

ANNUAL REPORT 2018 – 2019



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

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CONSOLIDATED

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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 of the 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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> 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-off-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 %	-	-	-