

IDEAL OPTICS LIMITED

ANNUAL REPORT

2010-2011

203, ABHISHEK COMPLEX, B/H NAVGUJARAT COMPLEX; INCOME TAX, ASHRAM ROAD,
AHMEDABAD 380014

BOARD OF DIRECTORS

Mr. Mukund M. Shah	Director
Mr. Lalit Rathod	Independent Director
Mr. Rajiv U. Shastri	Independent Director

AUDITORS

VISHVES A. SHAH & CO.
CHARTERED ACCOUNTANTS
AHMEDABAD

REGISTERED OFFICE

203, ABHISHEK COMPLEX,
B/H NAVGUJARAT COMPLEX,
INCOME TAX, ASHRAM ROAD,
AHMEDABAD 380014

IDEAL OPTICS LIMITED

NOTICE

NOTICE is hereby given that the Annual General Meeting of **IDEAL OPTICS LIMITED** will be held on 30th September, 2011 at 11.00 a.m. at the registered office of the Company to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, the Profit and Loss Account of the Company for the year ended on that date and the reports of the Directors and auditors thereon.
2. To appoint a Director in place of Mr. Mukund M. Shah, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

4. To Consider and if thought fit to pass the following resolution with or without modification(s) as an Ordinary Resolution.

"RESOLVED THAT Mr. Rajiv Ushakant Shastri who was appointed as additional Director of the company by the Board of Directors with affect from 1st January, 2011 and who according to section 260 of the companies Act, 1956 hold office up to the date of this Annual General Meeting and in respect of whom the company has received a notice from shareholders in writing proposing his candidature for the office of the Directors be and is hereby appointed as a Director of the company".

Dated : 30th August, 2011
Place : Ahmedabad.

BY ORDER OF THE BOARD


DIRECTOR

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 PROXY NEED NOT BE A MEMBER. Proxy in order to be valid must be received by the company not less than forty-eight hours before the time of holding the Meeting.
2. Members/Proxies should bring the Attendance Slip, duly filled in, for attending the meeting.
3. Members/Proxies attending the Meeting should bring their copy of the Annual Report for reference at the meeting.
4. The Register of Members and share transfer books of the Company will remain closed from 26.09.2011 to 30.09.2011 (both days inclusive)
5. The Members are requested to communicate all their correspondence including share transfer at 203, Abhishek Complex, B/h Navgujarat College, Income Tax, Ashram Road, Ahmedabad 380014.

6. Members are requested to intimate to the registered office of the Company, changes if any, in their registered address immediately.
7. Members desiring any information regarding the accounts are requested to write to the Company at least Seven Days before the meeting so as to enable the management to keep the same ready.

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

Mr. Rajiv Ushakant Shastri was appointed as additional director of the company by the Board of Directors of the company. Accordingly hold office upto the ensuing Annual General Meeting. Company has received the notice in writing from member of the company proposing candidature of Mr. Rajiv Ushakant Shastri for Director. Board recommends his appointment as Director of the company.

Board recommends the shareholders to pass the resolution as an Ordinary resolution.

None of the Directors of the Company are interested or concerned in aforesaid Resolution.

Dated : 30th August, 2011

Place : Ahmedabad.

BY ORDER OF THE BOARD

mokorofly

DIRECTOR

IDEAL OPTICS LIMITED

DIRECTORS REPORT

To,
The Members
Ideal Optics Ltd.

Your Directors have pleasure in presenting the Annual Report together with the audited statement of accounts for the period ended on 31st March, 2011.

FINANCIAL RESULTS :

	(Rs. in Lacs)	
Particulars	2010-2011	2009-2010
1. Total Income	346.81	16.25
2. Total Expenditure	341.33	15.19
3. Profit/(Loss) before Depreciation & Taxation	7.63	3.19
4. Depreciation	2.13	2.13
5. Provision for taxation	NIL	NIL
6. Profit (loss) after Tax	5.49	1.06

DIVIDEND :

Your Directors do not recommended any Dividend for the period under review.

DIRECTORS :

Shri Mukund M. Shah, Director of the Company retire by rotation at the ensuing annual general meeting and being eligible, offer himself for reappointment. The Board recommends their reappointment.

Mr. Rajiv Ushakant Shastri was appointed as an additional Director w.e.f 01.01.2011 and accordingly holds office upto the ensuing annual general meeting. Company has received notice in writing from member of the company proposing candidature of Mr. Rajiv Ushakant Shastri for Director. Board recommends his appointment as Director of the company.

Mr Atul M Shah, Director of the company had resigned from the post of director w.e.f. 17.01.2011. Mr Rajesh A Mehta & Mr Chandrakant D Kothari, Directors of the company had resigned from the post of Director w.e.f. 01.10.2010. Mr. Ashish M. Shah and Mr. Sanjay M. Shah resigned from Directorship w.e.f. 09.09.2010.

AUDITORS :

M/S Vishves A. Shah & Co., Auditors of the Company retires at the conclusion of this Annual General Meeting and being eligible, are recommended for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to the requirement under section 217 (2AA) of the Companies Amendment Act, 2000 with respect to Director Responsibility Statement it is hereby confirmed:

1. That in the preparation of the annual accounts for the financial year ended 31st March, 2011 the applicable accounting standard had been followed along with proper explanation relating to material departures.
2. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the directors had prepared the accounts for the financial year ended 31st March, 2011 on a going concern basis.

SECRETARIAL COMPLIANCE REPORT:

In Compliance of the Provision of section 383A of the Companies Act, 1956 the Board is pleased to enclose the Secretarial Compliance Report of Practicing Company Secretaries for the Year 2010-2011 as part of this Directors Report.

CORPORATE GOVERNANCE :

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance together with a certificate from the Company's Auditors confirming compliance there to is set out in the Annexure forming part of this report.

LISTING :

The Company's Shares are listed on Ahmedabad Stock Exchange Limited and Bombay Stock Exchange Limited.

MANAGEMENT DISCUSSION AND ANALYSIS :

The Management Discussion and Analysis Report is attached herewith and forms part of the Director Report.

PARTICULARS OF THE EMPLOYEES :

The Company has no employee to whom the provision of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 apply and henceforth not applicable to the company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO :

Conservation of energy and technology absorption information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not applicable. There is no Foreign Exchange Earnings and Outgoes during the year.

ACKNOWLEDGMENT :

The Directors wish to thank and deeply acknowledge the cooperation and assistance received from the Bankers and shareholders. The Director also wishes to place on record their appreciation of the devoted services of employees of the Company.

PLACE : AHMEDABAD
DATE : 30.08.2011

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS**

MUKUNDJI
DIRECTOR

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(A) Financial Review:

The Company has earned a profit of Rs. 5.49 Lacs during the year whereas profit of previous year was Rs. 1.05 Lacs

(B) Internal control system:

Considering the size of the company, your company has adequate system of Internal Control to provide reasonable assurance that assets are safeguarded and protected from unauthorized use or disposition.

(C) Outlook:

The performance of the Company is expected to remain encouraging and the company looks for the better future.

(D) Environmental Issues:

As the company is not in the field of manufacture, the matter relating to produce any harmful gases and the liquid effluents are not applicable.

(E) Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement.

The Company assumes no responsibility in respect of forward - looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

IDEAL OPTICS LIMITED

CORPORATE GOVERNANCE REPORT

The company pursuant to the code on Corporate Governance introduced by the Securities and Exchange Board of India (SEBI) furnishes its report as under:

1. Company's Philosophy on Code of Governance

Our pursuit towards achieving good corporate governance is an ongoing process, thereby ensuring truth, transparency, accountability, equity and responsibility in all our dealings with our employees, shareholders, customers, suppliers, government, lenders and community at large. The Company believes that a better corporate governance can be achieved through increased transparency in its operations and has taken and will continue to take various measures towards achievement of good corporate governance.

2. Board of Directors

a. Composition

As of the year ended 31st March 2011, the Board of Directors had 3 members one being Executive and other Two being Non-Executive Independent Directors.

b. Attendance of each Director at the Board meetings and last Annual General Meeting :

Name of Director	Category of Director	No. of Board Meetings attended	Attendance at the last AGM	Directorships in other Indian Public Companies* as at 31 st March 2011	Other Mandatory Committee** membership as at 31 st March 2011	
					Chair-man	Member
Mr. Mukund M. Shah+	Executive Director	9	Yes	NIL	NIL	NIL
Mr. Rajiv U. Shastri+	Non Executive Independent	1	No	NIL	NIL	NIL
Mr. Lalit K. Rathod	Non Executive Independent	11	Yes	NIL	NIL	NIL
Mr. Atul M. Shah++	Executive, Promoter	10	Yes	NIL	NIL	NIL
Mr. Rajesh A. Mehta++	Non Executive, Independent	NIL	Yes	NIL	NIL	NIL
Mr. Chandrakant D. Kothari++	Non Executive, Independent	NIL	Yes	NIL	NIL	NIL
Mr. Ashish M. Shah++	Non Executive, Independent	5	No	NIL	NIL	NIL
Mr. Sanjay M. Shah++	Non Executive, Independent	5	No	NIL	NIL	NIL

+Mr. Mukund M. Shah was appointed as Director w.e.f. 07.07.2010 and Mr. Rajiv U. Shastri was appointed as Director w.e.f. 01.01.2011.

++ Mr. Ashish M. Shah and Mr. Sanjay M. Shah resigned from Directorship w.e.f. 09.09.2010. Mr. Rajesh A. Mehta and Mr. Chandrakant D. Kothari resigned from Directorship w.e.f. 01.10.2010. Mr. Atul M. Shah resigned from Directorship w.e.f. 17.01.2011. (Form 32 not Found)

*Excludes Directorships in private/foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.

****Represents Membership/Chairmanship of the Audit Committee, Shareholders/ Investors Grievance Committee and Remuneration Committee of other companies.**

C. Number of Board meetings held and the dates on which held :

During the year the Company has held Eleven Board Meetings as against the minimum requirement of 4 meetings. The meetings were held on :

30th April 2010, 7th July 2010, 31st July, 2010, 28th August 2010, 30th August 2010, 9th September 2010, 16th September 2010, 30th September 2010, 31st October 2010, 1st January 2011 and 17th January 2011.

3. Audit Committee :

At present the Audit Committee, comprises of Two Non- Executive Directors viz. Mr. Lalit K. Rathod, Chairman and Mr. Rajiv U. Shastri, Member of the committee.

The Constitution of Audit Committee meets with the requirements under Section 292A of the Companies Act, 1956.

The terms of reference stipulated by the Board to the Audit Committee are as contained under Clause 49 of the listing Agreement, as follows:

- a. To investigate any activity within its terms of reference.
- b. To seek information from any employee.
- c. To obtain outside legal or other professional advice.
- d. To secure attendance of outsiders with relevant expertise, if it considers necessary.
- e. 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.
- f. Recommending the appointment and removal of external auditor, fixation of audit fee.
- g. Reviewing with management the annual financial statements before submissions to the Board, focusing primarily on :
 1. Any changes in accounting policies and practices.
 2. Major accounting entries based on exercise of judgment by management.

During the year, the Committee has met five times. The meetings were held on 30th April, 2010, 31st July, 2010, 30th August, 2010, 31st October, 2010 and 17th January, 2011.

Name	Position held	Attendance at Audit Committee meeting held on				
		30.04.2010	31.07.2010	30.08.2010	31.10.2010	17.01.2011
Mr. Lalit K. Rathod	Chairman	Yes	Yes	Yes	Yes	Yes
Mr. Mukund M. Shah+	Member	N.A.	Yes	Yes	Yes	Yes
Mr. Rajiv U. Shastri+	Member	N.A.	N.A.	N.A.	N.A.	Yes
Mr. Sanjay Shah++	Member	Yes	Yes	Yes	N.A.	N.A.
Mr. Chandrakant Kothari++	Member	Yes	Yes	Yes	N.A.	N.A.

+Mr. Mukund M. Shah was appointed as Member of Audit Committee w.e.f. 07.07.2010 and Mr. Rajiv U. Shastri was appointed as Member of Audit Committee w.e.f. 01.01.2011.

++Mr. Sanjay Shah resigned from the post of Director w.e.f. 09.09.2010 and Mr. Chandrakant Kothari resigned from the post of Director w.e.f. 01.10.2010.