

Annual Report 2012-13



GKB Ophthalmics Ltd.



BOARD OF DIRECTORS:

K. G. Gupta Chairman & Managing Director
K. M. Gupta
Vikram Gupta
Gaurav Gupta
Somnath Sinai Priolkar upto 14.02.2013
Anil Palekar
Sadashiv Shet
Joseph A. A. D'Costa
Christopher Hickman w.e.f. 28.05.2013

CFO & COMPANY SECRETARY:

Noel da Silva

AUDITORS:

M/s Sharp & Tannan
Chartered Accountants
Mumbai

BANKERS:

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

REGISTERED OFFICE:

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

Email : investor.grievance@gkb.net
Website : www.gkb.net

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NOTICE

NOTICE is hereby given that the THIRTY FIRST ANNUAL GENERAL MEETING of GKB OPHTHALMICS LIMITED will be held on Saturday, August 31, 2013 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, 2013, 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. Anil Palekar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sadashiv Shet, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Joseph A.A. D'Costa, who retires by rotation and being eligible, offers himself for re-appointment.
5. 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 :

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

“RESOLVED that Mr. Christopher Hickman 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

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

May 28, 2013

Noel da Silva
CFO & Company Secretary



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 Friday, the August 23, 2013 to Saturday, the August 31, 2013 (both days inclusive)
3. 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.
4. 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.
5. 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.
6. 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.
7. Dividends which remain unpaid/unclaimed over a period of 7 years will have to be transferred by the Company to Investor Education and Protection Fund (IEPF) as per Section 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.



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	Anil Palekar	Sadashiv Shet	Joseph A.A. D'Costa	Christopher Hickman
Date of Birth	15.06.1949	22.02.1951	02.11.1947	14.12.1950
Date of Appointment on the Board	26.05.2010	26.05.2010	31.03.2011	28.05.2013
Qualifications	Engineering Graduate from IIT Mumbai & PGDM	B.A., B.Com., LL.B., F.C.S.	B.Sc.	B.Sc., B.Ed.
Expertise	Wide range of experience in Corporate Management in various Companies of Government of Goa.	Company Secretarial	Vast experience in Banking field	Vast experience in Banking field
Directorship held in other public companies (excluding foreign and private companies)	Nil	1	Nil	Nil
Membership/Chairmanships of committees in GKB Ophthalmics Limited	1. Chairman – Remuneration Committee 2. Member - Audit Committee	1. Chairman - Audit Committee 2. Member - Remuneration Committee	1. Member – Audit Committee 2. Member - Remuneration Committee	Member – Audit Committee
Shareholding of Non-Executive Directors	Nil	Nil	Nil	Nil

9. 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, between 11.00 A.M. to 1.00 P.M., upto the date of the Annual General Meeting.

Registered Office :
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Mapusa - Goa, 403 526

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

May 28, 2013

Noel da Silva
CFO & Company Secretary



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. Christopher Hickman was appointed as Additional Director w.e.f. May 28, 2013, 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. Christopher Hickman as Director of the Company. A brief resume of Mr. Christopher Hickman 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. Christopher Hickman 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**

May 28, 2013

Noel da Silva
CFO & Company Secretary



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present their 31st Annual Report and the Audited Accounts of the year ended March 31, 2013.

FINANCIAL RESULTS :

		Rs. in lakhs	
		2012-13	2011-12
a)	Sales & Other Income	3,346.01	3,233.65
b)	Profit before Depreciation and Tax	72.13	334.64
c)	Provision for Depreciation	115.02	82.99
d)	Provision for Tax	(13.00)	80.66
e)	Profit after Depreciation and Tax	(118.77)	171.00
f)	Balance from previous years	500.75	329.75
g)	Balance carried forward	381.93	500.75

OPERATIONS :

During the year under review, the turnover of the Company increased to Rs. 3,346.01 lakhs compared to Rs. 3,233.65 lakhs in the previous financial year. However, there was a net loss of Rs. 118.77 lakhs, during the current financial year compared to a net profit of Rs. 171.00 lakhs during the previous financial year, mainly due to steep decline of some items of glass lenses and our devaluing the glass lens stock to a realistic level.

CURRENT YEAR :

The Company's Unit I, manufactures single vision glass lenses. As expected, sales of glass lenses has been declining, to compensate loss of business of glass, production of plastic lenses has been increased. Unit II, manufactures single vision, bifocal and photochromic plastic lenses.

Unit II, presently manufactures, apart from standard plastic lenses, 2,000 pieces per day of photochromic lenses, which is sought to be increased to 3,000 pieces per day during the current financial year. This is a high value, high realisation product.

Trial runs for high index 1.6 plastic lenses have been deferred due to increase in input costs.



DIVIDEND :

With the view to conserve the resources, your Directors regret their inability to recommend any dividend for the year 2012-13.

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 9.61 million for the year ended December 31, 2012 as compared to Dirhams 10.65 million during the previous year. The net profit is Dirhams 0.79 million as compared to Dirhams 1.61 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 been mutually called off and the name of the Company has since been struck off, by the Registrar of Companies, Goa, Daman and Diu, under the Fast Track Exit Scheme, 2012.

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.

SOCIAL RESPONSIBILITY :

Disposal of garbage, hazardous and bio-medical waste, continues to be a serious environmental problem in Goa. Company has been raising these issues through various Trade Organisations.

Scholarships are being disbursed to deserving SC/ST students studying in surrounding schools.

INSURANCE :

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



FIXED DEPOSIT :

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

PERSONNEL :

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

PARTICULARS OF EMPLOYEES :

Provisions of Section 217 (2A) (a) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975, are not applicable to the Company.

FINANCE :

The Company has not availed any additional loans from financial institutions during the financial year ended March 31, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to provision of Section 217 (2AA) of the Companies Act, 1956, the Directors hereby state and confirm:

- a) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures have been made from them;
- b) that they selected such accounting policies and applied them consistently and made judgements and estimates, that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the Profit of the Company for the year;
- c) that they have taken sufficient care for the maintenance of adequate accounting records in



accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing fraud and other irregularities ; and

d) that they have prepared the Annual Accounts on a going concern basis.

DIRECTORS :

Mr. Anil Palekar, Mr. Sadashiv Shet and Mr. Joseph A. A. D'Costa will retire by rotation, pursuant to Articles of Association of the Company being eligible offer themselves for re-appointment.

Mr. Somnath Sinai Priolkar, an Independent, Non Executive Director has resigned w.e.f. February 14, 2013.

Mr. Christopher Hickman who was appointed as an Additional Director holds office up to the date of this Annual General Meeting. The Company has received a notice from a member signifying his intention to propose the appointment of Mr. Hickman as a Director, at the forthcoming Annual General Meeting.

With the appointment of Mr. Hickman to the Board as an Independent Director, the Composition of the Board is now in conformity with the Clause 49(I) (A)(ii) of the Listing Agreement.

AUDITORS :

The term of M/s Sharp & Tannan, Chartered Accountants, Mumbai, as Statutory Auditors, expires at the conclusion of this Annual General Meeting and are eligible for re-appointment. The Auditors have given a certificate that the re-appointment, if made, will be within the prescribed limits specified under Section 224(1B) of the Companies Act, 1956.

AUDITORS' REPORT :

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

- I) With regard to paragraph (iv) of the Annexure referred to in paragraph 1 of the Auditors' Report, (hereinafter referred to as the said Annexure), efforts are being made to improve the internal control procedures.