



**ANNUAL REPORT
2010 - 2011**



GKB Ophthalmics Ltd.

Company Awarded , The Business Today – YES Bank BEST SME Award 2010 in the category of International Trade.



From left to right : Mr. K.G.Gupta, Chairman and MD , GKB Ophthalmics Limited, Mr. Aroon Purie, Editor-in-chief , India Today Group, Mr. Kamal Nath, Hon'ble Union Cabinet Minister of Road Transport and Highways and Mr. Rana Kapoor, Founder & MD and CEO , YES Bank.

Invited by CRISIL and NSE for their Seminar on Independent Equity Research at Taj Mahal Palace & Towers



From left to right : Mr. K.G.Gupta Chairman and MD, GKB Ophthalmics Limited, Ms Chitra Ramakrishna, Joint Managing Director NSE, Ms Roopa Kudva, MD and CEO CRISIL, Mr Prashant Jain, Executive Director and CIO HDFC Asset Management Company and Prayasvinbhai Patel, MD, EIMCO Elecon (I) Ltd.



BOARD OF DIRECTORS:

K. G. Gupta Chairman & Managing Director

K. M. Gupta

Vikram Gupta

Gaurav Gupta

Somnath SinaiPriolkar

Anil Palekar

Sadashiv Shet

Joseph A. A. D'Costa w.e.f. March 31, 2011

CFO & COMPANY SECRETARY:

Noel da Silva

AUDITORS:

M/s Borkar & Muzumdar
Chartered Accountants
Panaji – Goa, 403 001

BANKERS:

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

REGISTERED OFFICE:

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

Email : investor.grievance @gkb.net

Website : www.gkb.net

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NOTICE

NOTICE is hereby given that the TWENTY NINTH ANNUAL GENERAL MEETING of GKB OPHTHALMICS LIMITED will be held on Thursday, December 29, 2011 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, 2011, the Profit and Loss Account for the year ended on that date, together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Somnath SinaiPriolkar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Anil Palekar, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Sadashiv Shet, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s Sharp & Tannan, Chartered Accountants as Auditors for the current financial year in place of retiring Auditors, M/s Borkar & Muzumdar, Chartered Accountants and to fix their remuneration.

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

“RESOLVED THAT M/s Sharp & Tannan, Chartered Accountants, Mumbai (Registration No. 109982W), be and are hereby appointed as Statutory Auditors of the Company to hold office from conclusion of this meeting till the conclusion of next Annual General Meeting and that the Board of Directors of the Company be and is hereby authorized to fix their remuneration”.

SPECIAL BUSINESS :

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

“RESOLVED that Mr. Joseph A. A. D'Costa 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”.

Registered Office :

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

December 01, 2011

By order of the Board of Directors
For **GKB Ophthalmics Limited**

Noel da Silva
CFO & Company Secretary



NOTICE

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. Members / Proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the Meeting. They are also requested to bring their copies of the Annual Report. Copies of the Annual Report will not be distributed at the meeting.
3. Members holding shares in physical form are requested to notify immediately any change in their addresses to the Registrars and Share Transfer Agents of the Company and to their respective Depository Participants, in case shares are held in electronic mode.
4. 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.
5. 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.
6. 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.
7. 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.



NOTICE

8. 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	Somnath SinaiPriolkar	Anil Palekar	Sadashiv Shet	Joseph A. A. D'Costa
Date of Birth	25.04.1932	15.06.1949	22.02.1951	02.11.1947
Date of Appointment on the Board	31.12.2001	26.05.2010	26.05.2010	31.03.2011
Qualifications	Arts & Law Graduate	Engineering Graduate from IIT Mumbai & PGDM	BA, B.Com., LLB & FCS.	B.Sc.
Expertise	Wide range of experience in Accounts and Finance in different departments of Government of Goa.	Wide range of experience in Corporate Management in various Companies of Government of Goa.	Company Secretarial	Vast experience in Banking field.
Directorship held in other public companies (excluding foreign and private companies)	Nil	Nil	1	Nil
Membership/ Chairmanships of committee in GKB Ophthalmics Limited.	Chairman - Audit Committee	1. Chairman - Remuneration Committee. 2. Member - Audit Committee	1. Member - Audit Committee 2. Member - Remuneration Committee	Member – Audit Committee.
Shareholding of Non-Executive Directors	1200 Shares	Nil	Nil	Nil
Relationship between directors inter-se	–	–	–	–



NOTICE

9.

GREEN INITIATIVE

The Ministry of Corporate Affairs has recently issued circulars allowing Companies to send various notices /documents including the Annual Reports to its Shareholders through electronic mode. In order to support this initiative, we request the shareholders to register their e-mail addresses in respect of shares held (1) in dematerialised mode with their respective Depository Participants and (2) in physical mode with our RTA, Sharex Dynamic (India) Pvt. Ltd., by giving details such as Registered folio number, DP ID-Client ID, full name and PAN.

Registered Office :

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

By order of the Board of Directors
For **GKB Ophthalmics Limited**

December 01, 2011

Noel da Silva
CFO & Company Secretary



ANNEXURE TO THE NOTICE

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

Item No. 6.

Pursuant to Article 130 of the Articles of Association of the Company and in terms of Section 260 of the Companies Act, 1956, Mr. Joseph A. A. D'Costa was appointed as Additional Director w.e.f. March 31, 2011, 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. Joseph A. A. D'Costa as Director of the Company. A brief resume of Mr. Joseph A. A. D'Costa 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. Joseph A. A. D'Costa 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.

Registered Office :

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Mapusa - Goa, 403 526

By order of the Board of Directors
For **GKB Ophthalmics Limited**

December 01, 2011

Noel da Silva
CFO & Company Secretary



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present their 29th Annual Report and the Audited Accounts of the year ended March 31, 2011.

FINANCIAL RESULTS :

Rs. in lakhs

		2010-11	2009-10
a)	Sales & Other Income	2,775.91	3,873.53
b)	Profit before Depreciation and Tax	130.33	346.14
c)	Provision for Depreciation	84.61	94.70
d)	Provision for Tax	77.75	132.89
e)	Profit after Depreciation and Tax	20.27	118.60
f)	Balance from previous years	309.48	259.19
g)	Proposed Dividend and Dividend Tax	–	58.31
h)	Transfer to Reserves	–	10.00
i)	Balance carried forward	329.75	309.48

OPERATIONS :

During the year under review, the turnover of the Company was Rs. 2,775.91 lakhs, as compared to Rs. 3,873.53 lakhs in the previous year.

The Company is in a transitory phase, wherein the main focus is changing from producing glass lenses to plastic lenses which has led to decline in turnover.

CURRENT YEAR :

The turnover of the Company, in the first 6 months is lower than the corresponding period in the previous year.

The Company has imported an entire plant from Spain in the month of January 2011, which will vastly augment the Company's capacity to manufacture plastic lenses and introduce new premium quality lenses.

The delay in commissioning of the new plant has led to the temporary decline in production capacity utilisation adversely impacting sales and profitability. The plant is expected to be fully commissioned in February 2012, with a capital expenditure of Rs. 654.00 lakhs to be funded partly through debt and internal accruals.



DIRECTORS' REPORT

DIVIDEND :

With the view to conserve the resources, your Directors regret their inability to recommend any dividend for the year 2010-11.

ASSOCIATES AND SUBSIDIARIES :

Your Directors wish to inform you that our Associate Company GKB Vision Limited which has its manufacturing unit at Pilerne Industrial Estate, Goa continues to do well in sustaining its market share in bifocals, progressive lenses and moulds, of glass.

The Company's Wholly Owned Subsidiary (WOS) in Sharjah, UAE, a Free Trade Zone Establishment, has achieved a turnover of Dirhams 14.11 million for the year ended December 31, 2010 as compared to Dirhams 14.63 million during the previous year. The net profit is Dirhams 1.18 million as compared to Dirhams 1.15 million during the previous year and has declared a dividend which entails an outflow of Dirhams 0.37 million.

The Joint Venture Company Indo Prime Visual Technologies Pvt. Ltd., has not been able to make progress, due to prevailing economic conditions, in Spain.

DELISTING :

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

The equity shares of the Company have been delisted from the Pune Stock Exchange Limited w.e.f. December 15, 2010 and from Ahmedabad Stock Exchange Limited w.e.f. January 18, 2011.

CORPORATE GOVERNANCE :

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

AWARDS AND RECOGNITION :

Awards won and recognition received from the financial year 2010-11 till date.

1. GKB won the prestigious Business Today – YES Bank, Best SME Award 2010, in the International Trade.
2. GKB won the CAPEXIL Award for its performance in the International Trade.
3. GKB 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.