ANNUAL REPORT
2018 – 2019

GKB SINCE 1960

GKB Ophthalmics Ltd.

GKB Ophthalmics Ltd.

BOARD OF DIRECTORS:
Mr. K. G. Gupta - Chairman and Managing Director
Mr. Vikram Gupta
Mr. Gaurav Gupta (upto April 20, 2019)
Mr. Anil Palekar
Mr. Sadashiv Shet
Mr. Joseph A.A. D'Costa
Mr. Christopher Hickman (upto September 05, 2018)
Mrs. Shashi K. Katreddi
Mr. Prakash V. Joshi
Mr. Subhash Redkar (w.e.f. August 14, 2019)

CFO :
Mr. Gurudas Sawant (w.e.f. April 01, 2019)

CFO & COMPANY SECRETARY:
Mr. Noel da Silva (up to March 31, 2019)

COMPANY SECRETARY:
Ms. Pooja Bicholkar (w.e.f. April 01, 2019)

STATUTORY AUDITORS:
M/s. MSKA & Associates
Chartered Accountants
Mumbai

SECRETARIAL AUDITOR:
CS. Girija Nagvekar
Practising Company Secretary
Panaji - Goa

INTERNAL AUDIT:
Kulkarni & Bhat
Chartered Accountants
Margao, Goa

BANKERS:
State Bank of India
The Saraswat Co-op. Bank Ltd.

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

CIN : L26109GA1981PLC000469
Tel No. : (0832) 2257253/6714444
Fax No. : (0832) 2257044
Email : gkbophthalmics@gkb.net
: investor.grievance@gkb.net
Website : www.gkb.net

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NOTICE

NOTICE is hereby given that the THIRTY SEVENTH ANNUAL GENERAL MEETING of GKB OPHTHALMICS LIMITED (CIN : L26109GA1981PLC000469) will be held on Monday, September 30, 2019, 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. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Directors and Auditors thereon.

2. To consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019, together with the Report of Auditors thereon.

3. To appoint a Director in place of Mr. Prakash Vaman Joshi, (DIN: 00051906), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

   Variation in remuneration of Mr. K.G. Gupta, Managing Director of the Company

   " **RESOLVED THAT** in partial modification of the Special Resolution passed at the Extra Ordinary General Meeting of the Company held on June 04, 2018 and pursuant to Article 84 of the Articles of Association of the Company and pursuant to the provisions of Sections 196,197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013, if any, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, 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 April 20, 2019, approval of the members is hereby accorded to increase the salary of Mr. K.G .Gupta, Managing Director from Rs. 2,50,000/- to Rs. 3,00,000/- (Rupees three lakhs) per month for the remaining period of the tenure from May 01, 2019 to March 31, 2021, as per the Supplementary Agreement entered into between the Company and Mr. K. G. Gupta, Managing Director.

   RESOLVED FURTHER THAT all other terms and conditions approved by the members at the Extra Ordinary General Meeting held on June 04, 2018, shall remain unchanged and the remuneration payable to Mr. K. G. Gupta, Managing Director shall be subject to overall ceiling provided under provisions of Sections 196 and 197, read with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

   RESOLVED FURTHER THAT during the currency of the present tenure of Mr. K. G. Gupta, Managing Director, if the Company has no profits or its profits are inadequate, the remuneration set out above, may be paid as minimum remuneration, subject to such statutory approvals as may be necessary.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all necessary steps to give effect to this resolution. "

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

   Appointment of Mr. Subhash Redkar as an Executive Director of the Company.

   "**RESOLVED THAT** in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any Statutory modification(s) or re-enactment(s) thereof, for the time being in force, Mr. Subhash Redkar holding DIN No. 0008515642, who was appointed as an Additional Director of the company by recommendation ofthe Nomination and Remuneration Committee, and as approved by the Board of Directors at their respective meetings held on August 14, 2019, who holds office up to the date of this Annual General Meeting, in terms of

Section 161 of the Companies Act read with Article 66 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of a Director of the Company, be and is hereby appointed as an Executive Director of the Company, at a remuneration and on the terms set out below for a period of three years with effect from August 14, 2019.

I. Basic Salary: Rs. 36,400/- (Rupees Thirty Six Thousand Four Hundred only) per month.

II. Variable pay shall depend on his own performance and the business performance of the Company.

III. House Rent Allowance as per the rules of the Company.

IV. Perquisites/ Benefits:-
   a) Medical Allowance, Car Allowance and Conveyance allowance as per the policy of the company
   b) Leave Travel Concession as per the rules of the Company
   c) Children's Education Allowance

V. Other Benefits:
   a) Contribution to Provident Fund,
   b) Contribution to Superannuation Fund , in accordance with the rules of the Company.
   c) Gratuity payable at the rate of half month's Salary for each completed year of service, and
   d) 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. Subhash Redkar shall be subject to the overall ceiling prescribed under Section 197 and 198 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. Subhash Redkar, as Executive 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.

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

To approve the Annual Limits for Related Party Transactions for the period April 01, 2020 to March 31, 2023.

"**RESOLVED THAT** pursuant to Regulation 23(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's policy on materiality of related party transactions and on dealing with related party transactions, the consent of the members be and is hereby accorded to enter into a contract, transactions or arrangement with GKB Vision Private Limited , Prime Lenses Private Limited and GKB Vision FZC , Sharjah UAE, for a term of 3 years with effect from April 01, 2020 to March 31, 2023, on such terms and conditions as may be mutually agreed upon, between the Company and said related parties for an amount not exceeding Rs. 50.00 crores(Rupees Fifty crores only) per annum, as long as the transactions so carried out are in its ordinary course of business and at arm's length basis.

RESOLVED FURTHER THAT the Board of Directors and / or any Key Managerial Personnel of the Company be and is hereby authorised to do all such acts, deeds, matters and things, to execute all such documents, instruments and writings as may be required in its absolute discretion, to give effect to this Resolution."

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/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

   In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. 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.

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 Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, the September 19, 2019 to Monday, the September 30, 2019** (both days inclusive).

5. 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.

6. Members are also requested to note that, the Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) details of every participant in securities market. Those holding shares in electronic form are requested to submit the PAN to their Depository Participants, with whom they are maintaining their dematerialised accounts. Whereas, members holding shares in physical form are requested to submit the PAN details to the Company's Registrar and Share Transfer Agent.

7. Electronic copy of the Annual Report 2018-19 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 2018-19, is also available on Company's website www.gkb.net

8. 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.

9. The Company has not declared any dividend since 2010 -11. There are no unclaimed dividends from the year 2010-11,
to be transferred to Investor Education and Protection Fund (IEPF).

10. Instructions for voting by Electronic means (e-voting).
    The instructions for shareholders voting electronically are as under:

    (i) The voting period begins on **27.09.2019 at 9:00 A.M. and ends on 29.09.2019 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 **23.09.2019** 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 /members.

(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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant **GKB OPHTHALMICS LIMITED** on which you choose to vote.

(xii) On the voting page, you will see **"RESOLUTION DESCRIPTION"** and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on **"OK"**, else to change your vote, click on **"CANCEL"** and accordingly modify your vote.

(xv) Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) 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 linked in the login should be emailed 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.

(xx) 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.

In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xx) above to cast vote.

a) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off-date (record date) of **September 23, 2019.**

b) Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-of-date and not casting their vote electronically, may cast their vote at the AGM venue.

c) The scrutinizer shall within a period not exceeding two (2) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against , if any, forthwith to the Chairman of the Company.

d) The results shall be declared after the AGM of the Company. The results declared along with the scrutinizer's report shall be placed on the Company's website www.gkb.net and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to Bombay Stock Exchange Limited.

e) A member can opt for only one mode of voting i.e. either through e-voting or voting at the AGM. If a member casts votes by both modes, then voting done through e-voting shall prevail and the voting at AGM shall be treated as invalid.

f) The Board of Directors has appointed Mr. Shivaram Bhat, Practising Company Secretary, (Membership No. 10454) as a Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.

11. All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working hours and including the date up to the date of the Annual General Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4:

The Members of the Company vide Resolution passed at the Extra Ordinary General Meeting dated June 04, 2018, had re-appointed Mr. K.G. Gupta as the Chairman and Managing Director of the Company for a tenure of three years effective from April 01, 2018 to March 31, 2021. The last revision in the remuneration paid to Mr. K.G. Gupta was done in the AGM held on September 26, 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 and the present competitive scenario, thought it fit to increase his salary from Rs. 2,50,000/- to Rs. 3,00,000/- , per month for the remaining period of the tenure.

Mr. K. G. Gupta is also a Director in GKB Vision Pvt. Ltd; Prime Lenses Pvt. Ltd, GSV Ophthalmics Private Limited and Crysta Lenses Pvt. Ltd. Mr. K. G. Gupta, Managing Director holds 8,00,024 equity shares and Krishna Gopal Gupta (HUF) holds 1,72,032 equity shares in the Company .

Details of Mr. K.G. Gupta are provided in the Annexure to the notice pursuant to Listing Regulations and Secretarial Standard -2, on General Meetings.

Except Mr. K.G. Gupta and his relatives, to the extent of their shareholding, and the directorship held by Mr. Vikram Gupta (being related to Mr. K.G. Gupta), none of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the resolution as set out in item no. 4 of the Notice.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

Item No. 5:

Based on the recommendations of the Nomination and Remuneration Committee of the Company and pursuant to the provisions of Section 161 of the Companies Act 2013, read with Article 66 of the Articles of Association, Mr. Subhash Redkar was appointed as an Additional Director w.e.f. August 14, 2019, till the conclusion of this Annual General Meeting.

Details of Mr. Subhash Redkar are provided in the Annexure to the notice pursuant to the Listing Regulations and Secretarial Standard -2, on General Meetings.

None of the Directors or Key Managerial Personnel of the Company and their relatives, except Mr. Subhash Redkar is concerned or interested financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

Annexure to the Notice

Particulars and additional information of the directors seeking appointment / re-appointment pursuant to Regulation 36(3) of the Listing Regulations and in terms of Secretarial Standards on General Meetings (SS-2) :

Name of the Director	**K. G. Gupta** Promoter, Managing Director	**Prakash Vaman Joshi** Non-Executive Director	**Subhash Redkar** Executive Director
Date of Birth	31.12.1940	28.10.1956	19.09.1978
Date of first appointment	10.12.1981	23.09.2017	14.08.2019
Brief Resume	Mr. K. G. Gupta is a Science Graduate and is well known figure in the Ophthalmic Industry all over the World, has a rich experience of 57 years in the field and has been the Chairman of the Board of Directors and Managing Director of the Company since inception. He is a founder Director of GKB Vision Private Limited and is a Non Executive Director of Prime Lenses Private Limited. Mr.Gupta is a past Chairman of CII in Goa and was a member of Western Regional Council and a member of Regional Governing Council during 2010-12 and 2012-14 , Special Economic Zone, SEZ, Andheri, Mumbai. Under his leadership, the	Mr. Prakash V. Joshi, is a Post Graduate in Science and is a Non Executive Director of the Company. He worked as Technical Officer in Goa Electronics Limited, Mapusa Goa. He held the position of General Manager in GKB Ophthalmics Limited and has experience of over 34 years in ophthalmic field. He has expertise in various fields including order processing and execution, export marketing, administration and Customs related matters. He is a member of Government of India, Export Promotion Council of India since 2013. He is a member of the World Trade Centre, Goa, since 2017	Mr. Subhash Redkar, is a Mechanical Engineer from Goa University. He held various positions in GKB Ophthalmics Limited and GKB Vision Private Limited during 19 years and currently working as Plant Manager, who is responsible for the entire manufacturing process of plastic lenses including production planning, order execution, process improvements, variance analysis, Operations and coordination of about 290 workers and junior Engineers. He is also involved in QA & QC aspects of the products and safety measures and he is member of GKB Ophthalmics Ltd safety Committee. He is in charge of administrative

Name of the Director	**K. G. Gupta** Promoter, Managing Director	**Prakash Vaman Joshi** Non-Executive Director	**Subhash Redkar** Executive Director
	Company has won the prestigious Business Today YES Bank, Best SME award 2010, in the International Trade. The Company has 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.		activities and implementation of production incentive schemes. He had visited China thrice to study Lens Manufacturing process.
Expertise	Production, administration and export sales	Export sales, administration and Commercial taxes	Operations/Production
Qualifications	B.Sc.	M.Sc.	B.E.
Directorship held in other listed Companies	Nil	Nil	Nil
Membership/Chairmanships of Committees in GKB Ophthalmics Ltd	Nil	1 (One) Membership	Nil
No. of Board Meetings attended during the year 2018-19	7 (Seven)	8 (Eight)	N.A.
No. of Shares held in the Company	8,00,024	1,200	0
Relationship between Directors inter-se	Father of Mr. Vikram Gupta	None	None

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 manufacturing of plastic lenses. It has manufacturing facilities at Tivim Industrial Estate, Mapusa – Goa.

(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	**2015-16**	**2016-17**	**2017-18**
Sales	3,347.93	3,978.18	3,743.28
Net Profit	1,366.00	63.23	(265.42)
Dividend %	-	-	-

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

Rs. in lakhs

Foreign Exchange Earned and used	**2015-16**	**2016-17**	**2017-18**
Foreign exchanged earned	2,076.51	1,107.44	672.62
Foreign exchanged used	1,376.23	1,744.67	1,205.67
Net earnings	700.28	(637.23)	(532.95)

(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 APPOINTEES:

Name of the Director	Mr. K.G. Gupta	Mr. Subhash Redkar
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 57 years in the field. He has been the Chairman of the Board of Directors and is Managing Director of the Company since inception.	Mr. Subhash Redkar, is a Mechanical Engineer from Goa University. He has 19 years of experience in Production, Operation, Quality, Planning, process improvements of Plastic Lenses. He is the Plant Manager of the Company since 2013.
Past remuneration	The last remuneration paid to Mr. K. G. Gupta was Rs. 41.78 lakhs for the financial year 31st March 2019. This was as per the terms approved by the members at the Extra Ordinary General Meeting of the Company held on June 04, 2018.	The last Salary as a Plant Manager received by Mr. Subhash Redkar for the financial year ended 31st March 2019, was Rs. 9.24 Lacs.
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	NIL

Name of the Director	Mr. K.G. Gupta	Mr. Subhash Redkar
	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, TUV Nord, for the manufacture and supply of plastic lenses and glass moulds.	
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 the entire turnover of the Company. 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.	As Plant manager, Mr. Subhash Redkar is responsible for the entire manufacturing process of CR Ophthalmics lenses including production planning, order execution, process improvements, variance analysis, Operations and co-ordination of about 290 workers and junior Engineers. He is also involved in QA & QC aspects of the products and safety measures
Remuneration Proposed	As mentioned in Item No. 4, under Special Business	As mentioned in Item No. 5, under Special Business
Comparative Remuneration	Considering the size of the Company, the Industry benchmarks, experience and the responsibilities shouldered by the appointee, the proposed remuneration paid is in line with the remuneration paid to similar appointees in the Industry.	The remuneration proposed to be paid to the director being paid based on the experience and expertise in the similar role in the industry.
Pecuniary Relationship	Except for the proposed remuneration and transactions with related parties, 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.	Except for the proposed remuneration, Mr. Subhash Redkar 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:
As there was lack of demand for glass lenses, the Company had to switch on totally to manufacture of Plastic Lenses. As far as manufacturing of Plastic Lenses is concerned , the competition from Chinese Plastic Lens market has become more stiff due to ongoing US – China Trade War. China is pushing their lenses fiercely in Indian market at lower than cost price.

(2) Steps taken or proposed to be taken for improvement:
We are in the process of increasing the capacity of plastic lenses from existing 14,000 pieces per day to 18,000 pieces per day during the current financial year. This will enable the Company to reduce the losses during the current financial year

(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 on 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, have been made in Corporate Governance Report which forms a part of the Board of Directors' Report.

(2) The disclosures regarding all elements of remuneration package and other required details have been made.

Item No. 6:

The members had accorded their consent for the Related Party Transactions for a period of 3 years with effect from April 01, 2017 to March 31, 2020, by way of postal ballot proceedings held on March 29, 2017.

All the Related Party Transactions entered into by the Company with Related Parties are in its ordinary course of business and at arm's length basis.

In terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR), all Related Party Transactions require prior approval of the Audit committee. Further, in terms of Regulation 23(4) of LODR, all material related Party transactions also require approval of the members through resolution.

A transaction with related party is considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

The annual consolidated turnover of the Company as per the last audited financial statements for the year ended March 31, 2019, was Rs. 5933.98 lakhs.

In future also, the related party transactions will exceed the threshold limit of 10% and hence, the consent of the members is sought for annual limit of Rs. 50.00 crores (Rupees Fifty crores only) for these transactions.

The Audit Committee and the Board of Directors at their respective meetings held on May 30, 2019, have approved the above annual limits for related party transactions.

The following relevant information is given below:

(a) Name of the related party, Name of the Directors and nature of relationship:
GKB Vision Private Limited, Prime Lenses Private Limited and GKB Vision FZC, Sharjah UAE.
Nature of relationship:- Mr. K. G. Gupta, Managing Director, Mr. Vikram Gupta, Director of the Company are interested in GKB Vision Private Limited and Prime Lenses Private Limited, being Directors and shareholders, in these Companies and in GKB Vision FZC, Sharjah, UAE, being Associate Company.

(b) Nature, duration of the contracts and particulars of the contract or arrangement. The details of nature of interest are provided below:

i. Nature: Business/commercial contracts in the ordinary course of business and at arm's length basis.

ii. Duration: Each contract is for a period of 3 years with effect from April 01, 2020 till March 31, 2023.

iii Particulars of the contract or arrangement: The nature of the Contract is for sale, purchase or supply of any goods, or materials; selling or otherwise disposing of, or buying, property or machinery of any kind; leasing of property of any kind ; availing or rendering of any services; and such other transactions in the normal course of business. The transactions include buying, selling of Ophthalmic lenses in all forms, both of glass as well as plastic and glass moulds used in the manufacture of plastic lenses, with annual limits of Rs. 50.00 crores (Rupees Fifty crores only)

(c) The material terms of the contract or arrangement including the value, if any: As referred in i, ii and iii of point (b) above

(d) Any advance paid or received for the contract or arrangement, if any:
Yes, advances received from time to time and are duly recorded in the books of accounts.

(e) The manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract:
All proposed transactions would be carried out as a part of the business requirements of the Company and are ensured to be on arm's length basis and in ordinary course of business. Further, the Company is also subject to transfer pricing norms prevalent in the country.

(f) Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors:
All factors have been considered.

(g) Any other information relevant or important for the members to take a decision on the proposed transaction:
Mr. K. G. Gupta and Mr. Vikram Gupta, Directors of the Company being interested, were not present at the Board Meeting during discussions on related party transactions. The related parties will abstain from voting on the resolution in terms of Regulation 23(4) of LODR, at the ensuing Annual General Meeting.

Mr. K.G. Gupta and Mr. Vikram Gupta, are deemed to be concerned and interested in this resolution

No other Director, Key Managerial Personnel of the Company or their relatives are in any way of the concerned or interested, financially or otherwise, in this resolution.

The Board of Directors recommends passing of the Ordinary Resolution for approval of the members, as set out in Item No.6 here in above.

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

By order of the Board of Directors
For GKB Ophthalmics Limited

Pooja Bicholkar
Company Secretary
ACS 54716

Place: Mapusa-Goa
Date : August 14, 2019

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have great pleasure in presenting before you the 37th Annual Report of the Company together with the Audited Annual Financial Statements of the Company for the year ended March 31, 2019.

FINANCIAL RESULTS:
The Company's financial performance for the year under review along with the previous year figures is given hereunder:

Rs. in lakhs

	2018-19	2017-18
Revenue from Operations & Other Income	**3,309.29**	3,848.66
Profit/Loss before Financial Charges, Depreciation & Taxation	**157.08**	6.80
Less: Finance Charges	**139.34**	122.75
Less: Depreciation	**343.13**	158.16
Less: Deferred Tax	**(47.54)**	(16.57)
Profit/ (Loss) for the year	**(277.85)**	(257.55)
Other Comprehensive Income (Net of Taxes)	**5.97**	(7.87)
Total Comprehensive Income for the year	**(271.88)**	(265.42)
Balance from previous years	**1,359.33**	1,624.76
Balance carried forward	**1,087.45**	1,359.33

OPERATIONS:
During the year under review, the turnover of the Company was lower to the tune of Rs. 3,309.29 lakhs compared to Rs. 3,848.66 lakhs in the previous financial year. There was a net loss of Rs. 277.85 lakhs during the current financial year compared to a net loss of Rs. 257.55 lakhs during the previous financial year. As there was lack of demand for glass lenses, the Company had to switch on totally to manufacture of Plastic Lenses. As far as manufacturing of Plastic Lenses is concerned , there is stiff competition from China. Due to ongoing US – China Trade War, China is dumping their lenses more fiercely in Indian market, at lower than cost price. The Company is in the advanced stage of making a representation to the Central Government on imposing Anti – Dumping Duty.

DIVIDEND:
With the view to conserve the resources, your Directors regret their inability to recommend any dividend for the year 2018-19. No amount has been transferred to reserve for the financial year ended March 31, 2019.

SHARE CAPITAL:
The paid up equity share capital as on March 31, 2019 is Rs. 464.06 lakhs. The Share Capital of the company has been increased by Rs. 48.70 lakhs as the company has issued Equity shares to Non- Promoters and Non Promoter Groups, on preferential basis.

ISSUE OF SHARES ON PREFERENTIAL BASIS:-
The company has issued 6,50,000 equity shares of Rs 10 each on preferential basis. Out of which 4,87,000 equits shares were subscribed by Non- Promoters and Non- Promoter Groups, pursuant to a resolution passed by the shareholders in the Extra Ordinary General Meeting held on June 04, 2018. The total consideration received was Rs. 7.54 crores.
The 'in-principle' approval from BSE Ltd., was received on July 13, 2018 and the shares were allotted within 15 days on July 27, 2018, in compliance with Chapter VII of SEBI (ICDR) Regulations, 2009. The issue price of the Shares was Rs. 155/- which included a premium of Rs. 145/- per share. The price was determined on the basis of a valuation report given by Statutory Auditor, MSKA & Associates, Chartered Accountants, appointed by the Audit Committee.

ISSUE OF EQUITY CONVERTIBLE WARRANTS:-

The Company has issued 7,50,000 Equity Convertible Warrants, on preferential basis to Promoters and Non- Promoters/ Non Promoter Groups, pursuant to a resolution passed by the shareholders on June 04, 2018. The issue price of the Warrant was Rs. 155/- which included a premium of Rs. 145/- per warrant out of which 25% of the consideration was received upfront, in compliance with Chapter VII of SEBI (ICDR) Regulations, 2009. The price was determined on the basis of a valuation report given by Statutory Auditor, MSKA & Associates, Chartered Accountants, appointed by the Audit Committee.

The total consideration received was Rs. 2.90 crores i.e. 25% of the total issue price. The warrants are issued to Promoters and Non- Promoters/ Non Promoter Groups. The Promoters have subscribed for 2,00,000 Warrants out of 7,50,000 Warrants and 5,50,000 Warrants are subscribed by Non- Promoters/ Non - Promoter Groups. The warrants may be converted into Equity Shares before the expiry of 18 months from the date of allotment of the Warrants, i.e. July 27, 2018, subject to receipt of remaining 75% of the issue price.

SUBSIDIARIES:

The Company has a Wholly Owned Subsidiary, namely, GKB Ophthalmics Products FZE, Sharjah, UAE. The Lens Company NJ, USA, is a Wholly Owned Subsidiary of GKB Ophthalmics Products FZE and a Step Down Subsidiary of the Company. The proposal for winding up of GKB Ophthalmics GmbH, is pending for approval with Reserve Bank of India, Mumbai.

On October 05, 2018, GSV Ophthalmics Private Limited has been incorporated and is a Wholly Owned Subsidiary of the Company. We are in the process of completing various formalities required for the project.

A statement under Section 129(3) of the Companies Act, 2013, containing salient features of the financial statement and performance of subsidiaries in Form AOC-1, is annexed with the Consolidated Financial Statements. In terms of Section 136(1)(a) of the Companies Act, 2013, the Audited Accounts of the subsidiaries are placed on website of the Company at www.gkb.net. A copy of the audited financial statements in respect of each of the subsidiaries will be made available to interested shareholders, upon a written request. The audited accounts of the subsidiaries are also available at the Registered Office of the Company, for inspection, during business hours.

TRANSFERS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Ministry of Corporate Affairs has set up the Investor Education and Protection Fund for promotion of investor awareness and protection of investor interests. In terms of Section 124 of the Companies Act, 2013 and the rules made thereunder, the dividends in respect of the shares of the Company which have remained unpaid or unclaimed for seven consecutive years or more, are required to be transferred to IEPF.

The Company has not declared any dividend since 2010-11 and hence there are no unclaimed dividends to be transferred to IEPF from 2010-11, onwards.

ACCREDITION:

The Company has been accredited with ISO 9001:2015 by TUV SUD , South Asia Private Limited.

CHANGE IN PROMOTERS' SHAREHOLDING:

The Company has allotted 4,87,000 Equity Shares of Rs. 155 each (including a premium of Rs 145) on preferential basis to Non Promoters and Non Promoter Groups. Consequently, the Promoter's shareholding has gone down to 48.41% from 54.08% and Public shareholding has gone up to 51.59% from 45.92%.

CHANGE IN NATURE OF BUSINESS, IF ANY:

There has been no change in the nature of business of the Company during the year 2018-19.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Prakash V. Joshi will be retiring by rotation at the forthcoming AGM, pursuant to Articles of Association of the Company being eligible offers himself for re-appointment. Brief resume together with other relevant details of Mr. Prakash Joshi are given in Annexure to the Notice for the ensuing Annual General Meeting.

Mr. Christopher Hickman, Non-Executive Independent Director, resigned with effect from September 05, 2018, due to personal reasons. The Board places on record its appreciation for the guidance provided by him, during his tenure , as a Director of the Company. Mr. Gaurav Gupta, has relinquished the position of Non-Executive Director w.e.f. April 20, 2019. Mr. Prakash V. Joshi has relinquished the office of Executive Director and is now a Non-Executive Director w.e.f. February 01, 2019.

Mr. Noel Da Silva has ceased to be the Chief Financial Officer, Company Secretary and Key Managerial Personnel of the Company, with effect from March 31, 2019. Mr. Gurudas Sawant has been appointment as the Chief Financial Officer and Key Managerial Personnel of the Company and Ms. Pooja Bicholkar has been appointment as Company Secretary and Key Managerial Personnel of the company, both, with effect from April 01, 2019.

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 following are the Key Managerial Personnel (KMP) of the Company as on the date of this report:-

Sr. No.	Name of the KMP	Designation
1	Mr. K. G. Gupta	Managing Director
2	Mr. Gurudas Sawant	Chief Financial Officer
3	Ms. Pooja Bicholkar	Company Secretary

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:
In terms of Section 149 (8) read with Schedule IV, of the Companies Act, 2013, the Independent Directors held a Meeting on March 25, 2019, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting.

At this meeting, the Independent Directors:
1. Reviewed the performance of the Non-Independent Directors and the Board as a whole.
2. Reviewed the performance of Chairperson, taking into account the views of Executive Director 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.
4. Discussed and decided about the familiarization of Independent Directors' programme, conducted by the Company and also views of the Independent Directors on the familiarization programmes.

INDEPENDENT DIRECTORS' DECLARATION
The Independent Directors have submitted the Declaration of Independence, as required pursuant to Section 149 of the Companies Act, 2013 and provisions of the Listing Regulations, 2015, stating that they meet the criteria of independence, as provided therein. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

MEETINGS OF THE BOARD OF DIRECTORS:
During the year under review, eight Board Meetings were held. Further details are given in Corporate Governance Report, forming part of this Report. The maximum gap between two Board Meetings held during the year was not more than 120 days.

AUDIT COMMITTEE:
The composition of the Audit Committee and other details are given in Corporate Governance Report, which is part of this report.

NOMINATION AND REMUNERATION COMMITTEE:
The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of a director, relating to remuneration for directors, key managerial personnel as provided under section 178(3) of the Companies Act, 2013 and Listing Regulations, 2015.

The Remuneration Policy is stated in the Corporate Governance Report which is part of this report. Further details have been disseminated on the Company's website www.gkb.net

PERFORMANCE EVALUATION:
The Board evaluated the performance of the Board as a whole, Committees of the Board and the performance of individual directors including the Chairman of the Board pursuant to Regulation 17(10) of the Listing Regulations. The performance of the Board, Committees and individual Directors was evaluated by the Board seeking inputs from all the Directors. The Independent Directors also carried out the performance evaluation in terms of Part VIII of Schedule IV of the Companies Act, 2013, in their meeting held on March 25, 2019.

The details of the Performance Evaluation carried out is provided in the Corporate Governance Report which is a part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT:
Pursuant to provision of Section 134 (5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability 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 departures.

b) that they have 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 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 safeguarding 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:
Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, in the 36th Annual General Meeting held on August 27, 2018, M/s. MSKA & Associates, Chartered Accountants (FRN 105047 W) were appointed as Statutory Auditors of the Company for a term of five years at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company. The Statutory Auditor to hold the office till the conclusion of the Annual General Meeting to be held in the year 2022-23.

AUDITORS' REPORT:
The Auditors' Report is unmodified and there are no qualifications, reservations or adverse remarks or disclaimers.
In respect of the observation made by the Auditors in their report, the Board's response thereon is as follows:

(i) Paragraph 2 (g) (iii)

The Dividend for the financial year 2009-10 was paid to the shareholders by way of Dividend Warrants. Upon the Dividend Warrants becoming out of date/ Warrants not received/ misplaced by the shareholders, the Company had issued to the shareholders Demand Drafts in lieu of Dividend Warrants.

In terms of Circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73, of Securities and Exchange Board of India, dated April 20, 2018, Annexure , I (3), “Provisions with regard to payment of Dividend/ Interest/ Redemption”, the processing Bank shall ensure that any balances lying unpaid in Demand Draft Account, beyond the validity period of the instrument shall be cancelled and the Demand Draft amounts transferred earlier by the Bank in the said account shall be credited back immediately to the Unpaid Dividend Account of the Company .

The unclaimed dividend was lying with the Bank in their Stale Demand Draft Account. In November 2018, the processing Bank has sent us the list of 75 shareholders with balance aggregating to Rs. 25,842, who did not encash their Demand Draft. Thereafter, the Bank credited back only Rs. 12,822 out of Rs. 25,842 to Unpaid Dividend Account 2009-10, pertaining to 11 shareholders only, whose names also appear in the list of Stale Demand Draft account. Hence there is a duplication.

Further, as per the said SEBI circular, the Bank is required to submit to our Company the reconciled data which has not been received by the Company till date. The matter is being sorted out with the Bank and once the entire amount is credited to Unpaid Dividend Account, the same will be transferred to Investor Education and Protection Fund (IEPF).

(ii) Annexure B, vii (a) and (b) are self explanatory.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:
There is no significant or material order passed by any Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROL:
As per Section 134 (5) (e) of the Companies Act, 2013, 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. As per Section 143(3)(i) of the Companies Act, 2013, a report issued by M/s. MSKA & Associates, Statutory Auditors of the Company is attached with their Independent Auditor's Report, which is self explanatory.

RISK MANAGEMENT POLICY:
The Company from time to time identifies and assesses the various business risks and mitigates these risks by determining a response strategy. There are no potential business risk which in the opinion of the board threaten the existence of the Company.

PRATICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:
Particulars of loans, guarantees given and investments made during the year as required under Section 186 of the Companies Act, 2013 and Schedule V of the Listing Regulations are given in the notes to financial statements.

RELATED PARTY TRANSACTIONS:

All transactions entered into with related parties, pursuant to Section 188 of the Companies Act, 2013 and Regulation 23 of Listing Regulations, during the year were at arm's length basis and in ordinary course of business. Therefore, disclosure in Form AOC-2, is not required.

The Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions in terms of Regulation 23(1) of Listing Regulations. The Board of Directors of the Company has approved and adopted a policy on related party transactions and the same has been uploaded on Company's website (http://gkb.net/en/wp-content/uploads/Accounts/Related-party-transactions-policy.pdf)

EXTRACT OF ANNUAL RETURN:
A copy of the annual return has been placed on the website of the company and the web address is www.gkb.net

CORPORATE GOVERNANCE:
A separate section on Corporate Governance practices followed by the Company, together with certificate from the Practising Company Secretary confirming compliance, Management Discussion and Analysis Report and Declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel forms the part of this annual report.

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 Ms. Girija Nagvekar, Practising Company Secretary, for the financial year ended March 31, 2019, forming part of this Annual Report, is annexed herewith as Annexure - I. 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.

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

MATERIAL CHANGES AND COMMITTMENTS :
There are no material changes and commitments, affecting the financial position of the company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

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, Managing Director	22:1
Mr. Prakash V. Joshi, Executive Director*	5:1

*Prakash Joshi, the Executive Director was designated as Non-executive Director w.e.f. February 01, 2019.

(ii) (a) 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, Managing Director	0%
Mr. Prakash V. Joshi, Executive Director	NA
Mr. Noel da Silva, CFO & Company Secretary**	5.27%

**Mr. Noel Da Silva, Chief Financial Officer and Company Secretary and Key Managerial Personnel relinquished his position with effect from March 31, 2019

(ii)(b) The Non-Executive Directors of the Company are entitled to sitting fees within the limits approved by the Board of Directors and shareholders. The details of remuneration of Directors are provided in the Corporate Governance Report.

(iii) the percentage increase in the median remuneration of employees in the financial year : 9.21%

(iv) the number of permanent employees on the rolls of Company : 192

(v) 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:

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2018-19 was 11.41% whereas the increase in the managerial remuneration for the same financial year was 1.32%.

(vi) comparison of each remuneration of the Key Managerial against the performance of the Company:
The remuneration of the Managing Director was within the minimum remuneration as per Schedule V, Part II and Section II of the Companies Act, 2013.

(vii) 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 net 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 traveling expenses for attending Board and Committee Meetings.

(viii) 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.

(xi) 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:
None of the employees is covered under Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:
As per Listing Regulations, Management Discussion and Analysis Report is attached to this report.

FINANCE:
The Company has availed fresh term loan from State Bank of India of Rs. 220.00 lakhs during the financial year ended March 31, 2019. Total Fund based exposure of the Company with the Banks was to the tune of Rs. 1120.00 lakhs. Total Non-Fund based exposure of the Company with the Banks was to the tune of Rs. 610.00 lakhs

PUBLIC DEPOSITS
The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public deposits was outstanding as on 31st March 2019.

CREDIT RATING:
CRISIL Limited – the credit rating agency, has assigned the credit rating of "CRISIL B/Stable (Re-affirmed)" to the long-term Bank facilities availed by the Company and credit rating of "CRISIL A4 (Re-affirmed)" to the short-term Bank facilities availed/proposed by the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY
The Company has in place a Vigil Mechanism. It provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct policy and the same has been posted on the Company's website www.gkb.net.

REPORTING OF FRAUD BY AUDITORS:
During the year under review, no offense involving fraud has been committed against the Company by its employees or officers of the Company in terms of Section 143(12) of the Companies Act, 2013.

DISCLOSURE UNDER THE SEXUAL HARASSMENT 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.

RESUME OF HEALTH & SAFETY PERFORMANCE OF THE FACTORY:

In terms of Section 90 B (5) (d) of the Goa Factories Rules, 1985, the Company has a Occupational Health, Safety and Environment Policy, through which every employee is made responsible for the observance of the measures designed to prevent accidents, damage to property, occupational ill- health and avoidable environmental pollutants.
Safety & Health :- For the safe work environment, Hazard Identification & Risk Assessment workshops and training programme were conducted for the employees on First Aid procedure and Behavioural Safety Programme, programme on Occupational Safety, Health & Environment, etc. with a view to equip them to recognize the hazards and risks associated with a given task and take preemptive action. Also, the Annual event via Safety Week Celebrations was celebrated from (04-10 March 2019) for Statutory requirements under Factories Act and familiarization course in General Fire Fighting was organised.
Audit - Occupational Safety & Health Audit, and Internal Electrical Safety Audit was conducted to assess potential fire hazards in the factory set-up and to provide assurance on the implementation and effectiveness of these system and processes. The company has organized the medical check-up, health consultation and counselling during the period from June 2018 till September 2018.
Environment: - The Company has been focusing on achieving environmental standards with go green philosophy. The plant is certified with ISO 9001:2015 which is upgraded from ISO 9001:2008 from the previous year. The plant has continued their efforts for water conservation. Licenses under Pollution control are periodically renewed under Air, Water and Hazard Waste Management. The process of Solid waste management disposal is on regular basis through Mumbai Waste Management Ltd., Taloja in Maharashtra.

OTHER DISCLOSURES:-

1) The consolidated financial statement is also being presented in addition to the standalone financial statement of the company.
2) The maintenance of cost records is not applicable to the Company as per the amended Companies (Cost Records and Audit) Rules, 2014, prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

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 – II and forms an integral part of this report.

ACKNOWLEDGEMENT:
Your Directors wish to acknowledge and are grateful for the excellent support received from all levels, customers, vendors, regulatory authorities, bankers, shareholders 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

K. G. Gupta
Chairman and Managing Director
DIN : 00051863

Place : Mapusa - Goa.
Date : May 30, 2019

Annexure I

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019
[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

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, 2019** 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, 2019** according to the provisions of:

(i) The Companies Act, 2013(the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act,1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,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 under the period of audit)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

…………. (Not Applicable under the period of audit)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; ……………. (Not Applicable under the period of audit)

(i) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018 and circulars/guidelines issued thereunder

(vi) The Factories Act, 1948

(vii) Trade Mark Act, 1999

(viii) Foreign Trade (Development & Regulation) Act, 1992

(ix) Customs Act, 1962

(x) Central Excise Act, 1962

(xi) Industrial Disputes Act, 1947

(xii) The Payment of Wages Act, 1936

(xiii) The Minimum Wages Act, 1948

(xiv) Employees' State Insurance Act, 1948

(xv) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

(xvi) The Payment of Bonus Act, 1965

(xvii) The Payment of Gratuity Act, 1972

(xviii) The Contract Labour (Regulation and Abolition) Act, 1970

(xix) The Maternity Benefit Act, 1961 and as amended

(xx) The Industrial Employment (Standing Orders) Act, 1946

(xxi) The Apprentice Act, 1961

(xxii) Equal Remuneration Act, 1976

(xxiii) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959

(xxiv) The Environment (Protection) Act, 1986

(xxv) Air (Prevention and Control of Pollution) Act, 1981 and rules thereunder

(xxvi) Water (Prevention and Control of Pollution) Act, 1974 and rules thereunder

(xxvii) The Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008

(xxviii) The Goa, Daman & Diu Factories Rules, 1985

(xxix) Indian Stamp Act, 1999 and The Indian Stamp(Goa, Daman and Diu Amendment) Act, 1968

(xxx) Negotiable Instrument Act, 1881

(xxxi) Goa Value Added Tax Act, 2005 and rules thereunder

(xxxii) Income Tax Act, 1961 and Indirect Tax Law

(xxxiii) Weekly Holidays Act, 1942

(xxxiv) Registration Act, 1908 and The Registration (Goa, Daman and Diu Amendment) Act, 1985

(xxxv) Goods and Service Tax (GST) Act, 2016 and as amended

(xxxvi) Sexual harassment of women at workplace (prevention, prohibition and redressal) Act 2013.

(xxxvii) Federal Food, Drug and Cosmetics, Act, USA

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and as revised.
(ii) The Listing Agreements entered into by the Company with Bombay and Calcutta Stock Exchange(s);

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

a) The Company has filed various eforms on time with Ministry of Corporate Affairs as required as per provisions of Companies Act, 2013 except only one eform was not filed with Ministry of Corporate Affairs within permitted period.

b) The Company has got three factory units: Unit I, Unit II and Unit III :

(i) The Company has paid renewal of factory license of Unit I and Unit III for three calendar years 2018-2020 with additional fees. However, renewal of factory license of these units is still under process due to rejections of structural modifications plans for want of additional information and revision and amendment of plans. The company is positive on approval of structural modification after adequate modifications under Factories Act;

(ii) The company has paid renewal of factory license of Unit II for three calendar years 2018-2020 with additional fees. The company also complied with Occupational safety and health measures as per Goa Factories Rules. However, renewal of Factory license for Unit II is still pending with Chief Inspector for want of installation of fire hydrant due minor changes suggested by Fire Department. Though the installation process has commenced, it is likely to be completed by June, 2019.

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.

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

a) The Company has complied with the requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 and timely yearly payment of renewal fees with Bombay Stock Exchange Limited.

b) The Company has also complied with SEBI (Prohibition of Insider Trading) Regulations, 2015

c) The Company has complied with rules of land on export of spectacle lens or progressive lenses to foreign nations such as Federal Food, Drug and Cosmetics, Act, USA and has obtained license under U.S. Foods and Drugs Administration, which is renewed on yearly basis.

d) The Company has engaged with Mumbai Waste Management Limited, Panvel, Maharashtra for handling and disposal of hazardous waste.

e) The Company has duly constituted Internal Complaint Committee (ICC) under Prevention of Sexual Harassment of Women at workplace (POSH) for safety and wellbeing of women employed in organization and also timely submitted the report to Goa State Commission for Women.

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.

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

Date: 16.05.2019
Place: Panaji Goa

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

'Annexure A'

To,
The Members,
GKB OPHTHALMICS LIMITED
16A TIVIM INDUSTRIAL ESTATE,
MAPUSA – GOA 403526

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules and regulations, standards is the responsibility of management. Our examination was limited to the verifications of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Date: 16.05.2019
Place: Panaji Goa

Annexure - II

ANNEXURE TO DIRECTORS' REPORT

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

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.

I. The Steps taken or impact on conservation of energy.
   (a) Scheduled and planned maintenance programme has resulted in improved performance of equipment.

   (b) Special analysis methods are used to improve performance of utilities like compressors, chillers, etc.

   (c) Existing CFL lights have been replaced in several places with low wattage LED lights, which contributes to power savings.

II. Steps taken by the Company for using alternate sources of energy
Efforts are being made to develop alternate sources of energy. Conditioned monitoring of equipments & strict monitoring for efficient usage of equipment is being continued in all sections.

III. Capital Investment on energy conservation equipments
There was no significant capital investment on energy conservation equipments during the year.

B. TECHNOLOGY ABSORPTION

I. Efforts made towards technology absorption.
Efforts are being made towards technology absorption. The technology we have adopted is best suited for our products and is absorbed in full.

II. Benefits derived like product improvement, cost reduction, product development or import substitution.
   a) Steps are taken to improve productivity by introducing innovations and developments in the Company's line of business.
   b) Research and Development has contributed towards Import Substitution and increase in productivity.

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

Sr. No.	Technology Imported	Year of import	Status
1	a) Digital Display Ultrasonic Transducer b) Auto Taping Machine c) Digital Display Ultrasonic Generator d) Ovens	2016-17	Absorbed
2	a) Auto Taping Machines b) Small Ovens and Post Curing Ovens c) Auto Edging Machines d) Hard Coating Machine e) Small and Bigger Polymerisation Ovens	2017-18	Absorbed
3	No machinery has been imported	2018-19	—-

IV. Expenditure incurred on Research and Development.
No separate expenditure has been incurred under the head Research and Development during the financial year.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO.

Rs. in lakhs

Foreign exchange earned	591.49
Foreign exchange used	1095.31
Net earnings	(503.82)

For and on behalf of the Board of Directors

K. G. Gupta
Chairman and Managing Director
DIN : 00051863

Place : Mapusa - Goa.
Date : May, 30, 2019

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) Industry Structure and Developments:

There is no demand for Glass Lenses and they have now been replaced by plastic lenses. They are organic lenses made by polymerisation of chemical mixtures consisting mainly of monomer mixed with an initiator. Now, new variants have been introduced by the Industry being High Refractive Index lenses, which are thinner and lighter in nature.

A large section of the population in India, requires vision correction and it is not readily available to them at convenient places and at affordable rates. With the increase in awareness, education and medical services, there is a big scope for increase in demand of lenses. There is an urgent need to promote investment in eye care industry.

ii) Opportunities and Threats:

The demand for Ophthalmics Lenses has slowed down due to sluggish economic conditions all over the World , including India. China is the biggest player in Ophthalmic Lens Industry and we are still awaiting the labour reforms to have a level playing field. China has advantage of economies of scale and we are facing stiff competition from China.

iii) Segment wise or Product wise Performance :

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

iv) Outlook :

Presently, the company manufactures 14,000 pieces per day of plastic lenses. The production of plastic lenses is expected to increase to 18,000 pieces per day by the end of the current financial year. This will enable the Company to reduce the losses during the current financial year.

v) Risks and Concerns:

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

vi) Internal Control Systems and their 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 Internal Audit is carried out by a firm of Independent Chartered Accountants, along with CFO of the Company. The reports of the Internal Auditors are periodically reviewed by the Audit Committee.

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

There was a net loss of Rs. 271.88 lakhs for the year 2018-19, compared to a net loss of Rs. 265.42 lakhs, during the corresponding previous year. The total sale of lenses has reduced from Rs. 3,743.28 lakhs to Rs. 3046.81 lakhs, as we have stopped manufacturing glass lenses and also due to the prevailing economic conditions.

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

The Ophthalmic lens industry is labour intensive. Labour relations have been cordial with no interruption of manufacturing activities. The total number of permanent employees of the company as on March 31, 2019, was 192, out of which 160 employees are working for more than 10 years.

REPORT ON CORPORATE GOVERNANCE

1. 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 maximize shareholders' value in the long term.

A Report on compliance with the principles of Corporate Governance as prescribed in Chapter IV read with Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations), is given below:-

2. BOARD OF DIRECTORS

a) Composition of Board

The Composition of the Board is in conformity in terms of Listing Regulations. The Board of Directors comprises of eight members, out of which seven are Non-Executive. There are four Independent Directors including one Woman Director. The Managing Director is an Executive Director and half of the Board comprises of Independent Directors.

The number of directorships and the positions held on Board Committees by the directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act, 2013 and SEBI Listing Regulations.

The Composition of the Board and other relevant details as on March 31, 2019 are given below:-

Name of the Director	DIN	Category	No. of Board Meetings Attended	Attendance at the last AGM	Number of equity shares held	Number of Equity Convertible Warrants held
Mr. K. G. Gupta	00051863	Managing Director, Promoter & Executive	7	Yes	8,00,024	1,00,000
Mr. Vikram Gupta	00052019	Promoter & Non -Executive	1	No	3,73,105	50,000
Mr. Gaurav Gupta*	00051974	Promoter & Non-Executive	6	No	3,57,966	50,000
Mr. Anil Palekar	01987078	Independent & Non-Executive	8	Yes	—	
Mr. Sadashiv Shet	02227102	Independent & Non-Executive	8	Yes	—	
Mr. Joseph A. A. D'Costa	03489392	Independent & Non-Executive	8	Yes	—	
Mr.Christopher Hickman**	06574204	Independent & Non-Executive	3	No	—	
Mrs. Shashi K. Katreddi	07139250	Independent & Non-Executive	6	No	—	
Mr. Prakash V. Joshi***	00051906	Non- Executive Director	8	Yes	1,200	

* Relinquished the position of Non-Executive Director w.e.f. April 20,2019.
**Resigned as Independent Director w.e.f. September 05, 2018, due to personal reasons.
*** Relinquished the position of Executive Director and is a Non-Executive Director w.e.f. February 01, 2019.

Other Directorships:-

Directorship in Listed Entities other than GKB Ophthalmics Limited and the category of directorship as on March 31, 2019, is as follows:

Name of the Director	Name of the other Listed Companies in which Directors of the Company	Category
Mr. Sadashiv Shet	Kore Foods Limited	Independent & Non- Executive Chairman

The number of directorships of the Board, memberships/chairmanships of the Committees for each director of the Company are as follows:

Name	Directorship #	Committee positions	
		Member ##	Chair-person
Mr. K.G. Gupta	1	0	0
Mr. Vikram Gupta	1	1	0
Mr. Gaurav Gupta	1	1	0
Mr. Anil Palekar	1	1	0
Mr. Sadashiv Shet	2	0	3
Mr. Joseph A. A. D'Costa	1	1	0
Mrs. Shashi K. Katreddi	1	0	1
Mr. Prakash V. Joshi	1	1	0

#Excludes directorships in private limited companies, foreign companies and companies registered under Section 8 of the Companies Act. Directorship includes GKB Ophthalmics Limited.
Chairmanship and membership of the Audit Committee and the Stakeholders' Relationship Committee, alone has been considered, as per Regulation 26(1) of Listing Regulations.
Membership excludes chairmanship.

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

Eight Board Meetings were held during the year under review. They were held on April 04, 2018, May 10, 2018, May 30, 2018, July 27, 2018, August 14, 2018, November 10, 2018, February 01, 2019 and February 14, 2019.

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

c) Disclosure of relationships between directors inter-se.

Mr. K. G. Gupta is the father of Mr. Vikram Gupta and Mr. Gaurav Gupta. None of the other Directors have any relationship inter-se.

d) Independent Directors.

Independent Directors appointment by the Company fulfills the conditions of independence as per Regulation 25 of Listing Regulations and provisions of Section 149(6) of the Companies Act, 2013. The independent Directors have been appointed for a fixed tenure of five years from their respective dates of appointment. Their appointment has been approved by the Members of the Company at the Annual General Meeting held on September 26, 2015.

Appointment of Independent Directors is formalised by issuing Letter of Appointment setting out terms and conditions of appointment in the manner as required under Regulation 46(2)(b) of the Listing Regulations and Section 149(8) of the Companies Act, 2013 and the same is placed on website of our Company, www.gkb.net.

An Independent Directors' meeting in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and 25(4) of the Listing Regulations, was convened on March 25, 2019, to review the performance of the Non-Independent, Non-Executive Directors and performance of the Board as a whole for the financial year 2018-19. The Chairman of the meeting was Mr. Anil Palekar. The meeting was attended by all the Independent Directors.

e) Familiarization programmes imparted to Independent Directors.

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

f) Reasons for resignation of Independent Director before the expiry of his tenure.

Mr. Christopher Hickman, Independent Director of the Company resigned as a Director and as a member of the Audit Committee of the Company with effect from September 05, 2018, on account of personal reasons.

g) Core skills/expertise/competencies of the Directors.

Pursuant to provisions in sub-para 2(h) of Part C of Schedule V of the Listing Regulations, given below is the list of core skills/expertise/competencies that the Company's Board has identified as particularly valuable to the effective oversight and functioning of the Company:

The Board of Directors has expertise in the area of ophthalmic lenses and in depth knowledge of financial matters. Board consists of a combination of experienced persons, Bankers, financially literate, educationist, legal experts and leaders in various Corporates in Government and Private sectors.

3. AUDIT COMMITTEE

a) Brief description of terms of reference:-

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 statement before submission to the board for approval.

4. Reviewing with the management the quarterly financial statement before submission to the board for approval.

5. Reviewing and monitoring auditor's independence and performance and effectiveness of audit process.

6. Evaluation of internal financial controls.

7. Scrutiny of inter corporate loans and investments.

8. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the chief internal auditor, coverage and frequency of internal audit, appointment, removal, performance and terms of remuneration of the chief internal auditor.

9. Discussing with the internal auditor and senior management, significant internal audit findings and follow-up thereon.

b) Composition, name of members and chairperson:-

The Composition of the Audit Committee is in compliance with Regulation 18 of Listing Regulations. The Audit Committee comprises of three 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 & Company Secretary, acts as the Secretary of the Committee.

The Managing Director, Internal Auditors, Statutory Auditors, Executives of Accounts and Finance Department are the permanent invitees to the Audit Committee meetings.

c) Meetings and Attendance during the year.

Four meetings were held on May 30, 2018, August 14, 2018, November 10, 2018 and February 14, 2019.

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	4
Mr. Gaurav Gupta *	Promoter & Non-Executive	Member	2
Mr. Anil Palekar	Independent & Non-Executive	Member	4
Mr. Joseph A. A. D'Costa	Independent & Non-Executive	Member	4
Mr. Christopher Hickman**	Independent & Non-Executive	Member	1

* Mr. Gaurav Gupta ceased to be the member of Audit committee on April 20, 2019.
** Mr. Christopher Hickman resigned on September 05, 2018.

4. NOMINATION AND REMUNERATION COMMITTEE

a) Brief description of terms of reference.

(i) The Nomination and 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.

(ii) As per Section 178(4), of the Companies Act 2013, the Nomination & Remuneration Committee , shall while formulating the policy under Sub-section (3) ensure that:

a) the level and composition of remuneration is reasonable and sufficient to attract , retain and motivate directors of the quality required to run the Company successfully.
b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
c) remuneration to directors ,key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The Committee shall carry out evaluation of every Director's performance and support the Board, its Committees and individual Directors, including formulation of criteria for evaluation of Independent Directors and the Board.

b) Composition, No. of Meetings held and attendance:-

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 February 14, 2019 and March 25, 2019.

The Nomination and Remuneration Committee is constituted in terms of Regulation 19(1) and (2) of Listing Regulations and in terms of Section 178 of the Companies Act, 2013.

c) Performance Evaluation criteria for Independent Directors.

In terms of Regulation 17 (10) of Listing Regulations, the performance evaluation of Independent Directors was done by the entire Board (excluding the Director being evaluated). A detailed questionnaire was circulated to all the Independent Directors and written answers were received, on a confidential basis.

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, interpersonal relationship, attendance, quality time spent for Board Meetings and leadership and commitment of Directors.

5. REMUNERATION POLICY OF DIRECTORS

The Company has a Remuneration Policy for Directors, KMP and others in accordance with the provisions of the Act and the Listing Regulations. For details on Remuneration Policy for Directors, KMP and others, kindly refer to the website of the Company – www.gkb.net.

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 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 paid to other Directors. The Company also reimburses the travelling expenses incurred by the Directors, for attending the meetings.

b) Other criteria of making payment to Non-Executive Directors has been disseminated on Company's website www.gkb.net.

c) Details of remuneration paid to all the Directors.

The Non-Executive Directors are paid sitting fees for attending the Board and 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 during the year 2018-19, are as under:

(Rs)

Name of the Director	Salary	Benefits	Sitting fees	Total
Mr. K.G. Gupta	30,00,000*	11,78,564	—	41,78,564
Mr. Vikram Gupta	—	—	20,000	20,000
Mr. Gaurav Gupta	—	—	1,10,000	1,10,000
Mr. Anil Palekar	—	—	1,50,000	1,50,000
Mr. Sadashiv Shet	—	—	1,50,000	1,50,000
Mr. Joseph A. A. D'Costa	—	—	1,50,000	1,50,000
Mr. Christopher Hickman	—	—	40,000	40,000
Mrs. Shashi K. Katreddi	—	—	1,10,000	1,10,000
Mr. Prakash Joshi#	5,00,000*	2,50,000	20,000	7,70,000

* fixed component.
Minimum Remuneration paid to the Managing Director and Executive Director. No commission or bonus or incentive pay was paid during the year 2018-19, as the Company did not make profit.

Mr. K. G. Gupta Service Contract : April 01, 2018 to March 31, 2021
Notice Period : 3 months
Severance fee : Not applicable

Prakash Joshi, Executive Director was designated as Non-Executive Director w.e.f. February 01, 2019.

The Company does not have any Employee Stock Option Scheme.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

This committee is constituted under Section 178(5) of the Companies Act, 2013 and in terms of Regulation 20 of Listing Regulations. The Committee considers and resolves the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of Annual Report and non-receipt of declared dividends.

a) Name of Non-Executive Director heading the committee:-

Mrs. Shashi K.Katreddi, a Non – Executive Director, is the Chairperson of the Committee .

b) Name and designation of Compliance Officer:-

Mr. Noel Da Silva , upto March 31,2019
Company Secretary

Ms. Pooja Bicholkar , w.e.f. April 01,2019
Company Secretary
E-mail : pooja.bicholkar@gkb.net

c) No. of Meetings held and Attendance during the year.

During the year four meetings of the Committee were held on June 04, 2018,September 17, 2018, December 29, 2018 and March 25, 2019.

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

Name of the Director	Category	Designation	No. of Meetings attended
Mrs. Shashi K. Katreddi*	Independent & Non - Executive	Chairperson	4
Mr. Vikram Gupta	Promoter & Non - Executive	Member	1
Mr. Prakash Joshi **	Non - Executive	Member	1
Mr. Gaurav Gupta **	Promoter & Non - Executive	Member	3

* The designation of Mrs. Shashi K. Katreddi was changed from member to Chairperson, w.e.f. February 14, 2019.

** Mr. Gaurav Gupta resigned from Stakeholder's Relationship Committee and Mr. Prakash Joshi was appointed as Member of the Committee w.e.f. February 14, 2019

d) During the year under review, no complaints have been received from shareholders.

7. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has formulated and adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Code of Conduct for Prohibition of Insider Trading' for its designated employees in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down the procedures to be followed and disclosures to be made by designated employees while dealing with shares of the Company.

The Company has appointed Ms. Pooja Bicholkar, Company Secretary, as the Compliance Officer under the Code to deal with dissemination of Unpublished Price Sensitive Information and for complying with the Regulations.

8. GENERAL BODY MEETINGS

a) 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
2015-16	September 24, 2016, 11.00 A.M.	Adoption of new set of Articles of Association in form Table " F "
2016-17	September 23, 2017, 11.00 A.M.	None
2017-18	August 27,2018, 11.00 A.M.	a) Ratification of corrected Shareholding Pattern in the EGM notice dated May 10, 2018 b) Ratification of Compliance Certificate issued by Statutory Auditors. c) Ratification of correction in the name of Polus Global Fund.

All resolutions moved at the last AGM were passed by means of electronic and physical voting by the requisite majority.

b) Special resolutions were passed by holding Extra Ordinary General Meeting (EGM) on June 04, 2018 at 11.00 AM at the Registered Office of the Company, 16-A Tivim Industrial Estate, Mapusa – Goa to transact the following :-
1) Issue of Equity Shares on Preferential Basis to Non – Promoters / Non Promoter Groups
2) Issue of Equity Convertible Warrants to Promoters and Non – Promoters / Non -Promoter Groups.
3) Re-appointment of Mr. K.G.Gupta, as Chairman and Managing Director of the Company.
4) Appointment of Mr. Prakash Vaman Joshi, as Executive Director.

The resolutions were passed by means of electronic and physical voting by requisite majority.

Mr. Shivaram Bhat, Practicing Company Secretary, was appointed by the Board on May 10, 2018, as the Scrutinizer, to conduct the voting process in a fair and transparent manner.

The details of the voting pattern are as under:-

Resolution	Nature of Resolution	No of valid votes cast	Votes cast in favour		Votes cast against		No. of invalid votes cast
			No. of votes	%	No. of votes	%	
Issue of Equity Shares on Preferential Basis to Non – Promoters / Non Promoter Groups	Special Resolution	26,13,996	26,13,996	100	0	0	0
Issue of Equity Convertible Warrants to Promoters/ Promoter Groups and Non – Promoters / Non Promoter Groups	Special Resolution	7,82,148	7,82,148	100	0	0	0
Re- appointment of Mr. K.G. Gupta as Chairman and Managing Director of the Company	Special Resolution	15,13,219	15,13,219	100	0	0	0
Appointment of Mr.Prakash Vaman Joshi as Executive Director	Special Resolution	26,12,771	26,12,771	100	0	0	0

Procedure for e-voting in EGM:

E-voting for EGM is conducted by the Company, pursuant to Sections 108 of the Companies Act, 2013, read with Rules 20 of the Companies (Management and Administration) Rules, 2014.

(c) There were no resolutions passed by Postal Ballot by the Company during the year under review.

9. MEANS OF COMMUNICATION

All important information relating to the Company, its financial performance, shareholding pattern, quarterly results, other information as per the Listing Regulations are regularly posted on Company's website, www.gkb.net. The quarterly, half-yearly and annual financial results of the Company are published in newspapers such as Financial Express -English Daily and Gomantak -Marathi Daily .These results are also available on the website of the Company and BSE Limited. No presentations have been made to institutional investors/analysts during the financial year.

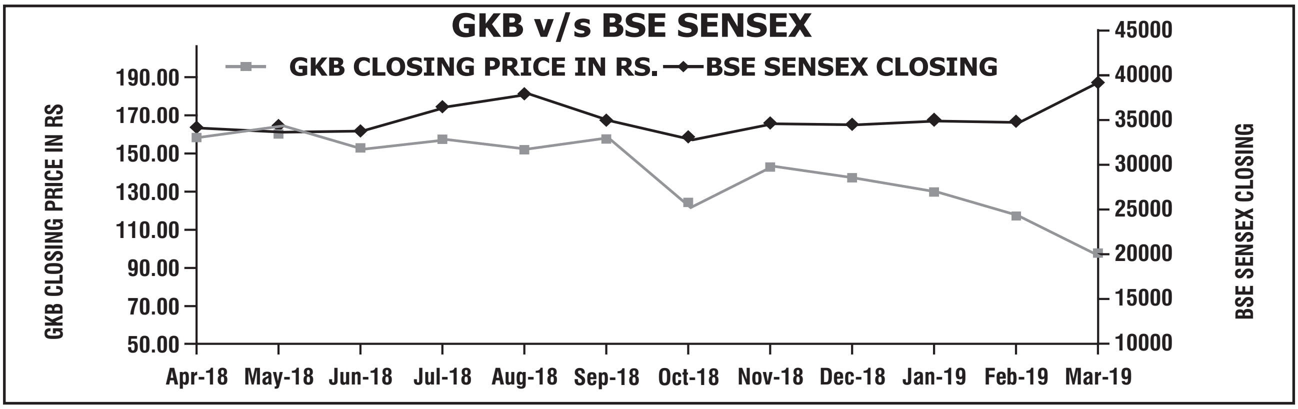
10. GENERAL SHAREHOLDER INFORMATION

i	37th Annual General Meeting		
	Date	:	September 30, 2019
	Time	:	11.00 A.M.
	Venue	:	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 is from Thursday, September 19, 2019 to Monday September 30, 2019.
iv	Dividend payment date	:	No dividend is proposed
v	Listing on Stock Exchanges	:	Bombay Stock Exchange Ltd. (BSE) 25th Floor, Phiroze Jeejubhoy Towers, Dalal Street Mumbai - 400 001 Phone : 91 -22-227 21233/4 Fax : 91-22-22721919
		:	Calcutta Stock Exchange Ltd. (CSE) 7, Lyons Range Kolkata 700001. Phones: (033) 4025 3000 FAX: (033) 2210 4500, 4025 3030.
	Fees	:	Annual Listing fees have been paid to Bombay Stock Exchange The Company has not received the Tax Invoice for payment of Annual Listing Fees, from Calcutta Stock Exchange for the year 2019-20, till date.
vi	Stock Code	:	
	BSE		533212
	CSE		017097
	ISIN NUMBER		INE 265 D01015

vii. Market Price Data
High, Low during each month in the last financial year

In Rs.

Month	BSE Equity Shares	
	High	Low
April, 2018	170.00	110.00
May, 2018	209.20	152.35
June, 2018	178.35	145.15
July, 2018	166.75	125.00
August, 2018	176.00	145.20
September, 2018	164.95	136.00
October, 2018	148.50	116.50
November, 2018	154.90	115.25
December, 2018	147.00	119.25
January, 2019	139.00	112.00
February, 2019	126.95	112.00
March, 2019	120.35	91.90



viii. Share Registrars & Transfer Agents

SHAREX DYNAMIC (INDIA) PVT. LTD.,
C 101, 247 Park, L BS Marg, Vikhroli West,
Mumbai 400 083
Phone: + 91 22 2851 5606/ 2851 5644. Fax : +91 22 2851 2885
Email: **support@sharexindia.com** 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.

The Company has obtained the half yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities, as per the requirement of Regulation 40(9) of the Listing Regulations.

The Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with the Securities and Exchange Board of India (SEBI) requirements. The audit reports for the financial year under review have been filed with the stock exchanges within one month of the end of each quarter.

x. Distribution of Shareholding

The distribution of shareholding as on March 31, 2019, is as under:

Range			Shareholders		Total Amount	
Rs.		Rs.	Number	% to Total Nos	Rs.	% to Total Amount
(1)			(2)	(3)	(4)	(5)
Upto		5,000	984	80.261	15,04,710.00	3.243
5,001	to	10,000	102	8.320	8,57,220.00	1.847
10,001	to	20,000	53	4.323	7,96,820.00	1.717
20,001	to	30,000	20	1.631	5,24,640.00	1.131
30,001	to	40,000	11	0.897	3,90,030.00	0.840
40,001	to	50,000	7	0.571	3,28,820.00	0.709
50,001	to	1,00,000	10	0.816	6,81,290.00	1.468
1,00,001	and	above	39	3.181	4,13,22,270.00	89.045
Total			1,226	100.00	4,64,05,800.00	100.00

xi. The categories of shareholding as on March 31, 2019, are as under:

Sr. No	Category	No of Shares held	Percentage (%)
1	Indian Promoters	22,46,344	48.40
2	Banks, Financial Institutions & Insurance Companies	19,600	0.42
3	Private Corporate Bodies	3,85,325	8.30
4	Indian Public	17,58,127	37.88
5	Others (a) NRI/OCB	73,482	1.58
	(b) Clearing member	56,702	1.22
	(c) NBFCS Reg	1,000	0.22
	(d) FPI Category II - Corp	1,00,000	2.15
	Total	46,40,580	100.00

xii. Dematerialization of shares and liquidity :

98.69% of the Company's equity shares were dematerialised and the shares are traded on the BSE Ltd.

As per SEBI Notification, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1st April, 2019 unless, the securities are held in the dematerialised form with the depositories. Therefore, Shareholders still holding shares in physical form are requested to dematerialise their shares at the earliest. For further information / clarification / assistance in this regard, please contact Sharex Dynamic (India) Pvt. Ltd., Registrar and Share Transfer Agent.

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 :

Unit I - 16-A
Unit II - D2-14, 18 & 19
Unit III -16 C & D

Tivim Industrial Estate
Mapusa, Goa – 403 526

xiv. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity

The company has not issued any GDRs and ADRs.
The Company has issued 7,50,000 Equity Convertible Warrants on July 27, 2018, at an issue price of Rs. 155/- per warrant including a premium of Rs. 145 out of which 25% of the consideration was received upfront, in compliance with Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. The warrants are issued to Promoters and Non- Promoters/ Non Promoter Groups. The total consideration received was Rs. 29,062,500.

The warrants may be converted into Equity Shares before the expiry of 18 months from the date of allotment of the Warrants i.e. July 27, 2018, subject to receipt of remaining 75% , of the issue price.

The converted Equity Shares shall rank pari- passu in all respects including dividend, with the existing Equity Shares of the company.

Equity Convertible Warrant Pattern before and after the Preferential Issue:

Class of Shareholders	Holding - Pre- Issue of Equity Convertible Warrants		No. of Equity Convertible Warrants issued	Holding - Post - Issue of Equity Convertible Warrants	
	No. of Equity Shares	% of Share Capital		No. of Equity Shares	% of Share Capital
Promoters	22,46,344	48.41	2,00,000	24,46,344	45.38
Public	23,94,236	51.59	5,50,000	29,44,236	54.62
Total	**46,40,580**	**100.00**	**7,50,000**	**53,90,580***	**100.00**

*Assuming 100% subscription of 7,50,000 Equity Convertible Warrants and subsequent conversion into Equity Shares of the Company.

xv. **Credit Rating**

CRISIL Limited – Credit Rating Agency, has assigned the credit rating of "CRISIL B/Stable (Re-affirmed)" to the long-term Bank facilities availed by the Company and credit rating of "CRISIL A4 (Re-affirmed) " to the short-term Bank facilities availed by the Company.

xvi. **Commodity price risks or foreign exchange risks and hedging activities**

The Company does not have any exposure to commodity price risk.
To control and minimize foreign exchange risk, the Company has documented Forex Policy, according to which currency forecast is received from various banks on regular basis.

11. <u>OTHER DISCLOSURES</u>

a) Related Party Transactions.

All transactions entered into with related parties pursuant to Section 188 of the Companies Act, 2013 and Regulation 23 of Listing Regulations, during the year were at arm's length price basis and in ordinary course of business. These transactions have been approved by the Audit Committee.

The Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions in terms of Regulation 23(1) of Listing Regulations. The Board of Directors of the Company has approved and adopted a policy on related party transactions and the same has been uploaded on Company's website (http://gkb.net/en/wp-content/uploads/Accounts/Related-party-transactions-policy.pdf)

The Company has not entered into any transactions of material nature with the related parties viz. its promoters, the directors or the management or their subsidiaries or relatives during the year that have potential conflicts with the interest of the Company.

Related party transactions have been disclosed in **Note 39** to the Standalone Financial Statements. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit Committee for its review.

b) Statutory Compliance.
There were no instances of non-compliance by the Company, 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.

c) Establishment of Vigil Mechanisim
The Company has in place a Vigil Mechanism. It provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct policy. It provides for adequate safeguards against victimization of employees to avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy of the Company has been posted on the website of the Company.

d) Compliance with mandatory requirements:
i) A certificate from the Chief Executive Officer/Managing Director and Chief Financial Officer on the financial statements of the Company was placed before the Board in terms of Regulation 17(8) as specified in Part B of Schedule II of Listing Regulations. All other mandatory requirements have been duly complied with, to the extent applicable.

ii) The Company has partially adopted the non-mandatory requirements

e) The policy for determining material subsidiaries is disclosed on Company's website. The web link for the same is (http://gkb.net/en/wp-content/uploads/Accounts/Policy-for-Determining-Material-Subsidiary.pdf)

f) The policy on dealing with related party transactions is available on Company's website. The web link is (http://gkb.net/en/wp-content/uploads/Accounts/Related-party-transactions-policy.pdf)

g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

The Company has raised funds through preferential allotment during the year under review.
The utilization / status of funds raised from the preferential issue as at March 31, 2019, is as follows:-

Particulars	**Amount (Rs. in lakhs)**
Towards funding growth plans – organic and inorganic	300.00
Towards scaling up of operations, long term capital requirements and other general corporate purposes	334.91
Balance in Escrow account	412.36

h) Certificate from PCS under sub-para 10(i) of Part C of Schedule V of the Listing Regulations

A Certificate has been received from Ms. Girija Nagvekar, Practicing Company Secretary, under sub-para 10(i) , Part C of Schedule V of the Listing Regulations, which is annexed to this report as Annexure III ,which is self explanatory.

i) Confirmation by the Board of Directors' acceptance of recommendation of mandatory committees

In terms of the amended SEBI Listing Regulations, the Board of Directors of the Company, confirm that during the year under review, it has accepted all recommendations received from its mandatory committees.

j) Details of total fees paid to the Statutory Auditors of the Company

The details of the total fees paid to MSKA & Associates, Chartered Accountants, Statutory Auditors of the Company, during the Financial Year ended 31st March 2019, is given below:

Sr. no.	Description of fees paid	Amount (in lakhs)
1.	Statutory Audit fees paid for Audit of the Company	8.25
2.	Fees paid for tax Audit	1.95
3.	Other Matter- Limited review	2.55
4.	Reimbursement of expenses	0.73
	Total	**13.48**

k) Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year under review, no complaints have been received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

12. NON COMPLIANCE WITH REQUIREMENTS OF CORPORATE GOVERNANCE

The Company has complied with all the requirements of the Corporate Governance Report of sub paras (2) to (10) of Part C, Schedule V of Listing Regulations.

13. ADOPTION OF NON MANDATORY REQUIREMENTS AS SEPCIFIED IN PART E OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

a) There are no audit qualifications in the Auditors' Report.

b) Other non-mandatory requirements shall be adopted as and when considered appropriate.

14. DETAILS OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with the applicable corporate governance requirements as stipulated in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.

15. CERTIFICATE ON CORPORATE GOVERNANCE

As required by the Listing Regulations, the compliance certificate from the Practicing Company Secretary regarding compliance of conditions of corporate governance, is annexed with the Directors' Report.

16. RISK MANAGEMENT

Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is not applicable to the Company.

17. COMPLIANCE CERTIFICATE FROM CEO& CFO

The Executive Director and CFO have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II of the Listing Regulations pertaining to CEO & CFO certification for the Financial Year ended March 31, 2019.

18. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT AS REQUIRED

Nil

19. TRANSFER OF UNCLAIMED/UNPAID AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, there were no amounts transferred from unclaimed dividend account to Investor Education and Protection Fund.

20. CODE OF CONDUCT

The Company has adopted a Code of Conduct for Board of Directors and Senior Management (the Code). The Code has been communicated to the Directors and the members of Senior Management. The Code has also been posted on the Company's website at www.gkb.net. All Board members and senior management have confirmed compliance with the Code for the year ended March 31, 2019. A certificate from Mr. K.G. Gupta, Managing Director, to this effect, is given below.

DECLARATION

As required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Board of Directors and the Senior Management for the year ended March 31, 2019.

Mr. K.G.Gupta
Managing Director
DIN: 00051863

Place: Goa
Date: May 30, 2019

Annexure III

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the **Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015** read with regulation 34(3) of the said Listing Regulations).

To

The Members,

GKB OPHTHALMICS LIMITED

16A TIVIM INDUSTRIAL ESTATE,

MAPUSA – GOA 403526

Dear Sirs,

As required under 10 (i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, I certify that except one of the Promoter – Director who has been disqualified by the Ministry of Corporate Affairs under Section 164(2)(a) and none of the other directors on the board of GKB OPHTHALMICS LIMITED have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority

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

Date: 16/05/2019
Place: Panaji Goa

COMPLIANCE CERTIFICATE FROM PRACTISING COMPANY SECRETARY ON COMPLIANCE OF CORPORATE GOVERNANCE

To
The Members
GKB OPHTHALMICS LIMITED

I have examined the compliance of conditions of Corporate Governance by **GKB OPHTHALMICS LIMITED**, for the year ended 31st March, 2019, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and based on the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

CS Girija G. Nagvekar
Practicing Company Secretary
Membership No: 28111, CP: 10335

Date: 16/05/2019
Place: Panaji Goa

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We Mr. K.G.Gupta, Managing Director and Mr. Gurudas Sawant, Chief Financial Officer of GKB Ophthalmics Limited ("the Company") hereby certify that:

A) We have reviewed the financial statements and the cash flow statement of GKB Ophthalmics Limited for the year ended March 31, 2019 and that to the best of our knowledge and belief, we state that ;

1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.

2) These statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps taken or proposed to be taken to rectify these deficiencies.

(D) We have indicated to the Auditors and the Audit Committee:

(1) Significant changes in internal control over financial reporting during the year and that the same have been disclosed in the notes to the financial statements;

(2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

K. G. Gupta
Managing Director

Gurudas Sawant
Chief Financial Officer

Place : Mapusa, Goa
Date : May 30, 2019

INDEPENDENT AUDITOR'S REPORT

To The Members of GKB Ophthalmics Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of GKB Ophthalmics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to standalone financial statements including a summary of significant accounting policies and other explanatory information.
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 March 31, 2019, and its loss(financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters

Sr. No.	The Key Audit Matter	How the matter was addressed in our Audit
1	**Revenue Recognition** The Company's revenue is derived from sale of unfinished ophthalmic lenses. The Company recognises revenue when performance obligations as per the underlying sales contracts are satisfied.	Our audit procedures to assess the recognition of revenue included the following – a. Evaluating the design, implementation and operating effectiveness of internal controls over the existence, accuracy and timing of revenue recognition. b. Identifying the performance obligations under the contract to validate for the sample of transactions

Sr. No.	The Key Audit Matter	How the matter was addressed in our Audit
	The terms set out in the Company's sales contracts are varied which affect the timing of revenue recognition. Revenue recognition was identified as a Key Audit Matter because revenue is one of the key performance indicators and is subject to inherent credit risk and risk of misstatement due to management judgement involved in the timing of revenue recognition.	selected that the revenue is recognised and recorded in the period in which the performance obligation is satisfied. c. Performed substantive transactional testing for a sample of transactions and applied analytical procedures to validate the recognition of revenue. d. Tested journal entries posted to revenue accounts focusing on unusual or irregular terms, if any. e. Obtained balance confirmations form major trade receivables and checked the subsequent realisation for the sample of trade receivables post balance sheet date.
2	**Contingent Liabilities** The Company has disputed demands and penalty relating to excise duty in connection with valuation of products manufactured by the Company, sales tax, entry tax and income tax. These disputes are currently pending before the Customs, Central Excise and Service Tax Appellate Tribunal (CESTAT) / Commissioner of Central Excise and Service Tax, Commissioner of Commercial Tax and Commissioner of Income Tax. Given the uncertainty involved in the appeals, the ultimate outcome of these matters cannot be predicted with virtual certainty. Further, whether the Company is successful or not in these matters, the ultimate decision of the courts will have a material effect on the financial position, results of operations and cash flows. Management have engaged independent legal counsel on these matters. The accounting for, and disclosure of, this contingent liability is complex and is a significant matter in our audit because of the judgements required to determine the level of certainty in the matter.	Our audit procedures included – a. Holding discussions with the Company's personnel responsible for the Company's defence in these matters to understand their legal views. b. Verifying the submission made by the management in these cases and their interpretation of the matter. c. Verifying the documents related to the matters to understand the findings of the revenue authorities and to assess the representations of management. Verifying the disclosures of disputed demand in the financial statements.

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

In preparing the standalone financial statements, the board of directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements, taken as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in “Annexure A” a detailed description of Auditor's responsibilities for Audit of the Standalone financial statements.

Other Matter

The standalone financial statements of the Company for the year ended March 31, 2018, were audited by another auditor whose report dated May 08, 2018 expressed an unmodified opinion on those statements.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" 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 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 (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C".

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 38 to the standalone financial statements.

      ii. The Company did not have any long term contracts, including derivative contracts, for which there were material foreseeable losses.

iii. Unpaid dividend of Rs. 12,822/- pertaining to financial year 2010-11 has not been transferred to investor education and protection fund as on March 31, 2019 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

3. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is within the limit prescribed under section 197 of the Act and the rules thereunder.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Vinayak M Padwal
Partner
Membership No.049639

Place: Mapusa, Goa
Date: May 30, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GKB OPHTHALMICS LIMITED

Auditor's Responsibilities for the Audit of the Standalone financial statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Vinayak M Padwal
Partner
Membership No.049639

Place: Mapusa, Goa
Date: May 30, 2019

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GKB OPHTHALMICS LIMITED FOR THE YEAR ENDED MARCH 31, 2019.

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of GKB Ophthalmics Limited on the Standalone Financial Statements for the year ended March 31, 2019]

i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).

(b) As explained to us, 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 Company and nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds comprising of immovable properties of land and building which are freehold are held in the name of the Company as on the Balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the Standalone Financial Statements, the lease agreements are in the name of the Company.

ii. The inventory have been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.

iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.

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

v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits in accordance with the provisions of sections 73 to 76 of the Acts and the Rules framed thereunder. Accordingly, the provisions stated in paragraph 3 (v) of the Order are not applicable to the Company.

vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and records examined by us, the Company has been generally regular in depositing undisputed statutory dues of income tax, goods and service tax, custom duty, professional tax, provident fund, employees state insurance, and other statutory dues, as applicable, with the appropriate authorities though there has been delays in few cases with regards to income tax (tax deducted at source), provident fund and employee state insurance. According to the information and explanations given to us, the outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable is as follow.

Name of the statute	Nature of the dues	Amount Rs.	Financial Year	Due Date	Date of Payment
Companies Act, 2013	Unpaid Dividend	12,822	2010-11	November 01, 2017	Not Paid till May 30, 2019
		12,822			

(b) According to the information and explanation given to us and the records examined by us, the outstanding dues of income-tax, sales tax and duty of excise as on March 31, 2019 on account of any dispute, are as follows:

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 Sept' 2015	Duty, interest and penalty	1,113.48	Commissioner Central Excise & Service Tax, Goa
The Central Sales Tax Act, 1956	2008-09	Sales tax, interest and penalty	111.71	Additional Commissioner of Commercial Tax, Panaji
	2014-15	Sales tax, interest and penalty	49.44	Additional Commissioner of Commercial Tax, Panaji
	2014-15	Sales tax, interest and penalty	18.42	Additional Commissioner of Commercial Tax, Panaji
Income Tax Act, 1961	2012-13	Income tax, interest and penalty	41.37	Commissioner of Income Tax (Appeals)
	2013-14	Income tax, interest and penalty	39.25	Commissioner of Income Tax (Appeals)
Goa Tax on Entry of Goods Act, 2000	2013-14	Entry tax and interest	23.19	Additional Commissioner of Commercial Tax, Panaji
	2014-15	Entry tax and interest	51.20	Additional Commissioner of Commercial Tax, Panaji
			1,481.68	

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions, banks or debenture holders.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration during the year in accordance with requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as specified in Nidhi Rules, 2014. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the Standalone Financial Statements as required under India Accounting Standards (Ind AS) 24, "Related Party Disclosures" specified under Section 133 of the Act, read with relevant rules issued thereunder.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made a preferential allotment of shares and fully convertible share warrants during the year and the requirements of Section 42 of the Companies Act, 2013 have been complied with. Further as per the information, explanation and examination of records produced before us the amount raised has been utilized for the purpose for which funds were raised.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi. According to the information and explanations given to us, in our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Vinayak M Padwal
Partner
Membership No.049639

Place: Mapusa, Goa
Date: May 30, 2019

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GKB OPHTHALMICS LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of GKB Ophthalmics Limited on the Financial Statements for the year ended March 31, 2019]

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

We have audited the internal financial controls with reference to financial statements of GKB Ophthalmics Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Vinayak M Padwal
Partner
Membership No.049639

Place: Mapusa, Goa
Date: May 30, 2019

Balance Sheet as at March 31,2019

(Amount in INR, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	6	242,716,804	169,611,169
Other intangible assets	7	163,491	164,288
Capital work-in-progress		-	2,396,893
Financial assets			
Investments	8	3,036,938	2,936,938
Other financial assets	9	29,831,135	-
Other non-current assets	10	11,074,997	6,103,290
Total Non-current Assets		286,823,365	181,212,578
Current Assets			
Inventories	11	67,867,103	148,412,109
Financial Assets			
Investments	8	114,514	3,640,380
Trade receivables	12	109,141,059	104,385,076
Cash and cash equivalents	13	58,944,142	101,549
Bank balances other than cash and cash equivalents	14	7,170,912	3,768,000
Loans and advances	15	38,208	492,432
Other financial assets	16	6,341,000	6,425,000
Current Tax Assets (net)	17	1,887,612	1,567,738
Other Current assets	18	13,294,806	4,181,597
Total Current Assets		264,799,356	272,973,881
Total Assets		**551,622,721**	**454,186,459**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	46,405,800	41,535,800
Other equity	20	300,312,714	227,823,440
Total equity		346,718,514	269,359,240
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	21	-	170,395
Provisions	22	7,436,585	7,104,920
Deferred Tax Liabilties	35	4,518,280	9,062,820
Total non-current liabilities		11,954,865	16,338,135
Current liabilities			
Financial liabilities			
Borrowings	23	100,360,658	98,628,933
Trade payables	24		
i) total outstanding dues of micro enterprises and small enterprises		2,058,874	-
ii) total outstanding dues of creditors other than micro enterprise and small enterprise		68,301,491	47,696,789
Other financial liabilities	25	7,232,506	8,570,518
Other current liabilities	26	9,919,638	8,389,973
Provisions	22	5,076,175	5,202,871
Total current liabilities		192,949,342	168,489,084
Total liabilities		204,904,207	184,827,219
Total equity and liabilities		**551,622,721**	**454,186,459**
		-	-
See accompanying notes to the financial statements	1-51		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **MSKA & Associates**
Chartered Accountants
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of
GKB Ophthalmics Limited
CIN : L26109GA1981PLC000469

Vinayak Padwal
Partner
Membership No. 049639

K. G. Gupta
Managing Director
DIN : 00051863

Vikram Gupta
Director
DIN : 00052019

Gurudas Sawant
Chief Financial Officer

Pooja Bicholkar
Company Secretary

Place : Mapusa, Goa
Date : May 30, 2019

Place : Mapusa, Goa
Date : May 30, 2019

Statement of Profit and Loss for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

	Notes	Year ended 31 March 2019	Year ended 31 March 2018
Income			
Revenue from operations	27	304,681,758	374,328,006
Other income	28	26,247,009	10,537,508
Total income		330,928,767	384,865,514
Expenses			
Cost of materials consumed	29	161,321,082	180,359,088
Purchase of Stock-in-trade		946,351	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	(2,309,757)	24,683,079
Employee benefits expenses	31	75,613,678	74,208,307
Finance costs	32	13,933,842	12,275,490
Depreciation and amortization expense	33	34,312,777	15,816,443
Other expenses	34	79,649,693	104,935,509
Total expenses		**363,467,666**	**412,277,916**
Profit / (Loss) before exceptional items and tax		(32,538,899)	(27,412,402)
Exceptional items		-	-
Profit / (Loss) before tax		(32,538,899)	(27,412,402)
Tax expense			
Current tax	35	-	-
Deferred tax	35	(4,754,134)	(1,657,183)
Total income tax expense		(4,754,134)	(1,657,183)
Profit / (Loss) for the year		(27,784,765)	(25,755,219)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss		-	-
Income tax effect		-	-
		-	-
Items that will not be reclassified to profit or loss		806,133	(1,059,726)
Income tax effect		(209,594)	272,879
		596,539	(786,847)
Other comprehensive income for the year, net of tax		**596,539**	**(786,847)**
Total comprehensive income for the year		**(27,188,226)**	**(26,542,066)**
Earnings per equity share			
Basic	36	(5.99)	(6.20)
Diluted	36	(5.15)	(6.20)
See accompanying notes to the financial statements	1-51		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **MSKA & Associates**
Chartered Accountants
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of
GKB Ophthalmics Limited
CIN : L26109GA1981PLC000469

Vinayak Padwal
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K. G. Gupta
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DIN : 00052019

Gurudas Sawant
Chief Financial Officer

Pooja Bicholkar
Company Secretary

Place : Mapusa, Goa
Date : May 30, 2019

Place : Mapusa, Goa
Date : May 30, 2019

Statement of changes in equity for the year ended March 31, 2019

(A) Equity share capital

Particulars	31-Mar-19		31-Mar-18	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Equity shares of Rs 10 each issued, subscribed and fully paid				
Opening	4,153,580	41,535,800	4,153,580	41,535,800
Add: issue during the year	487,000	4,870,000	-	-
Closing	**4,640,580**	**46,405,800**	4,153,580	41,535,800

(B) Other equity

For the year ended March 31, 2018

Particulars	Balance as at April 01, 2017	Total Comprehensive Income/(Loss) for the year	Other comprehensive income	Dividends	Others	Balance as at March 31, 2018
Reserves						
Retained earnings	162,475,237	(25,755,219)	(786,847)	-	-	135,933,171
General Reserve	65,056,619	-	-	-	-	65,056,619
Other Reserves						
(i) Capital Reserves	4,328,500	-	-	-	-	4,328,500
(ii) Investment Allowance (Utilised) Reserve	2,229,150	-	-	-	-	2,229,150
(iii) Capital Redemption Reserve	-	-	-	-	-	-
(iv) Securities Premium Reserve	20,276,000	-	-	-	-	20,276,000
Total reserves	**254,365,506**	**(25,755,219)**	**(786,847)**	**-**	**-**	**227,823,440**

(B) Other equity

For the year ended March 31, 2019

Particulars	Balance as at April 01, 2018	Total Comprehensive Income/(Loss) for the year	Other comprehensive income	Dividends	Others	Balance as at March 31, 2019
Reserves						
Retained earnings	135,933,171	(27,784,765)	596,539	-	-	108,744,945
General Reserve	65,056,619	-	-	-	-	65,056,619
Other Reserves						
(i) Capital Reserves	4,328,500	-	-	-	-	4,328,500
(ii) Investment Allowance (Utilised) Reserve	2,229,150	-	-	-	-	2,229,150
(iii) Money received against share warrants	-	29,062,500	-	-	-	29,062,500
(iv) Securities Premium Reserve	20,276,000	70,615,000	-	-	-	90,891,000
Total reserves	**227,823,440**	**71,892,735**	**596,539**	**-**	**-**	**300,312,714**

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **MSKA & Associates**
Chartered Accountants
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of
GKB Ophthalmics Limited
CIN : L26109GA1981PLC000469

Vinayak Padwal
Partner
Membership No. 049639

K. G. Gupta
Managing Director
DIN : 00051863

Vikram Gupta
Director
DIN : 00052019

Gurudas Sawant
Chief Financial Officer

Pooja Bicholkar
Company Secretary

Place : Mapusa, Goa
Date : May 30, 2019

Place : Mapusa, Goa
Date : May 30, 2019

Statement of Cash Flows for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

		Year ended 31 March 2019	Year ended 31 March 2018
Cash flow from operating activities			
Profit / (Loss) before tax and extraordinary items		(32,538,899)	(27,412,402)
Adjustments for:			
Depreciation and amortization expenses		34,312,777	15,816,443
Finance cost		13,721,732	12,275,490
Provision for doubtful debts		393,393	2,406,180
Bad debts written off		-	228,578
Unrealised exchange loss /(gain) (net)		5,731,646	4,730,900
Loss on sale of short term investments (net)		-	1,799
Dividend income		(6,419,509)	(7,046,745)
Interest income		(328,735)	(360,690)
Liabilities written back		(38,494)	-
(Gain)/ loss on sale of fixed assets		(14,375,039)	(100,000)
Operating Profit / (Loss) before working capital changes		**458,872**	**539,553**
Changes in working capital			
Increase / (Decrease) in trade and other payables		18,640,493	(20,337,256)
(Increase) / Decrease in inventories		80,545,006	12,314,672
(Increase) / Decrease in trade receivables		(48,621,129)	(30,239,736)
Increase / (Decrease) in other current liabilities and provisions		1,393,934	1,763,535
Cash generated from/ (used in) operations		**52,417,176**	**(35,959,232)**
Income tax paid		(319,874)	(1,183,833)
Net cash flows generated from/(used in) operating activities (A)		**52,097,302**	**(37,143,065)**
Cash flow from Investing activities			
Payment for property, plant and equipment and intangible assets		(129,180,545)	(15,733,224)
Proceeds from sale / disposal of fixed assets		32,608,794	100,000
Purchase of current investments		(74,134)	(614,245)
Proceeds from sale of current investments		3,600,000	31,700,000
Dividend received		6,503,509	7,031,745
Interest received		215,062	306,611
Net cash flow (used in) generated from investing activities (B)		**(86,327,314)**	**22,790,888**
Cash flow from Financing activities			
Proceeds from issuance of equity shares on preferential basis		75,485,000	-
Proceeds from issuance of share warrants		29,062,500	-
Proceeds from / (Repayments of) short term borrowings (net)		2,743,522	27,082,883
Repayment of long term borrowings		(496,685)	(683,331)
Interest paid		(13,721,732)	(12,275,491)
Net cash flow from financing activities (C)		**93,072,605**	**14,124,061**
Net increase in cash and cash equivalents (A+B+C)		58,842,593	(228,116)
Cash and cash equivalents at the beginning of the year		101,549	329,665
Cash and cash equivalents at the end of the year		**58,944,142**	**101,549**
Cash and cash equivalents comprise (Refer note 16)			
Balances with banks			
On current accounts		58,943,846	96,813
Cash on hand		296	4,736
Total cash and bank balances at end of the year		**58,944,142**	**101,549**
See accompanying notes to the financial statements	1-51		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **MSKA & Associates**
Chartered Accountants
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of
GKB Ophthalmics Limited
CIN : L26109GA1981PLC000469

Vinayak Padwal
Partner
Membership No. 049639

K. G. Gupta
Managing Director
DIN : 00051863

Vikram Gupta
Director
DIN : 00052019

Gurudas Sawant
Chief Financial Officer

Pooja Bicholkar
Company Secretary

Place : Mapusa, Goa
Date : May 30, 2019

Place : Mapusa, Goa
Date : May 30, 2019

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

1 GENERAL INFORMATION

GKB Ophthalmics Limited (the "Company") is a public limited company domiciled in India and was incorporated on December 10, 1981 under the provisions of the Companies Act, 1956. Its registered and principal office of business is located at 16-A, Tivim Industrial Estate, Mapusa, Goa 403 526, India.

The company is engaged in manufacture and sale of unfinished ophthalmic lenses.

2 SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) **Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest Rupee, except when otherwise indicated.

(b) **Basis of measurement**

The financial statements have been prepared on a historical cost convention except, certain financial assets and liabilities measured at fair value in accordance with the accounting policy of the Company.

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

(c) **Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Notes forming part of the Financial Statements for the year ended March 31, 2019
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Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives
The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	
Building	30 to 60 years
Plant & Machinery	1 to 15 years
Furniture and Fixtures	1 to 10 years
Office Equipment	1 to 5 years
Vehicles	8 to 10 years
Computers	1 to 15 years

Leasehold land is amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Other Intangible Assets
Other Intangible assets are stated at acquisition cost, net of accumulated amortization.

Amortisation, estimated useful lives
The Company amortises intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	
Computer Software	6 years

Impairment of Assets
Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Revenue Recognition

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns and allowances, trade discounts and volume rebates, value added taxes, goods and service tax (GST) and amounts collected on behalf of third parties.

Rendering of services

Revenue from services is recognised in accordance with the specific terms of contract or performance and the amount of revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of indirect taxes, trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Dividend income is accounted for when the right to receive the same is established, which is generally when the shareholders approve the dividend.

2.6 Taxes on Income

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.7 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.8 Inventories

Inventories are valued at the lower of cost and net realisable value.

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

Notes forming part of the Financial Statements for the year ended March 31, 2019
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Finished goods at lower of weighted average cost or net realisable value, cost includes related overheads and excise duty paid/ payable on such goods.
Excise duty liability, wherever applicable, is included in the valuation of closing inventory of finished goods. Excise duty payable on finished goods is accounted for upon manufacture and transfer of finished goods to the stores. Payment of excise duty is deferred till the clearance of goods from the factory premises.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

Cost of traded goods is determined on a weighted average basis.
The comparison of cost and net realizable value is made on item by item basis.

2.9 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.10 Provisions, contingent liabilities, Contingent assets and Commitments

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

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

Notes forming part of the Financial Statements for the year ended March 31, 2019
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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.

Contingent assets are neither recognised nor disclosed.

Commitments include the amount of purchase order (net of advance) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.11 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.12 Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

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 plans

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.

Compensated Absences:

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.

Notes forming part of the Financial Statements for the year ended March 31, 2019
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2.13 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.14 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.

2.15 Statement of cash flows

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.

2.16 Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

2.17 Segment accounting

The Company operates in one primary segment i.e. Ophthalmic lenses. The Company identifies primary operating segment based on the different risks and returns, the organisation structure, the internal reporting systems and review by chief operating decision maker. Secondary segments are identified on the basis of geography in which sales have been effected.

2.18 Fair value measurement

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability acc essible to the Company.

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

Notes forming part of the Financial Statements for the year ended March 31, 2019
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unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.20 Financial instruments

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

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:
a) at amortized cost; or
b) at fair value through other comprehensive income; or
c) at fair value through profit or loss.
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

Notes forming part of the Financial Statements for the year ended March 31, 2019
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If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(v) Investment in associates and subsidiaries

The Company has accounted for its investment in subsidiaries at cost.

Notes forming part of the Financial Statements for the year ended March 31, 2019
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(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of Loans & borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(c) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.21 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest rupee as per requirement of Schedule III of the Act, unless otherwise stated.

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make judgments, estimates and assumptions that

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(b) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 37.

(c) Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

4 STANDARDS (INCLUDING AMENDMENTS) ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

5 IND AS 116- LEASES

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 116, Leases. This Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective of the standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. The effective date for adoption of Ind AS 116 is financial periods beginning on or after April 01, 2019.The Company is currently evaluating the requirements of amendments. The Company believes that the adoption of this amendment will not have a material effect on its financial statements.

Notes forming part of the Financial Statements for the year ended March 31, 2019
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6 PROPERTY, PLANT AND EQUIPMENT

(Amount in INR)

	Gross block				Depreciation				Net block	
	As at 1 April 2018	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2019	As at 1 April 2018	For the year	Deductions/ Adjustments	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Freehold Land	429,910	-	-	429,910	-	-	-	-	429,910	429,910
Leasehold Land	895,500	-	-	895,500	150,424	9,426	-	159,850	735,650	745,076
Buildings	70,875,658	312,110	11,371,380	59,816,388	17,419,120	2,084,641	2,134,218	17,369,543	42,446,845	53,456,538
Plant and Equipment	241,480,523	4,749,860	-	246,230,383	136,885,591	13,480,068	-	150,365,659	95,864,724	104,594,932
Plant and Equipment - Moulds	-	120,178,477	9,408,794	110,769,683	-	16,577,869	412,201	16,165,668	94,604,015	-
Furniture and Fixtures	17,058,170	248,108	-	17,306,278	11,164,529	868,351	-	12,032,880	5,273,398	5,893,641
Office Equipment	4,220,245	89,316	-	4,309,561	3,033,847	382,741	-	3,416,588	892,973	1,186,398
Vehicles	10,795,814	-	-	10,795,814	7,491,141	835,384	-	8,326,525	2,469,289	3,304,673
	345,755,820	**125,577,871**	**20,780,174**	**450,553,517**	**176,144,652**	**34,238,480**	**2,546,419**	**207,836,713**	**242,716,804**	**169,611,168**

	Gross block				Depreciation				Net block	
	As at 1 April 2017	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Freehold Land	429,910	-	-	429,910	-	-	-	-	429,910	429,910
Leasehold Land	895,500	-	-	895,500	140,998	9,426	-	150,424	745,076	754,502
Buildings	70,395,293	480,365	-	70,875,658	15,347,169	2,071,950	-	17,419,119	53,456,539	55,048,124
Plant and Equipment	226,357,330	18,795,888	3,672,695	241,480,523	129,644,668	10,913,618	3,672,695	136,885,591	104,594,932	96,712,662
Plant and Equipment - Moulds	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	15,628,714	1,429,456	-	17,058,170	10,377,598	786,931	-	11,164,529	5,893,641	5,251,116
Office Equipment	3,681,996	538,249	-	4,220,245	2,624,199	409,648	-	3,033,847	1,186,398	1,057,797
Vehicles	10,795,814	-	-	10,795,814	6,163,325	1,327,816	-	7,491,141	3,304,673	4,632,489
	328,184,557	**21,243,958**	**3,672,695**	**345,755,820**	**164,297,957**	**15,519,389**	**3,672,695**	**176,144,651**	**169,611,169**	**163,886,600**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

7 OTHER INTANGIBLE ASSETS

	Gross block				Depreciation				Net block	
	As at 1 April 2018	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2019	As at 1 April 2018	For the year	Deductions/ Adjustments	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Computer Software	1,883,477	73,500	-	1,956,977	1,719,189	74,297	-	1,793,486	163,491	164,288
Total	**1,883,477**	**73,500**	**-**	**1,956,977**	**1,719,189**	**74,297**	**-**	**1,793,486**	**163,491**	**164,288**

	Gross block				Depreciation				Net block	
	As at 1 April 2017	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Computer Software	1,883,477	-	-	1,883,477	1,422,135	297,054	-	1,719,189	164,288	461,342
Total	**1,883,477**	**-**	**-**	**1,883,477**	**1,422,135**	**297,054**	**-**	**1,719,189**	**164,288**	**461,342**

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

8 FINANCIAL ASSETS- INVESTMENTS

	31 March 2019	31 March 2018
INVESTMENT IN EQUITY INSTRUMENTS (FULLY PAID-UP)		
Unquoted equity shares - Subsidiaries		
GKB Ophthalmic Products FZE, Sharjah		
[1 equity share (31 March 2018: 1 equity share) of nominal value of AED 150,000]	1,830,150	1,830,150
GKB Ophthalmics GmbH, Germany		
[1 equity share (31 March 2018: 1 equity share) of the capital stock]	1,081,488	1,081,488
Others		
Saraswat Co-operative Bank Limited		
[2,500 shares (31 March 2018: 2,500 shares) of Rs 10 each]	25,300	25,300
Shares in GSV Ophthalmics Private Limited held in trusts	100,000	-
	3,036,938	**2,936,938**
NON TRADE INVESTMENTS		
Investment in Mutual funds (Quoted) designated at FVTPL		
JM Liquid Fund - Savings Plan - Daily Dividend Reinvestment - 575 units (31 March 2018: 547 units)	5,709	5,709
HDFC Money Market Fund - Direct Plan - Daily Dividend Reinvestment - 102 units (31 March 2018: 3,428 units)	108,805	3,634,671
	114,514	**3,640,380**
Current	114,514	3,640,380
Non- Current	3,036,938	2,936,938
	3,151,452	**6,577,318**
Aggregate book value of:		
Quoted investments	114,514	3,640,380
Unquoted investments	3,036,938	2,936,938
Aggregate market value of:		
Quoted investments	114,514	3,640,380
Unquoted investments	3,036,938	2,936,938
Aggregate amount of impairment in value of Investments	-	-

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

9 OTHER FINANCIAL ASSETS

	31 March 2019	31 March 2018
Advances to related parties (refer foot note)	29,831,135	-
	29,831,135	**-**

Foot note :
Advance to related parties represents amount given to GSV Ophthalmics Private Limited which will be converted into equity share capital pursuant to Joint Venture agreement between Somo Vision Company Limited and the Company.

10 OTHER NON-CURRENT ASSETS

	31 March 2019	31 March 2018
Capital Advance*	4,641,725	-
Security deposits	5,900,878	5,548,290
Margin money deposits:		
Margin money deposits maturing after 12 months from reporting date	532,394	555,000
	11,074,997	**6,103,290**

*Value of contracts in capital account remaining to be executed as at 31 March 2019 [Rs. 2,59,28,684/-] (31 March 2018: Rs. 1,12,210/-)

11 INVENTORIES*

	31 March 2019	31 March 2018
Raw material	19,974,942	15,092,821
Work in progress	2,657,482	2,976,132
Finished goods	35,252,441	32,624,034
Packing material	1,128,575	783,125
Store and spares parts	8,853,663	96,935,997
	67,867,103	**148,412,109**

*Hypothecated as charge against short term-borrowings. Refer note 23.

12 TRADE RECEIVABLES

	31 March 2019	31 March 2018
Secured, considered good	-	-
Unsecured		
Considered good		
'- Related parties*	55,148,389	53,930,135
'- Others	52,993,317	50,454,941
-Considered doubtful	2,799,573	2,406,180
Less-Allowance for bad and doubtful debts	(2,799,573)	(2,406,180)
	108,141,706	**104,385,076**

Other Receivables - at amortised cost

Other financial receivables	999,353	-
	109,141,059	**104,385,076**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

* Due to related parties includes receivable from following companies

GKB Ophthalmic Products FZE	-	7,594,786
Prime Lenses Pvt Ltd	32,667,976	39,829,819
Lensco- The Lens Company	18,247,024	4,795,032
GKB Vision FZC	4,233,389	-
GKB Vision Private Limited	-	1,710,498

Due from related parties includes reinstated amount of Rs. 3,452,847/- (previous year Rs. Nil) due from Lensco- The Lens Company, USA against exports which are overdue for a period exceeding 12 months.

13 CASH AND CASH EQUIVALENTS

	31 March 2019	31 March 2018
Balances with banks:		
On current accounts	58,943,846	96,813
Cash on hand	296	4,736
	58,944,142	**101,549**

14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

	31 March 2019	31 March 2018
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	-	-
Other balances		
Earmarked balances with banks:		
Unpaid dividends*	12,822	-
Margin money deposits#	7,158,090	3,768,000
	7,170,912	**3,768,000**

* Amount of Rs. 12,822/- is due to be transferred to the Investors Education & Protection Fund as at 31 March 2019.

Kept as lien against bank guarantees and letter of credit facility

15 CURRENT FINANCIAL ASSETS - LOANS AND ADVANCES

	31 March 2019	31 March 2018
(a) Unsecured, considered good, unless otherwise stated		
Loans to related party	-	-
	-	**-**
(b) Advances to employees recoverable in cash or in kind or for value to be received		
Considered good	38,208	33,049
Considered doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
	38,208	33,049
(c) Security deposits:		
Considered good	-	459,383
Considered doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
	-	459,383
	38,208	**492,432**

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

16 OTHER FINANCIAL ASSETS

	31 March 2019	31 March 2018
Dividend receivable from subsidiary	6,341,000	6,425,000
	6,341,000	**6,425,000**

17 CURRENT TAX ASSETS (NET)

	31 March 2019	31 March 2018
Balance with Income tax (net of provisions amounting to Rs Nil (31 March 2018: Rs Nil))	1,887,612	1,567,738
	1,887,612	**1,567,738**

18 OTHER CURRENT ASSETS

	31 March 2019	31 March 2018
Advances to suppliers (Considered good)	1,570,899	1,279,468
Balance with tax authorities	-	1,533,017
Interest accrued on fixed deposits	353,596	239,923
Input credit receivable	10,262,766	-
Prepaid expenses	1,107,545	759,456
Refund receivable towards Merchandise Exported from India Scheme (MEIS)	-	369,733
	13,294,806	**4,181,597**

19 SHARE CAPITAL

	31 March 2019	31 March 2018
EQUITY SHARES		
Authorised		
[70,00,000 equity shares (31 March 2018: 70,00,000 equity shares) of Rs. 10 each]	70,000,000	70,000,000
	70,000,000	**70,000,000**
Issued, subscribed and paid up		
Issued :		
[46,86,980 equity shares (31 March 2018 : 41,99,980 equity shares) of Rs. 10 each fully paid]	46,869,800	41,999,800
Subscribed and Paid up :		
[46,40,580 equity shares (31 March 2018: 41,53,580 equity shares) of Rs. 10 each fully paid]	46,405,800	41,535,800
	46,405,800	**41,535,800**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year	31 March 2019		31 March 2018	
	Number of shares	Amount	Number of shares	Amount
Equity Shares at the beginning of the year	4,153,580	41,535,800	4,153,580	41,535,800
Add: Issued during the year (refer note f)	487,000	4,870,000	-	-
Equity Shares at the end of the year	**4,640,580**	**46,405,800**	**4,153,580**	**41,535,800**

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	31 March 2019		31 March 2018	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class class
Equity shares of Rs. 10 each fully paid				
Krishna Gopal Gupta	800,024	17.24%	800,024	19.26%
Krishna Murari Gupta	328,207	7.07%	328,207	7.90%
Vikram Gupta	373,105	8.04%	373,105	8.98%
Gaurav Gupta	357,966	7.71%	357,966	8.62%
Veena Gupta	300,753	6.48%	300,753	7.24%
Shefali Chawla	242,464	5.22%	242,464	5.84%
Brijendra Kumar Gupta	244,950	5.28%	159,000	3.83%

(d) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(e) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

(f) During the year, the Company allotted 4,87,000 equity shares and 7,50,000 equity convertible warrants at a price of Rs. 155/- per share. The company has received the entire consideration of Rs. 7,54,85,000/- on allotment of equity shares and Rs. 2,90,62,500/- (representing 25% of value) on allotment of equity convertible warrants. Pursuant to this allotment, the share capital of the Company

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

20 OTHER EQUITY

	31 March 2019	31 March 2018
(A) Securities Premium Reserve (SPR)*		
Opening balance	20,276,000	20,276,000
Add : Securities premium credited on issue of shares (refer note 19 (f))	70,615,000	-
Closing balance	**90,891,000**	**20,276,000**
* SPR comprises of premium on issue of shares to be utilised in accordance with the Companies Act, 2013		
(B) General Reserve (GR)*		
Opening balance	65,056,619	65,056,619
Add: Transfer during the year	-	-
Closing balance	**65,056,619**	**65,056,619**
* GR is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.		
(C) Surplus/(deficit) in the Statement of Profit and Loss		
Opening balance	135,933,171	162,475,237
Add/ (Less): Profit / (Loss) for the current year	(27,784,765)	(25,755,219)
Add/(Less): Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	596,539	(786,847)
Closing balance	**108,744,945**	**135,933,171**
(D) Capital Reserves (CR)*		
Opening balance	4,328,500	4,328,500
Add : Movement during the year	-	-
Closing balance	**4,328,500**	**4,328,500**
* CR up to the nominal value of shares is created out of distributable profit for buyback of shares as per the Act.		
(E) Investment Allowance (utilised) Reserve		
Opening balance	2,229,150	2,229,150
Add : Received during the year (refer note 19 (f))	-	-
Closing balance	**2,229,150**	**2,229,150**
(E) Money received against share warrants		
Opening balance	-	-
Add : Securities premium credited on issue of shares	29,062,500	-
Closing balance	**29,062,500**	**-**
	300,312,714	**227,823,440**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

21 NON-CURRENT BORROWINGS

	31 March 2019	31 March 2018
Secured		
(a) Term loan		
From Bank (Refer note below)	170,131	445,152
From Financial Institutions (Refer note below)	-	221,664
	170,131	**666,816**
Less: Amount disclosed under the head "Other financial liabilities" (Refer note 25)	(170,131)	(496,421)
Total non current maturities of long term borrowings	**-**	**170,395**

Terms of repayment

Vehicle loan of Rs 1,70,131/- (31 March 2018: Rs 4,45,152/-) secured by charge of vehicle is repayable in 48 equated monthly installments from November, 2015.

Vehicle loan of Rs Nil/- (31 March 2018: Rs 2,21,664/-) secured by charge of vehicle is repayable in 36 equated monthly installments from November, 2015.

22 PROVISIONS

	Long term		Short term	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Provision for gratuity (funded) (Refer note 37)	-	-	4,175,392	4,364,538
Provision for gratuity (unfunded) (Refer note 37)	5,411,538	5,267,308	-	-
Provision for leave encashment (unfunded) (Refer note 37)	2,025,047	1,837,612	900,783	838,333
	7,436,585	**7,104,920**	**5,076,175**	**5,202,871**

23 SHORT -TERM BORROWINGS#

	31 March 2019	31 March 2018
Secured, from bank, term loan (Refer footnote)		
-Packing credit	9,985,670	10,067,030
-Cash credit	90,352,739	87,527,860
-Overdrawn bank balances	22,249	1,034,043
(I)	**100,360,658**	**98,628,933**

Footnote: # The above facilities from banks are secured by hypothecation of the Company's entire present and future stocks of raw materials, finished goods, work in progress, consumable stores & spares, book debts, other current assets, mortgage of leasehold land, factory building, plant & machinery, all other fixed assets of the Company and personal guarantee of Directors.

24 TRADE PAYABLES

	31 March 2019	31 March 2018
Total outstanding dues of micro enterprises and small enterprises	2,058,874	-
Total outstanding dues of creditors other than micro enterprises and small enterprises*	68,301,491	47,696,789
(II)	**70,360,365**	**47,696,789**

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	31 March 2019	31 March 2018
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	2,058,874	-
Interest	212,110	-
Total	**2,270,984**	**-**
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	212,110	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

* includes due to related parties		
GKB Vision Private Limited	15,189,601	7,043,630
Veena Gupta	252,000	165,000

Due to others includes reinstated amount of Rs 1,79,40,021 (previous year Rs 1,69,13,850 /-) due to Alpha Diamond Industry, Japan against imports which are 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.

25 OTHER FINANCIAL LIABILITIES

	31 March 2019	31 March 2018
Other financial liabilities at amortised cost		
Current maturity of long term loans	170,131	496,421
Creditors for capital goods	1,887,566	3,171,906
Unpaid dividend *	12,822	-
Others liabilities	5,161,987	4,902,191
Total other financial liabilities (III)	**7,232,506**	**8,570,518**
* Amount of Rs. 12,822/- is due to be credited to the Investors Education & Protection Fund as at 31 March 2019.		
(I+II+III)	**177,953,529**	**154,896,240**

26 OTHER CURRENT LIABILITIES

	31 March 2019	31 March 2018
Statutory due payable	344,837	273,074
Advance from customer	1,226,813	1,189,094
Employee Benefits payable:		
- Salary payable	5,062,877	4,025,526
- Bonus payable	3,001,285	2,733,416
- Superannuation payable	283,826	168,863
	9,919,638	**8,389,973**

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

27 REVENUE FROM OPERATIONS

	31 March 2019	31 March 2018
Sale of goods (refer footnote below)	304,667,178	367,529,833
Sale of services	14,580	175,935
Other operating income - Sale of raw materials, stores and packing material	-	6,622,238
	304,681,758	**374,328,006**

Footnote:-Sale of goods includes excise duty collected from customers of Rs Nil (March 31, 2018: Rs 51,64,073/-). Revenue from operations for periods up to 30 June 2017 includes excise duty. From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the year ended 31 March 2019 is not comparable with the year ended 31 March 2018.

28 OTHER INCOME

	31 March 2019	31 March 2018
Merchandise Export from India Scheme (MEIS) receipts	2,541,386	369,733
Interest income		
- on fixed deposits	328,735	360,690
Dividend income		
-from subsidiary Company	6,341,000	6,425,000
-from others	78,509	621,745
Foreign exchange fluctuation	-	1,177,523
Rental income	2,543,846	1,482,817
Gain on sale/disposal of fixed assets	14,375,039	100,000
Liabilities written back	38,494	-
	26,247,009	**10,537,508**

29 COST OF MATERIAL CONSUMED

	31 March 2019	31 March 2018
Inventory at the beginning of the year	18,615,321	32,476,433
Add: Purchases	163,809,278	166,497,976
Less: Inventory at the end of the year	(21,103,517)	(18,615,321)
Cost of raw material consumed	**161,321,082**	**180,359,088**

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

	31 March 2019	31 March 2018
Inventories at the beginning of the year		
-Finished goods	32,624,034	53,583,996
-Work-in-progress	2,976,132	4,433,005
-Stock-in-trade	-	2,266,244
	35,600,166	**60,283,245**
Less: Inventories at the end of the year		
-Finished goods	35,252,441	32,624,034
-Work-in-progress	2,657,482	2,976,132
-Stock-in-trade	-	-
	37,909,923	**35,600,166**
Net decrease/ (increase)	**(2,309,757)**	**24,683,079**

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

31 EMPLOYEE BENEFITS EXPENSE

	31 March 2019	31 March 2018
Salaries, wages, bonus and other allowances	66,263,110	65,549,904
Contribution to Provident Fund and other funds (Refer note 37)	6,477,152	6,246,523
Gratuity and compensated absences expenses (Refer note 37)	1,695,301	1,381,418
Staff welfare expense	1,178,115	1,030,462
	75,613,678	**74,208,307**

Based on the Supreme Court Judgement dated February 28, 2019, the Company was required to reassess the components to be included in the basic salary for the purposes of deduction of PF. However, the Company believes that there is not likely to be material impact and hence has not provided for any additional liability as on March 31, 2019 in the books of account.

32 FINANCE COSTS

	31 March 2019	31 March 2018
Interest on long term borrowings	85,366	433,189
Interest on working capital	11,297,686	9,221,912
Bank charges	2,338,680	2,620,389
Interest on delay in payment to MSME creditors	212,110	-
	13,933,842	**12,275,490**

33 DEPRECIATION AND AMORTIZATION EXPENSE

	31 March 2019	31 March 2018
Depreciation (Refer note 6)	34,238,480	15,519,389
Amortization (Refer note 7)	74,297	297,054
	34,312,777	**15,816,443**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

34 OTHER EXPENSES

	31 March 2019	31 March 2018
Electricity and water	18,479,530	20,029,653
Rent (refer foot note 1)	480,000	588,000
Repairs :		
Building	456,983	422,708
Plant and Equipment	2,009,560	2,742,929
Others	936,135	681,943
Rates and Taxes	516,497	386,368
Excise duty (refer foot note 2)	-	(1,271,990)
Excise duty paid on sale of products (refer note 27)	-	5,164,073
Travelling and conveyance	2,648,027	2,421,611
Freight and forwarding	230,435	1,517,543
Insurance	518,042	542,944
Other manufacturing expenses	18,923,945	17,295,031
Stores and spares consumed	18,249,950	39,512,980
Printing & Stationery	776,736	922,328
Communication, broadband and internet expenses	1,057,826	1,018,837
Security Charges	2,554,237	2,665,576
Legal and professional charges	5,377,719	2,531,935
Audit fees (refer foot note 3)	1,347,918	1,277,195
Advertisement	166,084	227,273
Directors' fees	750,000	721,440
Foreign exchange fluctuation	426,413	-
Miscellaneous expenses	3,350,263	2,900,575
Loss on sale of investment	-	1,799
Provision for doubtful debts	393,393	2,406,180
Bad debts write off	-	228,578
	79,649,693	**104,935,509**

Foot note 1 :The Company has taken a residential apartment on operating lease. The Company also pays lease rent on the factory premises. Lease rent amounting to Rs 4,80,000 (31 March 2018: Rs 5,88,000) has been charged to the Statement of Profit and Loss.

Foot note 2 :The excise duty related to the difference between the opening and closing stock of finished goods is disclosed above as "Excise duty".

Foot note 3 :The following is the break-up of Auditors remuneration (exclusive of service tax).

Auditor's Remuneration

	31 March 2019	31 March 2018
As auditor:		
Statutory audit	825,000	750,000
In other capacity:		
Tax audit	195,000	195,000
Other matters - Limited review	255,000	255,000
Reimbursement of expenses	72,918	77,195
Total	**1,347,918**	**1,277,195**

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

35 INCOME TAX

(A) Deferred tax relates to the following:

	31 March 2019	31 March 2018
Deferred tax assets		
On property, plant and equipment	-	-
On provision for employee benefits	4,144,841	3,916,593
On unabsorbed depreciation and carry forward business losses	-	-
Previous year losses	3,137,410	-
Unabsorbed depreciation	9,077,080	-
On others	783,038	619,591
	17,142,369	4,536,184
Deferred tax liabilities		
On property, plant and equipment	21,660,649	13,599,004
	21,660,649	13,599,004
Deferred tax income	4,518,280	9,062,820
Less: Deferred tax asset not recognized	-	-
Deferred tax liability, net	4,518,280	9,062,820

In absence of reasonable certainty of taxable income in future years, during the year ended 31 March 2019, the Company has created deferred tax asset on brought forward losses and unabsorbed depreciation.

(B) Reconciliation of deferred tax (assets) / liabilities (net):

	31 March 2019	31 March 2018
Opening balance as of 1 April 2018	9,062,820	10,992,882
Tax liability recognized in Statement of Profit and Loss	(4,754,134)	(1,657,183)
Tax liability recognized in OCI	209,594	(272,879)
Closing balance as at 31 March 2019	4,518,280	9,062,820

(C) Deferred tax (assets) / liabilities to be recognized in Statement of Profit and Loss

	31 March 2019	31 March 2018
Tax asset	(12,815,779)	254,565
Tax Liabilities	8,061,645	(2,184,627)
	(4,754,134)	(1,930,062)

(D) **Income tax expense**

	31 March 2019	31 March 2018
- Current tax taxes	-	-
- Adjustments in respect of current income tax of previous year	-	-
- Deferred tax charge / (income)	(4,754,134)	(1,657,183)
Income tax expense reported in the statement of profit or loss	(4,754,134)	(1,657,183)

(E) **Income tax expense charged to OCI**

	31 March 2019	31 March 2018
Unrealised (gain)/loss on FVTOCI debt securities	-	-
Unrealised (gain)/loss on FVTOCI equity securities	-	-
Net loss/(gain) on remeasurements of defined benefit plans	209,594	(272,879)
Income tax charged to OCI	209,594	(272,879)

(F) **Reconciliation of tax charge**

	31 March 2019	31 March 2018
Profit before tax	(32,538,899)	(27,412,402)
Income tax expense at tax rates applicable	-	-
Tax effects of:		
- Item not deductible for tax	-	-
- Others	-	-
Income tax expense	-	-

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

36 EARNINGS/ LOSS PER SHARE

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2019	31 March 2018
Loss attributable to equity holders	(27,784,765)	(25,755,219)
Less: preference dividend after-tax	-	-
Loss attributable to equity holders after preference dividend	(27,784,765)	(25,755,219)
Add: Interest on convertible preference shares	-	-
Loss attributable to equity holders adjusted for the effect of dilution	(27,784,765)	(25,755,219)
Weighted average number of equity shares for basic EPS*	4,640,580	4,153,580
Effect of dilution:		
Share options	-	-
Convertible Share warrants	750,000	-
Weighted average number of equity shares adjusted for the effect of dilution	5,390,580	4,153,580
Basic loss per share (INR)	(5.99)	(6.20)
Diluted loss per share (INR)	(5.15)	(6.20)

37 EMPLOYEE BENEFITS

(A) **Defined Contribution Plans**

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss -

	31 March 2019	31 March 2018
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 31)	6,477,152	6,246,523
(B) Defined benefit plans Gratuity and compensated absences expenses (Refer note 31)	1,695,301	1,381,418

I Gratuity

i) **Actuarial assumptions**	31 March 2019 Gratuity (funded)	31 March 2018 Gratuity (funded)	31 March 2019 Gratuity (unfunded)	31 March 2018 Gratuity (unfunded)
Discount rate (per annum)	7.50%	8.00%	8.25%	8.25%
Rate of increase in Salary	6.00%	6.00%	-	-
Expected average remaining working lives of employees (years)	As per mortality table LIC(1994-96) Ultimate	As per mortality table LIC(1994-96) Ultimate	-	-
Attrition rate	-	-	-	-

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

ii) **Changes in the present value of defined benefit obligation**

	31 March 2019 Gratuity (funded)	31 March 2018 Gratuity (funded)	31 March 2019 Gratuity (unfunded)	31 March 2018 Gratuity (unfunded)
Present value of obligation at the beginning of the year	13,401,299	10,996,853	5,267,308	5,123,077
Interest cost	1,072,104	879,748	-	-
Past service cost	-	-	-	-
Current service cost	810,751	642,807	144,230	144,231
Benefits paid	(528,300)	(517,410)	-	-
Actuarial (gain)/ loss on obligations	(983,758)	1,399,301	-	-
Present value of obligation at the end of the year	13,772,096	13,401,299	5,411,538	5,267,308
Plan assets at the beginning of the year	9,036,762	8,680,508	-	-
Expected return of plan assets	720,985	689,206	-	-
Contributions	367,257	184,458	-	-
Benefits paid	(528,300)	(517,410)	-	-
Actuarial gain / (loss)	-	-	-	-
Plan assets at the end of the year	9,596,704	9,036,762	-	-
Total actuarial gain/(loss) to be recognised	983,758	(1,399,301)	-	-
Expected return on plan assets	720,985	689,206	-	-
Actuarial gain / (loss)	-	-	-	-
Actual return on plan assets	720,985	689,206	-	-

iii) **Expense recognized in the Statement of Profit and Loss**

	31 March 2019 Gratuity (funded)	31 March 2018 Gratuity (funded)	31 March 2019 Gratuity (unfunded)	31 March 2018 Gratuity (unfunded)
Current service cost	810,751	642,807	144,230	144,231
Past service cost	-	-	-	-
Interest cost	1,072,104	879,748	-	-
Expected return on plan assets	(720,985)	(689,206)	-	-
Actuarial (gain) / loss on obligations	(983,758)	1,399,301	-	-
Settlements	-	-	-	-
Curtailments	-	-	-	-
Total expenses recognized in the Statement of Profit and Loss*	178,112	2,232,650	144,230	144,231

*Included in Employee benefits expense (Refer Note 31). Actuarial gain of INR 9,83,758 (31 March 2018: loss of INR 13,99,301) is included in other comprehensive income.

iv) **Assets and liabilities recongnized in the Balance Sheet:**

	31 March 2019 Gratuity (funded)	31 March 2018 Gratuity (funded)	31 March 2019 Gratuity (unfunded)	31 March 2018 Gratuity (unfunded)
Present value of obligation as at the end of the year	(13,772,096)	(13,401,299)	(5,411,538)	(5,267,308)
Plan assets at the end of the year	9,596,704	9,036,762	-	-
Net asset / (liability) recognized in Balance Sheet*	(4,175,392)	(4,364,537)	(5,411,538)	(5,267,308)

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

II Leave encashment plans

i) Actuarial assumptions

	31 March 2019 Leave encashment (unfunded)	31 March 2018 Leave encashment (unfunded)
Discount rate (per annum)	7.79%	7.85%
Rate of increase in Salary	5.00%	5.00%
Expected average remaining working lives of employees (years)	As per Indian Assured Lives Mortality (2006-08)	As per Indian Assured Lives Mortality (2006-08)
Attrition rate	-	-

ii) **Changes in the present value of defined benefit obligation**

	31 March 2019 Leave encashment (unfunded)	31 March 2018 Leave encashment (unfunded)
Present value of obligation at the beginning of the year	2,675,945	2,664,135
Interest cost	210,062	200,343
Current Service cost	179,139	203,495
Past service cost	-	-
Curtailments	-	-
Settlements	-	-
Benefits paid	(316,941)	(52,453)
Actuarial (gain) / loss on obligations	177,625	(339,575)
Present Value of obligation at the end of the year	2,925,830	2,675,945

iii) **Expense recognized in the Statement of Profit and Loss**

	31 March 2019 Leave encashment (unfunded)	31 March 2018 Leave encashment (unfunded)
Current service cost	179,139	203,495
Past Service cost	-	-
Interest cost	210,062	200,343
Expected return on plan assets	-	-
Actuarial (gain) / loss on obligations	177,625	(339,575)
Total expenses recognized in the Statement of Profit and Loss*	**566,826**	**64,263**

*Included in Employee benefits expense (Refer Note 31).

Actuarial loss of INR 1,77,625 (31 March 2018:gain of INR 3,39,575) is included in other comprehensive income

iv) **Assets and liabilities recognized in the Balance Sheet:**

	31 March 2019 Leave encashment (unfunded)	31 March 2018 Leave encashment (unfunded)
Present value of unfunded obligation as at the end of the year	(2,925,830)	(2,675,945)
Unrecognized actuarial (gains)/losses	-	-
Net asset / (liability) recognized in Balance Sheet	**(2,925,830)**	**(2,675,945)**

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

38 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

	31 March 2019	31 March 2018
Claims against the Company not acknowledged as debts	-	-
Sales Tax liability that may arise in respect of matters in appeal	18,506,729	17,839,555
Entry Tax liability that may arise in respect of matters in appeal	7,981,583	2,861,609
Excise duty / service tax liability that may arise in respect of matters in appeal	119,048,230	119,048,230
Income Tax liability that may arise in respect of matters in appeal	8,061,660	8,061,660
Guarantees given on behalf of associate companies	14,500,000	14,500,000
Letters of credit outstanding	29,216,445	18,714,458
Bank guarantees	10,414,659	7,685,738

Commitments	31 March 2019	31 March 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances paid)	25,928,684	112,210

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 unfullfilled 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.

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

39 RELATED PARTY DISCLOSURES
(A) Names of related parties and description of relationship as identified and certified by the Company:

Subsidiary Companies
GKB Ophthalmics Products FZE
GKB Ophthalmics GmbH
GSV Ophthalmics Private Limited

Associates / Enterprises in which Directors exercise significant influence
Lensco-The Lens Company
Prime Lenses Private Limited
GKB Vision Private Limited
GKB Vision FZC

Key Management Personnel (KMP)
Mr K G Gupta - Managing Director

Relatives of the Key Management Personnel
Mrs Veena Gupta
Mr Gaurav Gupta
Mr Vikram Gupta

(B) Details of transactions with related party in the ordinary course of business for the year ended:

	31 March 2019	31 March 2018
(i) **Subsidiary Companies**		
Purchases of goods and services	3,683,190	1,093,993
Sales of goods and services	19,937,606	20,832,757
Dividend income	6,341,000	6,425,000
(ii) **Associates / Enterprises in which Directors exercise significant influence**		
Purchases of goods and services	1,083,287	102,356,259
Purchases of fixed assets	37,749,965	-
Sales of goods and services	161,065,968	266,500,767
Sale of fixed assets	8,332,539	112,500
Re-imbursement of expenses	146,608	-
Recovery of expenses	-	-
(iii) **Key Management Personnel (KMP)**		
Compensation of key management personnel		
Salaries	3,000,000	3,000,000
Employee benefits	1,178,564	1,177,081
Total	4,178,564	4,177,081
(iv) **Relatives of the Key Management Personnel**		
Director's sitting fees	130,000	120,000
Rent paid	480,000	480,000

(C) Amount due to/from related party as on:

	31 March 2019	31 March 2018
(i) **Subsidiary Companies**		
Accounts receivable	-	7,594,786
Accounts payable	-	-
Advances received	1,189,094	1,189,094
Advances Recievable	29,831,135	-

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

(ii) **Associates / Enterprises in which Directors exercise significant influence**		
Accounts receivable	55,148,389	46,335,349
Accounts payable	15,189,601	7,043,630
Other receivables	-	283,383
(iii) **Relatives of the Key Management Personnel**		
Accounts payable	252,000	165,000

(D) Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured and interest free and settlement mostly occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

40 SEGMENT REPORTING

a) Operating segment

The Company's operations predominantly relate to manufacturing of unfinished ophthalmic lenses made up of Plastic. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith

b) Geographical segment

	31 March 2019			31 March 2018		
	Within India	**Outside India**	**Total**	**Within India**	**Outside India**	**Total**
Revenue from external customers * (excluding other operational revenue)	**251,873,812**	**52,807,946**	**304,681,758**	301,704,694	60,837,000	362,541,694
Carrying amount of segment assets	**510,093,772**	**41,528,949**	**551,622,721**	424,889,797	29,296,662	454,186,459
Additions to fixed assets during the year	**125,651,371**	**-**	**125,651,371**	21,243,958	-	21,243,958

* Revenue within India includes deemed export sales of Rs 2,11,38,649 (31 March 2018: Rs 9,14,53,415) made to other EOU units in India.

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

Country wise breakup of revenue and assets outside India

Country	Revenue (Rs) 2018-19	Revenue (Rs) 2017-18	Assets (Rs) 2018-19	Assets (Rs) 2017-18
Australia	-	95,213	-	-
Cameroon	-	-	-	-
China	-	-	1,334,034	538,753
Czech Republic	5,497,454	5,780,986	1,741,725	1,226,617
Ecuador	-	-	-	-
Germany	1,419,113	8,570,173	1,202,920	1,096,226
Greece	-	1,781,524	-	-
Guyana	-	-	-	-
Hong Kong	-	-	-	-
Iraq	-	266,020	-	-
Italy	-	2,711,959	412,805	-
Japan	-	5,622,107	-	1,774,062
Malaysia	-	-	-	-
Morocco	-	-	-	-
Philippines	-	1,060,412	-	1,048,136
Saudi Arabia	11,571,504	4,534,005	3,307,424	2,967,900
South Africa	-	1,397,414	-	-
South Korea	-	-	295,936	-
Sri Lanka	160,515	104,242	67,974	-
Thailand	-	812,038	-	-
Turkey	-	-	-	-
UAE	20,325,515	23,409,262	14,932,254	15,849,936
USA	13,833,845	4,691,646	18,233,877	4,795,032
Zimbabwe	-	-	-	-
	52,807,946	**60,837,000**	**41,528,949**	**29,296,662**

c) Major customers

	31 March 2019	31 March 2018
Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:		
Customer A	116,744,516	120,319,330
Customer B	74,855,623	43,909,402
Customer C	-	75,551,975
	191,600,139	**239,780,707**

41 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The fair value of other current financial assets, cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables , loans and advances, investments, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets and liabilities are not significantly different from the carrying amount.
Carrying values of non-current security deposits and non-current term deposits are not significant and therefore the impact of fair value is not considered for disclosure.

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

1 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Fair value measurement hierarchy of assets

	31 March 2019	31 March 2018
(a) Financial Assets measured at fair value		
Level 1 (Quoted price in active markets)		
Investments (current assets)	114,514	3,640,380
Level 3		
Investments (non-current assets)	3,036,938	2,936,938
There have been no transfers between Level 1 and Level 3 during the period		
Fair value measurement hierarchy for liabilities:		
(b) Liabilities for which fair values are disclosed	-	-
Financial assets measured at amortized cost		
Trade receivables	109,141,059	104,385,076
Cash and cash equivalents	58,944,142	101,549
Bank balances other than cash and cash equivalent	7,170,912	3,768,000
Loans and advances (Current)	38,208	492,432
Other financial assets	36,172,135	6,425,000
Financial liabilities measured at amortized cost		
Borrowings	100,360,658	98,799,328
Trade payables	70,360,365	47,696,789
Other financial liabilities	7,232,506	8,570,518

The carrying amount of above financials assets and financial liabilities are considered to be the same as their fair values.

42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rate s.The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Notes forming part of the Financial Statements for the year ended March 31, 2019
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Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	Effect on profit / (loss) before tax
2019		
INR	+100	1,005,308
INR	-100	(1,005,308)
2018		
INR	+100	992,957
INR	-100	(992,957)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the foreign currency rate , with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities).

Foreign currency exposure (in INR) as at 31 March 2019			
Particulars	**USD**	**Euro**	**Total**
Trade receivables	27,820,038	1,402,318	29,222,356
Trade payables	(28,289,337)	(67,799)	(28,357,136)

Foreign currency exposure (in INR) as at 31 March 2018			
Particulars	**USD**	**Euro**	**Total**
Trade receivables	16,405,855	2,723,907	19,129,762
Trade payables	(17,414,997)	-	(17,414,997)

Foreign currency sensitivity			**2018-19**	**2017-18**
Particulars	**1 % Increase**	**1 % decrease**	**1 % Increase**	**1 % decrease**
USD	(4,693)	4,693	(10,091)	10,091
Euro	13,345	(13,345)	27,239	(27,239)
Increase \(Decrease) in profit or loss	**8,652**	**(8,652)**	**17,148**	**(17,148)**

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from customers and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the customers.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2019 and 31 March 2018 is the carrying amounts as mentioned in Note 12 to 14.

Notes forming part of the Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
31 March 2019						
Term loan from financial institutions	-	-	-	-	-	-
Term loan from banks	-	76,500	93,631	-	-	170,131
Short term borrowings	100,360,658	-	-	-	-	100,360,658
Trade payables	-	39,237,225	19,152,491	11,970,649	-	70,360,365
Other financial liabilities	-	6,566,611	495,764	-	-	7,062,3758
	100,360,658	45,880,336	19,741,886	11,970,649	-	177,953,529
31 March 2018						
Term loan from financial institutions	-	93,178	128,486	-	-	221,664
Term loan from banks	-	65,814	208,943	170,395	-	445,152
Short term borrowings	98,628,933	-	-	-	-	98,628,933
Trade payables	-	15,447,983	20,278,158	11,970,649	-	47,696,790
Other financial liabilities	-	4,905,851	3,168,246	-	-	8,074,097
	98,628,933	20,512,826	23,783,833	12,141,044	-	155,066,636

43 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, equity convertible warrants, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of current borrowing. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31 March 2019	31 March 2018
Total equity	(i)	346,718,514	269,359,240
Borrowings		100,530,789	99,295,749
Less: cash and cash equivalents		(58,944,142)	(101,549)
Total debt	(ii)	41,586,647	99,194,200
Overall financing	(iii) = (i) + (ii)	388,305,161	368,553,440
Gearing ratio	(ii)/ (iii)	0.11	0.27

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

	31 March 2019	31 March 2018
44 Number of permanent employees	**192**	**195**

Notes forming part of the Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

45 The products manufactured by the company do not have a warranty period, hence provision for warranty as specified in Indian Accounting Standard (Ind AS) 37 on "Provisions, Contingent Liabilities and Contingent Assets" is not required to be made.

46 During the year the Company has not capitalised any borrowing costs as per Ind AS 23 - "Borrowing costs".

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 31 March, 2018, 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 Unclaimed dividend: An amount of Rs. 12,822/- is due to be credited to the Investors Education & Protection Fund as at 31 March 2019.

49 In the opinion of the Board, the Current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business, except otherwise stated. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

50 As per Ind AS 36 "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 31 March 2019 (31 March 2018: Rs Nil) in the books.

51 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date
For **MSKA & Associates**
Chartered Accountants
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of
GKB Ophthalmics Limited
CIN : L26109GA1981PLC000469

Vinayak Padwal
Partner
Membership No. 049639

K. G. Gupta
Managing Director
DIN : 00051863

Vikram Gupta
Director
DIN : 00052019

Gurudas Sawant
Chief Financial Officer

Pooja Bicholkar
Company Secretary

Place : Mapusa, Goa
Date : May 30, 2019

Place : Mapusa, Goa
Date : May 30, 2019

INDEPENDENT AUDITOR'S REPORT
To The Members of GKB Ophthalmics Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of GKB Ophthalmics Limited(hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group")which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss(including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated cash flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, based on consideration of reports of other auditors, and management accounts on separate financial statements and on the other financial information of subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 Company as at March 31, 2019, of consolidated loss(financial performance including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters

Sr. No.	The Key Audit Matter	How the matter was addressed in our Audit
1	**Revenue Recognition** The Group's revenue is derived from sale of unfinished ophthalmic lenses. The Group recognises revenue when performance obligations as per the underlying sales contracts are satisfied.	Our audit procedures to assess the recognition of revenue included the following – a. Evaluating the design, implementation and operating effectiveness of internal controls over the existence, accuracy and timing of revenue recognition. b. Identifying the performance obligations under the contract to validate for the sample of

Sr. No.	The Key Audit Matter	How the matter was addressed in our Audit
	The terms set out in the Group's sales contracts are varied which affect the timing of revenue recognition. Revenue recognition was identified as a Key Audit Matter because revenue is one of the key performance indicators and is subject to inherent credit risk and risk of misstatement due to management judgments involved in the timing of revenue recognition.	transactions selected that the revenue is recognised and recorded in the period in which the performance obligation is satisfied. c. Performed substantive transactional testing for a sample of transactions and applied analytical procedures to validate the recognition of revenue. d. Tested journal entries posted to revenue accounts focusing on unusual or irregular terms, if any. e. Obtained balance confirmations form major trade receivables and checked the subsequent realisation for the sample of trade receivables post balance sheet date.
2	**Contingent Liabilities** The Holding Company has disputed demands and penalty relating to excise duty in connection with valuation of products manufactured by the Company, sales tax, entry tax and income tax. These disputes are currently pending before the Customs, Central Excise and Service Tax Appellate Tribunal (CESTAT) / Commissioner of Central Excise and Service Tax, Commissioner of Commercial Tax and Commissioner of Income Tax. Given the uncertainty involved in the appeals, the ultimate outcome of these matters cannot be predicted with virtual certainty. Further, whether the Holding Company is successful or not in these matters, the ultimate decision of the courts will have a material effect on the financial position, results of operations and cash flows. Management have engaged independent legal counsel on these matters. The accounting for, and disclosure of, this contingent liability is complex and is a significant matter in our audit because of the judgments required to determine the level of certainty in the matter.	Our audit procedures included - Holding discussions with the holding Company's personnel responsible for the Company's defence in these matters to understand their legal views. a. Verifying the submission made by the holding company's management in these cases and their interpretation of the matter. b. Verifying the documents related to the matters to understand the findings of the revenue authorities and to assess the representations of the holding company's management. Verifying the disclosures of disputed demand in the financial statements.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management report, Chairman's statement, Director's report etc. but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of 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. 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

a. We did not audit the financial statements of one subsidiary included in the Consolidated Financial Statements, whose financial statements reflect total assets of Rs. 2,960.22 lakhs as at March 31, 2019,total revenue of Rs.2,046.22 lakhs and net cash inflows amounting to Rs. 72.70 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by another auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

This subsidiary of the group is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that country and which have been audited by another auditor under generally accepted auditing standards applicable in that country. The Holding Company's management has converted the financial statements of this subsidiary located outside India from accounting principles generally accepted in their country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of this subsidiary located outside India is based on the report of the other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

b. We did not audit the financial statements of two subsidiaries included in the Consolidated Financial Statements, whose financial statements reflect total assets of Rs. 319.20 Lakhs as at 31st March, 2019, total revenues of Rs. Nil and net cash flows amounting to Rs. 54.74 for the year ended on that date. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. 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.

   e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note 37 to the consolidated financial statements.

ii. The Group Companies did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. Unpaid dividend of Rs. 12,822/- pertaining to financial year 2010-11 has not been transferred to investor education and protection fund as on March 31, 2019 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Group Companies,to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Vinayak M Padwal
Partner
Membership No.049639

Place: Mapusa, Goa
Date: May 30, 2019

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GKB OPHTHALMICS LIMITED

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

  We communicate with those charged with governance of the Holding Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

  We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Vinayak M Padwal
Partner
Membership No.049639

Place: Mapusa, Goa
Date: May 30, 2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GKB OPHTHALMICS LIMITED

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of GKB Ophthalmics Limited on the consolidated Financial Statements for the year ended March 31, 2019]

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to consolidated financial statements of GKB Ophthalmics Limited (hereinafter referred to as "the Holding Company")

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Vinayak M Padwal
Partner
Membership No.049639

Place: Mapusa, Goa
Date: May 30, 2019

Consolidated Balance Sheet as at March 31, 2019

(Amount in INR, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current Assets			
Property, Plant and Equipment	6	250,959,129	175,858,539
Other Intangible assets	7	7,542,696	7,543,493
Capital work-in-progress		-	2,396,893
Financial Assets			
Investments	8	5,294,073	25,300
Other non-current assets	9	19,068,496	5,824,024
Total Non-current Assets		282,864,394	191,648,249
Current Assets			
Inventories	10	277,346,105	320,144,206
Financial Assets			
Investments	8	114,514	3,640,380
Trade receivables	11	236,371,337	274,628,253
Cash and cash equivalents	12	93,268,449	21,682,244
Bank balances other than cash and cash equivalents	13	7,170,912	3,768,000
Loans and advances	14	18,018,203	2,805,420
Current Tax Assets (net)	15	1,887,612	1,567,738
Other Current assets	16	17,290,438	9,947,214
Total Current Assets		651,467,570	638,183,455
Total Assets		**934,331,964**	**829,831,704**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	46,405,800	41,535,800
Other equity	18	501,655,802	407,885,028
Total equity		548,061,602	449,420,828
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	-	170,395
Provisions	20	10,283,065	7,104,920
Deferred Tax Liabilties	33	4,518,280	9,062,820
Total non-current liabilities		14,801,345	16,338,135
Current liabilities			
Financial liabilities			
Borrowings	21	140,543,840	98,628,933
Trade payables	22		
i) total outstanding dues of micro enterprises and small enterprises		2,058,874	-
ii) total outstanding dues of creditors other than micro enterprise and small enterprise		204,621,069	240,319,066
Other financial liabilities	23	7,368,658	8,719,481
Other current liabilities	24	11,800,401	9,108,906
Provisions	20	5,076,175	7,296,355
Total current liabilities		371,469,017	364,072,741
Total liabilities		386,270,362	380,410,876
Total equity and liabilities		**934,331,964**	**829,831,704**
See accompanying notes to the financial statements	1-48	-	-

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **MSKA & Associates**
Chartered Accountants
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of
GKB Ophthalmics Limited
CIN : L26109GA1981PLC000469

Vinayak Padwal
Partner
Membership No. 049639

K. G. Gupta
Managing Director
DIN : 00051863

Vikram Gupta
Director
DIN : 00052019

Gurudas Sawant
Chief Financial Officer

Pooja Bicholkar
Company Secretary

Place : Mapusa, Goa
Date : May 30, 2019

Place : Mapusa, Goa
Date : May 30, 2019

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

	Notes	Year ended 31 March 2019	Year ended 31 March 2018
Income			
Revenue from operations	25	571,608,383	779,337,410
Other income	26	21,789,754	4,926,446
Total income		593,398,137	784,263,856
Expenses			
Cost of materials consumed	27	135,410,708	159,841,777
Purchase of Stock-in-trade		255,473,177	362,480,474
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(35,142,400)	556,370
Employee benefits expense	29	92,688,004	89,817,937
Finance costs	30	14,837,017	12,732,705
Depreciation and amortization expense	31	35,362,440	16,969,724
Other expenses	32	111,739,991	153,228,830
Total expenses		**610,368,937**	**795,627,817**
Profit / (Loss) before share of profit / (loss) of associates and exceptional items		(16,970,800)	(11,363,961)
Share in profit of associates	8	1,176,033	-
Profit / (Loss) before exceptional items and tax		(15,794,767)	(11,363,961)
Exceptional Items		-	-
Profit / (Loss) before tax		(15,794,767)	(11,363,961)
Tax expense			
Current tax	33	-	-
Deferred tax	33	(4,754,134)	(1,657,183)
Total income tax expense		**(4,754,134)**	**(1,657,183)**
Profit / (Loss) for the year		(11,040,633)	(9,706,778)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss		-	-
Income tax effect		-	-
		-	-
Items that will not be reclassified to profit or loss		806,133	(1,059,726)
Income tax effect	34	(209,594)	272,879
		596,539	(786,847)
Other comprehensive income for the year, net of tax		**596,539**	**(786,847)**
Total comprehensive income for the year		**(10,444,094)**	**(10,493,625)**
Earnings / (Loss) per share			
Basic earnings /(loss) per share (INR)	35	(2.38)	(2.34)
Diluted earnings /(loss) per share (INR)	35	(2.05)	(2.34)
See accompanying notes to the financial statements	1-48		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **MSKA & Associates**
Chartered Accountants
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of
GKB Ophthalmics Limited
CIN : L26109GA1981PLC000469

Vinayak Padwal
Partner
Membership No. 049639

K. G. Gupta
Managing Director
DIN : 00051863

Vikram Gupta
Director
DIN : 00052019

Gurudas Sawant
Chief Financial Officer

Pooja Bicholkar
Company Secretary

Place : Mapusa, Goa
Date : May 30, 2019

Place : Mapusa, Goa
Date : May 30, 2019

Consolidated Statement of changes in equity for the year ended March 31, 2019

(A) Equity share capital

Particulars	31-Mar-19		31-Mar-18	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs 10 each issued, subscribed and fully paid				
Opening	4,153,580	41,535,800	4,153,580	41,535,800
Add: issue during the year	487,000	4,870,000	-	-
Closing	**4,640,580**	**46,405,800**	4,153,580	41,535,800

(B) Other equity

For the year ended March 31, 2018

Particulars	Balance as at April 01, 2017	Total Comprehensive Income/(Loss) for the year	Other comprehensive income	Dividends	Others	Balance as at March 31, 2018
Reserves						
Retained earnings	310,980,867	(9,706,778)	(786,847)	-	-	300,487,242
General Reserve	65,056,619	-	-	-	-	65,056,619
Other Reserves						
(i) Capital Reserves	4,328,500	-	-	-	-	4,328,500
(ii) Investment Allowance (Utilised) Reserve	2,229,150	-	-	-	-	2,229,150
(iii) Foreign Currency Translation Reserve	23,443,163	-	-	-	(7,935,646)	15,507,517
(iv) Securities Premium Reserve	20,276,000	-	-	-	-	20,276,000
Total reserves	**426,314,299**	**(9,706,778)**	**(786,847)**	**-**	**(7,935,646)**	**407,885,028**

(B) Other equity

For the year ended March 31, 2019

Particulars	Balance as at April 01, 2018	Total Comprehensive Income/(Loss) for the year	Other comprehensive income	Dividends	Others	Balance as at March 31, 2019
Reserves						
Retained earnings	300,487,242	(11,040,633)	596,539	-	-	290,043,148
General Reserve	65,056,619	-	-	-	-	65,056,619
Other Reserves						
(i) Capital Reserves	4,328,500	-	-	-	-	4,328,500
(ii) Investment Allowance (Utilised) Reserve	2,229,150	-	-	-	-	2,229,150
(iii) Money received against share warrants	-	29,062,500	-	-	-	29,062,500
(iv) Foreign Currency Translation Reserve	15,507,517	-	-	-	4,537,368	20,044,885
(v) Securities Premium Reserve	20,276,000	70,615,000	-	-	-	90,891,000
Total reserves	**407,885,028**	**88,636,867**	**596,539**	**-**	**4,537,368**	**501,655,802**

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **MSKA & Associates**
Chartered Accountants
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of
GKB Ophthalmics Limited
CIN : L26109GA1981PLC000469

Vinayak Padwal
Partner
Membership No. 049639

K. G. Gupta
Managing Director
DIN : 00051863

Vikram Gupta
Director
DIN : 00052019

Gurudas Sawant
Chief Financial Officer

Pooja Bicholkar
Company Secretary

Place : Mapusa, Goa
Date : May 30, 2019

Place : Mapusa, Goa
Date : May 30, 2019

Consolidated Statement of Cash Flows for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

		Year ended 31 March 2019	Year ended 31 March 2018
Cash flow from operating activities			
Profit / (Loss) before tax and extraordinary items		(15,794,767)	(11,363,961)
Adjustments for:			
Depreciation and amortization expenses		35,362,440	16,969,731
Finance cost		14,837,017	12,732,705
Provision for doubtful debts		725,463	2,828,008
Bad debts written off		-	601,307
Sundry balances written back (net)		(38,494)	(4)
Unrealised exchange loss /(gain) (net)		5,731,646	4,730,900
(Gain)/ loss on sale of fixed assets		(14,377,895)	(146,507)
Loss on sale of short term investments (net)		-	1,799
Share of profit in associate		(1,176,033)	-
Dividend Income		(78,509)	(621,745)
Interest income		(1,337,549)	(378,930)
Operating Profit before working capital changes		**23,853,319**	**25,353,303**
Changes in working capital			
Increase / (decrease) in trade and other payables		(31,977,881)	(8,908,270)
(Increase) / decrease in inventories		42,798,101	(11,812,037)
(Increase) / Decrease in trade receivables		1,664,207	(32,415,325)
Increase / (Decrease) in other current liabilities and provisions		2,146,931	2,326,964
		14,631,359	**(50,808,668)**
Cash generated from (used in) operations		**38,484,678**	**(25,455,365)**
Income tax paid		(319,874)	(1,183,833)
Net cash flows generated from (used in) operating activities (A)		**38,164,805**	**(26,639,198)**
Cash flow from Investing activities			
Payment for property, plant and equipment and intangible assets		(131,967,428)	(18,759,268)
Proceeds from sale / disposal of fixed assets		32,300,709	146,507
Investment in associate		(4,092,740)	-
Purchase of Current Investments		(74,134)	(614,245)
Proceeds from sales of investments		3,600,000	31,700,001
Interest received		1,223,876	324,851
Dividend received		78,509	621,745
Net cash flow generated from (used in) investing activities (B)		**(98,931,207)**	**13,419,591**
Cash flow from Financing activities			
Proceeds from issuance of equity shares on preferential basis		75,485,000	-
Proceeds from issuance of convertible preference shares		29,062,500	-
Repayments of long term borrowings		(496,685)	(683,331)
Proceeds from short-term borrowings		42,926,701	27,082,882
Interest paid		(14,624,907)	(12,732,705)
Net cash flow from financing activities (C)		**132,352,609**	**13,666,846**
Net increase in cash and cash equivalents (A+B+C)		71,586,206	447,239
Cash and cash equivalents at the beginning of the year		21,682,244	21,235,005
Cash and cash equivalents at the end of the year		**93,268,450**	**21,682,244**
Cash and cash equivalents comprise (Refer note 16)			
Balances with banks			
On current accounts		92,753,140	21,304,649
Fixed deposits with maturity of less than 3 months		-	-
Cash on hand		515,309	377,595
Cheques on hand		-	-
Total cash and bank balances at end of the year		**93,268,450**	**21,682,244**
See accompanying notes to the financial statements	1-48		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **MSKA & Associates**
Chartered Accountants
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of
GKB Ophthalmics Limited
CIN : L26109GA1981PLC000469

Vinayak Padwal
Partner
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K. G. Gupta
Managing Director
DIN : 00051863

Vikram Gupta
Director
DIN : 00052019

Gurudas Sawant
Chief Financial Officer

Pooja Bicholkar
Company Secretary

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

1 GENERAL INFORMATION

GKB Ophthalmics Limited (the "Company" or "Parent") is a public limited company domiciled in India and was incorporated on 10th December 1981 under the provisions of the Companies Act, 1956 applicable in India. Its registered and principal office of business is located at 16-A, Thivim Industrial Estate, Mapusa, Goa 403 526, India.

The Group is engaged in manufacture and sale of ophthalmic lenses made up of Glass and Plastic.

2 SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) **Compliance with Ind AS**

These financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest Rupee, except when otherwise indicated.

(b) **Basis of measurement**

The Consolidated financial statements have been prepared on a historical cost convention except, certain financial assets and liabilities measured at fair value in accordance with the accounting policy of the Group.

All assets and liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

(c) **Use of estimates**

The preparation of Consolidated financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

(d) **Principles of consolidation :**

The consolidated financial statements comprise the financial statements of the Parent and its Subsidiaries as at March 31, 2019. Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the group controls an investee if, and only if, the group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

- The ability to use its power over the investee to affect its returns.

  Generally, there is a presumption that a majority voting rights results in control. To support this presumption and when the group has less than a majority of the voting or similar rights of an investee, the group considerall relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements,
- The Group's voting rights and potential voting rights, and
- The size of the Group's holding of voting rights relative to the size and dispension of the holdings of the other voting right holders

The Group re-assesses whether or not it controls an investee, and if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the group obtains control. over the subsidiary and ceases when the group losses control of the subsidiary. Assets, liabilities, income and expenses of the subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date group gains control until the date the group ceases to control the subsidiary.

A Change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other comprehensive equity while any resultant gain or loss is recognised in statement of profit and loss. Any investment retained is recognised at fair value.

(e) **Basis of consolidation :**

The financial statements of the parent and its subsidiaries have been consolidtaed on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra group balances, intra group transactions and unrealised profits resulting there from and are prepared, to the extent possible, in the same form and manner as the Parent's independent financial statements. The profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the group and to the non-controlling interest, even if this results in the non-controlling interest having a deficit balance.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group members financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies

The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of parent company i.e. year ended on March 31, 2019.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Group depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment

Building	30 to 60 years
Plant & Machinery	1 to 15 years
Furniture and Fixtures	1 to 10 years
Office Equipment	1 to 5 years
Vehicles	8 to 10 years
Computers	1 to 15 years

Leasehold land is amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

Incase of foreign subsidiaries / Companies, depreciation on property, plant and equipment has been provided at the rates required / permissible by the GAAPs of the respective countries. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

2.3 Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

2.4 Other Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 01, 2016 measured as per the Indian GAAP and use that carrying value as the deemed cost of the intangible assets.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

The Group amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	
Computer Software	6 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.5 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the Consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statement of profit and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognised in other equity.

Any Goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate of exchange at the reporting date.

2.6 Revenue Recognition

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns and allowances, trade discounts and volume rebates, value added taxes, goods and service tax (GST) and amounts collected on behalf of third parties.

Rendering of services

Revenue from services is recognised in accordance with the specific terms of contract or performance and the amount of revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of indirect taxes, trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Dividend income is accounted for when the right to receive the same is established, which is generally when the shareholders approve the dividend.

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.8 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as a lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.9 Inventories

Inventories are valued at the lower of cost and net realisable value.

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.

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.

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.

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

Excise duty liability, wherever applicable, is included in the valuation of closing inventory of finished goods. Excise duty payable on finished goods is accounted for upon manufacture and transfer of finished goods to the stores. Payment of excise duty is deferred till the clearance of goods from the factory premises.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

Cost of traded goods is determined on a weighted average basis.

The comparison of cost and net realizable value is made on item by item basis.

2.10 Impairment of non-financial assets

The Group assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Group estimates the asset's recoverable amount and the amount of impairment loss.An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions, contingent liabilities, Contingent assets and Commitments

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

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

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.

Contingent assets are neither recognised nor disclosed.

Commitments include the amount of purchase order (net of advance) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.13 Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company or Parent has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company or Parent has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company or Parent does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

Defined benefit plans

Gratuity:

The Company or Parent'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 or Parent 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.

Compensated Absences:

The employees of the Company or Parent 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 or Parent 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.

2.14 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.15 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Group's earnings per share is the net profit or loss for the year after deducting any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.16 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.

2.17 Statement of cash flows

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 Group are segregated based on the available information.

2.18 Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the group is such that its disclosure improves the understanding of the performance of the group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

2.19 Segment accounting

The Group operates in one primary segment i.e. Opthalmics lenses, the organisation structure, the internal reporting systems and review by chief operating decision maker. Secondary segments are identified on the basis of geography in which sales have been effected.

2.20 Business combinations

Business combinations are accounted for using acquisition method. The cost of acquisition is measured as aggregate of consideration transferred , measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination , the group elects whether it measures non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classificatiion and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as the acquisition date. This includes the seperation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the fair value on acquisition date of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit and loss. Any contingent consideration to be transferred by the acquirer will be recognised at the fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised either in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of Ind AS 109 , it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

After initial recognition, goodwill is measured at cost less any accumulated impairement losses. For the purpose of impairment testing, goodwill acquired in a business combination is from acquisition date, allocated to each of the groups cash generating units that are expected to benefit from the combination , irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where the goodwill forms the part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

Common control business combinations includes transactions, such as transfer of subsidiaries or businesses, between entities within a Group

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial satements, irrespective of the actual date of the combination. However , if business combination had occurred after that date , the prior period information is restated only from that date.

The difference, if any , between the amount recorded as the share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented seperately from other capital reserves with disclosure of its nature and the purpose in the notes.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

2.21 Investment in associates and joint ventures

An associate is an entity which the group has significant influence . Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activities require unanimous consent of the parties sharing.

The Group's investments in the associate are accounted by using the equity method.

Under the equity method, the investment in an associate or joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate or a joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or a joint venture. Any change in OCI of those investees is presented as part of the Group's OCI . In addition , when there has been a change recognised directly in the equity of the associate or a joint venture, the group recognises it's share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit and loss of an associate and a joint venture is shown on the face of the statement of profit and loss outside operating profit and represents profit and loss after tax of the associate.

The financial statements of the associates are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the group determines whether it is necessary to recognise an impairment loss on its investment in its associate or a joint venture. At each reporting date, the group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as " Share of profit of an associate or joint venture in the statement of profit and loss."

2.22 Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Group's management determines the policies and procedures for fair value measurement such as derivative instrument.

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

2.23 Financial instruments

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

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or
b) at fair value through other comprehensive income; or
c) at fair value through profit or loss. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

<u>Amortized cost</u>: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

<u>Fair value through other comprehensive income (FVOCI)</u>: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

<u>Fair value through profit or loss (FVTPL)</u>: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

<u>Equity instruments</u>: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(c) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.24 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest rupee as per requirement of Schedule III of the Act, unless otherwise stated.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

(c) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

(e) Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

4 STANDARDS (INCLUDING AMENDMENTS) ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

5 IND AS 116- LEASES

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 116, Leases. This Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective of the standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. The effective date for adoption of Ind AS 116 is financial periods beginning on or after April 01,2019.The Company is currently evaluating the requirements of amendments. The Company believes that the adoption of this amendment will not have a material effect on its financial statements.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

6 PROPERTY, PLANT AND EQUIPMENT

(Amount in INR)

	Gross block				Depreciation				Net block	
	As at 1 April 2018	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2019	As at 1 April 2018	For the year	Deductions/ Adjustments	As at 31 March 2019	As at 31 March 2019	As at 31 March 18
Owned assets										
Freehold Land	429,910	-	-	429,910	-	-	-	-	429,910	429,910
Leasehold Improvement	4,040,089	-	(201,817)	4,241,906	1,106,946	91,859	(55,589)	1,254,394	2,987,512	2,933,143
Buildings	70,875,658	2,761,729	11,462,886	62,174,501	17,419,119	2,214,253	2,135,398	17,497,974	44,676,527	53,456,539
Plant and Machinery	241,870,272	4,749,860	(25,014)	246,645,146	137,277,015	13,480,068	(25,014)	150,782,097	95,863,049	104,593,257
Plant and Machinery - Moulds	-	120,178,477	9,408,794	110,769,683	-	16,577,869	412,201	16,165,668	94,604,015	-
Furniture and Fixtures	22,451,052	392,520	(339,394)	23,182,966	15,672,436	1,059,430	(293,297)	17,025,163	6,157,803	6,778,616
Office Equipment	5,515,726	228,961	32,518	5,712,169	3,691,208	622,755	77,156	4,236,807	1,475,362	1,824,518
Vehicles	20,941,267	-	(645,259)	21,586,526	15,098,711	1,241,909	(480,955)	16,821,575	4,764,951	5,842,556
	366,123,974	**128,311,547**	**19,692,714**	**474,742,807**	**190,265,435**	**35,288,143**	**1,769,900**	**223,783,678**	**250,959,129**	**175,858,539**

	Gross block				Depreciation				Net block	
	As at 1 April 2017	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Owned assets										
Freehold Land	429,910	-	-	429,910	-	-	-	-	429,910	429,910
Leasehold Improvement	4,053,610	-	13,521	4,040,089	1,003,492	104,446	992	1,106,946	2,933,143	3,050,118
Buildings	70,395,293	480,365	-	70,875,658	15,347,169	2,071,950	-	17,419,119	53,456,539	55,048,124
Plant and Machinery	226,748,755	18,795,888	3,674,371	241,870,272	130,036,092	10,913,618	3,672,695	137,277,015	104,593,257	96,712,663
Plant and Machinery - Moulds	-	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	20,993,306	1,611,875	154,129	22,451,052	14,848,070	962,834	138,468	15,672,436	6,778,616	6,145,236
Office Equipment	5,226,776	801,467	512,517	5,515,726	3,624,918	577,566	511,276	3,691,208	1,824,518	1,601,858
Vehicles	19,286,226	2,654,667	999,626	20,941,267	14,066,137	2,042,256	1,009,682	15,098,711	5,842,556	5,220,089
	347,133,876	**24,344,262**	**5,354,164**	**366,123,974**	**178,925,878**	**16,672,670**	**5,333,113**	**190,265,435**	**175,858,539**	**168,207,998**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019
(Amount in INR, unless otherwise stated)

7 OTHER INTANGIBLE ASSETS

	Gross block				Depreciation				Net block	
	As at 1 April 2018	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2019	As at 1 April 2018	For the year	Deductions/ Adjustments	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Computer Software	1,883,477	73,500	-	1,956,977	1,719,189	74,297	-	1,793,486	163,491	164,288
Goodwill	7,379,205	-	-	7,379,205	-	-	-	-	7,379,205	7,379,205
Total	**9,262,682**	**73,500**	**-**	**9,336,182**	**1,719,189**	**74,297**	**-**	**1,793,486**	**7,542,696**	**7,543,493**

	Gross block				Depreciation				Net block	
	As at 1 April 2017	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Computer Software	1,883,477	-	-	1,883,477	1,422,135	297,054	-	1,719,189	164,288	461,342
Goodwill	7,379,205	-	-	7,379,205	-	-	-	-	7,379,205	7,379,205
Total	**9,262,682**	**-**	**-**	**9,262,682**	**1,422,135**	**297,054**	**-**	**1,719,189**	**7,543,493**	**7,840,547**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

8 FINANCIAL ASSETS- INVESTMENTS

	31 March 2019	31 March 2018
INVESTMENT IN EQUITY INSTRUMENTS (FULLY PAID-UP)		
Unquoted equity shares - Associate		
GKB Vision FZC, Sharjah		
Fully paid equity shares of associate companies	4,092,740	-
[49 equity shares (31 March 2018: Nil shares) of nominal value of AED 1500 each]		
Add : Share in profit of associates for current year	1,176,033	-
	5,268,773	-
Others		
Saraswat Co-operative Bank Limited		
[2,500 shares (31 March 2018: 2,500 shares) of Rs 10 each]	25,300	25,300
Total (equity instruments)	5,294,073	25,300
Note :		
During the year, the wholly owned subsidiary of the Parent Company has acquired 49% stake in GKB Vision FZC, Sharjah, accordingly it is treated as an Associate Company for the purpose of preparation of Consolidated Financial Statements.		
NON TRADE INVESTMENTS		
Investment in Mutual funds (Quoted) designated at FVTPL		
JM Liquid Fund - Savings Plan	5,709	5,709
- Daily Dividend Reinvestment - 575 units (31 March 2018: 547 units)		
HDFC Money Market Fund - Direct Plan	108,805	3,634,671
- Daily Dividend Reinvestment - 102 units (31 March 2018: 3,428 units)		-
	114,514	**3,640,380**
Current	114,514	3,640,380
Non- Current	5,294,073	25,300
	5,408,587	3,665,680
Aggregate book value of:		
Quoted investments	114,514	3,640,380
Unquoted investments	5,294,073	25,300
Aggregate market value of:		
Quoted investments	114,514	3,640,380
Unquoted investments	5,294,073	25,300
Aggregate amount of impairment in value of Investments	-	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

9 OTHER NON-CURRENT ASSETS

	31 March 2019	31 March 2018
Capital advance*	4,641,725	-
Security deposits	13,894,377	5,269,024
Margin money deposits:		
Margin money deposits maturing after 12 months from reporting date	532,394	555,000
	19,068,496	**5,824,024**

* Value of contracts in capital account remaining to be executed as at March 31, 2019 [Rs. 2,59,28,684/-] (31 March 2018: [Nil])

10 INVENTORIES*

	31 March 2019	31 March 2018
Raw material	29,478,399	15,092,821
Work in progress	2,657,482	2,976,132
Finished goods	35,252,441	32,624,034
Packing material	1,128,575	783,125
Store and spares parts	8,853,663	96,935,997
Stock in trade	204,564,740	171,732,097
Less:- Unrealised Gain on Closing stock	(4,589,195)	-
	277,346,105	**320,144,206**

*Hypothecated as charge against short term-borrowings. Refer note 21.

11 TRADE RECEIVABLES

	31 March 2019	31 March 2018
Secured, considered good	-	-
Unsecured		
Considered good		
'- Related parties*	36,901,365	74,253,705
'- Others	198,470,619	200,374,548
-Considered doubtful	5,131,151	4,470,623
Less-Allowance for bad and doubtful debts	(5,131,151)	(4,470,623)
	235,371,984	**274,628,253**
Other Receivables - at amortised cost		
Other financial receivables	999,353	-
	236,371,337	**274,628,253**
All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.		
* Due to related parties includes receivable from following companies		
Prime Lenses Pvt Ltd	32,667,976	39,829,819
GKB Vision FZC	4,233,389	32,713,388
GKB Vision Private Limited	-	1,710,498

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

12 CASH AND CASH EQUIVALENTS

	31 March 2019	31 March 2018
Balances with banks:		
On current accounts	92,753,140	21,304,649
Cash on hand	515,309	377,595
	93,268,449	**21,682,244**

13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

	31 March 2019	31 March 2018
In Fixed deposit with maturity for more than 3 months bus less than 12 months from balance sheet date	-	-
Other balances		
Earmarked balances with banks:		
Unpaid dividends*	12,822	-
Margin money deposits#	7,158,090	3,768,000
	7,170,912	**3,768,000**

* Amount of Rs. 12,822/- is due to credited to the Investors Education & Protection Fund as at 31 March 2019.

\# Kept as lien against bank guarantee and letter of credit facility

14 CURRENT FINANCIAL ASSETS - LOANS

	31 March 2019	31 March 2018
(a) Unsecured, considered good, unless otherwise stated		
Loans to related party	-	-
	-	**-**
(b) Advances to employees recoverable in cash or in kind or for value to be received		
Considered good	178,056	252,456
Considered doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
	178,056	252,456
(c) Security deposits:		
Considered good	17,840,147	2,552,964
Considered doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
	17,840,147	2,552,964
	18,018,203	**2,805,420**

15 CURRENT TAX ASSETS

	31 March 2019	31 March 2018
Balance with Income tax (net of provisions amounting to Rs Nil (31 March 2018: Rs Nil))	1,887,612	1,567,738
	1,887,612	**1,567,738**

16 OTHER CURRENT ASSETS

	31 March 2019	31 March 2018
Advances to suppliers (Considered good)	2,024,123	5,165,481
Balance with tax authorities	144,616	1,397,044
Interest accrued on fixed deposits	353,596	239,923
Input credit receivable	10,262,766	-
Prepaid expenses	4,505,337	2,775,033
Refund receivable towards Merchandise Exported from India Scheme (MEIS)	-	369,733
	17,290,438	**9,947,214**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

17 SHARE CAPITAL

	31 March 2019	31 March 2018
EQUITY SHARES		
Authorised		
[70,00,000 equity shares (31 March 2018: 70,00,000 equity shares) of Rs. 10 each]	70,000,000	70,000,000
	70,000,000	**70,000,000**
Issued, subscribed and paid up		
	-	-
Issued :		
[46,86,980 equity shares (31 March 2018 : 41,99,980 equity shares) of Rs. 10 each fully paid]	46,869,800	41,999,800
Subscribed and Paid up :		
[46,40,580 equity shares (31 March 2018: 41,53,580 equity shares) of Rs. 10 each fully paid]	46,405,800	41,535,800
	46,405,800	**41,535,800**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	31 March 2019		31 March 2018	
	Number of shares	**Amount**	Number of shares	Amount
Equity Shares at the beginning of the year	4,153,580	41,535,800	4,153,580	41,535,800
Add: Issued during the year	487,000	4,870,000	-	-
Equity Shares at the end of the year	**4,640,580**	**46,405,800**	**4,153,580**	**41,535,800**

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares

Name of the shareholder	**31 March 2019**		31 March 2018	
	Number of shares	**% of holding in the class**	Number of shares	% of holding in the class
Equity shares of Rs. 10 each fully paid				
Krishna Gopal Gupta	800,024	17.24%	800,024	19.26%
Krishna Murari Gupta	328,207	7.07%	328,207	7.90%
Vikram Gupta	373,105	8.04%	373,105	8.98%
Gaurav Gupta	357,966	7.71%	357,966	8.62%
Veena Gupta	300,753	6.48%	300,753	7.24%
Shefali Chawla	242,464	5.22%	242,464	5.84%
Brijendra Kumar Gupta	244,950	5.28%	159,000	3.83%

(d) No class of shares have been issued as bonus shares or for consideration other than cash by the Company or Parent during the period of five years immediately preceding the current year end.

(e) No class of shares have been bought back by the Company or the Parent during the period of five years immediately preceding the current year end.

(f) During the year, the Company allotted 4,87,000 equity shares and 7,50,000 equity convertible warrants at a price of Rs. 155/- per share. The company has received the entire consideration of Rs. 7,54,85,000/- on allotment of equity shares and Rs. 2,90,62,500/- (representing 25% of value) on allotment of equity convertible warrants. Pursuant to this allotment, the share capital of the Company stands increase by Rs. 48,70,000/- and securities premium on issue equity shares by Rs. 7,06,15,000/-.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

18 OTHER EQUITY

		31 March 2019	31 March 2018
(A)	**Securities Premium Reserve (SPR)***		
	Opening balance	20,276,000	20,276,000
	Add : Securities premium credited on issue of shares	70,615,000	-
	Closing balance	**90,891,000**	**20,276,000**
	* SPR comprises of premium on issue of shares to be utilised in accordance with the Companies Act, 2013		
(B)	**General Reserve (GR)**		
	Opening balance	65,056,619	65,056,619
	Add: Transfer during the year	-	-
	Closing balance	**65,056,619**	**65,056,619**
	* GR is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.		
(C)	**Surplus/(deficit) in the Statement of Profit and Loss**		
	Opening balance	300,487,242	310,980,867
	Add/ (Less): Net loss for the current year	(11,040,633)	(9,706,778)
	Add/(Less): Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	596,539	(786,847)
	Closing balance	**290,043,148**	**300,487,242**
(D)	**Capital Reserves (CR)***		
	Opening balance	4,328,500	4,328,500
	Add : Movement during the year	-	-
	Closing balance	**4,328,500**	**4,328,500**
	* CR up to the nominal value of shares is created out of distributable profit for buyback of shares as per the Act.		
(E)	**Investment Allowance (utilised) Reserve**		
	Opening balance	2,229,150	2,229,150
	Add : Movement during the year	-	-
	Closing balance	**2,229,150**	**2,229,150**
(E)	**Money received against share warrants**		
	Opening balance	-	-
	Add : Securities premium credited on issue of shares	29,062,500	-
	Closing balance	**29,062,500**	**-**
(E)	**Foreign currency translation reserve**		
	Opening balance	15,507,517	23,443,163
	Add : Securities premium credited on share issue	4,537,368	(7,935,646)
	Closing balance	**20,044,885**	**15,507,517**
	Total other equity	**501,655,802**	**407,885,028**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

	31 March 2019	31 March 2018
19 NON-CURRENT BORROWINGS		
Secured		
(a) Term loan		
From Bank (Refer note below)	170,131	170,395
From Financial Institutions (Refer note below)	-	-
	170,131	**170,395**
Less: Amount disclosed under the head "Other financial liabilities" (Refer note 24)	170,131	-
Total non current maturities of long term borrowings	**-**	**170,395**

Terms of repayment

Vehicle loan of Rs. 1,70,131/- (31 March 2018: Rs. 4,45,152/-) secured by charge of vehicle is repayable in 48 equated monthly installments from November, 2015.

Vehicle loan of Rs. Nil/- (31 March 2018: Rs. 2,21,664/-) secured by charge of vehicle is repayable in 36 equated monthly installments from November, 2015.

20 PROVISIONS

	Long term		Short term	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Provision for gratuity (funded) (Refer note 36)	-	-	4,175,392	6,458,022
Provision for gratuity (unfunded) (Refer note 36)	8,258,018	5,267,308	-	-
Provision for leave encashment (unfunded) (Refer note 36)	2,025,047	1,837,612	900,783	838,333
	10,283,065	**7,104,920**	**5,076,175**	**7,296,355**

21 SHORT -TERM BORROWINGS

	31 March 2019	31 March 2018
Secured, from bank, term loan (Refer footnote)		
-Packing credit	9,985,670	10,067,030
-Cash credit	90,352,739	87,527,860
-Overdrawn bank balances	22,249	1,034,043
Unsecured, from others	40,183,182	-
(I)	**140,543,840**	**98,628,933**

Footnote: The above facilities from banks are secured by hypothecation of the Company's entire present and future stocks of raw materials, finished goods, work in progress, consumable stores & spares, book debts, other current assets, mortgage of leasehold land, factory building, plant & machinery, all other fixed assets of the Company or Parent and personal guarantee of Directors.

22 Trade payables

	31 March 2019	31 March 2018
Total outstanding dues of micro enterprises and small enterprises	2,058,874	-
Total outstanding dues of creditors other than micro enterprises and small enterprises*	204,621,069	240,319,066
(II)	**206,679,943**	**240,319,066**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Group:

Particulars	31 March 2019	31 March 2018
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	2,058,874	-
Interest	212,110	-
Total	**2,270,984**	**-**
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	212,110	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

* Due to related parties includes

GKB Vision Private Limited	62,278,263	131,464,236
GKB Vision FZC	18,494,186	-
Veena Gupta	252,000	165,000

Due to others includes reinstated amount of Rs. 1,79,40,021 (previous year Rs. 1,69,13,850 /-) due to Alpha Diamond Industry, Japan against imports which are 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.

23 Other financial liabilities

	31 March 2019	31 March 2018
Other financial liabilities at amortised cost		
Current maturity of long term loans	170,131	-
Creditors for capital goods	1,887,566	3,225,115
Unpaid dividend *	12,822	-
Others liabilities	5,298,139	5,494,366
(III)	**7,368,658**	**8,719,481**
* Amount of Rs. 12,822/- is due to be credited to the Investors Education & Protection Fund as at 31 March 2019.		
(I+II+III)	**354,592,441**	**347,667,480**

24 Other current liabilities

	31 March 2019	31 March 2018
Statutory due payable	488,898	273,074
Advance from customer	1,824,746	530,382
Salary payable	6,201,646	4,906,750
Bonus payable	3,001,285	2,733,416
Superannuation payable	283,826	168,863
Current maturity of long term loans	-	496,421

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

25 Revenue from operations

	31 March 2019	31 March 2018
Sale of goods (inclusive of excise duty)	571,593,803	772,539,237
Sale of services	14,580	175,935
Other operating income - Sale of raw materials, stores and packing material	-	6,622,238
	571,608,383	**779,337,410**

Sale of goods includes excise duty collected from customers of Rs. Nil (March 31, 2018: Rs. 51,64,073/-). Revenue from operations for periods up to 30 June 2017 includes excise duty. From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations year ended 31 March 2019 is not comparable with 31 March 2018.

26 Other income

	31 March 2019	31 March 2018
Merchandise Export from India Scheme (MEIS) receipts	2,541,386	-
Interest income		
- on fixed deposits	**328,735**	378,930
Dividend income		
-from others	**78,509**	621,745
Foreign exchange fluctuation	849,335	-
Rental income	2,543,846	2,541,972
Commission on sales	451,209	542,316
Miscellaneous income	580,345	694,972
Gain on sale/disposal of fixed assets	**14,377,895**	146,507
Liabilities written back	**38,494**	4
	21,789,754	**4,926,446**

27 Cost of material consumed

	31 March 2019	31 March 2018
Inventory at the beginning of the year	15,875,946	32,476,433
Add: Purchases	145,552,541	143,241,290
Less: Inventory at the end of the year	(26,017,779)	(15,875,946)
Cost of raw material consumed	**135,410,708**	**159,841,777**

28 Changes in inventories of finished goods, stock-in-trade and work-in-progress

	31 March 2019	31 March 2018
Inventories at the beginning of the year		
-Finished goods	32,624,034	53,583,996
-Work-in-progress	2,976,132	4,433,005
-Stock-in-trade	171,732,097	149,871,632
	207,332,263	**207,888,633**
Less: Inventories at the end of the year		
-Finished goods	35,252,441	32,624,034
-Work-in-progress	2,657,482	2,976,132
-Stock-in-trade	204,564,740	171,732,097
	242,474,663	**207,332,263**
Net decrease/ (increase)	(35,142,400)	556,370

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

29 Employee benefits expense

	31 March 2019	31 March 2018
Salaries, wages, bonus and other allowances	82,330,927	80,421,406
Contribution to Provident Fund and other funds	6,477,152	6,246,523
Gratuity and compensated absences expenses (Refer note 36)	2,546,140	1,932,301
Employee stock option scheme compensation	-	-
Staff welfare expense	1,333,785	1,217,707
	92,688,004	**89,817,937**

Based on the Supreme Court Judgement dated February 28, 2019, the Company was required to reassess the components to be included in the basic salary for the purposes of deduction of PF. However, the Company believes that there is not likely to be material impact and hence has not provided for any additional liability as on March 31, 2019 in the books of account.

30 Finance costs

	31 March 2019	31 March 2018
Interest on long term borrowings	85,366	433,189
Interest on working capital	11,297,686	9,221,912
Bank charges	3,241,855	3,077,604
Interest on delay in payment to MSME creditors	212,110	-
	14,837,017	**12,732,705**

31 Depreciation and amortization expense

	31 March 2019	31 March 2018
Depreciation (Refer note 6)	35,288,143	16,672,670
Amortization (Refer note 7)	74,297	297,054
Total depreciation and amortization expense	**35,362,440**	**16,969,724**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

32 Other expenses

	31 March 2019	31 March 2018
Electricity and water	19,425,613	21,057,273
Rent (refer foot note 1)	11,522,429	12,250,768
Repairs :		
Building	456,983	422,708
Plant and Equipment	2,009,560	2,742,929
Others	2,105,958	1,407,321
Rates and Taxes	3,103,045	3,488,980
Excise duty (refer foot note 2)	-	(1,271,990)
Excise duty paid on sale of products	-	5,164,073
Gateway transaction charges		
Travelling and conveyance	4,016,473	3,599,428
Postage and courier	-	
Freight and forwarding	2,122,072	1,958,026
Insurance	1,578,313	1,511,759
Other manufacturing expenses	18,923,945	18,773,953
Stores and spares consumed	18,249,950	52,130,388
Packing material consumed	-	9,165,296
Printed educational material	-	-
Printing & Stationery	965,796	1,062,871
Communication, broadband and internet expenses	1,967,279	1,848,207
Office expenses	-	-
Security Charges	2,668,891	2,875,549
Legal and professional charges	5,928,461	3,105,934
Audit fees (refer foot note 3)	1,347,918	1,277,195
Advertisement	2,684,633	327,384
Directors' fees	750,000	721,440
Loss on sale/disposal of fixed assets	-	-
Foreign exchange fluctuation	-	253,943
Commission on sales	5,229,479	2,268,922
Miscellaneous expenses	5,957,730	3,650,094
Loss on sale of investment	-	1,799
Provision for doubtful debts	725,463	2,828,008
Bad debts write off	-	601,307
Donation	-	5,265
	111,739,991	**153,228,830**

Foot note 1 :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. 1,15,22,429 (31 March 2018: Rs. 1,22,50,768) has been charged to the Statement of Profit and Loss.

Foot note 2 :The excise duty related to the difference between the opening and closing stock of finished goods is disclosed above as "Excise duty".

Foot note 3 :The following is the break-up of Auditors remuneration (exclusive of service tax)

Auditor's Remuneration

	31 March 2019	31 March 2018
As auditor:		
Statutory audit	825,000	750,000
In other capacity:		
Tax audit	195,000	195,000
Other matters - Limited review	255,000	255,000
Reimbursement of expenses	72,918	77,195
Total	**1,347,918**	**1,277,195**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

33 Income Tax

(A) Deferred tax relates to the following:

	31 March 2019	31 March 2018
Deferred tax assets		
On property, plant and equipment	-	-
On provision for employee benefits	4,144,841	3,916,593
On unabsorbed depreciation and carry forward business losses	-	-
Previous year losses	3,137,410	-
Unabsorbed depreciation	9,077,080	-
On others	783,038	619,591
	17,142,369	4,536,184
Deferred tax liabilities		
On property, plant and equipment	21,660,649	13,599,004
	21,660,649	13,599,004
Deferred tax income	4,518,280	9,062,820
Less: Deferred tax asset not recognized	-	-
Deferred tax liability, net	4,518,280	9,062,820

In absence of reasonable certainty of taxable income in future years, during the year ended 31 March 2019, the Company has created deferred tax asset on brought forward losses and unabsorbed depreciation.

(B) Reconciliation of deferred tax (assets) / liabilities (net):

	31 March 2019	31 March 2018
Opening balance as of 1 April	9,062,820	10,992,882
Tax liability recognized in Statement of Profit and Loss	(4,754,134)	(1,657,183)
Tax liability recognized in OCI	209,594	(272,879)
Closing balance as at 31 March	4,518,280	9,062,820

(C) Deferred tax (assets) / liabilities to be recognized in Statement of Profit and Loss

	31 March 2019	31 March 2018
Tax asset	(12,815,779)	254,565
Tax Liabilities	8,061,645	(2,184,627)
	(4,754,134)	(1,930,062)

(D) Income tax expense

	31 March 2019	31 March 2018
- Current tax taxes	-	-
- Adjustments in respect of current income tax of previous year	-	-
- Deferred tax charge / (income)	(4,754,134)	(1,657,183)
Income tax expense reported in the statement of profit or loss	(4,754,134)	(1,657,183)

(E) Income tax expense charged to OCI

	31 March 2019	31 March 2018
Unrealised (gain)/loss on FVTOCI debt securities	-	-
Unrealised (gain)/loss on FVTOCI equity securities	-	-
Net loss/(gain) on remeasurements of defined benefit plans	209,594	(272,879)
Income tax charged to OCI	209,594	(272,879)

(F) **Reconciliation of tax charge**

	31 March 2019	31 March 2018
Loss before tax	(15,794,767)	(11,363,961)
Income tax expense at tax rates applicable	-	-
Tax effects of:		
- Item not deductible for tax	-	-
- Others	-	-
Income tax expense	-	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

34 Basis of preparation of Consolidated Financial Statements (CFS) :

The Consolidated Financial Statements (CFS) are prepared in accordance with the requirements of Indian Accounting Standard (Ind AS) 21, 'Consolidated Financial Statements', (Ind AS) 110, 'Accounting for Investments in Associates in Consolidated Financial Statements' and (Ind AS) 28 as notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The CFS comprises the financial statements of GKB Ophthalmics Limited and its subsidiaries. References in these notes to GKB, Company, Companies, Parent Company or Group shall mean to include GKB Ophthalmics Limited or any of its subsidiaries, unless otherwise stated.

The notes and significant accounting policies to the CFS are intended to serve as a guide for better understanding of the GKB Group's position. In this respect, the Company has disclosed such notes and policies which represent the required disclosure.

The list of subsidiaries and associates included in the consolidated financial statements are as under:

Name of the Company	Relationship	Country of Incorporation	Proportion of ownership interest
GKB Opthalmics Products [FZE], Sharjah (Limited Liability Establishment)	Subsidiary	United Arab Emirates	100%
GKB Ophthalmics GmbH, Oyten	Subsidiary	Germany	100%
GSV Ophthalmics Private Limited	Subsidiary	India	100%

35 Earnings/ Loss per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2019	31 March 2018
Loss attributable to equity holders	(11,040,633)	(9,706,778)
Less: preference dividend after-tax	-	-
Loss attributable to equity holders after preference dividend	(11,040,633)	(9,706,778)
Add: Interest on convertible preference shares	-	-
Loss attributable to equity holders adjusted for the effect of dilution	(11,040,633)	(9,706,778)
Weighted average number of equity shares for basic EPS*	4,640,580	4,153,580
Effect of dilution:		
Share options	-	-
Share warrants	750,000	-
Weighted average number of equity shares adjusted for the effect of dilution	5,390,580	4,153,580
Basic loss per share (INR)	(2.38)	(2.34)
Diluted loss per share (INR)	(2.05)	(2.34)

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

36 Employee benefits

(A) Defined Contribution Plans

During the year, the Company has recognized the amounts in the Statement of Profit and Loss as follows-

	31 March 2019	31 March 2018
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 29)	6,477,152	6,246,523
(B) Defined benefit plans Gratuity and compensated absences expenses (Refer note 29)	2,546,140	1,932,301

I Gratuity

i) **Actuarial assumptions**

	31 March 2019 Gratuity (funded)	31 March 2018 Gratuity (funded)	31 March 2019 Gratuity (unfunded)	31 March 2018 Gratuity (unfunded)
Discount rate (per annum)	7.50%	8.00%	8.25%	8.25%
Rate of increase in Salary	6.00%	6.00%	-	-
Expected average remaining working lives of employees (years)	As per mortality table LIC(1994-96) Ultimate	As per mortality table LIC(1994-96) Ultimate	-	-
Attrition rate	-	-	-	-

ii) **Changes in the present value of defined benefit obligation**

	31 March 2019 Gratuity (funded)	31 March 2018 Gratuity (funded)	31 March 2019 Gratuity (unfunded)	31 March 2018 Gratuity (unfunded)
Present value of obligation at the beginning of the year	13,401,299	10,996,853	7,360,791	6,653,131
Interest cost	1,072,104	879,748	-	-
Past service cost	-	-	-	-
Current service cost	810,751	642,807	995,069	695,114
Curtailments	-	-	-	-
Settlements	-	-	-	-
Benefits paid	(528,300)	(517,410)	(97,841)	-
Actuarial (gain)/ loss on obligations	(983,758)	1,399,301	-	12,546
Present value of obligation at the end of the year*	13,772,096	13,401,299	8,258,019	7,360,791
Plan assets at the beginning of the year	9,036,762	8,680,508	-	-
Expected return of plan assets	720,985	689,206	-	-
Contributions	367,258	184,458	-	-
Benefits paid	(528,300)	(517,410)	-	-
Actuarial gain / (loss)	-	-	-	12,546
Plan assets at the end of the year	9,596,705	9,036,762	-	12,546
Total actuarial gain/(loss) to be recognised	983,758	(1,399,301)	-	-
Expected return on plan assets	720,985	689,206	-	-
Actuarial gain / (loss)	-	-	-	-
Actual return on plan assets	720,985	689,206	-	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

iii) **Expense recognized in the Statement of Profit and Loss**

	31 March 2019 Gratuity (funded)	31 March 2018 Gratuity (funded)	31 March 2019 Gratuity (unfunded)	31 March 2018 Gratuity (unfunded)
Current service cost	810,751	642,807	995,069	695,114
Past service cost	-	-	-	-
Interest cost	1,072,104	879,748	-	-
Expected return on plan assets	(720,985)	(689,206)	-	-
Actuarial (gain) / loss on obligations	(983,758)	1,399,301	-	-
Settlements	-	-	-	-
Curtailments	-	-	-	-
Total expenses recognized in the Statement Profit and Loss*	178,112	2,232,650	995,069	695,114

Rs. 21,56,939/- Included in Employee benefits expense (Refer Note 29). Actuarial gain of INR 9,83,758 (31 March 2018: loss of INR 13,99,301) is included in other comprehensive income.

iv) **Assets and liabilities recongnized in the Balance Sheet:**

	31 March 2019 Gratuity (funded)	31 March 2018 Gratuity (funded)	31 March 2019 Gratuity (unfunded)	31 March 2018 Gratuity (unfunded)
Present value of obligation as at the end of the year	(13,772,096)	(13,401,299)	(8,258,019)	(7,360,791)
Plan assets at the end of the year	9,596,705	9,036,762	-	-
Net asset / (liability) recognized in Balance Sheet*	(4,175,391)	(4,364,537)	(8,258,019)	(7,360,791)

II) Leave encashment plans

i) Actuarial Assumption

	31 March 2019 Leave encashment	31 March 2018 Leave encashment
Discount rate (per annum)	7.79%	7.85%
Rate of increase in Salary	5.00%	5.00%
Expected average remaining working lives of employee (years)	As per Indian Assured Lives Mortality (2006-08)	As per Indian Assured Lives Mortality (2006-08)
Attrition rate	-	-

ii) **Changes in the present value of defined benefit obligation**

	31 March 2019 Leave encashment (unfunded)	31 March 2018 Leave encashment (unfunded)
Present value of obligation at the beginning of the year	2,675,945	2,664,135
Interest cost	210,062	200,343
Past service cost	179,139	203,495
Current Service cost	-	-
Curtailments	-	-
Settlements	-	-
Benefits paid	(316,941)	(52,453)
Actuarial (gain) / loss on obligations	177,625	(339,575)
Present Value of obligation at the end of the year*	2,925,830	2,675,945

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

iii) **Expense recognized in the Statement of Profit and Loss**

	31 March 2019 Leave encashment (unfunded)	31 March 2018 Leave encashment (unfunded)
Current service cost	179,139	203,495
Past Service cost	-	-
Interest cost	210,062	200,343
Expected return on plan assets	-	-
Actuarial (gain) / loss on obligations	177,625	(339,575)
Settlements	-	-
Curtailments	-	-
Total expenses recognized in the Statement Profit and Loss*	566,826	64,263

*Included in Employee benefits expense (Refer Note 29).

Actuarial loss of INR 1,77,625 (March 2018:gain of INR 3,39,575) is included in other comprehensive income

iv) **Assets and liabilities recognized in the Balance Sheet:**

	31 March 2019 Leave encashment (unfunded)	31 March 2018 Leave encashment (unfunded)
Present value of unfunded obligation as at the end of the year	(2,925,830)	(2,675,945)
Unrecognized actuarial (gains)/losses	-	-
Net asset / (liability) recognized in Balance Sheet*	(2,925,830)	(2,675,945)

37 **Contingent liabilities (to the extent not provided for)**	31 March 2019	31 March 2018
Claims against the Company not acknowledged as debts	-	-
Sales Tax laibility that may arise in respect of matters in appeal	18,506,729	17,839,555
Entry Tax liability that may arise in respect of matters in appeal	7,981,583	2,861,609
Excise duty / service tax liability that may arise in respect of matters in appeal	119,048,230	119,048,230
Income Tax liability that may arise in respect of matters in appeal	8,061,660	8,061,660
Guarantees given on behalf of associate companies	10,414,659	14,500,000
Bills discounted	-	-
Letters of credit outstanding	29,216,445	18,714,458
Bank guarantees	10,414,659	7,685,738

Commitments	31 March 2019	31 March 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances paid)	25,928,684	112,210

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 or Parent 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 or Parent achieved Net Foreign Exchange Earnings (NFE) as required, export turnover obligation remained unfullfilled to the extent of USD 8.03 million. By letter dated May 27, 2013, the EOU status of the Company or Parent 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 Parent 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.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

38 Related Party Disclosures: 31 March 2019

(A) Names of related parties and description of relationship as identified and certified by the Company:

Associates / Enterprises in which Directors exercise significant influence
Prime Lenses Pvt Ltd
GKB Vision Pvt Ltd
GKB Vision FZC

Key Management Personnel (KMP)
Mr K G Gupta - Managing Director

Relatives of the Key Management Personnel
Mrs Veena Gupta
Mr Gaurav Gupta
Mr Vikram Gupta

(B) **Details of transactions with related party in the ordinary course of business for the year ended:**

	31 March 2019	31 March 2018
(i) **Associates / Enterprises in which Directors exercise significant influence**		
Purchase of goods and services	146,393,552	270,951,579
Purchases of fixed assets	37,749,965	-
Sales of goods and services	173,306,860	311,450,292
Sale of fixed assets	8,332,539	112,500
Re-imbursement of expenses	4,723,380	275,006
Recovery of expenses	-	-
Commission income	451,209	542,316
(ii) **Key Management Personnel (KMP)**		
Compensation of key management personnel		
Salaries	3,000,000	3,000,000
Employee benefits	1,178,564	1,177,081
Total	4,178,564	4,177,081
(iii) **Relatives of the Key Management Personnel**		
Director's sitting fees	130,000	120,000
Rent paid	480,000	480,000

(C) **Amount due to/from related party as on:**

	31 March 2019	31 March 2018
(i) **Associates / Enterprises in which Directors exercise significant influence**		
Accounts receivable	36,901,365	74,253,705
Accounts payable	80,772,450	131,464,236
Other receivables	-	283,383
(ii) **Relatives of the Key Management Personnel.**		
Accounts payable	252,000	165,000

(D) **Terms and conditions of transactions with related parties**

Outstanding balances at the year-end are unsecured and interest free and settlement mostly occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

39 Segment reporting

a) Operating segment

The Group's operations predominantly relate to manufacturing and trading in unfinished ophthalmic lenses made up of Plastic. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

b) Geographical segment

	31 March 2019 Within India	Outside India	Total	31 March 2018 Within India	Outside India	Total
Revenue from external customers * (excluding other operational revenue)	**251,873,812**	**319,734,571**	**571,608,383**	301,704,694	465,846,405	767,551,099
Carrying amount of segment assets	**510,093,771**	**424,238,193**	**934,331,964**	425,720,060	404,111,644	829,831,704
Additions to fixed assets during the year	**125,651,371**	**2,733,676**	**128,385,047**	21,243,958	3,100,304	24,344,262

* Revenue within India includes deemed export sales of Rs 2,11,38,649 (31 March 2018: Rs 9,14,53,415) made to other EOU units in India.

c) Major customers

	31 March 2019	31 March 2018
Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:		
Customer A	116,744,516	120,319,330
Customer B	74,855,626	105,194,694
	191,600,139	**225,514,024**

40 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade receivables ,investments, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets and liabilities are not significantly different from the carrying amount.

1 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

Fair value measurement hierarchy of assets

	31 March 2019	31 March 2018
(a) Financial Assets measured at fair value		
Level 1 (Quoted price in active markets)		
Investments (current assets)	114,514	3,640,380
Level 3		
Derivative financial assets		
Investments (non-current assets)	5,294,073	25,300
There have been no transfers between Level 1 and Level 3 during the period		
Fair value measurement hierarchy for liabilities:		
(b) Liabilities for which fair values are disclosed		
Financial assets measured at amortized cost		
Trade receivables	236,371,337	274,628,253
Cash and cash equivalents	93,268,449	21,682,244
Bank balances other than cash and cash equivalent	7,170,912	3,768,000
Loans and advances	18,018,203	2,805,420
Financial liabilities measured at amortized cost		
Borrowings	140,543,840	98,799,328
Trade payables	206,679,943	240,319,066
Other financial liabilities	7,368,658	8,719,481

The carrying amount of above financials assets and financial liabilities are considered to be the same as their fair values.

41 Financial risk management objectives and policies

The Group is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Group does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

	Increase/ decrease in basis points	Effect on profit / (loss) before tax
2019		
INR	+100	1,407,140
INR	-100	(1,407,140)
2018		
INR	+100	992,957
INR	-100	(992,957)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

Foreign currency sensitivity
The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material.

Foreign currency exposure (in INR) as at 31 March 2019			
Particulars	**USD**	**Euro**	**Total**
Trade receivables	108,655,002	6,190,543	114,845,545
Trade payables	133,589,128	27,006,829	160,595,957

Foreign currency exposure (in INR) as at 31 March 2018			
Particulars	**USD**	**Euro**	**Total**
Trade receivables	4,016,036	2,723,907	6,739,943
Trade payables	17,414,997	-	17,414,997

Foreign currency sensitivity	**2018-19**		**2017-18**	
Particulars	**1 % Increase**	**1 % decrease**	**1 % Increase**	**1 % decrease**
USD	-	-	-	-
Euro	-	-	-	-
JPY	2,422,441	(2,422,441)	214,310	(214,310)
CHF	331,974	(331,974)	27,239	(27,239)
Increase \(Decrease) in profit or loss	**2,754,415**	**(2,754,415)**	**241,549**	**(241,549)**

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group's receivables from customers and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Group limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Group does a proper financial and credibility check on the customers.

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2019 and 31 March 2018 is the carrying amounts as mentioned in Note 8 to 12.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

(C) Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities:

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
31 March 2019						
Term loan from financial institutions	-	-	-	-	-	-
Term loan from banks	-	76,500	93,631	-	-	170,131
Short term borrowings	140,543,840	-	-	-	-	140,543,840
Trade payables	-	124,357,812	70,351,482	11,970,649	-	206,679,943
Other financial liabilities	-	6,872,894	495,764	-	-	7,368,658
	140,543,840	131,307,206	70,940,877	11,970,649	-	354,762,572
31 March 2018						
Term loan from financial institutions	-	93,178	128,486	-	-	221,664
Term loan from banks	-	65,814	208,943	170,395	-	445,152
Short term borrowings	98,628,933	-	-	-	-	98,628,933
Trade payables	-	64,719,836	163,465,739	12,133,490	-	240,319,065
Other financial liabilities	-	5,321,829	3,397,652	-	-	8,719,481
	98,628,933	70,200,657	167,200,820	12,303,885	-	348,334,295

42 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, equity convertible warrants, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of current borrowing. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31 March 2019	31 March 2018
Total equity	(i)	548,061,602	449,420,828
Borrowings		140,713,971	99,295,749
Less: cash and cash equivalents		(93,268,449)	(21,682,244)
Total debt	(ii)	47,445,522	77,613,505
Overall financing	(iii) = (i) + (ii)	595,507,124	527,034,333
Gearing ratio	(ii)/ (iii)	0.08	0.15

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

43 The products manufactured and sold by the group do not have a warranty period, hence provision for warranty as specified in Indian Accounting Standard (Ind AS) 37 on "Provisions, Contingent Liabilities and Contingent Assets" is not required to be made.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2019

(Amount in INR, unless otherwise stated)

44 During the year the Group has not capitalised any borrowing costs as per Ind AS 23 - "Borrowing costs".

45 Unclaimed dividend: An amount of Rs. 12,822/- is due to be credited to the Investors Education & Protection Fund as at 31 March 2019.

46 In the opinion of the Board, the Current assets and loans and advances are approximately of the value stated, if realized in the ordinary course or business, except otherwise stated. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

47 As per Ind AS 36 "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 31 March 2019 (31 March 2018: Rs. Nil) in the books.

48 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date
For **MSKA & Associates**
Chartered Accountants
Firm Registration No. : 105047W

For and on behalf of the Board of Director of **GKB Ophthalmics Limited**
CIN : L26109GA1981PLC000469

Vinayak Padwal
Partner
Membership No. 049639

K. G. Gupta
Managing Director
DIN : 00051863

Vikram Gupta
Director
DIN : 00052019

Gurudas Sawant
Chief Financial Officer

Pooja Bicholkar
Company Secretary

Place : Mapusa, Goa
Date : May 30, 2019

Place : Mapusa, Goa
Date : May 30, 2019

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 / Associate Companies/Joint Ventures.

Part "A" : Subsidiaries **In Rupees**

1	Name of the Subsidiary	GKB Ophthalmics Products,FZE (UAE)	GKB Ophthalmics GmbH, Germany	GSV Ophthalmics Private Limited, India
2	Reporting period of the subsidiary concerned, if different from the holding company reporting			
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 18.86**	**EURO 1=INR 77.74**	
4	Share Capital	2,829,735	1,987,423	30,000,000
5	Reserve & Surplus	208,104,274	255,609	(476,730)
6	Total Assets	412,015,570	2,465,213	29,454,405
7	Total Liabilities	201,081,561	222,181	29,831,135
8	Investments	—	—	—
9	Turnover	290,086,094	—	—
10	Profit / (loss) before taxation	19,787,040	—	(476,730)
11	Provision for taxation	—	—	—
12	Profit / (loss) after taxation	19,787,040	—	(476,730)
13	Proposed Dividend	6,341,000	—	—
14	% of shareholding	100.00%	100.00%	100.00%

Notes : 1. Names of subsidiaries which are yet to commence operation – GSV Ophthalmics Private Limited

2. Names of subsidiaries which have been liquidated or sold during the year – Nil

Part " B " : Association and Joint Ventures - Not Applicable

For and on behalf of the Board of Directors

Place : Mapusa, Goa
Date : May 30, 2019

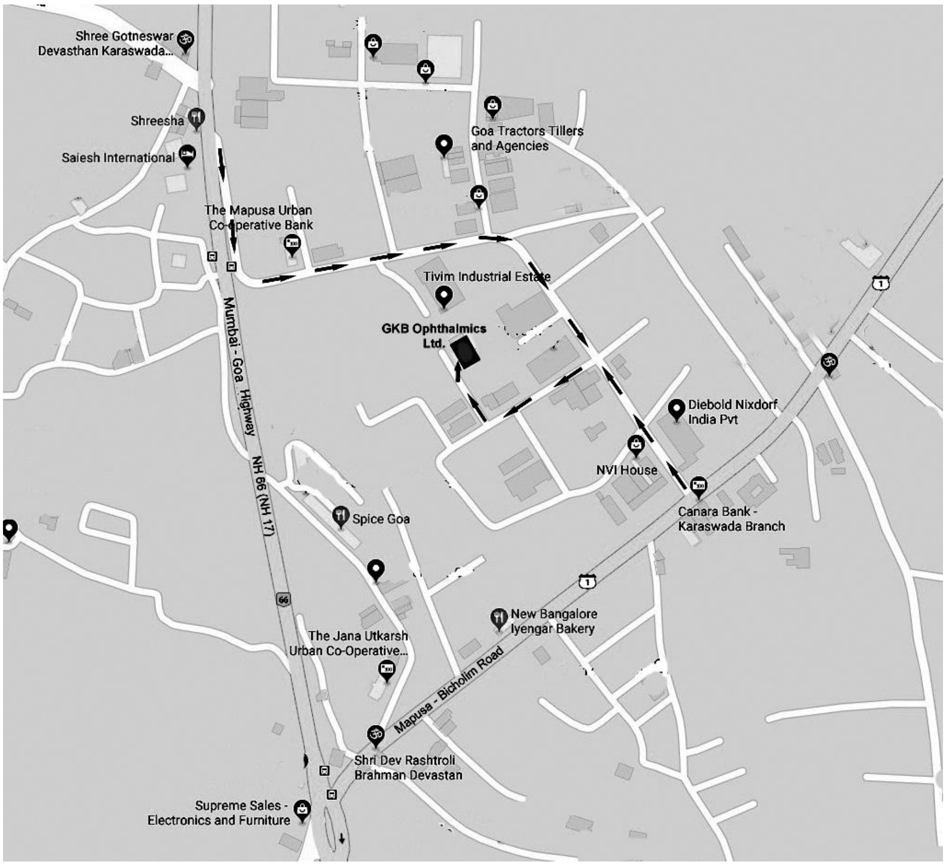
K. G. Gupta
Managing Director
DIN : 00051863

Vikram Gupta
Director
DIN : 00052019

Gurudas Sawant
Chief Financial Officer

Pooja Bicholkar
Company Secretary

ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING



Form No. MGT - 11
PROXY FORM

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

CIN	L26109GA1981PLC000469
Name of the Company	**GKB OPHTHALMICS LIMITED**
Registered Office	16-A, Tivim Industrial Estate, Mapusa, Goa - 403 526.

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	
	E-mail ID	
	Signature	, or failing him / her

2	Name	
	Address	
	E-mail ID	
	Signature	, or failing him / her

3	Name	
	Address	
	E-mail ID	
	Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Monday, the 30th day of September, 2019, 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.	Particulars
1	**Ordinary Business - Ordinary Resolution** :Consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019, together with the Reports of the Directors and Auditors thereon.
2.	**Ordinary Business - Ordinary Resolution** :Consider and adopt the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2019, together with the Auditors Report thereon.
3.	**Ordinary Business - Ordinary Resolution** :Re-appointment of Mr. Prakash V. Joshi (DIN : 00051906) who retires by rotation.
4.	**Special Business - Special Resolution** : Variation in remuneration of Mr. K. G. Gupta, Managing Director of the Company
5	**Special Business - Special Resolution :** Appointment of Mr. Subhash Redkar as a Executive Director of the Company
6	**Special Business - Ordinary Resolution :** To approve the Annual Limits for Related Party Transactions under Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the period April 01, 2020 to March 31, 2023.

Signed this .... day of .... 2019.

Signature of shareholder

Signature of the Proxy holder (s)

Affix
Revenue
Stamp

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.

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