



*ANNUAL
REPORT
2009-2010*



GKB Ophthalmics Ltd.



GKB Ophthalmics Ltd.



VISION

To be a worldwide company in ophthalmic lenses, with a leading position in the Indian market.

GOALS

Quality: Our primary focus is on quality. We need to ensure the lenses going out of our premises are the best quality that can be available to our customers.

Customer: We do well only when our customers do well. Our customers have to be totally satisfied with our service and quality. All our efforts need to be directed to build a healthy relationship with our customers.

Brand building: We have to build public image, trust and pride to secure the competitive edge, thereby increasing overall market share.

VALUES

We believe that the knowledge, experience and talent of our employees; the wisdom of our strategy; the strength of our management team; the service and quality of our product define the success of our organization.

We aspire to be known as a company with the highest standards of ethical conduct, an organization that people can trust – we believe in doing what we say.

Our success is very much the result of our values which we constantly reinforce and communicate to our employees, shareholders and clients.



BOARD OF DIRECTORS:

K. G. Gupta (Chairman & Managing Director)

K. M. Gupta

Vikram Gupta

Gaurav Gupta

Somnath SinaiPriolkar

Anil Palekar w.e.f. May 26,2010

Clifford Viegas w.e.f. May 26,2010 and upto August 31. 2010

Sadashiv Shet w.e.f. May 26,2010

Contents

CFO & COMPANY SECRETARY:

Noel da Silva

AUDITORS:

M/s. Borkar & Muzumdar

Chartered Accountants,

Panaji - Goa.403 001

BANKERS:

State Bank of India

Canara Bank

REGISTERED OFFICE :

16-A, Tivim Industrial Estate

Mapusa - Goa. 403 526.

India.

Email: investor.grievance@gkb.net

Website: www.gkb.net

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NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the **TWENTY EIGHT ANNUAL GENERAL MEETING** of **GKB OPHTHALMICS LIMITED** will be held on Thursday, September 30, 2010 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 Balance Sheet as at March 31, 2010, the Profit and Loss Account for the year ended on that date, together with the Reports of the Directors and Auditors thereon.
2. To declare a dividend for the financial year 2009-10.
3. To appoint a Director in place of Mr. K. M. Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Vikram Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Gaurav Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint the Auditors to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED that pursuant to Section 31 of the Companies Act, 1956 and other applicable provisions, if any, the Articles of Association of the Company be altered in the following manner: Article 132 of the Articles of Association be deleted and in its place the following new article shall be substituted :

132. The remuneration of a Director for his service shall be Rupees five thousand for each meeting of the Board or a Committee thereof attended by him or such higher sum as may be fixed by the Board of Directors, subject to the ceiling as may be prescribed under the rules framed or guidelines issued by the Central Government from time to time. "

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

"RESOLVED that Mr. Anil Palekar who was appointed as an Additional Director of the Company by the Board of Directors under Section 260 of the Companies Act, 1956 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956 be and is hereby appointed as Director of the Company liable to retire by rotation".



NOTICE OF THE ANNUAL GENERAL MEETING

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

"RESOLVED that Mr. Sadashiv Shet who was appointed as an Additional Director of the Company by the Board of Directors under Section 260 of the Companies Act, 1956 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956 be and is hereby appointed as Director of the Company liable to retire by rotation".

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

"RESOLVED that the consent of the Company under the provisions of Section 293(1)(d) of the Companies Act, 1956, is hereby accorded to the Board of Directors of the Company to borrow from time to time all such sum(s) of money as the Directors may deem requisite for the purpose of the business of the Company notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount to be borrowed by the Board of Directors shall not exceed the sum of Rs. 150 crores (Rupees one hundred and fifty crores only) at any one time."

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

"RESOLVED THAT pursuant to the provisions of Section 293(1)(a) and all other provisions, if any, of the Companies Act 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to create mortgages or charges on all or any part of immovable or movable properties of the Company, wheresoever situated, both present and future, and whole or part of the undertakings of the Company of any nature and kind whatsoever and/or creating a floating charge in all or any immovable properties of the Company together with the powers to takeover the management of the business and concern of the Company, in certain events, to or in favour of banks, financial institutions any other lenders to secure the amount borrowed/to be borrowed by the Company from time to time for the due payment of the principal monies together with the interest payable by the Company in respect of such borrowings, so that the total outstanding amount at any time so secured shall not exceed the aggregate of the amounts consented by the Company by the resolution passed at this meeting pursuant to Section 293(1)(d) of the Companies Act, 1956 i.e. Rs. 150 crores (Rupees one hundred and fifty crores only) .

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to negotiate and settle the terms and conditions with the concerning Banks/Financial Institutions etc., finalize the agreement/contracts and documents for creating the aforesaid mortgages and/or charges and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution".

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

By order of the Board of Directors
For GKB Ophthalmics Limited

August 31, 2010

Noel da Silva
CFO & Company Secretary



NOTICE OF THE ANNUAL GENERAL MEETING

NOTES:

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

A 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. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the September 23, 2010 to Thursday, the September 30, 2010 (both days inclusive).
3. The Dividend as recommended by the Board of Directors and approved by the members shall be paid to those members, whose names shall appear on the Company's Register of Members on September 30, 2010. In respect of shares in electronic form, the dividend will be payable on the basis of beneficial ownership as per details to be furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).
4. 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 by 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.
5. Members / Proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the Meeting. They are also requested to bring their copies of the Annual Report. Copies of the Annual Report will not be distributed at the meeting.
6. Members holding shares in physical form are requested to notify immediately any change in their addresses and Bank details to the Registrars and Share Transfer Agents of the Company and to their respective Depository Participants, in case shares are held in electronic mode. Bank details will be printed on their dividend warrant as a measure of protection against fraudulent encashment.
7. The Company has designed an exclusive e-mail ID called investor.grievance@gkb.net for redressal of shareholders' complaints/grievances.
8. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company at least 7 days before the Annual General Meeting so that the same can be suitably replied.
9. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at this AGM is annexed.
10. Dividends which remain unpaid/unclaimed over a period of 7 years will have to be transferred by the Company to Investor Education and Protection Fund (IEPF) as per Section 205A and 205C of the Companies Act, 1956. Further, under the amended provisions of Section 205B of the Companies Act, 1956, no claim by the shareholders shall lie for the unclaimed dividend transferred by the Company to IEPF.



NOTICE OF THE ANNUAL GENERAL MEETING

11 Appointment/ Re-appointment of the Directors

Details of Directors seeking appointment /re-appointment at the forthcoming Annual General Meeting pursuant to clause 49 of the listing agreement :

Name of the Director	K. M. Gupta	Vikram Gupta	Gaurav Gupta	Anil Palekar	Sadashiv Shet
Date of Birth	27.12.1941	27.09.1968	26.03.1972	15.06.1949	22.02.1951
Date of Appointment on the Board	10.12.1981	24.07.1996	03.07.1999	28.05.2010	26.05.2010
Qualifications	B. Com	Engineering Graduate from IIT Mumbai.	Master in Computer Engineering from Iowa State University, USA	Engineering Graduate from IIT Mumbai. & PGDM	BA, B.Com, IIB & FCS.
Expertise	In the line of Ophthalmic Lenses	In the line of Ophthalmic Lenses	In the line of Ophthalmic Lenses	Wide range of experience in Corporate Management in various Companies of Government of Goa.	Company Secretarial
Directorship held in other public companies (excluding foreign and private companies)	Nil	Nil	Nil	Nil	Nil
Membership/ Chairmanships of committee in GKB Ophthalmics Limited.	Chairman - Shareholders' / Investors' Grievance Committee	Member - Shareholders' / Investors' Grievance Committee	Member - Audit Committee	1. Chairman - Remuneration Committee. 2. Member - Audit Committee	1. Member - Audit Committee 2. Member - Remuneration Committee
Shareholding of Non-Executive Directors	4,27,893 Shares	3,44,797 Shares	3,44,790 Shares	Nil	Nil
Relationship between directors inter-se	1. Related to K. G. Gupta, Managing Director 2. Related to Vikram Gupta Non Executive Director. 3. Related to Gaurav Gupta, Non Executive Director	1. Related to K. G. Gupta, Managing Director 2. Related to K. M. Gupta Non Executive Director. 3. Related to Gaurav Gupta, Non Executive Director	1. Related to K. G. Gupta, Managing Director 2. Related to K. M. Gupta Non Executive Director. 3. Related to Vikram Gupta, Non Executive Director	-	-



NOTICE OF THE ANNUAL GENERAL MEETING

12. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, upto the date of the Annual General Meeting.

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

By order of the Board of Directors
For GKB Ophthalmics Limited

August 31, 2010

Noel da Silva
CFO & Company Secretary



ANNEXURE TO THE NOTICE

Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956.

Item No. 7.

The Directors hitherto, used to get a remuneration by way of sitting fee to the extent of Rupees two hundred and fifty for each meeting of the Board or a Committee thereof attended by him. However, due to increasing responsibilities passed on to the Directors by the Companies Act, 1956, the Listing Agreement and other enactments, the Directors have to put in more efforts and exert greater vigilance in the affairs of the management of the Company. The Non Executive Directors are not in whole-time employment of the Company and as such do not get any remuneration other than by way of sitting fees. Under these circumstances, it was considered that the remuneration by way of sitting fees be increased from Rupees two hundred and fifty to Rupees five thousand, per meeting of the Board or Committee.

Therefore, the Article 132 of the Articles of Association of the Company be sought to be substituted by new Article 132.

All the Directors, of your Company except Mr. K. G. Gupta, Executive Chairman and Managing Director, are interested in this resolution to the extent of remuneration proposed to be paid to them by way of sitting fees for each Board or Committee meetings attended by them.

The Board of Directors of your Company recommends this special resolution for your approval.

Item No. 8.

Pursuant to Article 130 of the Articles of Association of the Company and in terms of Section 260 of the Companies Act, 1956, Mr. Anil Palekar was appointed as Additional Director w.e.f. May 26, 2010 on the Board of the Company.

Pursuant to provisions of Section 260 of the Companies Act, 1956, he holds office as Director up to the date of ensuing Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956, from a shareholder proposing the name of Mr. Anil Palekar as Director of the Company. A brief resume of Mr. Anil Palekar as required in terms of Clause 49 of the Listing Agreement is enclosed with the notice.

The Board of Directors of your Company recommends this resolution for your approval.

Mr. Anil Palekar is interested in the resolution to the extent of his appointment as Director. No other Director of the Company is in any way concerned or interested in the proposed resolution.

Item No. 9.

Pursuant to Article 130 of the Articles of Association of the Company and in terms of Section 260 of the Companies Act, 1956, Mr. Sadashiv Shet was appointed as Additional Director w.e.f. May 26, 2010 on the Board of the Company.

Pursuant to provisions of Section 260 of the Companies Act, 1956, he holds office as Director up to the date of ensuing Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956, from a shareholder proposing the name of Mr. Sadashiv Shet as Director of the Company. A brief resume of Mr. Sadashiv Shet as required in terms of Clause 49 of the Listing Agreement is enclosed with the notice.



ANNEXURE TO THE NOTICE

The Board of Directors of your Company recommends this resolution for your approval.

Mr. Sadashiv Shet is interested in the resolution to the extent of his appointment as Director. No other Director of the Company is in any way concerned or interested in the proposed resolution.

Item No. 10.

The terms of Section 293(1)(d) of the Companies Act, 1956, borrowing by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) in excess of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, require the approval of the shareholders.

For financing the Company's ongoing expansion programme of plastic lenses/providing security/ projects that may be undertaken by the Company in future, the Company would require further borrowings which may exceed its paid-up capital and free reserves. It is proposed to authorise the Board of Directors to borrow money upto a limit not exceeding Rs. 150 crores (Rupees one hundred and fifty crores only).

The Board of Directors recommend passing of this ordinary resolution.

None of the Directors is in any way concerned or interested in the proposed resolution.

Item No. 11

Looking into requirements of the business activities carried by the Company, it may require additional funds. Hence, the Board of Directors of the Company should be authorised to borrow moneys from Banks, Financial Institutions and any other sources. The Company also requires to give securities for due repayment of loan amount and interest thereon to the Banks and Institutions as per their stipulated terms and conditions with right to take possession of the assets in the event of defaults, if any. In terms of provisions of Section 293(1)(a) of the Companies Act 1956, it is required to provide the necessary powers to the Board to sell, lease, mortgage and/or otherwise dispose off the whole or substantially the whole of the undertaking(s).

The Board of Directors recommend passing of this ordinary resolution.

None of the Directors is concerned or interested in the proposed resolution.

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

By order of the Board of Directors
For GKB Ophthalmics Limited

August 31, 2010

Noel da Silva
CFO & Company Secretary