Owned Subsidiary (WOS) in Sharjah to boost exports. The Company is intensifying exports in marketing its products in several other countries and exploring new markets.

The Company regularly participates in International Optical exhibitions in France, Italy, USA, Dubai and other places, besides conducting market survey and direct mail campaigns.

- (g) Total foreign exchange used and earned.

	Rs. in lakhs
Foreign exchange earned	2,027.76
Foreign exchange used	895.00
Net earnings	1,132.76

Detailed information on foreign exchange earning and outgo is given in Notes 37, 44 and 45 to the financial statements.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Mapusa – Goa
Date : August 12, 2015

K. G. GUPTA
CHAIRMAN & MANAGING DIRECTOR



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

CAUTIONARY STATEMENT:

Certain statements made in this Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from such expectation whether express or implied. Several factors that could make significant impact on the company's operations include global and domestic demand and supply conditions, input availability and prices, changes in Government regulations, tax laws, economic developments within the country and other factors.

I i) **Industry Structure and Development:**

Glass lenses are being fast replaced by plastic lenses worldwide and the demand for glass lenses is going down in India and other developing countries.

A large section of the population, requires vision correction and it is not readily available to them.

With the increase in awareness, education and medical services, there is a huge scope for increase in demand.

ii) **Opportunities and Threats:**

There is growing demand for spectacle in developing and under developed countries. However, in the developed countries the demand is stagnant. The Company has embarked on backward integration by utilizing its skill in producing glass moulds which are extensively used in the manufacture of plastic lenses.

With the increase in awareness, education and medical services, there is a big potential for increase in demand.

There is a severe competition from China and we are still awaiting the labour reforms to have a level playing fields.

iii) **Segment wise or Product wise Performance :**

The Company deals with manufacture of glass and plastic lenses both semi-finished and finished forms.

iv) **Outlook :**

Presently, Unit II manufactures 10,000 pieces per day of plastic lenses. New equipment for plastic lenses is being imported to strengthen the production base and a new building is expected to be completed by the year end.

v) **Risks and Concerns:**

We do not foresee any risks, except for foreign exchange fluctuations. Since the Company depends mainly on exports, the economic situation in exporting countries is liable to affect the performance of the Company.



vi) Internal Control Systems and its Adequacy:

The Company has developed adequate Internal Control Systems, commensurate to its size and business, which are aimed at achieving efficiency in operations, effective monitoring and optimum utilisation of resources. The Company has appointed M/s. N. M. Shiolkar & Associates, Chartered Accountants, to conduct the Internal Audit work. The reports of the Internal Auditors are periodically reviewed by the Audit Committee.

The Company has been accredited with ISO 9001:2008 and follows the prescribed parameters.

vii) Discussion on Financial Performance with respect to Operational Performance :

As expected, there has been decrease in sales of glass lens, and increase in sales of plastic lens. Sales of plastic lenses have increased to Rs. 1,615.09 lakhs during the year under review, compared to Rs. 1,613.41 lakhs, during the previous financial year. The exports were to the tune of Rs. 730.80 lakhs, during the year under review compared to Rs. 633.22 lakhs during the previous financial year. This trend is expected to continue.

Sales of glass lenses have decreased to Rs. 982.39 lakhs during the year under review, compared to Rs. 1,512.30 during the previous financial year and the exports of glass lenses were to the tune of Rs. 856.37 lakhs, during the year under review compared to Rs. 1,389.40 lakhs, during the previous financial year.

viii) Material Development in Human Resources/Industrial Relations front, including number of people employed :

Labour relations have been cordial with no interruption of manufacturing activities.

The total number of permanent employees of the company as on March 31, 2015 was 264 out of which 218 employees are working for more than 10 years.

II Disclosures by Senior Management Personnel (i.e.) One level below the Board including all HODs:

None of the Senior Management personnel has Financial and Commercial transactions with the Company, where they have personal interest that would have a potential conflict with the interest of the Company at large.



REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is to attain high level of transparency and accountability in the functioning of the Company and in its relationship with employees, shareholders, creditors, lenders and ensuring sound Corporate Governance practices. The Company also believes that its systems and procedures will enhance Corporate performance and maximise shareholders' value in the long term.

This report on Corporate Governance is as on March 31, 2015.

1. **BOARD OF DIRECTORS**

a) **Composition of Board**

The Composition of the Board is in conformity with the Clause 49 of the Listing Agreement. The Board of Directors comprises of nine members, out of which eight are Non-Executive. There are five Independent Directors including one Woman Director. The Chairman of the Board is an Executive Director and more than half of the Board comprises of Independent Directors.

The Composition of the Board and other relevant details are given below:-

Name of the Director	Category	No. of Board Meetings Attended	Whether attended the last AGM
Mr. K. G. Gupta	Chairman, Managing Director, Promoter & Executive	5	Yes
Mr. K. M. Gupta	Promoter & Non-Executive	1	No
Mr. Vikram Gupta	Promoter & Non-Executive	1	Yes
Mr. Gaurav Gupta	Promoter & Non-Executive	5	Yes
Mr. Anil Palekar	Independent & Non-Executive	4	No
Mr. Sadashiv Shet	Independent & Non-Executive	5	No
Mr. Joseph A. A. D'Costa	Independent & Non-Executive	6	No
Mr. Christopher Hickman	Independent & Non-Executive	3	No
Mrs. Shashi Kumar Katreddi*	Independent & Non-Executive	1	N.A.

* Mrs. Shashi Kumar Katreddi has been appointed as Independent, Woman, Additional Director w.e.f. March 31, 2015.

Mr. Sadashiv Shet is a Non-Executive, Chairman in Kore Foods Limited. He is also the Chairman of Audit Committee and Stakeholders' Grievance Committee and a member of Nomination and Remuneration Committee in Kore Foods Limited.

None of the other Directors hold membership or chairmanship in any other Company.

Last AGM was held on September 06, 2014.

b) **Number of Board Meetings held and dates on which held.**

Six Board Meetings were held during the year under review. They were held on May 30, 2014; July 05, 2014; August 13, 2014; November 13, 2014; February 14, 2015 and March 31, 2015.

The maximum gap between two Board Meetings held during the year was not more than 120 days.



c) Independent Directors.

Independent Directors appointment by the Company fulfills the conditions of Independence as per Clause 49 of the Listing Agreement and provisions of Section 149(6) of the Companies Act, 2013.

Appointment of Independent Directors is formalised by issuing Letter of Appointment setting out terms and conditions of appointment in the manner as provided in the Companies Act, 2013 and the same is placed on website of our Company, www.gkb.net.

d) Training of Independent Directors.

Whenever new Non-Executive and Independent Directors are inducted in the Board, they are familiarised with Company's culture through appropriate orientation session, presentations and programmes. They are also familiarised with organizational structure, business of the Company, constitution, Board procedures, major risks, management strategy and products manufactured. Details of such familiarisation programme shall be displayed on the website of the Company www.gkb.net and web link thereto (<http://gkb.net/en/wp-content/uploads/Accounts/Familiarisation-Programme.pdf>).

e) Separate Meeting of the Independent Directors.

The Independent Directors held a Meeting on March 31, 2015, without the attendance of Non-Independent Directors and members of the Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail :

1. Reviewed the performance of the Non-Independent Directors and the Board as a whole.
2. Reviewed the performance of Mr. K. G. Gupta, Chairman, taking into account the views of Executive Directors and Non-Executive Directors.
3. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

2. AUDIT COMMITTEE

a) Composition.

The Composition of the Audit Committee is in compliance with Clause 49 of the Listing Agreement. The Audit Committee comprises of four Non-Executive Independent Directors and one Non-Executive Promoter Director. Mr. Sadashiv Shet is the Chairman of the Audit Committee.

All these Directors possess knowledge of Corporate Finance, Accounts and Company Law. Mr. Noel da Silva, CFO and Company Secretary, acts as the Secretary of the Committee.

The Managing Director, Internal Auditors, Statutory Auditors, Executives of Accounts and Finance Department, attend the Audit Committee meetings on invitation.

b) The terms of reference include:-

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Reviewing with the management, the annual financial statements before submission to the Board for approval.
4. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.



c) Meetings and Attendance during the year.

Four meetings were held on May 30, 2014; August 13, 2014; November 13, 2014 and February 14, 2015.

The names of the members of the Committee and their attendance are as follows:

Name	Category	Designation	No. of Meetings attended
Mr. Sadashiv Shet	Independent & Non-Executive	Chairman	3
Mr. Gaurav Gupta	Promoter & Non-Executive	Member	4
Mr. Anil Palekar	Independent & Non-Executive	Member	2
Mr. Joseph A. A. D'Costa	Independent & Non-Executive	Member	4
Mr. Christopher Hickman	Independent & Non-Executive	Member	2

3. NOMINATION AND REMUNERATION COMMITTEE

a) Terms of reference.

The Remuneration Committee has been constituted to recommend/review the remuneration of the Managing Director and Whole Time Directors, if any, based inter alia on their experience, qualifications, individual and company performance and comparable industry practices.

b) Composition

Name of the Director	Category	Designation	No. of Meetings attended
Mr. Anil Palekar	Independent & Non-Executive	Chairman	2
Mr. Sadashiv Shet	Independent & Non-Executive	Member	2
Mr. Joseph A. A. D'Costa	Independent & Non-Executive	Member	2

Two meetings were held on August 13, 2014 and March 31, 2015.

c) Remuneration Policy .

Company has formulated Remuneration Policy relating to remuneration of Directors and Key Managerial Personnel. Brief highlights of the Policy is given below:

REMUNERATION POLICY FOR MANAGING DIRECTOR/WHOLE TIME DIRECTOR/KEY MANAGERIAL PERSONNEL.

1) Remuneration to Managing Director / Whole Time Director or Manager:

The Nomination and Remuneration Committee shall make recommendations to the Board of Directors regarding the remuneration and perquisites payable to the Managing Director, Whole Time Director or Manager.

The remuneration and perquisites payable to the Managing Director, Whole Time Director or Manager shall be governed by the provisions of Section 197 and Schedule V and other applicable provisions of the Companies Act, 2013 and with rules in force, subject to the approval of the members by way of a suitable resolution at the next General Meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in that Schedule.

2) Remuneration to Non- Executive / Independent Directors:

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

Provided that the amount of such fees shall not exceed Rupees one lakh per meeting of the Board or Committee thereof.

For Independent Directors and Woman Directors, the sitting fees shall not be less than sitting fees to other Directors.



- b) All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013), shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel :

- a) The remuneration to Key Managerial Personnel shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel, to be decided annually or at such intervals as may be considered appropriate.
- d) Details of remuneration paid to all the Directors.

The Non-Executive Directors are paid sitting fees for attending the Board/ Committee Meetings and the payment is based on the number of meetings attended by them. Non – Executive Directors have not been paid any other fees or compensation.

Remuneration paid to Managing Director, sitting fees paid to Non-Executive Directors and number of equity shares held by them are as under :

Name of the Director	Salary Rs.	Benefits Rs.	Sitting Fees Rs.	Total Rs.	Number of equity share held
Mr. K.G. Gupta	20,25,000	6,19,717	—	26,44,717	7,97,674
Mr. K. M. Gupta	—	—	10,000	10,000	3,53,207
Mr. Vikram Gupta	—	—	10,000	10,000	3,73,105
Mr. Gaurav Gupta	—	—	50,000	50,000	3,57,966
Mr. Anil Palekar	—	—	60,000	60,000	—
Mr. Sadashiv Shet	—	—	70,000	70,000	—
Mr. Joseph A. A. D'Costa	—	—	80,000	80,000	—
Mr. Christopher Hickman	—	—	40,000	40,000	—
Mrs. Shashi Kumar Katreddi	—	—	10,000	10,000	—



4. STAKEHOLDERS' GRIEVANCE COMMITTEE

The Stakeholders' Grievance Committee comprises of two Non-Executive Directors. Mr. K. M. Gupta is the Chairman and Mr. Vikram Gupta is a member of the Committee.

During the year two meetings of the Committee were held on October 22, 2014 and January 19, 2015. During the year no complaints were received.

Compliance Officer :

Mr. Noel da Silva,
CFO and Company Secretary
GKB Ophthalmics Ltd.
16-A, Tivim Industrial Estate
Mapusa, Goa – 403 526
Phone : (0832) 6653225 (D) E-mail : noel.dasilva@gkb.net

5. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held at the Conference Room, GKB Ophthalmics Limited, 16-A, Tivim Industrial Estate, Mapusa, Goa, as under :

Financial Year	Date & Time	Special Resolutions passed
2011-2012	August 13, 2012 11.00 A.M.	Re-appointment of Mr. K. G. Gupta as Managing Director
2012-2013	August 31, 2013 11.00 A.M.	None
2013-2014	September 06, 2014 11.00 A.M.	1. Borrowing in excess of paid up capital and free reserves under Section 180(1)(c) of the Companies Act, 2013. 2. Create mortgages / charges on the assets of the Company under Section 180(1) (a) of the Companies Act, 2013.

Three Special Resolutions have been passed through Postal Ballot during the last year. The details of voting pattern of Postal Ballot resolutions passed on October 27, 2015 are given below:

Date of declaration of the Postal Ballot results.	27.10.2014
Total number of shareholders on record date, September 05, 2014.	1242
No. of shareholders present in the meeting either in person or through proxy .	Not Applicable
No. of shareholders attended the meeting through Video Conferencing.	Not Applicable
Details of the Agenda (Voting item wise).	Given below

1. Giving loans or guarantees or providing any security and/or making investment under Section 186 of the Companies Act, 2013.

Promoter/Public	No. of shares held (1)	No. of Votes polled (2)	% of Votes Polled on Out-standing shares (3)=[(2)/(1)] *100	No. of Votes in favour (4)	No. of Votes against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)] *100	% of Votes against on votes polled (7)=[(5)/(2)] *100
Promoter and Promoter Group	2811136	2097724	74.62	2097724	0	100	0
Public Institutional holders	21512	0	0	0	0	0	0
Public Others	1320932	115096	8.71	114376	720	99.37	0.63
Total	4153580	2212820	53.28	2212100	720	99.97	0.03



2. Transactions with Related Parties under Section 188 of the Companies Act, 2013.

Promoter/Public	No. of shares held (1)	No. of Votes polled (2)	% of Votes Polled on Outstanding shares (3)=[(2)/(1)] *100	No. of Votes in favour (4)	No. of Votes against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)] *100	% of Votes against on votes polled (7)=[(5)/(2)] *100
Promoter and Promoter Group	2811136	2097724	74.62	2097724	0	100	0
Public Institutional holders	21512	0	0	0	0	0	0
Public Others	1320932	115096	8.71	114175	921	99.20	0.80
Total	4153580	2212820	53.28	2211899	921	99.96	0.04

3. Increase in payment of remuneration to Mr. K.G. Gupta, Managing Director of the Company.

Promoter/Public	No. of shares held (1)	No. of Votes polled (2)	% of Votes Polled on Outstanding shares (3)=[(2)/(1)] *100	No. of Votes in favour (4)	No. of Votes against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)] *100	% of Votes against on votes polled (7)=[(5)/(2)] *100
Promoter and Promoter Group	2811136	2097724	74.62	2097724	0	100	0
Public Institutional holders	21512	0	0	0	0	0	0
Public Others	1320932	115096	8.71	114175	921	99.20	0.80
Total	4153580	2212820	53.28	2211899	921	99.96	0.04

Mr. Shivaram Bhat, practicing Company Secretary (Membership No. ACS 10454) was appointed to act as scrutinizer to conduct E-voting/Postal Ballot process.

No EGM was held during the financial year 2014-15. At present the Company has not proposed any Special Resolution to be passed by Postal Ballot.

6. DISCLOSURES

- (i) There were no significant transactions of related nature with the related parties viz promoters, directors or the management or their subsidiaries or relatives during the year that have potential conflict with the interest of the Company. Suitable disclosures as required by the Accounting Standard (AS-18) have been made in the Annual Report.
- (ii) There are no pecuniary relationships or transactions of non-executive Directors vis-a-vis the Company that have potential conflict with the interest of the Company at large.
- (iii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- (iv) The Audit Committee has set up a vigil mechanism for Directors and employees and the same was approved by the Board of Directors at their meeting held on May 30, 2014. It provides for a formal mechanism to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct, without fear of reprisal. It also provides for direct access to various Authorities including the Chairman of the Audit Committee. This mechanism has been disclosed on Company's website.
- (v) All Independent Directors have confirmed, that they meet with the criteria of 'Independence' as stipulated in sub-section 6 and 7 of Section 149 of the Companies Act, 2013.
- (vi) Disclosures regarding re-appointment of Directors. The details appear under Note No. 8 to the Notice for the Annual General Meeting.



7. MEANS OF COMMUNICATION

Quarterly, half yearly and annual results are normally published in the Economic Times, Times of India (English edition) and Gomantak (Marathi edition) and promptly submitted to the Stock Exchanges for display on their respective websites.

The results are also displayed on Company's website, www.gkb.net, which also displays official news releases.

8. SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES)

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The Company with the SCORES and redressed the shareholders complaints well within the stipulated time.

9. GENERAL SHAREHOLDER INFORMATION

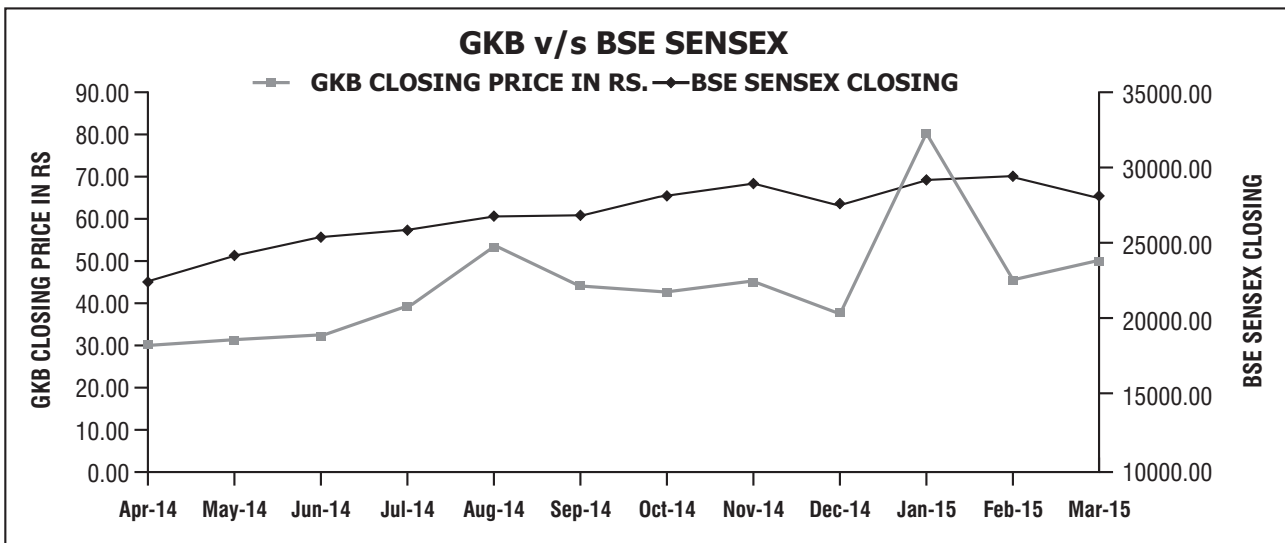
i	33rd Annual General Meeting Date Time Venue	: September 26, 2015 11.00 A.M. Conference Room GKB Ophthalmics Limited 16-A, Tivim Industrial Estate, Mapusa - Goa 403 526
ii	Financial Year	: The financial year of the Company is from April 1st to March 31st.
iii	Date of Book closure	: Book Closure was from August 03, 2015 to August 12, 2015 (both days inclusive)
iv	Dividend payment date	: No dividend is proposed
v	Listing on Stock Exchanges Delisting Fees Trading on Stock Exchange	: Bombay Stock Exchange Ltd. (BSE) Calcutta Stock Exchange Ltd. (CSE) Delhi Stock Exchange Ltd. (DSE) : Has been de-recognised by SEBI on November 19, 2014. : Madras Stock Exchange Ltd. (MSE) : Delisted w.e.f. January 13, 2015. : Annual Listing fees have been paid to Bombay and Calcutta Stock Exchange for the year 2015-16. : National Stock Exchange of India Ltd.(NSE) (Permitted to trade and admitted to dealings in the Capital Market Segment in terms of agreement between NSE and MSE) upto January 13, 2015.
vi	Stock Code BSE NSE/MSE DSE CSE ISIN NUMBER	: 533212 GKB 9179 017097 INE 265 D01015



vii. Market Price Data

In Rs.

Month	BSE		NSE	
	Equity Shares		Equity Shares	
	High	Low	High	Low
April, 2014	33.00	28.50	33.00	30.20
May, 2014	31.40	25.05	32.80	28.90
June, 2014	34.30	28.25	33.50	25.50
July, 2014	41.65	30.35	39.25	30.30
August, 2014	56.15	32.30	57.60	32.10
September, 2014	59.85	40.00	58.85	35.65
October, 2014	46.95	40.25	48.55	40.05
November, 2014	64.75	44.35	64.45	41.30
December, 2014	49.90	36.55	53.40	37.50
January, 2015	91.00	38.00	91.50	34.35
February, 2015	78.00	41.95	—	—
March, 2015	71.85	43.35	—	—



viii. Share Registrars & Transfer Agents

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

Phone: + 91 22 2851 5606/ 2851 5644.

Email : sharexindia@vsnl.com

Fax : +91 22 2851 2885

Web : www.sharexindia.com



ix. Share Transfer System

The Company has retained Sharex Dynamic (India) Pvt. Ltd, Mumbai, to carry out the transfer related activities. Authorised Personnel are approving the transfer on periodical basis. All valid transfers are effected within stipulated time. Share Certificates received at the Registered Office are also sent to Registrar and Transfer Agents for doing the needful.

x. Distribution of Shareholding

The distribution of shareholding as on March 31, 2015 is as under:

Range		Shareholders		Total Amount	
Rs.	Rs.	Number	% to Total Nos	Rs.	% to Total Amount
(1)	(2)	(3)	(4)	(5)	(6)
Upto	5,000	1019	80.30	17,99,170.00	4.33
5,001	to 10,000	116	9.14	9,73,150.00	2.34
10,001	to 20,000	60	4.73	9,25,800.00	2.23
20,001	to 30,000	16	1.26	4,24,230.00	1.02
30,001	to 40,000	10	0.79	3,43,880.00	0.83
40,001	to 50,000	7	0.55	3,31,000.00	0.80
50,001	to 1,00,000	14	1.10	9,94,460.00	2.39
1,00,001	and above	27	2.13	357,44,110.00	86.06
Total		1269	100.00	415,35,800.00	100.00

xi. The categories of shareholding as on March 31, 2015 are as under:

Sr. No	Category	No of Shares held	Percentage (%)
1	Indian Promoters	28,53,506	68.70
2	Banks, Financial Institutions & Insurance Companies	19,600	0.47
3	Private Corporate Bodies	2,79,669	6.73
4	Indian Public	9,74,249	23.46
5	Others		
	(a) NRI/OCB	6,452	0.16
	(b) CLR	20,104	0.48
	TOTAL	41,53,580	100.00

xii. Dematerialization of shares and liquidity :

98.00% of the Company's equity shares were dematerialised and the shares are traded on the BSE .

xiii. Address for correspondence and Plant Locations :

Address for correspondence :
 GKB Ophthalmics Limited
 16-A, Tivim Industrial Estate
 Mapusa – Goa 403 526
 Phone : +91 832 2257253/6714444
 Fax : + 91 832 2257044
 Email : gkbophthalmics@gkb.net

Plant Locations :
 16-A, C & D – Unit I
 D2-14, 18 & 19 – Unit II
 Tivim Industrial Estate, Mapusa – Goa 403526



10. CEO /CFO CERTIFICATION.

A certificate from the Chief Executive Officer and Chief Financial Officer on the financial statements of the Company was placed before the Board, in terms of Clause – 49 V of the Listing Agreement.

11. CODE OF CONDUCT.

The Company has framed and adopted a Code of Conduct, which is applicable to all the Directors and members of the Senior Management in terms of Clause-49 I (D) of the Listing Agreement. The said code, which came into effect from September 4, 2004, lays the general principles designed to guide all Directors and members of the Senior Management in making ethical decisions.

All Directors and members of the Senior Management have confirmed their adherence to the provisions of the said code.

DECLARATION

As provided under Clause-49 of the Listing Agreement with the Stock Exchanges, we confirm that the Board Members and Senior Management of the Company have confirmed compliance with the Code for the year ended March 31, 2015.

FOR GKB OPHTHALMICS LTD.,

Place : Mapusa - Goa
Date : August 12, 2015

K. G. GUPTA
CHAIRMAN & MANAGING DIRECTOR



COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARY

TO THE MEMBERS OF GKB OPHTHALMICS LIMITED

I have examined the compliance of conditions of Corporate Governance by GKB OPHTHALMICS LIMITED, 16-A, Tivim Industrial Estate, Mapusa, Goa - 403526, for the year ended 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

Based on the records and documents maintained, information provided by the Company and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Stakeholders' Grievance Committee.

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

Date : August 12, 2015
Place : Panaji, Goa

CS GIRIJA NAGVEKAR
Practising Company Secretary
C.P. No. 10335



INDEPENDENT AUDITOR'S REPORT

To the Members of GKB Ophthalmics Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **GKB Ophthalmics Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements of the Company based on our audit.

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015, and its loss and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) on the basis of the written representations received from the directors as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - 1) the Company has disclosed the impact of pending litigations on its financial position in its financial statements in note 25 to the financial statements;
 - 2) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - 3) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
By the hand of

Place: Mumbai, Maharashtra
Date: 30th May, 2015

EDWIN P. AUGUSTINE
Partner
(Membership No. 43385)



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

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

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has physically verified the assets in accordance with the phased programme of verification which in our opinion is reasonable, considering the size of the Company and nature of the assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.
- (ii) (a) As explained to us, inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
- (b) As per the information given to us, the procedures of physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records, which were not material, have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the Paragraph 3 (iii) (a) and (b) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) The Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and any other relevant provisions of the Act and the rules framed thereunder apply.
- (vi) According to the information and explanations given to us, the Company is not required to maintain the books of accounts pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has been generally regular in depositing undisputed statutory dues relating to investor education and protection fund, labour welfare fund and other statutory dues, as applicable, with the appropriate authorities. *However, there have been delays in depositing statutory dues relating to provident fund, employees state insurance, income-tax, sales tax, excise duty, service tax, wealth tax and value added tax with the appropriate authorities.*
According to the information and explanations given to us, undisputed statutory dues of income tax and wealth tax amounting to Rs. 402.65 lakhs and Rs. 7.77 lakhs respectively are in arrears and were outstanding as at 31st March 2015 for a period of more than six months from the date they become applicable.



(b) According to the information and explanations given to us and records examined by us, the particulars of income tax, sales tax and duty of excise as at 31st March, 2015 which have not been deposited on account of a dispute pending, are as under:

Name of the statute	Financial year	Nature of dues	Disputed Amount (in Rs. lakhs)	Forum where the dispute is pending
The Central Excise Act, 1944	2005-06	Duty, interest and penalty	17.17	Central Excise and Service Tax Appellate Tribunal (CESTAT)
	2006-07	Duty, interest and penalty	16.45	Joint Commissioner / Commissioner of Customs and Central Excise (Appeals)
	2007-08 To 2013-14	Duty, interest and penalty	483.86	Commissioner of Customs, Central Excise & Service Tax, Panaji
The Central Sales Tax Act, 1956	2008-09	Sales tax, interest and penalty	111.71	Additional Commissioner of Commercial Tax, Panaji
			629.19	

(net of deposit paid, wherever applicable)

(c) According to the information and explanations given to us, there is no amount required to be transferred to Investor Education and Protection Fund as at 31st March 2015 in accordance with the relevant provisions of the Companies Act, 1956 and the rules made thereunder.

(viii) The Company has no accumulated losses as at 31st March 2015 and it has not incurred cash losses in the immediately preceding financial year. However, the Company has incurred cash losses in the financial year ended as at 31st March 2015.

(ix) The Company has not issued any debentures. Accordingly, the Paragraph 3 (ix) of the Order is not applicable. There was no default on repayment of loans obtained from financial institutions. However, the Company has defaulted in repayment of dues to banks during the year as follows:

Sr. No.	Period of default	Amount (in Rs. Lakhs)
1	April 2014 to March 2015	99.01
2	Overdue as on 31 st March 2015	1.06

(x) According to the information provided to us and explanations given to us, the Company has given guarantees amounting to Rs. 3,630.08 lakhs to banks for loans taken by associate companies. *However, we are unable to comment whether the terms and conditions on which the Company has given guarantees are prejudicial to the interest of the Company, since the guarantees give the power to the banks to attach the assets of the Company on default by associate companies, without attempting to recover in the first instance from the associate companies.*



- (xi) In our opinion and according to the information and explanations given to us, the Company has not taken any term loans during the financial year. Accordingly paragraph 3 (xi) of the Order is not applicable.
- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any fraud on or by the Company noticed or reported during the period, nor have we been informed of such case by management.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
By the hand of

EDWIN P. AUGUSTINE
Partner
(Membership No. 43385)

Place: Mumbai, Maharashtra
Date: 30th May, 2015



BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
I EQUITY & LIABILITIES			
1 Shareholder's funds			
(a) Share Capital	1	41,535,800	41,535,800
(b) Reserves and Surplus	2	111,433,189	138,396,073
Total Shareholders Funds		152,968,989	179,931,873
2 Share application money pending allotment		-	-
3 Non-current Liabilities			
(a) Long term borrowings	3	4,849,722	15,220,520
(b) Deferred Tax Liabilities (net)	4	6,359,938	9,287,770
(c) Other Long term liabilities		-	-
(d) Long Term Provisions	5	5,460,750	3,791,176
Total Non Current Liabilities		16,670,410	28,299,466
4 Current Liabilities			
(a) Short term borrowings	6	70,964,765	98,241,413
(b) Trade payables	7	157,694,490	88,683,938
(c) Other current liabilities	8	36,281,421	36,726,594
(d) Short Term Provisions	9	52,476,686	74,661,945
Total Current Liabilities		317,417,362	298,313,890
Total Liabilities		334,087,772	326,613,356
Total Liabilities and Equity		487,056,761	506,545,229
II ASSETS			
1 Non-current Assets			
(a) Fixed Assets			
(i) Tangible assets	10	116,231,082	134,953,410
(ii) Intangible assets	10	990,416	1,139,660
(iii) Capital work-in-progress	10	5,733,416	5,733,416
(iv) Intangible assets under development	10	-	-
(b) Non-current investments	11	55,308,598	55,308,598
(c) Long-term loans and advances	12	3,659,759	-
(d) Other non-current assets		-	-
Total Non-current assets		181,923,271	197,135,084
2 Current Assets			
(a) Current investments		-	-
(b) Inventories	13	152,739,309	151,425,682
(c) Trade receivables	14	144,370,238	151,178,979
(d) Cash and bank balances	15	4,960,226	3,556,966
(e) Short-term loans and advances	16	1,917,308	2,169,459
(f) Other current assets	17	1,146,409	1,079,059
Total Current Assets		305,133,490	309,410,145
Total Assets		487,056,761	506,545,229
Significant Accounting Policies	A		

The accompanying notes are an integral part of the financial statements

As per our report attached of even date

SHARP & TANNAN

Chartered Accountants

Firm Registration No. 109982W

By the hand of

For and on behalf of the Board

Edwin P. Augustine

Partner

Membership No. 43385

K. G. Gupta

Chairman and

Managing Director

Gaurav Gupta

Director

Vikram Gupta

Director

Noel Da Silva

CFO and
Company Secretary

Place : Mumbai, Maharashtra
Date : 30th May, 2015

Place : Mapusa, Goa
Date : 30th May, 2015



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No	2014-15		2013-14	
		Rs.	Rs.	Rs.	Rs.
Income					
Revenue from operations (Gross)	18	315,494,426		322,084,257	
Less : Excise duty		17,020,147		8,316,300	
Revenue from operations (Net)			298,474,279		313,767,957
Other income	19		12,081,605		8,121,888
Total Revenue			310,555,884		321,889,845
Expenses					
Cost of materials consumed	20	120,360,609		138,069,401	
Purchase of stock in trade	20	26,295,688		1,929,851	
Changes in inventories of finished goods (including excise duty) and work in progress	20	12,063,533		(550,752)	
Employee benefits expenses	21		158,719,830		139,448,500
Finance costs	22		62,482,874		48,254,995
Depreciation and amortisation	23		24,879,255		28,564,543
Other expenses	24		14,769,152		11,781,336
			85,093,020		68,193,895
			345,944,131		296,243,269
Profit / (Loss) before exceptional and extraordinary items and tax			(35,388,247)		25,646,576
Exceptional item (Refer note 13)			5,120,156		3,768,681
Profit before extraordinary items and tax			(30,268,091)		29,415,257
Extraordinary items			-		-
Profit/ (Loss) before tax			(30,268,091)		29,415,257
Tax Expense :					
Current Tax		-		(12,730,671)	
Taxation adjustment of previous years		6,682,052		(5,999,534)	
Deferred Tax	4	979,687		(2,376,907)	
			7,661,739		(21,107,112)
Profit after tax			(22,606,352)		8,308,145
Earnings per Equity Share (Refer note 35)					
- Basic	Rs.		(5.44)		2.00
- Diluted	Rs.		(5.44)		2.00
Face value per Equity Share	Rs.		10		10
Significant Accounting Policies	A				

The accompanying notes are an integral part of the financial statements

As per our report attached of even date
SHARP & TANNAN
Chartered Accountants
Firm Registration No. 109982W
By the hand of

Edwin P. Augustine
Partner
Membership No. 43385

K. G. Gupta
Chairman and
Managing Director

Place : Mumbai, Maharashtra
Date : 30th May, 2015

Place : Mapusa, Goa
Date : 30th May, 2015

For and on behalf of the Board

Gaurav Gupta
Director

Vikram Gupta
Director

Noel Da Silva
CFO and
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	2014-15 (Rs.)	2013-14 (Rs.)
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax and extraordinary items	(30,268,091)	29,415,257
Depreciation and amortisation	14,769,153	11,781,336
Finance cost	24,879,255	28,564,543
Provision for doubtful debts	-	-
Unrealised exchange loss / (gain) (net)	4,502,539	2,562,909
Loss on sale of fixed assets (net)	-	43,536
Profit on sale of fixed assets (net)	(27,988)	-
Dividend income	(7,371,888)	(7,194,681)
Interest income	(345,575)	(320,411)
Operating profit before working capital changes	6,137,405	64,852,489
Adjustments for :		
Increase / (decrease) in trade and other payables	67,038,740	(13,687,247)
Increase / (decrease) in provisions	3,620,117	75,349
(Increase) / decrease in inventories	(1,313,627)	22,850,397
(Increase) / decrease in trade and other receivables	4,738,902	(8,952,737)
	74,084,132	285,762
Cash generated from operations	80,221,537	65,138,251
Direct taxes paid (net of refunds)	(21,528,408)	(10,405,653)
Net cash generated from / (used) in operations	58,693,129	54,732,598
(B) CASH FLOWS FROM INVESTMENT ACTIVITIES		
Payments for purchase of fixed assets	(6,410,050)	(6,867,617)
Proceeds from sale of fixed assets	107,535	97,778
Purchase of long term investments	-	(13,000,000)
Interest received	278,225	610,119
Dividend received	7,371,888	12,592,681
Net cash generated from / (used) in investment activities	1,347,598	(6,567,039)
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	-	225,989
Repayments of long term borrowings	(11,588,911)	(10,930,223)
Proceeds from / (Repayments of) short term borrowings	(27,276,648)	(15,122,077)
Interest paid	(21,152,043)	(22,265,174)
Net cash generated from / (used) in financing activities	(60,017,602)	(48,091,485)
Net changes in cash and cash equivalents	23,125	74,074
Cash and cash equivalents - Opening balance	99,663	25,589
Cash and cash equivalents - Closing balance	122,788	99,663
Net increase / (decrease) in cash and cash equivalents	23,125	74,074

Notes :

- The aforesaid statement has been prepared under the indirect method, as set out in "Accounting Standard (AS) 3 - "Cash Flow Statement", as specified in the Companies (Accounting Standards) Rules, 2006
- Additions to fixed assets are stated inclusive of movements in capital work in progress between the beginning and end of the year and treated as part of investment activities.
- Figures for the previous year have been regrouped, wherever necessary

As per our report attached of even date

SHARP & TANNAN
Chartered Accountants
Firm Registration No. 109982W
By the hand of

Edwin P. Augustine
Partner
Membership No. 43385

Place : Mumbai, Maharashtra
Date : 30th May, 2015

For and on behalf of the Board

K. G. Gupta
Chairman and
Managing Director

Place : Mapusa, Goa
Date : 30th May, 2015

Gaurav Gupta
Director

Vikram Gupta
Director

Noel Da Silva
CFO and
Company Secretary



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE A - Significant Accounting Policies

1 Basis of preparation of Financial Statements:

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 ('the Act'), and the accounting principles generally accepted in India and comply with the accounting standards ('AS') specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014.

2 Use of estimates :

The preparation of the financial statements in conformity with generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and the disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based on management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from those estimates. Any revision to the accounting estimates is recognised prospectively in current and future periods.

3 Fixed Assets:

a) Tangible assets:

- i) Fixed assets are stated at cost net of tax/duty credit availed, if any, including directly attributable costs such as freight, insurance, specific installation charges, etc. for bringing the assets to working condition for use.
- ii) Expenditure relating to existing fixed assets is added to the cost of the assets, where it increases the performance / life of the asset as assessed earlier.
- iii) Fixed assets are eliminated from financial statements on disposal or when retired from active use.
- iv) Preoperative expenses, including interest on borrowings for a project is capitalised till the project is ready for commercial production.
- v) Capital work-in-progress includes cost of fixed assets under installation/ under development as at the Balance Sheet date.
- vi) The assets acquired under hire-purchase agreement are included in the fixed assets of the Company, where the terms of the agreement provide that the assets shall eventually become the property of the hirer or confer on him an option to purchase the assets.

b) Intangible assets:

Intangible assets are recognized as per the criteria specified in Accounting Standard (AS) 26 on "Intangible Assets".

4 Depreciation :

a) Tangible assets :

Owned assets :

Depreciation is provided on the Straight line method over the estimated useful life of the asset in the manner specified in Schedule II of the Companies Act, 2013. Fixed assets which are added/ disposed off in the year are depreciated on pro rata basis with reference to the date of addition/ deletion.

Leased assets :

Leasehold land is amortised over the period of lease.

b) Intangible assets :

Intangible assets are amortised on a straight line method basis over the best estimate of useful life.

5 Impairment of Assets :

As at each Balance Sheet date, the carrying amount of assets (other than inventory) is tested for impairment, so as to determine :

- i) the provision for impairment loss, if any.
- ii) the reversal of impairment loss recognised in previous periods, if any.

Impairment loss is recognised when the carrying amount of an asset or a cash generating unit exceeds its recoverable amount.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The recoverable amount of the asset (or where applicable that of the cash generating unit to which the asset belongs) is determined at the higher of the net selling price and the value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

6 Inventories:

- i) Raw materials, stores, spares and consumable tools, packing materials, work-in-process and finished goods are valued at lower of cost or net realisable value.
- ii) In case of raw materials, stores, spares, consumable tools and packing materials, cost represents purchase price and other costs incurred for bringing the inventories to their present location and conditions and is determined on "weighted average" basis.
- iii) In case of work-in-process and finished goods, cost represents cost of raw material, cost of conversion such as direct labour, direct expenses, etc. and production overheads which are based on normal level of production.
- iv) Finished goods at lower of weighted average cost or net realisable value, cost includes related overheads and excise duty paid/ payable on such goods.

7 Employee Benefits

- i) All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Short term employee benefits at the balance sheet date, are recognised as an expense as per the Company's scheme based on expected obligations on undiscounted basis.

Defined Contribution Plan

a) Provident Fund

The Company contributes to the government administered provident fund. The fixed contributions to these funds are charged to Statement of Profit and Loss.

b) Superannuation

Contributions to the superannuation fund, which is administered by Life Insurance Corporation of India, are charged to the Statement of Profit and Loss.

Defined Benefit Plan

Leave Encashment:

The employees of the company are entitled to encashment of un-availed leave. The employees can carry forward a portion of the unutilised leave and receive cash compensation at retirement or termination of employment. The Company records an obligation for encashment of un-availed leave in the period in which the employee renders the services, based on an actuarial valuation at the balance sheet date, carried out by an independent actuary. Actuarial gain or loss is recognised in the Statement of Profit or Loss as income or expense.

Gratuity

The Company's contribution towards gratuity made under Group Gratuity Scheme with Life Insurance Corporation of India (LIC) is determined based on the amount recommended by LIC as per Actuarial valuation. The whole time Directors of the Company are not covered by the gratuity trust created under Group Gratuity Fund. Provision for their gratuity liability has been provided for according to the actuarial valuation carried out by the independent Actuary.

8 Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or Production of a Qualifying asset are capitalised as part of cost of such Asset till such time as the asset is ready for its intended use or sale.

A Qualifying Asset is an Asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

9 Foreign Currency Transactions:

- i) Foreign Currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing rate.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the company's monetary items at the closing rate are:

- a) adjusted in the cost of Fixed Assets specifically financed by borrowing contracted up to 31st March, 2007 and to which the exchange differences relate, provided the assets are acquired from outside India.
- b) recognised as income or expense in the period in which they arise, in cases other than (a) above.

10 Research & Development:

- a) Revenue expenditure on research and development is charged under the respective heads of account.
- b) Capital expenditure on research and development is included as part of fixed assets and depreciated on the same basis as other fixed assets.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

11 Investments:

Long term investments are valued at cost. A provision for diminution in value is made only if such decline is other than temporary.

12 Taxes on Income:

- a) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of assessments / appeals.
- b) Deferred tax is recognized on timing differences between the accounting income and taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.
- c) Deferred tax assets (other than on account of brought forward business losses and unabsorbed depreciation) are recognized and carried forward only to the extent that there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets relating to brought forward business losses and unabsorbed depreciation are recognized and carried forward only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

13 Revenue Recognition:

- i) Revenue from Sale of product is recognised on dispatch or appropriation of goods in accordance with the terms of sale and is inclusive of excise duty, cess and insurance charges and freight recoverable from the customers but net of Vat, Sales Tax and Sales returns.
- ii) Revenue from services is recognised in accordance with the specific terms of contract or performance.

14 Earning Per Share:

Basic earning per share is calculated by dividing net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

15 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

16 Cash and cash equivalents:

- (i) Cash comprises of cash on hand and demand deposits with banks.
- (ii) Cash equivalents are short-term, highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value.

17 Provisions, Contingent liabilities, Contingent assets and Commitments:

- (a) Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if:
 - (i) The Company has a present obligation as a result of past a event;
 - (ii) A probable outflow of resources is expected to settle the obligation; and
 - (iii) The amount of the obligation can be reliably estimated.
- (b) Reimbursement by another party, expected in respect of expenditure required to settle a provision, is recognised when it is virtually certain that reimbursement will be received if the obligation is settled.
- (c) Contingent liability is disclosed in case of:
 - (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
 - (ii) a present obligation when no reliable estimate is possible;
 - (iii) a possible obligation arising from past events, unless the probability of outflow of resources is remote.
- (d) Contingent assets are neither recognised nor disclosed.
- (e) Commitments include the amount of purchase order (net of advance) issued to parties for completion of assets.
- (f) Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1 : SHARE CAPITAL	As at 31.03.2015	As at 31.03.2014
	Rs.	Rs.
Authorised : 7,000,000 equity shares of Rs.10 each (Previous year 7,000,000 equity shares of Rs. 10 each)	70,000,000	70,000,000
Issued : 4,199,980 equity shares of Rs.10 each (Previous year 4,199,980 equity shares of Rs. 10 each)	41,999,800	41,999,800
Subscribed and Paid up : 4,153,580 equity shares of Rs.10 each (Previous year 4,153,580 equity shares of Rs. 10 each)	41,535,800	41,535,800
	41,535,800	41,535,800

List of shareholders holding more than 5% along with number of shares held.

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of shares	% held	No. of shares	% held
1 Krishna Gopal Gupta	797,674	19.20%	776,225	18.69%
2 Krishna Murari Gupta	353,207	8.50%	353,207	8.50%
3 Vikram Gupta	373,105	8.98%	372,505	8.97%
4 Gaurav Gupta	357,966	8.62%	357,966	8.62%
5 Veena Gupta	300,635	7.24%	289,233	6.96%
6 Usha Gupta	209,000	5.03%	209,000	5.03%
7 Shefali Chawla	242,464	5.84%	230,553	5.55%

Other disclosures (for 5 years immediately preceding 31.03.2015)

Particulars	FY 2014-15	FY 2013-14	FY 2012-13	FY 2011-12	FY 2010-11
i. Shares issued pursuant to a contract without payment being received in cash	-	-	-	-	-
ii. Shares issued as fully paid up bonus shares	-	-	-	-	-
iii. Shares bought back	-	-	-	-	-

Reconciliation of opening and closing share capital

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of shares	Value (Rs.)	No. of shares	Value (Rs.)
Equity shares at the beginning of the year	4,153,580	41,535,800	4,153,580	41,535,800
Equity shares issued during the year	-	-	-	-
Equity shares at the close of the year	4,153,580	41,535,800	4,153,580	41,535,800

Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 2 : RESERVES AND SURPLUS	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Capital Reserve - As per last Balance Sheet		4,328,500		4,328,500
Securities Premium Account - As per last Balance Sheet.		20,276,000		20,276,000
Investment Allowance (Utilised) Reserve - As per last Balance Sheet		2,229,150		2,229,150
General Reserve - As per last Balance Sheet		65,056,619		65,056,619
Balance in Statement of Profit and Loss - As per last Balance Sheet	46,505,804		38,197,659	
Less: Transfer from Statement of Profit and Loss	(22,606,352)		8,308,145	
Less: Impact of assets having no balance useful life and residual value adjusted pursuant to the transitional provisions of Schedule II to the Companies Act, 2013 net of deferred tax of Rs.1,948,145	(4,356,532)			
		19,542,920		46,505,804
		111,433,189		138,396,073

NOTE 3 : LONG TERM BORROWINGS	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Secured : Term Loans		
a) From Banks	4,849,722	15,220,520
	4,849,722	15,220,520



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Maturity period of principal repayment of term loans	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
a) Term loans from bank		
Maturing within 2017-18	91,045	91,045
Maturing within 2016-17	4,758,677	4,864,178
Maturing within 2015-16	-	10,265,297
A	4,849,722	15,220,520
Current maturities of long term borrowings disclosed in Note 8 under - Other Current Liabilities		
a) Term loans from bank	10,370,940	11,589,053
b) Term loans from financial institutions	-	-
B	10,370,940	11,589,053
Interest accrued and due on long term borrowings disclosed in Noter 8 under - Other Current Liabilities		
a) Term loans from bank	-	347,446
b) Term loans from financial institutions	-	-
C	-	347,446
(A+B+C)	15,220,662	27,157,019

Details of continuing default	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
a) Term loans from banks	105,643	1,554,406
b) Interest accrued and outstanding on above loans	-	347,446
	105,643	1,901,852

Details of security	Amount outstanding As at 31.03.2015 Rs.	Amount outstanding As at 31.03.2014 Rs.
a) Term loans from bank		
i. Secured by hypothecation of vehicle	539,050	794,893
ii. Secured by mortgage of land and building	2,848,448	6,091,409
iii. Secured by hypothecation of imported plant and machinery	10,999,989	18,665,525
iv. Secured by hypothecation of fixed assets other than imported plant and machinery	833,175	1,605,192
(Sr. nos. ii, iii and iv also secured by personal guarantee of three directors and corporate guarantee of GKB Vision Ltd., an associate company)		
	15,220,662	27,157,019

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
NOTE 4 : DEFERRED TAX

The major components of deferred tax assets and deferred tax liabilities are as under:-

in Rs.

	As at 31.03.2015		As at 31.03.2014	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Difference between book and tax written down value		11,052,030		14,491,813
Expenses allowable for tax purposes when paid/ on payment of TDS	4,692,092		3,542,808	
Provision for doubtful debts and provision for inventory write down	-		1,661,235	
	4,692,092	11,052,030	5,204,043	14,491,813
Net deferred tax liability / (asset)	6,359,938		9,287,770	
Liability (charged) / credited for the year	2,927,832			
Deferred tax impact of Schedule II transferred to retained earnings	(1,948,145)			
Net deferred tax (liability debited)/ asset credited to the Statement of Profit and Loss	979,687	-	(2,376,907)	

NOTE 5 : LONG TERM PROVISIONS

	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Provision for Employee Benefits				
- Gratuity	3,969,231		2,599,038	
- Leave encashment {Refer note 28}	1,491,519		1,192,138	
		5,460,750		3,791,176
		5,460,750		3,791,176-

NOTE 6 : SHORT TERM BORROWINGS

	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Secured :				
From Banks :				
a) Cash credit	60,271,581		40,894,842	
b) Packing credit facility	10,693,184		57,346,571	
		70,964,765		98,241,413
		70,964,765		98,241,413

Nature of security :

The above short term borrowings from banks are secured by hypothecation of the inventories, book debts receivable and other current assets, and personal guarantees of three directors and corporate guarantee of GKB Vision Limited, an associate company.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 7 : TRADE PAYABLES	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
- Due to micro and small enterprises (Refer note 31)	-		-	
- Due to related parties	110,866,256		60,388,154	
- Due to others (Refer footnote below)	46,828,234		28,295,784	
		157,694,490		88,683,938
		157,694,490		88,683,938

Note :

Due to others includes reinstated amount of Rs. 16,210,924 (previous year Rs. 15,549,044) due to Alpha Diamond Industry, Japan and Rs. 211,645 (previous year Rs. 258,197) due to Satisloh - GmbH against imports which is overdue for a period exceeding 6 months. The Company proposes to apply to the Reserve Bank of India (RBI), seeking extension to effect the payment.

NOTE 8 : OTHER CURRENT LIABILITIES	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Current maturities of long debt				
Secured :				
From Banks	10,370,940		11,589,053	
From Financial Institutions	-		-	
		10,370,940		11,589,053
Interest accrued and due to on borrowings		-		347,446
Overdrawn bank balances as per book		2,020,432		800,194
Other liabilities				
- Statutory dues	1,978,221		1,400,275	
- Creditors for capital goods	825,035		1,293,523	
- Others	18,512,952		10,968,918	
		21,316,208		13,662,716
Unpaid dividend (Refer note 34)		-		-
Advance form customers (Refer footnote below)				
- Related parties	1,189,094		7,871,281	
- Others	1,384,747		2,455,904	
		2,573,841		10,327,185
		36,281,421		36,726,594

Note :

Advance from customers includes interest free unadjusted amount of Euro 20,742, equivalent to Rs. 1,189,094 originally received in financial year 2006-07 from GKB Ophthalmics GmbH, a wholly owned subsidiary, and an amount of USD 7,158 equivalent to Rs. 382,987 received in financial year 2013-14 from M. Wiseman & Co as advances against future supplies. However, no supplies were made upto 31.03.2015. The Company proposes to apply to the Reserve Bank of India (RBI), to regularise the transactions. Pending outcome of the application, the amount has been shown at the original rate



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 9 : SHORT TERM PROVISIONS	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Provisions for Employee Benefits				
- Gratuity	5,611,247		4,559,370	
- Leave encashment {Refer note 28}	632,727		498,799	
- Superannuation	1,660,909		1,223,414	
- Bonus	999,305		846,666	
		8,904,188		7,128,249
Provision for Income Taxes (net of advance tax and tax deducted at source)		43,572,498		67,533,696
		52,476,686		74,661,945

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
NOTE 10 : FIXED ASSETS

in Rs.

DESCRIPTION OF ASSETS	Gross Block				Depreciation / Amortisation				Net Block	
	Opening As at 01.04.2014	Additions	Deductions	Closing As at 31.03.2015	Opening As at 01.04.2014	On Deductions	For the Year	Closing As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
(A) Tangible Assets										
Freehold Land	429,910	-	-	429,910	-	-	-	-	429,910	429,910
Leasehold land	895,500	-	-	895,500	112,720	-	9,426	122,146	773,354	782,780
Buildings	51,759,786	-	-	51,759,786	10,571,083	-	1,458,828	12,029,911	39,729,875	41,188,703
Plant and Machinery	190,026,870	1,093,475	-	191,120,345	106,192,650	-	16,182,897	122,375,547	68,744,798	83,834,220
Furniture and Fixtures	10,726,380	679,237	-	11,405,617	8,091,734	-	987,248	9,078,982	2,326,635	2,634,646
Office Equipment	2,504,146	365,298	-	2,869,444	1,402,153	-	745,749	2,147,902	721,542	1,101,993
Vehicles	8,467,375	-	396,006	8,071,369	3,486,217	316,459	1,396,643	4,566,401	3,504,968	4,981,158
	264,809,967	2,138,010	396,006	266,551,971	129,856,557	316,459	20,780,791	150,320,889	116,231,082	134,953,410
Previous year	245,108,972	21,283,425	1,582,430	264,809,967	119,775,787	1,441,116	11,521,886	129,856,557	134,953,410	
Add : Capital Work in Progress									5,733,416	5,733,416
Sub-total (A)	264,809,967	2,138,010	396,006	266,551,971	129,859,557	316,459	20,780,791	150,320,889	121,964,498	140,686,826
(B) Intangible Assets										
Computer Software	1,653,362	143,793	-	1,797,155	513,702	-	293,037	806,739	990,416	1,139,660
	1,653,362	143,793	-	1,797,155	513,702	-	293,037	806,739	990,416	1,139,660
Previous year	1,598,526	54,836	-	1,653,362	254,252	-	259,450	513,702	1,139,660	-
Add : Intangible assets under development									-	-
Sub-total (B)	1,653,362	143,793	-	1,797,155	513,702	-	293,037	806,739	990,416	1,139,660
Total (A + B)	266,463,329	2,281,803	396,006	268,349,126	130,370,259	316,459	21,073,828	151,127,628	122,954,914	141,826,486
Previous year	246,707,498	21,338,261	1,582,430	266,463,329	120,030,039	1,441,116	11,781,336	130,370,259	141,826,486	

Note:

Depreciation for the year of Rs. 21,073,828 includes Rs. 6,304,676 comprising residual value of assets having no balance useful life, and is transferred to retained earnings in accordance with Schedule II to the Companies Act, 2013



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 11 : NON CURRENT INVESTMENTS (at cost, unquoted)	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Investment in Equity Instruments				
Subsidiaries				
- GKB Ophthalmic Products FZE, Sharjah [1 equity share (Previous year 1 equity share) of nominal value of AED 150,000]		1,830,150		1,830,150
- GKB Ophthalmic GmbH, Germany [1 equity share (Previous year 1 equity share) of the capital stock]		1,081,488		1,081,488
Associates				
- Prime Lenses Private Limited [1,832,592 equity shares (Previous year 532,592 equity shares) of Rs. 10 each]		41,760,000		41,760,000
- GKB Vision Limited [1,058,986 equity shares (Previous year 1,058,986 equity share) of Rs. 10 each] (Refer footnote)		10,609,860		10,609,860
Others				
- Crysta Lenses Private Limited [1 equity share (Previous year 1 equity share) of Rs. 10 each]		1,800		1,800
- Saraswat Co-operative Bank Limited [2,500 shares (Previous year 2,500 shares) of Rs. 10 each]		25,300		25,300
		55,308,598		55,308,598

Note:

On 28.05.2015, the Company entered into a definitive share purchase agreement to sell the entire investment of 1,058,986 equity shares in GKB Vision Limited, an associate company, in which the Company holds 36.47% of the equity paid up share capital. As per the share purchase agreement, the said shares are being sold for a consideration of Rs. 229,090,441, resulting in a gain of Rs. 218,480,581 over the book value of the said shares of Rs. 10,609,860.

NOTE 12 : LONG TERM LOANS AND ADVANCES (unsecured, considered good)	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Capital Advances		3,659,759		-
		3,659,759		-



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 13 : INVENTORIES (at lower of cost or net realisable value)	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Raw materials	31,586,237		22,271,163	
Add : Goods in transit	-		1,615,581	
		31,586,237		23,886,744
Work-in-process		3,272,495		5,830,890
Finished goods	71,177,974		80,502,934	
Less : Provision for write down of inventories to net realisable value*	-		5,120,156	
		71,177,974		75,382,778
Stock in trade		857,868		1,038,046
Stores, spares and packing material	45,844,735		45,091,051	
Add : Goods in transit	-		196,173	
		45,844,735		45,287,224
		152,739,309		151,425,682

* In the previous years the Company had made a provision towards write down of closing inventory of finished goods to its net realisable value. During the year the remaining amount of provision has been entirely reversed. This write down/reversal of write down has been treated as an exceptional item in the Statement of Profit and Loss

NOTE 14 : TRADE RECEIVABLES (unsecured considered good, unless otherwise stated)	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
-Debts outstanding for a period exceeding six months from the date due for payment				
Considered good *	58,473,080		54,072,711	
(Refer Foot note below)				
Considered doubtful	-		-	
	58,473,080		54,072,711	
Less : Provision for bad and doubtful debts	-		-	
		58,473,080		54,072,711
- Other Debts				
Considered good *		85,897,158		97,106,268
		144,370,238		151,178,979
* Trade receivables include dues from :				
- Prime Lenses Private Limited		88,383,482		58,968,976
- GKB Optic Technologies Pvt. Ltd.		437,662		1,984,620
- GKB Optical Ltd.		-		2,037,196
Which are private limited companies in which a director of the Company is a director				

Note :

Debts outstanding for a period exceeding six months include reinstated amounts of Rs. 623,536 (previous year Rs. 683,698) due from Sarl Imol(Bengherbia), Algeria, Rs.1,780,338 (previous year Rs. Nil) due from Precision Optical, U.K, and Rs. 272,784 (previous year Rs. 615,281) due from Pamonte SA, Ecuador for a period exceeding 12 months as at 31.03.15. The Company proposes to apply to the Reserve Bank of India (RBI), seeking extension for collection of the amounts.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 15 : CASH AND BANK BALANCES	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Cash and cash equivalents				
Cash on hand	3,235		5,242	
Balances with banks - on current account	119,553	122,788	94,421	99,663
Other bank balances				
Balance with banks - on margin money deposit accounts (pledged against bank guarantee and letters of credit)	4,837,438		3,457,303	
- on unpaid dividend account	-	4,837,438	-	3,457,303
		4,960,226		3,556,966

Details of maturity of margin money deposit accounts	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Bank deposits		
- Maturity after 12 months	-	-
- maturity within 12 months	4,837,438	3,457,303
	4,837,438	3,457,303

NOTE 16 : SHORT TERM LOANS AND ADVANCES (unsecured considered good)	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Security Deposits		279,700		356,845
Advances recoverable in cash or in kind or for value to be received				
- Due from related parties	-		-	
- Due from others	1,637,608	1,637,608	1,812,614	1,812,614
		1,917,308		2,169,459



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 17 : OTHER CURRENT ASSETS	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Interest accrued on margin money deposits / others		1,146,409		1,079,059
		1,146,409		1,079,059

NOTE 18 : REVENUE FROM OPERATIONS	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
Sale of Products				
- Exprot Sales	196,677,785		203,459,903	
- Domestic Sales	118,052,426		118,624,354	
		314,730,211		322,082,257
Other operational revenue				
- Processing charges		764,215		-
Gross Revenue from operations		315,494,426		322,084,257

NOTE 19 : OTHER INCOME	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
Interest income from margin money deposits / others		345,575		320,411
Dividend income from subsidiary company	6,098,605		5,921,398	
from associate company	1,270,783		1,270,783	
from others	2,500		2,500	
		7,371,888		7,194,681
Exchange gain (net)		4,316,152		321,461
Doubtful debts written back		-		38,026
Other non operating income Profit on sale of fixed assets (net)	27,988		-	
Sundry balances written back (net)	-		211,396	
Miscellaneous Income - others	20,0002	47,990	35,913	
		12,081,605		8,121,888



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 20 : COST OF GOODS SOLD	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
Cost of materials consumed :				
Opening stock	23,886,744		45,642,871	
Add : Purchases	128,060,102		116,313,274	
	151,946,846		161,956,145	
Less : Closing stock	31,586,237		23,886,744	
		120,360,609		138,069,401
Purchase of stock in trade		26,295,688		1,929,851
Changes in inventories of finished good (including excise duty) and work in progress :				
Closing stock :				
Work-in-process	3,272,495		5,830,890	
Finished goods	70,356,597		80,282,927	
Trading goods	857,868		1,038,046	
	74,486,960		87,151,863	
Opening stock :				
Work-in-process	5,830,890		4,195,068	
Finished goods	80,282,927		82,452,827	
Trading goods	1,038,046		-	
	87,151,863		86,647,895	
Excise duty				
on closing stock of finished goods	821,377		220,007	
on opening stock of finished goods	220,007		173,223	
	(601,370)	12,063,533	(46,784)	(550,752)
		158,719,830		139,448,500

NOTE 21 : EMPLOYEE BENEFIT EXPENSES	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
Salaries, Wages and Bonus		52,937,656		42,280,557
Contribution to Provident fund and other funds		4,812,345		4,044,165
Gratuity		2,922,070		1,079,901
Leave encashment		573,762		88,102
Workmen and Staff Welfare		1,237,041		762,270
		62,482,874		48,254,995



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 22 : FINANCE COSTS	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
Interest expenses :				
- Borrowings	18,023,572		19,222,095	
- Income tax and wealth tax	4,074,658		6,443,288	
		22,098,230		25,665,383
Other borrowing costs and bank charges		2,781,025		2,899,160
		24,985,255		28,564,543

NOTE 23 : DEPRECIATION	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
Depreciation on tangible assets	20,780,791		11,521,886	
Amortisation of intangible assets	293,037	21,073,828	259,450	11,781,336
Less : Transfer to retained earnings (Refer note 10)		6,304,676		-
		14,769,152		11,781,361



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 24 : OTHER EXPENSES	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
Stores and spares consumed		40,644,468		30,880,670
Packing material consumed		6,634,839		6,040,659
Power and fuel		10,624,327		9,137,755
Other manufacturing expenses		6,025,319		2,636,816
Lease rent (refer foot note below)		656,303		730,221
Repairs :-				
- Building	210,972		380,564	
- Plant and Equipment	2,448,280		1,586,519	
- Others	700,660		673,646	
Insurance		3,359,912		2,640,729
Rates and Taxes		460,991		603,181
Freight and forwarding		578,256		220,607
Auditor's Remuneration		4,079,366		5,445,857
- Audit fees	500,000		400,000	
- Tax audit fees	162,500		100,000	
- Other matters	175,000		150,000	
- Out of pocket expenses	40,203		67,095	
- Service Tax	-		85,176	
Commission		877,703		802,271
Travelling and conveyance		-		96,828
Legal and Professional Charges		1,760,948		1,507,686
Sundry Balance written off		2,042,601		1,350,801
Loss on sale of fixed assets (net)		488,259		-
Directors' fees (including service tax)		-		43,536
Advertising and sales promotion		370,788		213,484
Bad debts write off		588,486		337,255
Security charges		763,992		319,003
Telephone and communication expenses		1,666,725		1,785,672
Printing and stationery expenses		1,288,136		1,297,738
Miscellaneous expenses		1,316,586		662,786
		1,055,530		1,440,340
		85,093,020		68,193,895

Note :**Operating Lease**

The Company has taken warehouses and a residential apartment on operating lease. The Company also pays lease rent on the factory premises. Lease rent amounting to Rs. 656,303 (previous year Rs. 730,221) has been charged to the statement of Profit and Loss.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

25 Contingent Liabilities and Commitments :

Contingent Liabilities

	Rs.	Rs.
a) Sales tax liability that may arise in respect of matters in appeal	11,170,738	11,170,738
b) Excise duty liability that may arise in respect of matters in dispute	51,747,843	3,361,887
c) Other claims against the Company not acknowledged as debts	-	7,525,000
d) Guarantees given on behalf of associate companies.	363,008,000	312,108,000
e) Bills discounted	9,615,392	9,881,502
f) Letters of credit outstanding	21,619,309	7,714,789
g) Bank guarantees	5,229,403	5,229,403

Note :

It is not practical to estimate the timing of outflows in respect of 'a', 'b' and 'c' above pending resolution of legal proceedings.

Commitments

	Rs.	Rs.
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-
b) Other commitments		

The Company is a 100% EOU registered under the SEEPZ Special Economic Zone. As per the amendment to Letter of Permission dated November 20, 2008, the Company was required to achieve export turnover of USD 35.82 million and Net Foreign Exchange Earning (NFE) of USD 3.26 million during the period April 1, 2008 to March 31, 2013. Although the Company achieved Net Foreign Exchange Earnings (NFE) as required, export turnover obligation remained unfulfilled to the extent of USD 8.03 million. By letter dated May 27, 2013, the EOU status of the Company has been further extended by period of 5 years. However, the letter granting the extension does not make any mention of export turnover obligation. The Company is of the view that the condition of achieving export turnover no longer applies and the only requirement is that the Company should be NFE positive.

26 Particulars of un-hedged foreign currency exposures as at 31st March, 2015 :

Trade Receivables

Foreign currency	Amount in foreign currency 2014-15	Amount in Rs. 2014-15	Amount in foreign currency 2013-14	Amount in Rs. 2013-14
USD	466,140.90	28,984,641	905,674	53,751,725
EURO	215,931.26	14,432,845	138,737	11,280,671
		43,417,487		65,032,396

Trade Payables (including payable for expenses)

Foreign currency	Amount in foreign currency 2014-15	Amount in Rs. 2014-15	Amount in foreign currency 2013-14	Amount in Rs. 2013-14
USD	449,190	28,384,336	256,543	15,549,044
EURO	169,393	11,613,591	77,770	6,504,692
		39,997,927		22,053,736

Bank balance

Foreign currency	Amount in foreign currency 2014-15	Amount in Rs. 2014-15	Amount in foreign currency 2013-14	Amount in Rs. 2013-14
USD	-	-	134	7,952
EURO	-	-	25	2,034
		-		9,986

27 Trade receivable, loans and advances and trade payable balances are subject to confirmation, reconciliation and consequent adjustments, if any.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28 Disclosures as required by Accounting Standard (AS) 15 "Employee Benefits":

a) Defined Contribution Plans :

Contribution to Defined Contribution Plans, recognised as an expense and included under "Employee Benefits Expenses"

Note 21 to the Statement of Profit and Loss are as under :

- Employer's contribution to Provident Fund and EDLI Rs.1,434,650 (Previous year Rs.1,296,171)
- Employer's contribution to Family Pension Scheme Rs.1,326,089 (Previous year Rs.1,103,600)
- Employer's contribution to Employees State Insurance Scheme Rs.1,555,731 (Previous year Rs. 1,285,686)
- Employer's contribution to Superannuation Fund Rs.437,495 (Previous year Rs.310,903)
- Employer's contribution to Labour Welfare Fund Rs.58,380 (Previous year Rs.47,805)

b) Defined Benefit Plans :

The Company's gratuity and leave encashment plans are defined benefit plans :

	Gratuity (funded) Rs. 2014-15	Gratuity (funded) Rs. 2013-14	Gratuity (unfunded) Rs. 2014-15	Gratuity (unfunded) Rs. 2013-14
I Change in obligation during the year				
1 Liability at the beginning of the year	7,921,987	6,949,564	2,599,038	2,526,923
2 Interest cost	633,759	555,965	-	-
3 Current service cost	548,413	508,498	1,370,193	72,115
4 Past service cost	-	-	-	-
5 Benefits paid	(568,114)	(268,651)	-	-
6 Actuarial (gain) / losses	619,583	176,611	-	-
7 Liability at the end of the year	9,155,628	7,921,987	3,969,231	2,599,038
II Change in assets during the year				
1 Plan assets at the beginning of the year	3,362,617	2,643,197	-	-
2 Expected return of plan assets	249,878	233,288	-	-
3 Contributions	500,000	754,783	-	-
4 Benefits paid	(568,114)	(268,651)	-	-
5 Actuarial gain / (loss)	-	-	-	-
6 Plan assets at the end of the year	3,544,381	3,362,617	-	-
7 Total actuarial gain/(loss) to be recognised	(619,583)	(176,611)	-	-
III Actual return on plan assets				
1 Expected return on plan assets	249,878	233,288	-	-
2 Actuarial gain / (loss)	-	-	-	-
3 Actual return on plan assets	249,878	233,288	-	-
IV Net asset / (liability) recognised in the balance sheet				
1 Liability at the end of the year	(9,155,628)	(7,921,987)	(3,969,231)	(2,599,038)
2 Plan assets at the end of the year	3,544,381	3,362,617	-	-
3 Amount recognised in the balance sheet	(5,611,247)	(4,559,370)	(3,969,231)	(2,599,038)
V Expenses recognised in the statement of profit and loss for the year				
1 Current service cost	548,413	508,498	1,370,193	72,115
2 Interest cost	633,759	555,965	-	-
3 Expected return on plan assets	(249,878)	(233,288)	-	-
4 Actuarial (gain) / losses	619,583	176,611	-	-
5 Past service cost	-	-	-	-
6 Total expenses as per actuarial valuation	1,551,877	1,007,786	1,370,193	72,115
7 Optional payment	-	-	-	-
8 Total expenses	1,551,877	1,007,786	1,370,193	72,115
VI Balance sheet reconciliation				
1 Opening net liability	4,559,370	4,306,367	2,599,038	2,526,923
2 Expenses as above	1,551,877	1,007,786	1,370,193	72,115
3 Employer contribution	(500,000)	(754,783)	-	-
4 Amount recognised in the balance sheet *	5,611,247	4,559,370	3,969,231	2,599,038
VII The major categories of plan assets as a percentage of total :				
Insurer Managed Funds	100%	100%	Not applicable	Not applicable
VIII Actuarial assumptions:				
1 Discount rate	8.00%	8.00%	8.25%	8.25%
2 Rate of return on plan assets	Not determined	Not determined	Not applicable	Not applicable
3 Rate of mortality	As per mortality table LIC(1994-96) Ultimate	As per mortality table LIC(1994-96) Ultimate		
4 Salary Escalation	6.00%	6.00%	-	-
*The closing net liability is disclosed as follows:				
Disclosed in Note 5 - Long Term Provisions	-	-	3,969,231	2,599,038
Disclosed in Note 9 - Short Term Provisions	5,611,247	4,559,370	-	-



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Disclosures as required by Accounting Standard (AS) 15 Employee Benefits (contd.)

	Leave encashment (unfunded) Rs. 2014-2015	Leave encashment (unfunded) Rs. 2013-2014
I Change in obligation during the year		
1 Liability at the beginning of the year	1,690,937	1,734,256
2 Interest cost	157,426	143,076
3 Current service cost	203,598	120,092
4 Past service cost	-	-
5 Benefits paid	(140,453)	(131,421)
6 Actuarial (gain) / losses	212,738	(175,066)
7 Liability at the end of the year	2,124,246	1,690,937
II Change in assets during the year		
1 Plan assets at the beginning of the year	-	-
2 Expected return of plan assets	-	-
3 Contributions	-	-
4 Benefits paid	-	-
5 Actuarial gain / (loss)	-	-
6 Plan assets at the end of the year	-	-
7 Total actuarial gain/(loss) to be recognised	(212,738)	175,066
III Actual return on plan assets		
1 Expected return on plan assets	-	-
2 Actuarial gain / (loss)	-	-
3 Actual return on plan assets	-	-
IV Net asset / (liability) recognised in the balance sheet		
1 Liability at the end of the year	(2,124,246)	(1,690,937)
2 Plan assets at the end of the year	-	-
3 Amount recognised in the balance sheet	(2,124,246)	(1,690,937)
V Expenses recognised in the statement of profit and loss for the year		
1 Current service cost	203,598	120,092
2 Interest cost	157,426	143,076
3 Expected return on plan assets	-	-
4 Actuarial (gain) / losses	212,738	(175,066)
5 Past service cost	-	-
6 Total expenses as per actuarial valuation	573,762	88,102
7 Optional payment	-	-
8 Total expenses	573,762	88,102
VI Balance sheet reconciliation		
1 Opening net liability	1,690,937	1,734,256
2 Expenses as above	573,762	88,102
3 Benefits Paid	(140,453)	(131,421)
4 Amount recognised in the balance sheet *	2,124,246	1,690,937
VII The major categories of plan assets as a percentage of total :	Not applicable	Not applicable
VIII Actuarial assumptions:		
1 Discount rate	7.94%	9.31%
2 Rate of return on plan assets	Not applicable	Not applicable
3 Rate of mortality	As per mortality table LIC (1994-96) Ultimate	As per mortality table LIC (1994-96) Ultimate
4 Salary Escalation	5.00%	5.00%
*The closing net liability is disclosed as follows:		
Disclosed in Note 5 - Long Term Provisions	1,491,519	1,192,138
Disclosed in Note 9 - Short Term Provisions	632,727	498,799

General description of the defined benefit plans :

- 1) The Company operates a gratuity scheme, which is a funded scheme for qualifying employees, except in the case of directors where the scheme is unfunded. The scheme provides for lump sum payment to employees on retirement, death, while in employment or termination of employment or an amount equivalent to 15 days salary for every completed year of service or part thereof in six months, provided the employee has completed 5 years of service.
- 2) The Company operates a leave encashment scheme, which is a unfunded scheme. The present value of obligation under this scheme is based on an actuarial valuation using the Projected Unit Credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

29 During the year the Company has not capitalised any borrowing costs as per Accounting Standard (AS) 16 - "Borrowing costs".

30 Disclosures as required by Accounting Standard (AS) 17 - Segment Reporting :

a) Primary Segment :

The Company operates in one primary segment i.e. ophthalmic lenses, and that is the only primary reportable segment.

b) Secondary Segment (Geographical Segment) :

	Within India Rs.	Outside India Rs.	Total Rs.
Revenue from external customers * (excluding other operational revenue)*	101,032,279 (154,341,182)	196,677,785 (159,426,775)	297,710,064 (313,767,957)
Carrying amount of segment assets	439,969,969 (438,601,195)	47,086,793 (67,944,034)	487,056,761 (506,545,229)
Additions to fixed assets during the year	2,281,803 (4,137,769)	- -	2,281,803 (4,137,769)

* Revenue within India includes deemed export sales of Rs. 37,961,333 (Previous Year Rs. 44,033,128) made to other EOU units in India
Figures in brackets pertain to the previous year

31 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March, 2015, as per information available with the Company.

	2014-15 Rs.	2013-14 Rs.
a) Principal amount due to supplier under MSMED Act, 2006	-	-
b) Interest accrued, due to supplier under MSMED Act, 2006 on the above amount, unpaid	-	-
c) Payment made to suppliers (other than interest) beyond the appointed-day, during the year	-	-
d) Interest paid to supplier under MSMED Act, 2006 (Other than section 16)	-	-
e) Interest paid to supplier under MSMED Act, 2006 (section 16)	-	-
f) Interest due and payable to suppliers under MSMED Act, 2006 for payments already made	-	-
g) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

The above information and that given in Note 7 - "Trade Payables" pertaining to micro and small enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Company. This has been relied upon by the auditors.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

32 Disclosures as required by Accounting Standard (AS) 18 - Related Party Disclosures :

(a) Relationships:

List of related parties with whom transactions were carried out during the year or previous year:

(i) Subsidiary companies

- 1 GKB Ophthalmics Products FZE
- 2 GKB Ophthalmics GmbH

(ii) Associates/ Enterprises in which directors exercise significant influence

- 1 Prime Lenses Pvt Ltd
- 2 GKB Vision Limited
- 3 Lensco-The Lens Company
- 4 GKB Optical Limited
- 5 GKB Optic Technologies Pvt.Ltd.

(iii) Key Management Personnel

- 1 Mr. K.G Gupta - Chairman and Managing Director

(iv) Relatives of key management personnel

- 1 Mrs. Veena Gupta
- 2 Mr. Gaurav Gupta
- 3 Mr. Vikram Gupta
- 4 Mr. K. M. Gupta

(b) The following transactions were carried out with the related parties:

in Rs.

Sr No.	Nature of transaction / relationship / party	2014-15	2013-14
1	Purchases of goods and services		
	Subsidiary company GKB Ophthalmics Products FZE	-	-
	Associates Prime Lenses Pvt Ltd GKB Vision Limited	- 67,481,177	54,366 46,655,886
	Total	67,481,177	46,710,252
2	Sales of goods and services		
	Subsidiary company GKB Ophthalmics Products FZE	38,871,928	38,880,635
	Associates/ Significant influence enterprise Prime Lenses Pvt Ltd GKB Vision Limited GKB Optic Technologies Pvt.Ltd. Lensco-The Lens Company	71,421,262 14,633,601 875,066 16,378,096	63,763,366 27,225,200 443,478 19,020,582
	Total	142,179,953	149,333,261



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

			<i>in Rs.</i>	
Sr No.	Nature of transaction / relationship / party	2014-15	2013-14	
3	Payment of remuneration Key Management Personnel K. G. Gupta	3,840,693	1,921,316	
	Total	3,840,693	1,921,316	
4	Rent Paid Relative of Key Management Personnel Veena Gupta	480,000	480,000	
	Total	480,000	480,000	
5	Dividend received / receivable Subsidiary company GKB Ophthalmics Products FZE	6,098,605	5,921,398	
	Associate GKB Vision Limited	1,270,783	1,270,783	
	Total	7,369,388	7,192,181	
6	Recovery of expenses Associates/ Significant influence enterprise GKB Vision Limited	-	2,100	
	Total	-	2,100	
7	Reimbursement of expenses Associates Prime Lenses Pvt Ltd Lensco- The Lens Company	86,361 302,480	- -	
	Total	388,841	-	
8	Director's sitting fees Relatives of Key Management Personnel Gaurav Gupta Vikram Gupta K. M. Gupta	50,000 10,000 10,000	30,000 5,000 10,000	
	Total	70,000	45,000	
9	Investment in Share capital Associates Prime Lenses Pvt Ltd	-	13,000,000	
	Total	-	13,000,000	

Note: Amounts paid/received includes amounts charged/credited to the statement of profit and loss.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		<i>in Rs.</i>	
Sr No.	Nature of transaction / relationship / party	2014-15	2013-14
1	Accounts payable Associate/ Significant influence enterprise GKB Vision Limited GKB Optic Technologies Pvt.Ltd. Relative of Key Management Personnel Veena Gupta	110,866,256 -	60,196,079 192,075
	364,000		432,000
	Total	111,230,256	60,820,154
2	Advances received remaining unadjusted Subsidiary company GKB Ophthalmics GmbH GKB Ophthalmics Products FZE	1,189,094 -	1,189,094 6,682,187
	Total	1,189,094	7,871,281
3	Accounts receivable/Loans and advances Subsidiary company GKB Ophthalmics Products FZE Associate/ Significant influence enterprise Prime Lenses Pvt Ltd GKB Optical Limited Lensco-The Lens Company GKB Optic Technologies Pvt.Ltd.	7,910,601 88,383,482 - 8,693,001 437,662	12,141,145 58,968,976 2,037,196 35,202,966 1,984,620
	Total	105,424,746	110,334,903

33 There were no Loans and Advances in the nature of loans given to subsidiaries and associates. Hence disclosure requirements of clause 32 of the Listing Agreement are not applicable.

34 Unclaimed dividend: There is no amount due to be credited to the Investors Education & Protection Fund as at 31st March, 2015.

35 Disclosures as required by Accounting Standard (AS) 20 - Earning per share :

Particulars		2014-15	2013-14
Profit/(Loss) after tax as per Statement of Profit and Loss	Rs.	(22,606,352)	8,308,145
Number of equity shares outstanding	Nos.	4,153,580	4,153,580
Face value of equity share	Rs.	10	10
Earnings per share (basic and diluted) :			
- Basic	Rs.	(5.44)	2.00
- Diluted	Rs.	(5.44)	2.00

36 As per Accounting Standard (AS) 28 "Impairment of Assets", the Company has reviewed potential generation of economic benefits from fixed assets. Accordingly, no impairment loss has been provided for the year ended March 31, 2015 (previous year - Nil) in the books.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

37 Value of imports on C.I.F. basis :

	2014-15	2013-14
	Rs.	Rs.
Blanks, lenses and monomer *	125,928,925	91,189,272
Stores and consumables	23,064,423	12,187,410
Spare parts	6,772,138	2,852,394
Capital goods	-	956,338
	<u>155,765,486</u>	<u>107,185,414</u>
* Includes purchases from other EOUs	66,725,931	43,684,561
* Includes goods in transit	-	1,762,619

38 Particulars of sales, closing stock and opening stock of Manufactured goods :

	Sales Rs.	2014-15 Closing Stock Rs.	Opening Stock Rs.	Sales Rs.	2013-14 Closing Stock Rs.	Opening Stock Rs.
Ophthalmic lenses	271,403,535	71,177,974	76,382,778	312,535,819	75,382,778	73,737,213

39 Particulars of sales, purchases, closing stock and opening stock of traded goods :

	Sales Rs.	Purchases Rs.	2014-15 Closing Stock Rs.	Opening Stock Rs.	Sales Rs.	Purchases Rs.	2013-14 Closing Stock Rs.	Opening Stock Rs.
Ophthalmic lenses	26,306,529	26,295,688	857,868	1,038,046	1,232,138	1,929,851	1,038,046	-

40 Particulars of closing Work in Progress :

	31.03.2015 Rs.	31.03.2014 Rs.
Ophthalmic lenses	3,272,495	5,830,890

41 Particulars of services rendered :

	2014-15 Rs.	2013-14 Rs.
Processing of Semi Finished Lenses	764,215	-

42 Raw Materials and components consumed :

	2014-15 Rs.	2013-14 Rs.
Blanks, lenses and monomer	120,360,609	138,069,401

43 Value of Imported and indigenous raw material and components and stores and spares consumed and percentage thereof to total consumption

	2014-15		2013-14	
	% of total consumption	Rs.	% of total consumption	Rs.
Raw Material and components				
Indigenous	23	27,594,827	20	27,246,779
Imported	77	92,765,782	80	110,822,622
	100	120,360,609	100	138,069,401
Stores and Spares				
Indigenous	31	12,525,076	33	10,333,530
Imported	69	28,119,392	67	20,547,141
	100	40,544,468	100	30,880,671



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

44 Expenditure in foreign currency charged to accounts :

	2014-15 Rs.	2013-14 Rs.
Foreign travel	56,430	290,322
Commission on sales	-	96,828
Legal & professional charges	128,325	-
Miscellaneous expenses (Registration fees)	275,219	505,877
	<u>459,974</u>	<u>893,027</u>

45 Earning in foreign currency :

	2014-15 Rs.	2013-14 Rs.
Export of goods (on FOB basis) *	230,428,107	198,747,601
Freight, insurance etc. *	4,211,011	4,712,302
Dividends	6,098,605	5,921,398
	<u>240,737,723</u>	<u>209,381,301</u>
* includes deemed export made to other EoUs	<u>37,961,333</u>	44,033,128

46 The products manufactured by the company do not have a warranty period, hence provision for warranty as specified in Accounting Standard (AS) 29 on "Provisions, Contingent Liabilities and Contingent Assets" is not required to be made.

47 The Company's international and domestic transfer pricing certification is carried out by an independent firm of Chartered Accountants. The Company has established a system of maintenance of documents and information as required by the transfer pricing legislation u/s. 92-92F of the Income Tax Act, 1961. Up to March 31, 2014, the last date for which the transfer pricing certification was carried out, there were no adjustments made to the transactions entered into with 'associated enterprises' as defined in section 92A of the Income Tax Act, 1961. The Management believes that the international transactions and specified domestic transactions entered into with 'associated enterprises' during the financial year are at arm's length price and that there will be no impact on the amount of tax expense or the provision of tax on the application of the transfer pricing legislation to such transactions.

48 No Provision for current tax expense has been made in the current year due to tax losses incurred by the Company.

49 Previous year's figures have been regrouped/reclassified, to correspond to current year's classification/disclosure.

As per our report attached of even date

SHARP & TANNAN

Chartered Accountants

Firm Registration No. 109982W

By the hand of

For and on behalf of the Board

Edwin P. Augustine
Partner
Membership No. 43385

K. G. Gupta
Chairman and
Managing Director

Gaurav Gupta
Director

Vikram Gupta
Director

Noel Da Silva
CFO and
Company Secretary

Place : Mumbai, Maharashtra
Date : 30th May, 2015

Place : Mapusa, Goa
Date : 30th May, 2015



INDEPENDENT AUDITORS' REPORT

To the Members of GKB Ophthalmics Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **GKB Ophthalmics Limited** (the 'Holding Company') and its subsidiaries and associates (the Holding Company and its subsidiaries and associates constitute the 'Group'), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (the 'consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity



with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of the subsidiaries and associates whose financial statements have been audited by other auditors and whose reports have been furnished to us and insofar as it relates to the amounts included in respect of the subsidiaries and associates are based solely on the reports of the other auditors. The details of total assets, total revenues and net cash flows in respect of these subsidiaries and the net carrying cost of investment and current year share of profit in respect of these associates, to the extent to which they are reflected in the consolidated financial statements are given below:

Audited by other auditors:			
			Rs. in lakhs
	Total assets	Total revenues	Net cash outflows
Foreign subsidiaries	1,633.76	939.79	72.13
		Net carrying cost of investment	Current year share of profits
Indian associates		1,625.09	132.11

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 (the 'Order'), issued by the Central Government of India in terms of Section 143(11) of the Act, based on the comments in the auditors' reports of the Holding company and associate companies incorporated in India, we give in the Annexure a Statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of associate companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and



- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- 1) the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the group companies incorporated in India. (Refer Note 28 of the consolidated financial statements);
 - 2) the group companies incorporated in India did not have any long-term contracts including derivative contracts for which there were any foreseeable losses; and
 - 3) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the group companies incorporated in India.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No.109982W
by the hand of

Place : Mumbai, Maharashtra
Date : 30thMay, 2015

EDWIN P. AUGUSTINE
Partner
Membership No.043385



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of our report of even date)

- (i) (a) The group companies incorporated in India are maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, these fixed assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size of the Group and nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.
- (ii) (a) As explained to us, inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) As per the information given to us, the procedures of physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the group companies incorporated in India and the nature of their business.
- (c) The group companies incorporated in India are maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records, which were not material, have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the group companies incorporated in India have not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the Paragraph 3 (iii) (a) and (b) of the Order are not applicable to the Group.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the group companies incorporated in India and the nature of their business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control system.
- (v) The group companies incorporated in India have not accepted deposits during the year from the public to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and any other relevant provisions of the Act and the rules framed thereunder apply.
- (vi) According to the information and explanations given to us, the group companies incorporated in India are not required to maintain the books of accounts pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the group companies incorporated in India has been generally regular in depositing undisputed statutory dues relating to investor education and protection fund, labour welfare fund and other statutory dues, as applicable, with the appropriate authorities. *However, there have been delays in depositing statutory dues relating to provident fund, employees state insurance, income-tax, sales tax, excise duty, service tax, wealth tax and value added tax with the appropriate authorities.*
According to the information and explanations given to us, undisputed statutory dues of income tax and wealth tax amounting to Rs. 402.65 lakhs and Rs. 7.77 lakhs respectively are in arrears and were outstanding as at 31st March 2015 for a period of more than six months from the date they become applicable.



(b) According to the information and explanations given to us and records examined by us, the particulars of income tax, sales tax and duty of excise as at 31st March, 2015 which have not been deposited on account of a dispute pending, are as under:

Name of the statute	Financial year	Nature of dues	Disputed Amount (in Rs. lakhs)	Forum where the dispute is pending
The Central Excise Act, 1944	2005-06	Duty, interest and penalty	17.17	Central Excise and Service Tax Appellate Tribunal (CESTAT)
	2006-07	Duty, interest and penalty	16.45	Joint Commissioner / Commissioner of Customs and Central Excise (Appeals)
	2007-08 To 2013-14	Duty, interest and penalty	483.86	Commissioner of Customs, Central Excise & Service Tax, Panaji
The Central Sales Tax Act, 1956	2008-09	Sales tax, interest and penalty	111.71	Additional Commissioner of Commercial Tax, Panaji
			629.19	

(net of deposit paid, wherever applicable)

- (c) According to the information and explanations given to us, there is no amount required to be transferred to Investor Education and Protection Fund as at 31st March 2015 in accordance with the relevant provisions of the Companies Act, 1956 and the rules made thereunder.
- (viii) The group companies incorporated in India have no accumulated losses as at 31st March 2015 and they have not incurred cash losses in the immediately preceding financial year. However, cash losses have been incurred in the financial year ended as at 31st March 2015.
- (ix) The group companies incorporated in India have not issued any debentures. Accordingly, the Paragraph 3 (ix) of the Order is not applicable. There was no default on repayment of loans obtained from financial institutions. However, there has been default in repayment of dues to banks during the year as follows:

Sr. No.	Period of default	Amount (in Rs. Lakhs)
1	April 2014 to March 2015	99.01
2	Overdue as on 31 st March 2015	1.06

- (x) According to the information and explanations given to us, the terms and conditions of guarantees given by the group companies incorporated in India to banks for loans taken by associate companies are not prima facie prejudicial to the interest of the Group.



- (xi) In our opinion and according to the information and explanations given to us, on an overall basis term loans have been applied for the purposes for which they were obtained.
- (xii) During the course of our examination of the books and records of the group companies incorporated in India, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any fraud on or by the Group noticed or reported during the period, nor have we been informed of such case by management.

SHARP & TANNAN

Chartered Accountants
Firm's Registration No.109982W
by the hand of

EDWIN P. AUGUSTINE

Partner
Membership No.043385

Place : Mumbai, Maharashtra
Date : 30th May, 2015



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
I EQUITY & LIABILITIES			
1 Shareholder's funds			
(a) Share Capital	1	41,535,800	41,535,800
(b) Reserves and Surplus	2	358,568,964	357,446,386
Total Shareholders Funds		400,104,764	398,982,186
2 Share application money pending allotment		-	-
3 Non-current Liabilities			
(a) Long term borrowings	3	4,849,722	15,220,520
(b) Deferred Tax Liabilities (net)	4	6,359,938	9,287,770
(c) Other Long term liabilities		-	-
(d) Long Term Provisions	5	5,460,750	3,791,176
Total Non Current Liabilities		16,670,410	28,299,466
4 Current Liabilities			
(a) Short term borrowings	6	70,964,765	98,241,413
(b) Trade payables	7	171,363,421	93,949,357
(c) Other current liabilities	8	37,629,386	31,940,833
(d) Short Term Provisions	9	53,016,824	76,958,171
Total Current Liabilities		332,974,396	301,089,774
Total Liabilities		349,644,806	329,389,240
Total Liabilities and Equity		749,749,570	728,371,426
II ASSETS			
1 Non-current Assets			
(a) Fixed Assets			
(i) Tangible assets	10	117,994,433	137,267,180
(ii) Intangible assets	10	990,416	1,139,660
(iii) Capital work-in-progress	10	5,733,416	5,733,416
(iv) Intangible assets under development	10	-	-
(b) Non-current investments	11	162,535,984	150,595,816
(c) Long-term loans and advances	12	3,659,759	-
(d) Other non-current assets		-	-
Total Non-current assets		290,914,008	294,736,072
2 Current Assets			
(a) Current investments		-	-
(b) Inventories	13	211,671,323	193,861,861
(c) Trade receivables	14	183,802,296	210,115,274
(d) Cash and bank balances	15	31,925,589	23,309,404
(e) Short-term loans and advances	16	30,289,945	5,269,756
(f) Other current assets	17	1,146,409	1,079,059
Total Current Assets		458,835,562	433,635,354
Total Assets		749,749,570	728,371,426
Significant Accounting Policies	A		

The accompanying notes are an integral part of the financial statements

As per our report attached of even date

SHARP & TANNAN

Chartered Accountants

Firm Registration No. 109982W

By the hand of

Edwin P. Augustine

Partner

Membership No. 43385

Place : Mumbai, Maharashtra

Date : 30th May, 2015

K. G. Gupta

Chairman and

Managing Director

Place : Mapusa, Goa

Date : 30th May, 2015

Gaurav Gupta

Director

Vikram Gupta

Director

Noel Da Silva

CFO and

Company Secretary

For and on behalf of the Board

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

Particulars	Note No	2014-15		2013-14	
		Rs.	Rs.	Rs.	Rs.
Income					
Revenue from operations (Gross)	18	368,833,850		422,847,519	
Less : Excise duty		17,020,147		8,316,300	
Revenue from operations (Net)			351,813,703		414,531,219
Other income	19		6,157,321		7,126,378
Total Revenue			357,971,024		421,657,597
Expenses					
Cost of materials consumed	20	120,360,609		138,069,401	
Purchase of stock in trade	20	66,339,753		59,514,528	
Changes in inventories of finished goods (including excise duty) and work in progress	20	(4,432,302)		13,051,345	
Employee benefits expenses	21		182,268,060		210,635,274
Finance costs	22		67,296,439		55,353,607
Depreciation and amortisation	23		24,985,259		28,555,933
Other expenses	24		15,520,172		12,174,066
			93,851,445		72,884,143
			383,921,375		379,603,023
Profit / (Loss) before exceptional and extraordinary items and tax			(25,950,351)		42,054,574
Exceptional item (Refer note 13)			5,120,156		3,768,681
Profit before extraordinary items and tax			(20,830,195)		45,823,255
Extraordinary items			-		-
Profit/ (Loss) before tax			(30,268,091)		29,415,257
Tax Expense :					
Current Tax		-		(12,730,671)	
Taxation adjustment of previous years		6,682,052		(5,999,534)	
Deferred Tax	4	979,687		(2,376,907)	
			7,661,739		(21,107,112)
Profit after tax			(13,168,456)		24,716,143
Add: Share in profit/(loss) (net) of associates			13,210,951		15,191,564
Profit/(loss) attributable to group shareholders			42,495		39,907,707
Earnings per Equity Share (Refer note 35)					
- Basic	Rs.		0.01		9.61
- Diluted	Rs.		0.01		9.61
Face value per Equity Share	Rs.		10		10
Significant Accounting Policies	A				

The accompanying notes are an integral part of the financial statements

As per our report attached of even date

SHARP & TANNAN

Chartered Accountants

Firm Registration No. 109982W

By the hand of

Edwin P. Augustine

Partner

Membership No. 43385

K. G. GuptaChairman and
Managing Director**Gaurav Gupta**

Director

Vikram Gupta

Director

Noel Da SilvaCFO and
Company Secretary

Place : Mumbai, Maharashtra

Date : 30th May, 2015

Place : Mapusa, Goa

Date : 30th May, 2015



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	2014-15 (Rs.)	2013-14 (Rs.)
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	(20,830,195)	45,823,255
Depreciation and amortisation	15,520,172	12,174,066
Finance cost	24,985,259	28,555,933
Provision for doubtful debts (net)	488,259	883,111
Unrealised exchange difference	4,502,539	2,562,909
Profit on sale of assets (net)	(2,730)	(545,329)
Dividend income	(2,500)	(2,500)
Interest income	(361,280)	(335,916)
Operating profit before working capital changes	24,299,524	89,115,529
Adjustments for :		
Increase / (decrease) in trade and other payables	87,012,593	(31,795,137)
Increase / (decrease) in provisions	1,864,030	710,152
(Increase) / decrease in inventories	(17,809,462)	36,452,549
(Increase) / decrease in trade and other receivables	(1,517,460)	(19,560,879)
	69,549,701	(14,193,315)
Cash generated from operations	93,849,225	74,922,214
Direct taxes paid (net of refunds)	(21,528,408)	(10,405,653)
Net cash generated from / (used) in operations	(A) 72,320,817	64,516,561
(B) CASH FLOWS FROM INVESTMENT ACTIVITIES		
Payments for purchase of fixed assets	(6,639,237)	(9,329,454)
Proceeds from sale of fixed assets	110,863	774,131
Purchase of long term investments	-	(13,000,000)
Interest received	293,930	625,624
Dividend received	1,273,283	1,273,283
Net cash generated from / (used) in investment activities	(B) (4,961,161)	(19,656,416)
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	-	225,989
Repayments of long term borrowings	(11,588,911)	(10,930,223)
Proceeds from / (Repayments of) short term borrowings	(27,276,648)	(15,122,077)
Interest paid	(21,258,047)	(22,256,563)
Net cash generated from / (used) in financing activities	(C) (60,123,606)	(48,082,874)
Net changes in cash and cash equivalents	A+B+C 7,236,050	3,222,874
Cash and cash equivalents - Opening balance	19,852,101	23,074,830
Cash and cash equivalents - Closing balance	27,088,151	19,852,101
Net increase / (decrease) in cash and cash equivalents	7,236,050	(3,222,729)

Notes :

- 1 The aforesaid statement has been prepared under the indirect method, as set out in "Accounting Standard (AS) 3 - "Cash Flow Statement", as specified in the Companies (Accounting Standards) Rules, 2006
- 2 Additions to fixed assets are stated inclusive of movements in capital work in progress between the beginning and end of the year and treated as part of investment activities.
- 3 Figures for the previous year have been regrouped/reclassified, wherever necessary, to conform to current year's presentation.

As per our report attached of even date

SHARP & TANNAN

Chartered Accountants

Firm Registration No. 109982W

By the hand of

Edwin P. Augustine
Partner
Membership No. 43385

K. G. Gupta
Chairman and
Managing Director

Gaurav Gupta
Director

Vikram Gupta
Director

Noel Da Silva
CFO and
Company Secretary

Place : Mumbai, Maharashtra
Date : 30th May, 2015

Place : Mapusa, Goa
Date : 30th May, 2015

For and on behalf of the Board



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE A - Significant Accounting Policies

1 Basis of preparation of Financial Statements:

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 ('the Act'), and the accounting principles generally accepted in India and comply with the Accounting Standards ('AS') specified under section 133 of the Act read with rule 7 of the Companies (Accounting) Rules, 2014. The accounts of associates have been prepared in compliance with the Accounting Standards ('AS') as specified under section 133 of the Act read with rule 7 of the Companies (Accounting) Rules, 2014, and those of the foreign subsidiaries have been prepared in compliance with local laws and applicable accounting standards. Necessary adjustments for differences in accounting policies, wherever material and applicable, have been made in the consolidated financial statements.

2 Use of estimates :

The preparation of the financial statements in conformity with generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and the disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based on management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from those estimates. Any revision to the accounting estimates is recognised prospectively in current and future periods.

3 Principles of consolidation :

- i) The financial statements of the Parent Company and its Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealised profits/losses on intra-group transactions, and are presented to the extent possible, in the same manner as the Company's independent financial statements.
- ii) Investment in associate companies have been accounted for by using equity method whereby investment is initially recorded at cost and the carrying amount is adjusted thereafter for post acquisition change in the Company's share of net assets of the associate. The carrying amount of investment in associate companies is reduced to recognise any decline which is other than temporary in nature and such determination of decline in value, if any, is made for each investment individually.

4 Fixed Assets:

a) Tangible assets:

- i) Fixed assets are stated at cost net of tax/duty credit availed, if any, including directly attributable costs such as freight, insurance, specific installation charges, etc. for bringing the assets to working condition for use.
- ii) Expenditure relating to existing fixed assets is added to the cost of the assets, where it increases the performance / life of the asset as assessed earlier.
- iii) Fixed assets are eliminated from financial statements on disposal or when retired from active use.
- iv) Preoperative expenses, including interest on borrowings for a project is capitalised till the project is ready for commercial production.
- v) Capital work-in-progress includes cost of fixed assets under installation/ under development as at the Balance Sheet date.
- vi) The assets acquired under hire-purchase agreement are included in the fixed assets of the Company, where the terms of the agreement provide that the assets shall eventually become the property of the hirer or confer on him an option to purchase the assets.

b) Intangible assets:

Intangible assets are recognized as per the criteria specified in Accounting Standard (AS) 26 on "Intangible Assets".



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

5 Depreciation :

i) Indian Companies

a) Tangible assets :

Owned assets :

Depreciation is provided on the Straight line method over the estimated useful life of the asset in the manner specified in Schedule II of the Companies Act, 2013. Fixed assets which are added/ disposed off in the year are depreciated on pro rata basis with reference to the date of addition/ deletion.

Leased assets :

Leasehold land is amortised over the period of lease.

b) Intangible assets :

Intangible assets are amortised on a straight line method basis over the best estimate of useful life.

ii) Foreign Companies

Depreciation has been provided by the foreign companies on methods and the rates required/permissible by the local laws so as to write off the assets over their useful life.

6 Impairment of Assets :

As at each Balance Sheet date, the carrying amount of assets (other than inventory) is tested for impairment, so as to determine :

i) the provision for impairment loss, if any.

ii) the reversal of impairment loss recognised in previous periods, if any.

Impairment loss is recognised when the carrying amount of an asset or a cash generating unit exceeds its recoverable amount.

The recoverable amount of the asset (or where applicable that of the cash generating unit to which the asset belongs) is determined at the higher of the net selling price and the value in use.

Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

7 Inventories:

i) Raw materials, stores, spares and consumable tools, packing materials, work-in-process and finished goods are valued at lower of cost or net realisable value.

ii) In case of raw materials, stores, spares, consumable tools and packing materials, cost represents purchase price and other costs incurred for bringing the inventories to their present location and conditions and is determined on "weighted average" basis.

iii) In case of work-in-process and finished goods, cost represents cost of raw material, cost of conversion such as direct labour, direct expenses, etc. and production overheads which are based on normal level of production.

iv) Finished goods at lower of weighted average cost or net realisable value, cost includes related overheads and excise duty paid/ payable on such goods.

8 Employee Benefits

i) All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Short term employee benefits at the balance sheet date, are recognised as an expense as per the Company's scheme based on expected obligations on undiscounted basis.

Defined Contribution Plan

a) Provident Fund

The Company contributes to the government administered provident fund. The fixed contributions to these funds are charged to the Statement of Profit and Loss.



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

- b) Superannuation
Contributions to the superannuation fund, which is administered by Life Insurance Corporation of India, are charged to the Statement of Profit and Loss.

Defined Benefit Plan
Leave Encashment:

The employees of the company are entitled to encashment of un-availed leave. The employees can carry forward a portion of the unutilised leave and receive cash compensation at retirement or termination of employment. The Company records an obligation for encashment of un-availed leave in the period in which the employee renders the services, based on an actuarial valuation at the balance sheet date, carried out by an independent actuary. Actuarial gain or loss is recognised in the Statement of Profit or Loss as income or expense.

Gratuity

The Company's contribution towards gratuity made under Group Gratuity Scheme with Life Insurance Corporation of India (LIC) is determined based on the amount recommended by LIC as per Actuarial valuation. The whole time Directors of the Company are not covered by the gratuity trust created under Group Gratuity Fund. Provision for their gratuity liability has been provided for according to the actuarial valuation carried out by the independent Actuary. Gratuity liability in case of foreign subsidiaries has been provided as per applicable local laws.

9 Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or Production of a Qualifying asset are capitalised as part of cost of such Asset till such time as the asset is ready for its intended use or sale. A Qualifying Asset is an Asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

10 Foreign Currency Transactions:

- i) Foreign Currency transactions are recorded on initial recognition in the reporting currency , using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing rate.
Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are :
- a) adjusted in the cost of Fixed Assets specifically financed by borrowing contracted up to 31st March, 2007 and to which the exchange differences relate, provided the assets are acquired from outside India.
 - b) recognised as income or expense in the period in which they arise, in cases other than (a) above.
- ii) Financial statements of overseas non-integral foreign operations are translated as under:
- a) Assets and liabilities at the rate prevailing at the end of the year.
 - b) Revenues and expenses at yearly average exchange rates prevailing during the year.
Exchange differences arising on translation of non integral foreign operations are accumulated in the foreign currency translation reserve until disposal of such operations.

11 Research & Development:

- a) Revenue expenditure on research and development is charged under the respective heads of account.
- b) Capital expenditure on research and development is included as part of fixed assets and depreciated on the same basis as other fixed assets.

12 Investments:

Long term investments (other than in associates) are valued at cost. A provision for diminution in value is made only if such decline is other than temporary.



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

13 Taxes on Income:

- i) Indian Companies
 - a) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of assessments / appeals.
 - b) Deferred tax is recognized on timing differences between the accounting income and taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.
 - c) Deferred tax assets (other than on account of brought forward business losses and unabsorbed depreciation) are recognized and carried forward only to the extent that there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets relating to brought forward business losses and unabsorbed depreciation are recognized and carried forward only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- ii) Foreign Companies Taxes on Income and deferred tax liabilities and assets in respect of foreign subsidiaries are recognised in accordance with applicable local laws.

14 Revenue Recognition:

- i) Revenue from Sale of product is recognised on dispatch or appropriation of goods in accordance with the terms of sale and is inclusive of excise duty, cess and insurance charges and freight recoverable from the customers but net of Vat, Sales Tax and Sales returns.
- ii) Revenue from services is recognised in accordance with the specific terms of contract or performance.

15 Earning Per Share:

Basic earning per share is calculated by dividing net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

16 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary item and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

17 Cash and Cash Equivalents:

- (i) Cash comprises of cash on hand and demand deposits with banks.
- (ii) Cash equivalents are short-term, highly liquid investment that are readily convertible into known amount of cash and which are subject to an insignificant risk of change in value.

18 Provisions, Contingent liabilities, Contingent assets and Commitments:

- (a) Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if:
 - (i) The Company has a present obligation as a result of past a event;
 - (ii) A probable outflow of resources is expected to settle the obligation; and
 - (iii) The amount of the obligation can be reliably estimated.
- (b) Reimbursement by another party, expected in respect of expenditure required to settle a provision, is recognised when it is virtually certain that reimbursement will be received if, obligation is settled.
- (c) Contingent liability is disclosed in case of:
 - (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
 - (ii) a present obligation when no reliable estimate is possible;
 - (iii) a possible obligation arising from past events, unless the probability of outflow of resources is remote.
- (d) Contingent assets are neither recognised nor disclosed.
- (e) Commitments includes the amount of purchase order (net of advance) issued to parties for completion of asset.
- (f) Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 : SHARE CAPITAL	As at 31.03.2015	As at 31.03.2014
	Rs.	Rs.
Authorised :		
7,000,000 equity shares of Rs.10 each (Previous year 7,000,000 equity shares of Rs. 10 each)	70,000,000	70,000,000
Issued :		
4,199,980 equity shares of Rs.10 each (Previous year 4,199,980 equity shares of Rs. 10 each)	41,999,800	41,999,800
Subscribed and Paid up :		
4,153,580 equity shares of Rs.10 each (Previous year 4,153,580 equity shares of Rs. 10 each)	41,535,800	41,535,800
	41,535,800	41,535,800

List of shareholders holding more than 5% along with number of shares held.

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of shares	% held	No. of shares	% held
1 Krishna Gopal Gupta	797,674	19.20%	776,225	18.69%
2 Krishna Murari Gupta	353,207	8.50%	353,207	8.50%
3 Vikram Gupta	373,105	8.98%	372,505	8.97%
4 Gaurav Gupta	357,966	8.62%	357,966	8.62%
5 Veena Gupta	300,635	7.24%	289,233	6.96%
6 Usha Gupta	209,000	5.03%	209,000	5.03%
7 Shefali Chawla	242,464	5.84%	230,553	5.55%

Other disclosures (for 5 years immediately preceding 31.03.2015)

Particulars	FY 2014-15	FY 2013-14	FY 2012-13	FY 2011-12	FY 2010-11
i. Shares issued pursuant to a contract without payment being received in cash	-	-	-	-	-
ii. Shares issued as fully paid up bonus shares	-	-	-	-	-
iii. Shares bought back	-	-	-	-	-

Reconciliation of opening and closing share capital

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of shares	Value (Rs.)	No. of shares	Value (Rs.)
Equity shares at the beginning of the year	4,153,580	41,535,800	4,153,580	41,535,800
Equity shares issued during the year	-	-	-	-
Equity shares at the close of the year	4,153,580	41,535,800	4,153,580	41,535,800

Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 : RESERVES AND SURPLUS	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Capital Reserve - As per last Balance Sheet		4,328,500		4,328,500
Securities Premium Account - As per last Balance Sheet.		20,276,000		20,276,000
Investment Allowance (Utilised) Reserve - As per last Balance Sheet		2,229,150		2,229,150
Foreign Currency Translation Reserve - As per last Balance Sheet Addition / (Deduction) during the year	14,356,865 5,436,615	19,793,480	4,907,987 9,448,878	14,356,865
Retained Earnings - As per last Balance Sheet Add: Transfer from Statement of Profit and Loss Less: Impact of assets having no balance useful life and residual value adjusted pursuant to the transitional provisions of Schedule II to the Companies Act, 2013 net of deferred tax of Rs.1,948,145	316,255,871 42,495 (4,356,532)		276,348,164 39,907,707 -	316,255,871
		311,941,834		316,255,871
		358,568,964		357,446,386

NOTE 3 : LONG TERM BORROWINGS	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
Secured : Term Loans a) From Banks	4,849,722	15,220,520
	4,849,722	15,220,520

Nature of security :

The above long term borrowings from banks are secured by hypothecation of fixed assets of the Company, personal guarantees of three directors and corporate guarantee of GKB Vision Limited, an associate company.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 : DEFERRED TAX

The major components of deferred tax assets and deferred tax liabilities are as under:-

in Rs.

	As at 31.03.2015		As at 31.03.2014	
	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Difference between book and tax written down value		11,052,030		14,491,813
Expenses allowable for tax purposes when paid/on payment of TDS	4,692,092		3,542,808	
Provision for doubtful debts and provision for inventory write down	-		1,661,235	
	4,692,092	11,052,030	5,204,043	14,491,813
Net deferred tax liability / (asset)	6,359,938		9,287,770	
Liability (charged) / credited for the year	2,927,832			
Deferred tax impact of Schedule II transferred to retained earnings	(1,948,145)			
Net deferred tax (liability debited)/ asset credited to the Statement of Profit and Loss	979,687	-	(2,376,907)	

NOTE 5 : LONG TERM PROVISIONS

	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Provision for Employee Benefits				
- Gratuity	3,969,231		2,599,038	
- Leave encashment {Refer note 30}	1,491,519		1,192,138	
		5,460,750		3,791,176
		5,460,750		3,791,176

NOTE 6 : SHORT TERM BORROWINGS

	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Secured :				
From Banks :				
a) Cash credit	60,271,581		40,894,842	
b) Packing credit facility	10,693,184		57,346,571	
		70,964,765		98,241,413
		70,964,765		98,241,413

Nature of security :

The above short term borrowings from banks are secured by hypothecation of the inventories, book debts receivable and other current assets, and personal guarantees of three directors and corporate guarantee of GKB Vision Limited, an associate company.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 : TRADE PAYABLES	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
- Due to micro and small enterprises (Refer note 33)	-		-	
- Due to related parties	121,378,496		63,719,370	
- Due to others (Refer footnote below)	49,984,925		30,229,987	
		171,363,421		93,949,357
		171,363,421		93,949,357

Note :

Due to others includes reinstated amount of Rs. 16,210,924 (previous year Rs. 15,549,044) due to Alpha Diamond Industry, Japan and Rs. 211,645 (previous year Rs. 258,197) due to Satisloh - GmbH against imports which is overdue for a period exceeding 6 months. The Company proposes to apply to the Reserve Bank of India (RBI), seeking extension to effect the payment.

NOTE 8 : OTHER CURRENT LIABILITIES	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Current maturities of long debt				
Secured :				
From Banks	10,370,940		11,589,053	
From Financial Institutions -		-		11,589,053
		10,370,940		
Interest accrued and due to on borrowings		-		347,446
Overdrawn bank balances as per book		2,020,432		800,194
Other liabilities				
- Statutory dues	1,978,221		1,400,275	
- Creditors for capital goods	825,035		1,293,523	
- Others	19,512,312		13,593,371	
		22,315,568		16,287,169
Unpaid dividend		-		-
Advance form customers (Refer footnote below)				
- Related parties	-		-	
- Others	2,922,446		2,916,971	
		2,922,446		2,916,971
		37,629,386		31,940,833

Note :

Advance from customers includes interest free unadjusted amount of Euro 20,742, equivalent to Rs. 1,189,094 originally received in financial year 2006-07 from GKB Ophthalmics GmbH, a wholly owned subsidiary, and an amount of USD 7,158 equivalent to Rs. 382,987 received in financial year 2013-14 from M. Wiseman & Co., as advance against future supplies. However, no supplies were made upto 31.03.2015. The Company proposes to apply to the Reserve Bank of India (RBI), to regularise the transaction. Pending outcome of the application, the amount has been shown at the original rate of conversion.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9 : SHORT TERM PROVISIONS	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Provisions for Employee Benefits				
- Gratuity	6,151,385		6,855,595	
- Leave encashment {Refer note 30}	632,727		498,799	
- Superannuation	1,660,909		1,223,414	
- Bonus	999,305		846,666	
		9,444,326		9,424,474
Provision for Income Taxes (net of advance tax and tax deducted at source)		43,572,498		67,533,697
		53,016,824		76,958,171

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
NOTE 10 : FIXED ASSETS

in Rs.

DESCRIPTION OF ASSETS						Depreciation / Amortisation					Net Block	
	Opening As at 01.04.2014	Additions	Deductions	Transalation Adjustment	Closing As at 31.03.2015	Opening As at 01.04.2014	On Deductions	For the Year	Transalation Adjustment	Closing As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
(A) Tangible Assets												
Freehold Land	429,910	-	-		429,910	-	-	-	-	-	429,910	429,910
Leasehold land	895,500	-	-		895,500	112,720	-	9,426	-	122,146	773,354	782,780
Buildings	51,759,786	-	-		51,759,786	10,571,083	-	1,458,828	-	12,029,911	39,729,875	41,188,703
Plant and Machinery	190,026,870	1,093,475	-		191,120,345	106,192,650	-	16,182,897	-	122,375,547	68,744,798	83,834,220
Furniture and Fixtures	11,704,074	762,693	-	47,717	12,514,484	9,069,429	-	995,008	45,675	10,110,112	2,404,372	2,634,645
Office Equipment	3,321,772	416,114	83,256	40,045	3,694,675	2,133,237	54,670	788,887	33,731	2,901,185	793,490	1,188,535
Vehicles	11,965,998	-	396,006	162,766	11,732,758	4,757,611	316,459	2,096,765	76,207	6,614,124	5,118,634	7,208,387
	270,103,910	2,272,282	479,262	250,528	272,147,458	132,836,730	371,129	21,531,811	155,613	154,153,025	117,994,433	137,267,180
Previous year	249,031,151	23,659,484	3,039,380	452,655	270,103,910	123,365,815	2,810,578	11,914,616	366,877	132,836,730	137,267,180	
Add : Capital Work in Progress											5,733,416	5,733,416
Sub-total (A)	270,103,910	2,272,282	479,262		272,147,458	132,836,730	371,129	21,531,811	155,613	154,153,025	123,727,849	143,000,596
(B) Intangible Assets												
Computer Software	1,653,362	143,793	-		1,797,155	513,702	-	293,037	-	806,739	990,416	1,139,660
	1,653,362	143,793	-		1,797,155	513,702	-	293,037	-	806,739	990,416	1,139,660
Previous year	1,598,526	54,836	-		1,653,362	254,252	-	259,450		513,702	1,139,660	
Add : Intangible assets under development											-	-
Sub-total (B)	1,653,362	143,793	-		1,797,155	513,702	-	293,037	-	806,739	990,416	1,139,660
Total (A + B)	271,757,272	2,416,075	479,262	-	273,944,613	133,350,432	371,129	21,824,848	155,613	154,959,764	124,718,265	144,140,256
Previous year	250,629,677	23,714,320	3,039,380	452,655	271,757,272	123,620,067	2,810,578	12,174,066	366,877	133,350,432	144,140,256	



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 : NON CURRENT INVESTMENTS (at cost, unquoted)	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Investment in Equity Instruments				
Associates				
Fully paid equity shares of associate companies	150,568,716		123,647,935	
Add/(Less):				
- Additional Investments during the year	-		13,000,000	
- Dividend adjustment	(1,270,783)		(1,270,783)	
- Share in profit/(loss) (net) of associates for the current year	13,210,951		15,191,564	
		162,508,884		150,568,716
Others				
- Crysta Lenses Private Limited [1 equity share (Previous year 1 equity share) of Rs. 10 each]		1,800		1,800
- Saraswat Co-operative Bank Limited [2,500 shares (Previous year 2,500 of Rs. 10 each)]		25,300		25,300
		162,535,984		150,595,816

Note:

On 28.05.2015, the company entered into a definitive share purchase agreement to sell the entire investment of 1,058,986 equity shares in GKB Vision Limited, an associate company, in which the Company holds 36.47% of the equity paid up share capital. As per the share purchase agreement, the said shares are being sold for a consideration of Rs. 229,090,441, resulting in a gain of Rs. 218,480,581 over the book value of the said shares of Rs.10,609,860.

NOTE 12 : LONG TERM LOANS AND ADVANCES (unsecured, considered good)	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Capital Advances		3,659,759		-
		3,659,759		-



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 13 : INVENTORIES (at lower of cost or net realisable value)	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Raw materials	31,586,237		22,271,163	
Add : Goods in transit	-		1,615,581	
		31,586,237		23,886,744
Work-in-process		3,272,495		5,830,890
Finished goods	71,177,974		80,502,934	
Less : Provision for write down of inventories to net realisable value*	-		5,120,156	
		71,177,974		75,382,778
Stock in trade	59,789,882		37,145,619	
Add : Goods in transit	-		6,328,606	
		59,789,882		43,474,225
Stores, spares and packing material	45,844,735		45,091,051	
Add : Goods in transit	-		196,173	
		45,844,735		45,287,224
		211,671,323		193,861,861

* In the previous years the Company had made a provision towards write down of closing inventory of finished goods to its net realisable value. During the year the remaining amount of provision has been entirely reversed. This write down/reversal of write down has been treated as an exceptional item in the Statement of Profit and Loss

NOTE 14 : TRADE RECEIVABLES (unsecured considered good, unless otherwise stated)	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
-Debts outstanding for a period exceeding six months from the date due for payment				
Considered good *	77,326,240		73,211,779	
(Refer Foot note below)				
Considered doubtful	312,605		298,709	
	77,638,845		73,510,488	
Less : Provision for bad and doubtful debts	312,605		298,709	
		77,326,240		73,211,779
- Other Debts				
Considered good *		106,476,056		136,903,495
		183,802,296		210,115,274
* Trade receivables include dues from :				
- Prime Lenses Private Limited		88,383,482		58,968,976
- GKB Optic Technologies Pvt. Ltd.		437,662		1,984,620
- GKB Optical Ltd.		-		2,037,196
Which are private limited companies in which a director of the Company is a director				

Note :

Debts outstanding for a period exceeding six months include reinstated amounts of Rs. 623,536 (previous year Rs. 683,698) due from Sarl Imol(Bengherbia), Algeria, Rs.1,780,338 (previous year Rs. Nil) due from Precision Optical, U.K, and Rs. 272,784 (previous year Rs. 615,281) due from Pamonte SA, Ecuador for a period exceeding 12 months as at 31.03.15. The Company proposes to apply to the Reserve Bank of India (RBI), seeking extension for collection of the amounts.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 : CASH AND BANK BALANCES	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Cash and cash equivalents				
Cash on hand	355,169		412,569	
Balances with banks - on current account	26,732,982	27,088,151	19,439,532	19,852,101
Other bank balances				
Balance with banks - on margin money deposit accounts (pledged against bank guarantee and letters of credit)	4,837,438		3,457,303	
- on unpaid dividend account	-	4,837,438	-	3,457,303
		31,925,589		23,309,404

Details of maturity of margin money deposit accounts	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
	Bank deposits	
- Maturity after 12 months	-	-
- maturity within 12 months	4,837,438	3,457,303
	4,837,438	3,457,303

NOTE 16 : SHORT TERM LOANS AND ADVANCES (unsecured considered good)	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Security Deposits		1,163,829		1,291,942
Advances recoverable in cash or in kind or for value to be received				
- Due from related parties	-		-	
- Due from others	29,126,116		3,977,814	
		29,126,116		3,977,814
		30,289,945		5,269,756



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 17 : OTHER CURRENT ASSETS	As at 31.03.2015		As at 31.03.2014	
	Rs.	Rs.	Rs.	Rs.
Interest accrued on margin deposits / others		1,146,409		1,079,059
		1,146,409		1,079,059

NOTE 18 : REVENUE FROM OPERATIONS	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
Sale of Products		368,069,635		422,847,519
Other operational revenue - Processing charges		764,215		-
Gross Revenue from operations		368,833,850		422,847,519

NOTE 19 : OTHER INCOME	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
Interest income from margin money deposits / others		361,280		335,916
Dividend income	2,500	2,500	2,500	2,500
Exchange gain (net)		4,197,305		-
Doubtful debts written back		-		38,026
Other non operating income Sundry balances written back (net) Profit on sale of fixed assets (net) Miscellaneous Income - others	537,905 2,730 1,055,601		211,396 545,329 5,993,211	
		1,596,238		6,749,936
		6,157,321		7,126,378



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 20 : COST OF GOODS SOLD	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
Cost of materials consumed :				
Opening stock	23,886,744		45,642,871	
Add : Purchases	128,060,102		116,313,274	
	151,946,846		161,956,145	
Less : Closing stock	31,586,237		23,886,744	
		120,360,609		138,069,401
Purchase of stock in trade		66,339,753		59,514,528
Changes in inventories of finished goods (including excise duty) and work in progress :				
Closing stock :				
Work-in-process	3,272,495		5,830,890	
Finished goods	70,356,597		80,282,927	
Trading goods	59,789,882		43,474,225	
	133,418,974		129,588,042	
Opening stock :				
Work-in-process	5,830,890		4,195,068	
Finished goods	80,282,927		82,452,827	
Trading goods	43,474,225		56,038,276	
	129,588,042		142,686,171	
Excise duty				
on closing stock of finished goods	821,321		220,007	
on opening stock of finished goods	220,007		173,223	
	(601,370)	(4,432,302)	(46,784)	13,051,345
		182,268,060		210,635,274

NOTE 21 : EMPLOYEE BENEFITS EXPENSES	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
Salaries, Wages and Bonus		57,035,510		48,445,576
Contribution to Provident fund and other funds		4,812,345		4,044,165
Gratuity		3,398,694		1,657,953
Leave encashment		573,762		88,102
Workmen and Staff Welfare		1,476,128		1,117,811
		67,296,439		55,353,607



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 22 : FINANCE COSTS	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
Interest expenses :				
- Borrowings	18,023,572		19,222,095	
- Income tax and wealth tax	4,074,658		6,443,289	
		22,098,230		25,665,384
Other borrowing costs and bank charges		2,887,029		2,890,549
		24,985,259		28,555,933

NOTE 23 : DEPRECIATION	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
Depreciation on tangible assets	21,531,811		11,914,616	
Amortisation of intangible assets	293,037	21,824,848	259,450	12,174,066
Less : Transfer to retained earnings		6,304,676		-
		15,520,172		12,174,066



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 24 : OTHER EXPENSES	2014-15		2013-14	
	Rs.	Rs.	Rs.	Rs.
Stores and spares consumed		40,644,468		30,880,670
Packing material consumed		6,634,839		6,040,659
Power and fuel		11,019,963		9,440,988
Other manufacturing expenses		6,025,319		2,636,816
Lease rent (refer foot note below)		3,238,386		1,779,786
Repairs :-				
Building	210,972		380,564	
- Plant and Equipment	2,448,280		1,586,519	
- Others	1,601,268		956,304	
		4,260,520		2,923,387
Insurance		834,147		780,828
Rates and Taxes		1,023,806		284,994
Freight and forwarding		4,298,697		5,688,992
Auditor's Remuneration				
- Audit fees	500,000		400,000	
- Tax audit fees	162,500		100,000	
- Other matters	175,000		150,000	
- Out of pocket expenses	40,203		67,095	
- Service Tax	-		85,176	
		877,703		802,271
Commission		836,925		813,662
Travelling and conveyance		2,265,457		1,865,676
Legal and Professional Charges		2,142,827		1,493,720
Provision for doubtful advances		488,259		921,137
Exchange loss (net)		-		42,773
Directors' fees (including service tax)		370,788		213,484
Advertising and sales promotion		1,448,728		650,151
Bad debts write off		763,992		319,003
Security charges		1,666,725		1,785,672
Telephone and communication expenses		1,851,946		1,672,983
Printing and stationery expenses		1,379,041		725,612
Miscellaneous expenses		1,778,909		1,120,879
		93,851,445		72,884,143

Note :**Operating Lease**

The Company has taken warehouses, office premise and a residential apartment on operating lease. The Company also pays lease rent on the factory premises. Lease rent amounting to Rs. 3,238,386 (previous year Rs. 1,779,786) has been charged to the Statement of Profit and Loss.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Commitments

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)
- b) Other commitments

Rs.

Rs.

-

-

The Company is a 100% EOU registered under the SEEPZ Special Economic Zone. As per the amendment to Letter of Permission dated November 20, 2008, the Company was required to achieve export turnover of USD 35.82 million and Net Foreign Exchange Earning (NFE) of USD 3.26 million during the period April 1, 2008 to March 31, 2013. Although the Company achieved Net Foreign Exchange Earnings (NFE) as required, export turnover obligation remained unfulfilled to the extent of USD 8.03 million. By letter dated May 27, 2013, the EOU status of the Company has been further extended by a period of 5 years. However, the letter granting the extension does not make any mention of export turnover obligation. The Company is of the view that the condition of achieving export turnover no longer applies and the only requirement is that the Company should be NFE positive.

29 Particulars of un-hedged foreign currency exposures as at 31st March, 2015 :**Trade Receivables**

Foreign currency	Amount in foreign currency 2014-15	Amount in Rs. 2014-15	Amount in foreign currency 2013-14	Amount in Rs. 2013-14
USD	466,140.90	28,984,641	905,674	53,751,725
EURO	215,931.26	14,432,845	138,737	11,280,671
		43,417,487		65,032,396

Trade Payables (including payable for expenses)

Foreign currency	Amount in foreign currency 2014-15	Amount in Rs. 2014-15	Amount in foreign currency 2013-14	Amount in Rs. 2013-14
USD	449,190	28,384,336	256,543	15,549,044
EURO	169,393	11,613,591	77,770	6,504,692
		39,997,927		22,053,736

Bank balance

Foreign currency	Amount in foreign currency 2014-15	Amount in Rs. 2014-15	Amount in foreign currency 2013-14	Amount in Rs. 2013-14
USD	-	-	134	7,952
EURO	-	-	25	2,034
		-		9,986

29 Trade receivable, loans and advances and trade payable balances are subject to confirmation, reconciliation and consequent adjustments, if any.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

30 Disclosures as required by Accounting Standard (AS) 15 "Employee Benefits":

a) Defined Contribution Plans :

Contribution to Defined Contribution Plans, recognised as an expense and included under "Employee Benefits Expenses" Note 21 to the Statement of Profit and Loss are as under :

- Employer's contribution to Provident Fund and EDLI Rs.1,434,650 (Previous year Rs.1,296,171)
- Employer's contribution to Family Pension Scheme Rs.1,326,089 (Previous year Rs.1,103,600)
- Employer's contribution to Employees State Insurance Scheme Rs.1,555,731 (Previous year Rs.1,285,686)
- Employer's contribution to Superannuation Fund Rs.437,495 (Previous year Rs.310,903)
- Employer's contribution to Labour Welfare Fund Rs.58,380 (Previous year Rs.47,805)

b) Defined Benefit Plans :

The Company's gratuity and leave encashment plans are defined benefit plans :

	Gratuity (funded) Rs. 2014-15	Gratuity (funded) Rs. 2013-14	Gratuity (unfunded) Rs. 2014-15	Gratuity (unfunded) Rs. 2013-14
I Change in obligation during the year				
1 Liability at the beginning of the year	7,921,987	6,949,564	4,895,263	4,188,345
2 Interest cost	633,759	555,965	-	-
3 Current service cost	548,413	508,498	1,846,817	650,167
4 Past service cost	-	-	-	-
5 Benefits paid	(568,114)	(268,651)	(2,232,711)	-
6 Actuarial (gain) / losses	619,583	176,611	-	-
7 Translation adjustments	-	-	-	56,751
8 Liability at the end of the year	9,155,628	7,921,987	4,509,369	4,895,263
II Change in assets during the year				
1 Plan assets at the beginning of the year	3,362,617	2,643,197	-	-
2 Expected return of plan assets	249,878	233,288	-	-
3 Contributions	500,000	754,783	-	-
4 Benefits paid	(568,114)	(268,651)	(2,232,711)	-
5 Actuarial gain / (loss)	-	-	-	-
6 Plan assets at the end of the year	3,544,381	3,362,617	(2,232,711)	-
7 Total actuarial gain/(loss) to be recognised	(619,583)	(176,611)	-	-
III Actual return on plan assets				
1 Expected return on plan assets	249,878	233,288	-	-
2 Actuarial gain / (loss)	-	-	-	-
3 Actual return on plan assets	249,878	233,288	-	-
IV Net asset / (liability) recognised in the balance sheet				
1 Liability at the end of the year	(9,155,628)	(7,921,987)	(4,509,369)	(4,895,263)
2 Plan assets at the end of the year	3,544,381	3,362,617	-	-
3 Amount recognised in the balance sheet	(5,611,247)	(4,559,370)	(4,509,369)	(4,895,263)
V Expenses recognised in the statement of profit and loss for the year				
1 Current service cost	548,413	508,498	1,846,817	650,167
2 Interest cost	633,759	555,965	-	-
3 Expected return on plan assets	(249,878)	(233,288)	-	-
4 Actuarial (gain) / losses	619,583	176,611	-	-
5 Past service cost	-	-	-	-
6 Total expenses as per actuarial valuation	1,551,877	1,007,786	1,846,817	650,167
7 Optional payment	-	-	-	-
8 Total expenses	1,551,877	1,007,786	1,846,817	650,167
VI Balance sheet reconciliation				
1 Opening net liability	4,559,370	4,306,367	4,895,263	4,188,345
2 Expenses as above	1,551,877	1,007,786	1,846,817	650,167
3 Employer contribution	(500,000)	(754,783)	-	-
4 Benefits Paid	-	-	(2,232,711)	-
5 Translation Adjustment	-	-	-	56,751
6 Amount recognised in the balance sheet *	5,611,247	4,559,370	4,509,369	4,895,263
VII The major categories of plan assets as a percentage of total :				
Insurer Managed Funds	100%	100%	Not applicable	Not applicable
VIII Actuarial assumptions:				
1 Discount rate	8.00%	8.00%	8.25%	8.25%
2 Rate of return on plan assets	Not determined	Not determined	Not applicable	Not applicable
3 Rate of mortality	As per mortality table LIC(1994-96) Ultimate	As per mortality table LIC(1994-96) Ultimate		
4 Salary Escalation	6.00%	6.00%	-	-
*The closing net liability is disclosed as follows:				
Disclosed in Note 5 - Long Term Provisions	-	-	3,969,231	2,599,038
Disclosed in Note 9 - Short Term Provisions	5,611,247	4,559,370	540,138	2,296,225



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Disclosures as required by Accounting Standard (AS) 15 Employee Benefits (contd.)

	Leave encashment (unfunded) Rs. 2014-2015	Leave encashment (unfunded) Rs. 2013-2014
I Change in obligation during the year		
1 Liability at the beginning of the year	1,690,937	1,734,256
2 Interest cost	157,426	143,076
3 Current service cost	203,598	120,092
4 Past service cost	-	-
5 Benefits paid	(140,453)	(131,421)
6 Actuarial (gain) / losses	212,738	(175,066)
7 Liability at the end of the year	2,124,246	1,690,937
II Change in assets during the year		
1 Plan assets at the beginning of the year	-	-
2 Expected return of plan assets	-	-
3 Contributions	-	-
4 Benefits paid	-	-
5 Actuarial gain / (loss)	-	-
6 Plan assets at the end of the year	-	-
7 Total actuarial gain/(loss) to be recognised	(212,738)	175,066
III Actual return on plan assets		
1 Expected return on plan assets	-	-
2 Actuarial gain / (loss)	-	-
3 Actual return on plan assets	-	-
IV Net asset / (liability) recognised in the balance sheet		
1 Liability at the end of the year	(2,124,246)	(1,690,937)
2 Plan assets at the end of the year	-	-
3 Amount recognised in the balance sheet	(2,124,246)	(1,690,937)
V Expenses recognised in the statement of profit and loss for the year		
1 Current service cost	203,598	120,092
2 Interest cost	157,426	143,076
3 Expected return on plan assets	-	-
4 Actuarial (gain) / losses	212,738	(175,066)
5 Past service cost	-	-
6 Total expenses as per actuarial valuation	573,762	88,102
7 Optional payment	-	-
8 Total expenses	573,762	88,102
VI Balance sheet reconciliation		
1 Opening net liability	1,690,937	1,734,256
2 Expenses as above	573,762	88,102
3 Benefits Paid	(140,453)	(131,421)
4 Amount recognised in the balance sheet *	2,124,246	1,690,937
VII The major categories of plan assets as a percentage of total :	Not applicable	Not applicable
VIII Actuarial assumptions:		
1 Discount rate	7.94%	9.31%
2 Rate of return on plan assets	Not applicable	Not applicable
3 Rate of mortality	As per mortality table LIC (1994-96) Ultimate	As per mortality table LIC (1994-96) Ultimate
4 Salary Escalation	5.00%	5.00%
*The closing net liability is disclosed as follows:		
Disclosed in Note 5 - Long Term Provisions	1,491,519	1,192,138
Disclosed in Note 9 - Short Term Provisions	632,727	498,799

General description of the defined benefit plans :

- 1) The Company operates a gratuity scheme, which is a funded scheme for qualifying employees, except in the case of directors where the scheme is unfunded. The scheme provides for lump sum payment to employees on retirement, death, while in employment or termination of employment or an amount equivalent to 15 days salary for every completed year of service or part thereof in six months, provided the employee has completed 5 years of service.
- 2) The Company operates a leave encashment scheme, which is a unfunded scheme. The present value of obligation under this scheme is based on an actuarial valuation using the Projected Unit Credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

31 During the year the Company has not capitalised any borrowing costs as per Accounting Standard (AS) 16 - "Borrowing costs".

32 Disclosures as required by Accounting Standard (AS) 17 - Segment Reporting :

a) Primary Segment

The Company operates in one primary segment i.e. ophthalmic lenses, and that is the only primary reportable segment.

b) Secondary Segment (Geographical Segment) :

	Within India Rs.	Outside India Rs.	Total Rs.
Revenue from external customers * (excluding other operational revenue)*	101,032,279 (154,341,182)	250,017,209 (260,190,037)	351,049,488 (414,531,219)
Carrying amount of segment assets	442,881,607 (441,512,833)	199,640,578 (192,760,474)	642,522,185 (634,273,307)
Additions to fixed assets during the year	2,281,803 (4,137,769)	134,272 (2,376,059)	2,416,075 (6,513,828)

* Revenue within India includes deemed export sales of Rs. 37,961,333 (Previous Year Rs. 44,033,128) made to other EOU units in India

Figures in brackets pertain to the previous year

33 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March, 2015, as per information available with the Company.

	2014-15 Rs.	2013-14 Rs.
a) Principal amount due to supplier under MSMED Act, 2006	-	-
b) Interest accrued, due to supplier under MSMED Act on the above amount and unpaid	-	-
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
d) Interest paid to supplier under MSMED Act (Other than section 16)	-	-
e) Interest paid to supplier under MSMED Act (section 16)	-	-
f) Interest due and payable to suppliers under MSMED Act for payments already made	-	-
g) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-

The above information and that given in Note 7 - "Trade Payables" pertaining to micro and small enterprises has been determined to the extent such parties have been identified on the basis of the information available with the Company. This has been relied upon by the auditors.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

34 Disclosures as required by Accounting Standard (AS) 18 - Related Party Disclosures :**(a) Relationships:**

List of related parties with whom transactions were carried out during the year or previous year:

(i) Associates/ Enterprises in which directors exercise significant influence

- 1 Prime Lenses Pvt Ltd
- 2 GKB Vision Limited
- 3 Lensco-The Lens Company
- 4 GKB Optical Limited
- 5 GKB Optic Technologies Pvt.Ltd.

(ii) Key Management Personnel

- 1 Mr. K.G Gupta - Chairman and Managing Director

(iii) Relatives of key management personnel

- 1 Mrs. Veena Gupta
- 2 Mr. Gaurav Gupta
- 3 Mr. Vikram Gupta
- 4 Mr. K. M. Gupta

(b) The following transactions were carried out with the related parties:*in Rs.*

Sr No.	Nature of transaction / relationship / party	2014-15	2013-14
1	Purchases of goods and services Associates Prime Lenses Pvt Ltd GKB Vision Limited	749,657 89,767,005	16,036,758 74,330,418
	Total	90,516,662	90,367,176
2	Sales of goods and services Associates/ Significant influence enterprise Prime Lenses Pvt Ltd GKB Vision Limited GKB Optic Technologies Pvt.Ltd. Lensco-The Lens Company	71,421,262 14,633,601 875,066 17,930,818	63,763,366 27,225,200 443,478 19,020,582
	Total	104,860,747	110,452,626



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Sr No.	Nature of transaction / relationship / party	<i>in Rs.</i>	
		2014-15	2013-14
3	Payment of remuneration Key Management Personnel K. G. Gupta	3,840,693	1,921,316
	Total	3,840,693	1,921,316
4	Rent Paid Relative of Key Management Personnel Veena Gupta	480,000	480,000
	Total	480,000	480,000
5	Dividend received / receivable Associate GKB Vision Limited	1,270,783	1,270,783
	Total	1,270,783	1,270,783
6	Recovery of expenses Associates/ Significant influence enterprise GKB Vision Limited	-	2,100
	Total	-	2,100
7	Reimbursement of expenses Associates Prime Lenses Pvt Ltd Lensco- The Lens Company	86,361 302,480	- -
	Total	388,841	-
8	Director's sitting fees Relatives of Key Management Personnel Gaurav Gupta Vikram Gupta K. M. Gupta	50,000 10,000 10,000	30,000 5,000 10,000
	Total	70,000	45,000
9	Investment in Share capital Associates Prime Lenses Pvt Ltd	-	13,000,000
	Total	-	13,000,000

Note: Amounts paid/received includes amounts charged/credited to the statement of profit and loss.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

			<i>in Rs.</i>	
Sr No.	Nature of transaction / relationship / party	2014-15	2013-14	
1	Accounts payable Associate/ Significant influence enterprise Prime Lenses Pvt Ltd GKB Vision Limited GKB Optic Technologies Pvt.Ltd. Relative of Key Management Personnel Veena Gupta	- 121,378,496 - 364,000	234,059 62,947,116 538,195 432,000	
	Total	121,742,496	64,151,370	
2	Accounts receivable Associate/ Significant influence enterprise Prime Lenses Pvt Ltd GKB Optical Limited Lensco-The Lens Company GKB Optic Technologies Pvt.Ltd.	88,383,482 - 8,978,473 437,662	58,968,976 2,037,196 35,202,966 1,984,621	
	Total	97,799,617	98,193,759	

35 Disclosures as required by Accounting Standard (AS) 20 - Earning per share :

Particulars		2014-15	2013-14
Profit/(Loss) after tax as per Statement of Profit and Loss	Rs.	42,495	39,907,707
Number of equity shares outstanding	Nos.	4,153,580	4,153,580
Face value of equity share	Rs.	10	10
Earnings per share (basic and diluted) :			
- Basic	Rs.	0.01	9.61
- Diluted	Rs.	0.01	9.61

36 As per Accounting Standard (AS) 28 "Impairment of Assets", the Company has reviewed potential generation of economic benefits from fixed assets. Accordingly, no impairment loss has been provided for the year ended March 31, 2015 (previous year - Nil) in the books.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- 37** The products manufactured by the company do not have a warranty period, hence provision for warranty as specified in Accounting Standard (AS) 29 on "Provisions, Contingent Liabilities and Contingent Assets" is not required to be made.
- 38** The Company's international and domestic transfer pricing certification is carried out by an independent firm of Chartered Accountants. The Company has established a system of maintenance of documents and information as required by the transfer pricing legislation u/s. 92-92F of the Income Tax Act, 1961. Up to March 31, 2014, the last date for which the transfer pricing certification was carried out, there were no adjustments made to the transactions entered into with 'associated enterprises' as defined in section 92A of the Income Tax Act, 1961. The Management believes that the international transactions and specified domestic transactions entered into with 'associated enterprises' during the financial year are at arm's length price and that there will be no impact on the amount of tax expense or the provision of tax on the application of the transfer pricing legislation to such transactions.
- 39** No Provision for current tax expense has been made in the current year due to tax losses incurred by the company.
- 40** Previous year's figures have been regrouped/reclassified, to correspond to current year's classification/disclosure.

As per our report attached of even date

SHARP & TANNAN

Chartered Accountants

Firm Registration No. 109982W

By the hand of

For and on behalf of the Board

Edwin P. Augustine

Partner

Membership No. 43385

K. G. Gupta

Chairman and
Managing Director

Gaurav Gupta

Director

Vikram Gupta

Director

Noel Da Silva

CFO and
Company Secretary

Place: Mumbai, Maharashtra

Date: 30th May 2015

Place: Mapusa, Goa

Date: 30th May 2015



FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statements of Subsidiaries/Associates Companies/Joint Ventures

Part "A" : Subsidiaries

In Rupees

1	Name of the Subsidiary	GKB OphthalmicsProducts, FZE (U.A.E.)	GKB OphthalmicsGmbH (Germany)
2	Reporting period for the subsidiary concerned , if different from the holding company' reporting period	December 31, 2014	December 31, 2014
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	AED 1= INR 17.02	EURO 1 = INR 67.84
4	Share Capital	1,830,150	1,081,488
5	Reserves & Surplus	131,371,869	2,128,326
6	Total Assets	145,879,464	2,197,815
7	Total Liabilities	14,507,595	69,489
8	Investments	—	—
9	Turnover	121,383,477	—
10	Profit before taxation	19,718,632	(77,403)
11	Provision for taxation	—	—
12	Profit after taxation	19,718,632	(77,403)
13	Proposed Dividend	6,252,107	—
14	% of shareholding	100.00%	100.00%

- Notes: 1. Names of subsidiaries which are yet to commence operations - NIL
2. Names of subsidiaries which have been liquidated or sold during the year - NIL

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

		ASSOCIATE COMPANIES	
1.	Name of Associates	GKB Vision Ltd.	Prime Lenses Pvt. Ltd.
2.	Latest audited Balance Sheet Date	March 31, 2015	March 31, 2015
3.	Shares of Associate held by the Company on the year end		
	No.	1,058,986	1,832,592
	Amount of Investment in Associate	10,609,860	41,760,000
	Extend of Holding %	36.47%	37.51%
4.	Description of how there is significant influence	Control of 36.47% of shareholding	Control of 37.51% of shareholding
5.	Reasons why the Associate is not consolidated	—	—
6.	Networth attributable to Shareholding as per latest audited Balance Sheet	328,831,628	51,775,371
7.	Profit /Loss for the year	26,485,404	8,912,967
	i. Considered in Consolidation	Yes	Yes
	ii. Not considered in Consolidation	—	—

- Notes: 1. Names of associates or joint ventures which are yet to commence operations - NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year - NIL

For and on behalf of Board of Directors

Place : Mapusa – Goa K. G. Gupta Gaurav Gupta Vikram Gupta Noel da Silva
Date : 30th May, 2015 Chairman & Managing Director Director Director CFO & Company Secretary



GKB Ophthalmics Ltd.

Registered Office : 16-A, Tivim Industrial Estate, Mapusa, Goa - 403 526

CIN : L26109GA1981PLC000469

Tel No. : (0832) 2257253/6714444 Fax No. : (0832) 2257044

Email : gkbophthalmics@gkb.net Website : www.gkb.net

PROXY FORM

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

Name of the member (s) :

Registered address :

E-mail Id :

Folio No. / Client Id:

DP/ID:

I/We, being the member (s) of shares of the above named Company, hereby appoint

1. Name : _____ Address : _____
Email Id : _____ Signature: _____ or failing him
2. Name : _____ Address : _____
Email Id : _____ Signature: _____ or failing him
3. Name : _____ Address : _____
Email Id : _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on the twenty six day of September, 2015 at 11.00 A.M. at the Registered Office of the Company, 16-A, Tivim Industrial Estate, Mapusa-Goa, 403 526 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

- 1(a). Consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2015, together with the Reports of the Directors and Auditors thereon.
- 1(b). Consider and adopt the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2015, together with Auditors Report thereon.
2. Re-appointment of Mr. K. M. Gupta, who retires by rotation.
3. Re-appointment of M/s. Sharp & Tannan, Chartered Accountants, as the Statutory Auditors of the Company.
4. Re-appointment of Mr. K. G. Gupta, as Managing Director.
5. Appointment of Mrs. Shashi K. Katreddi, as an Independent Director.
6. Re-appointment of Mr. Anil Palekar, as an Independent Director.
7. Re-appointment of Mr. Sadashiv Shet, as an Independent Director.
8. Re-appointment of Mr. Joseph A.A. D'Costa, as an Independent Director.
9. Re-appointment of Mr. Christopher Hickman, as an Independent Director.
10. Amendment of Articles of Association as per Companies Act, 2013.

Signed this day of 2015.

Signature of shareholder

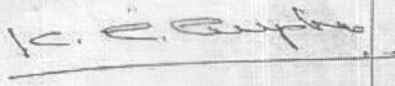

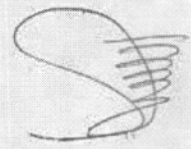
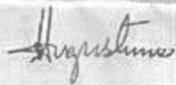


Signature of the Proxy holder (s)

Note : *This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchanges as per clause 31 (a) of the Listing Agreement.

1	Name of the Company	GKB Ophthalmics Limited
2	Annual financial statements for the year ended	Standalone financial statements for the year ended March 31, 2015
3	Type of Audit observation	Unqualified report and No matter of emphasis paragraph.
4	Frequency of observation	Not Applicable as the report is unqualified.
5	<p>To be signed by :-</p> <p>Mr. K. G. Gupta Managing Director</p> <p>Mr. Noel da Silva CFO & Company Secretary</p> <p>Mr. Sadashiv Shet Chairman of the Audit Committee</p> <p>Place : Mapusa, Goa Date : May 30, 2015</p> <p>Mr. Edwin P. Augustine Partner SHARP & TANNAN Chartered Accountants (Auditor of the Company)</p> <p>Place: Mumbai, Maharashtra. Date : May 30, 2015</p>	   

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchanges as per clause 31 (a) of the Listing Agreement.

1	Name of the Company	GKB Ophthalmics Limited
2	Annual financial statements for the year ended	Consolidated financial statements for the year ended March 31, 2015
3	Type of Audit observation	Unqualified report and No matter of emphasis paragraph.
4	Frequency of observation	Not Applicable as the report is unqualified.
5	To be signed by :- Mr. K. G. Gupta Managing Director Mr. Noel da Silva CFO & Company Secretary Mr. Sadashiv Shet Chairman of the Audit Committee Place : Mapusa, Goa Date : May 30, 2015 Mr. Edwin P. Augustine Partner SHARP & TANNAN Chartered Accountants (Auditor of the Company) Place: Mumbai, Maharashtra. Date : May 30, 2015	