



# GKB Ophthalmics Ltd.



## 39<sup>TH</sup>

## ANNUAL REPORT

2020-2021

**BOARD OF DIRECTORS:**

Mr. K. G. Gupta - Chairman and Managing Director  
Mr. Vikram Gupta  
Mr. Anil Palekar  
Mr. Sadashiv Shet  
Mr. Joseph A.A. D'Costa  
Mrs. Shashi K. Katreddi  
Mr. Subhash Redkar

**CFO :**

Mr. Gurudas Sawant

**COMPANY SECRETARY:**

Ms. Pooja Bicholkar

**STATUTORY AUDITORS:**

M/s. MSKA & Associates  
Chartered Accountants  
Panaji - Goa

**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.

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**CONSOLIDATED**

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Website : [www.gkb.net](http://www.gkb.net)



## **NOTICE**

NOTICE is hereby given that the THIRTY NINTH ANNUAL GENERAL MEETING of GKB OPHTHALMICS LIMITED (CIN : L26109GA1981PLC000469) will be held on Tuesday, September 28, 2021, at 11.00 A.M., IST, through Video Conference / Other Audio Visual Means, 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, 2021, 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, 2021, together with the Report of Auditors thereon.
3. To appoint a Director in place of Mr. K.G Gupta, (DIN: 00051863), who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass the following resolution as a Special Resolution:

#### **Re-appointment of Mr. K.G. Gupta as Chairman and Managing Director of the Company.**

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203, Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Rules made thereunder (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force), the articles of association of the Company and in terms of recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors in their respective meetings held on February 10, 2021, consent of the members of the Company be and is hereby accorded to re-appoint Mr. K.G. Gupta (DIN: 00051863) as Chairman and Managing Director of the Company and designate as the Key Managerial Person for a period of three years effective from April 01, 2021 to March 31, 2024, on the terms and conditions including remuneration as stated below:

- I. Salary: Rs. 3,00,000/- ( Rupees Three lakhs only ) per month.
- II. Commission: Not exceeding 1% (one percent) of the net profit of the Company computed in the manner laid down under the Act and as may be determined by the Board.
- III. Housing: Unfurnished leased accommodation, expenditure on which, will be subject to a ceiling of 50% of the salary over and above 10% payable by him. If no accommodation is provided by the Company, he will be entitled for a suitable House Rent Allowance.

Expenditure on gas, electricity, water and furnishing will be borne by the Company and shall be valued as per the Income Tax Rules, 1962.

- IV. Perquisites/ Benefits :
  - a) Reimbursement of domiciliary medical expenses and Mediclaim Policy for hospitalization for self and spouse.
  - b) Leave and Leave Travel Concession as per the rules of the Company.
  - c) Personal Accident Insurance Policy.
  - d) Expenses actually and properly incurred by him in the course of business.
  - e) Free use of car with driver on Company's business and telephone at residence.
- V. Other Benefits:
  - a) Contribution to Provident Fund, Superannuation and Annuity Fund in accordance with the rules of the Company.
  - b) Gratuity at the rate of half month's salary for every completed year of service.
  - c) 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. K. G. Gupta shall be subject to the overall ceiling prescribed under Section 196 and 197 of the Act, read with the provisions of Part I and Section II of Part II of Schedule V of the Act.

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of Mr. K. G. Gupta, Managing Director, the Company has no profits or its profits are inadequate, the remuneration set out above, be paid as minimum remuneration and this Resolution be treated as sufficient compliance of the provisions requiring approval of Shareholders pursuant to Section 196, Section 197 and Schedule V of the Act.

**RESOLVED FURTHER THAT** the Directors of the Company or the Company Secretary be and is hereby authorised to take all necessary steps for filing of e-forms with ROC, Goa to do such acts, deeds and things to give effect to this resolution."

5. To consider and if thought fit, to pass the following resolution as a Special Resolution:

**Revision of remuneration to Mr. Subhash Redkar, Executive Director of the Company**

**"RESOLVED THAT** pursuant to Article 74 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('Act'), 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 of the Company, consent of the members be and is hereby accorded to enhance the remuneration payable to Mr. Subhash Redkar, the Executive Director w.e.f. January 01, 2021 till his remaining tenure with a revised basic pay within the range of Rs. 36,400 p.m. to Rs. 49,000 p.m. with an authority to Board of Directors to determine and approve payments within this range.

**RESOLVED FURTHER THAT** save and except as aforesaid, the Special Resolution approved and passed by the Members at the Annual General Meeting held on September 30, 2019, with respect to the appointment of Mr. Subhash Redkar, Executive Director shall continue to remain in full force and effect and accordingly the remuneration paid or payable be and is hereby approved and ratified.

**RESOLVED FURTHER THAT** where in the event of any inadequacy or absence of profits in any financial year or years, the remuneration comprising salary, perquisites and benefits approved herein be continued to be paid as minimum remuneration to the Director and this Resolution be treated as sufficient compliance of the provisions requiring approval of Shareholders pursuant to Section 196, Section 197 and Schedule V of the Act.

**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."

6. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**To approve the annual limits for related party transactions under Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**"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 contract(s)/ arrangement(s)/ transaction(s) with Lensco- The Lens Company and GSV Ophthalmics Private Limited, a related party within the meaning of Regulation 2(1)(zb) of the Listing Regulations, for a term of 2 years with effect from April 01, 2021 to March 31, 2023, with regards to transactions as prescribed herein below:

- a) sale, purchase or supply of any goods, or materials;
- b) selling or otherwise disposing of, or buying, property or machinery of any kind;
- c) leasing of property of any kind ;
- d) availing or rendering of any services; and
- e) such other transactions in the normal course of business  
on such terms and conditions as may be mutually agreed upon, between the Company and said related parties for an amount stated here under:-



| Sr. No. | Name of the Related Party       | Annual Limits in Rs. (crores) |
|---------|---------------------------------|-------------------------------|
| 1       | GSV Ophthalmics Private Limited | 10.00                         |
| 2       | Lensco – The Lens Company       | 7.00                          |

provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

**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."

7. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**To approve the reclassification of members from "Promoter and Promoter Group" category to "Public shareholders" under Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**"RESOLVED THAT** pursuant to provisions of Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment made thereto (hereinafter referred to as "Listing Regulations") and subject to the necessary approval of Securities and Exchange Board of India, Stock Exchange and other appropriate authorities, as may be necessary, the consent of the members of the Company be and is hereby accorded to reclassify the following members forming part of the " Promoter and Promoter Group" Category to " Public Shareholders".

| Sr. No. | Name of the Promoter and Promoter Group | No. of shares held as on August 10, 2021 | % of shareholding |
|---------|---|--|-------------------|
| 1       | Mr. Krishna Murari Gupta                | 327207                                   | 6.49              |
| 2       | Mrs. Usha Gupta                         | 114707                                   | 2.27              |
| 3       | Mr. Aditya Gupta                        | 16340                                    | 0.32              |
| 4       | Mr. Vivek Gupta                         | 3333                                     | 0.06              |
|         | <b>Total</b>                            | <b>461587</b>                            | <b>9.14</b>       |

**RESOLVED FURTHER THAT** on approval of Stock Exchange, the Company shall effect such reclassification in the shareholding pattern to be filed with Stock Exchange.

**RESOLVED FURTHER THAT** the Directors, the Chief Financial Officer and the Company Secretary of the Company, be and are hereby severally and jointly authorized to execute all such acts, deeds, matters and things including but not limited to making intimation to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, Stock Exchange, ROC or any other regulatory authority and to settle all such questions which may arise and amend such details and to represent before such authorities as may be required and to take all such steps that 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

Place: Mapusa-Goa  
Date : August 13, 2021

Pooja Bicholkar  
Company Secretary  
ACS 54716

**NOTES:**

1. In view of the outbreak of Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') facility or other audio visual means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars, the AGM of the Company is being held through VC/OAVM on Tuesday, September 28, 2021 at 11.00 a.m. CDSL will be providing the facility for voting through remote e-voting, for participation in the AGM through VC/OAVM and e-voting during the AGM.
2. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021.
3. In terms of the MCA circulars, the facility for appointment of proxies by the members will not be available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting. Since appointment of proxies by the members will not be available, the proxy form, attendance slip and route map of AGM are not annexed to this notice.
4. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the 39th AGM through VC/OAVM facility. Corporate Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Company Secretary of the Company at [investor.grievance@gkb.net](mailto:investor.grievance@gkb.net).
5. The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, September 21, 2021 to Tuesday, September 28, 2021** (both days inclusive).
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. 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.
8. In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 issued by MCA and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s) or the Registrar and Share Transfer Agent, Link Intime India Private Limited.
9. 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.



10. The Notice of AGM along with Annual Report for the financial year 2020-21, is available on the website of the Company at [www.gkb.net](http://www.gkb.net), on the website of Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
11. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their communications to [investor.grievance@gkb.net](mailto:investor.grievance@gkb.net) at least seven days before the date of the AGM. The same will be suitably replied to by the Company.

All the documents referred to in the accompanying Notice and Explanatory Statement, shall be available for inspection through electronic mode, by addressing the request to [investor.grievance@gkb.net](mailto:investor.grievance@gkb.net).

12. The Company has not declared any dividend since 2010-11. However, in one instance, an unclaimed dividend of Rs. 12,822 was lying with the Bank in their Stale Demand Draft account and the Company is in the process of transferring the amount to IEPF account as soon as the matter is sorted out with the Bank.
13. Re-appointment of the Director:  
Details of Director seeking re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standards on General Meetings (SS-2)]

|  |   |
|--|---|
| Name of the Director/ Category                                     | Mr. K.G. Gupta<br>Promoter, Chairman and Managing Director        |
| Date of Birth  | 31.12.1940  |
| Date of Appointment on the Board                                   | 10.12.1981  |
| Qualifications   | B.Sc  |
| Expertise  | Indepth experience in the field of Ophthalmic Lenses for 59 years |
| Directorship held in other Listed companies                        | Nil*  |
| Membership/ Chairmanship of committees in GKB Ophthalmics Limited. | Nil   |
| Number of shares held in the Company                               | 900,412   |
| No. of meetings attended   | Seven   |
| Relationship between Directors inter-se                            | Father of Mr. Vikram Gupta, Non Executive Director.               |

\*Does not hold any directorship and membership in the Committees of the Board in any other listed entity. Is a Non Executive Director of GKB Vision Private Limited and GSV Ophthalmics Private Limited.

14. The Members whose names appear in the Register of Members as on September 21, 2021, i.e. the cut off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a member as on the cut off date should treat this Notice of AGM for information purpose only.
15. Any person, who acquires shares of the Company and becomes its Member after the sending of Notice of the AGM and holds shares as on the cutoff date, i.e. September 21, 2021 or those shareholders whose email address are not registered with the depositories for obtaining login credentials for e-voting, may obtain the login ID and password by sending a request to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or [www.evotingindia.com](http://www.evotingindia.com) or [investor.grievance@gkb.net](mailto:investor.grievance@gkb.net). However, if he / she is already registered with NSDL/CDSL for remote e-voting then he / she can use his / her existing User ID and password for casting the vote.





16. The facility for e-voting shall also be available at the AGM. Members who have already cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote at the AGM. Only those Members who attend the AGM and have not cast their votes through remote e-voting and are otherwise not barred from doing so will be allowed to vote through the e-voting facility available at the AGM. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.

A member can opt for only one mode of voting i.e. either through remote e-voting or voting at AGM. If a member casts votes by both the modes, then voting done through remote e-voting shall prevail and the voting at AGM shall be treated as invalid.

17. The Board of Directors has appointed Mr. Shivaram Bhat, Practicing 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.
18. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.gkb.net](http://www.gkb.net) and the same shall also be forwarded to the BSE Limited.

**19. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- (i) The voting period begins on September 25, 2021 at 9.00 A.M and ends on September 27, 2021 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 September 21, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, **Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:**





| Type of shareholders  | Login Method  |
|---|---|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b>                                     | <ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>  |
| Individual Shareholders holding securities in demat mode with <b>NSDL</b>                                     | <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL:<a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member'section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol> |
| Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b> | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.  |



**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

| Login type  | Helpdesk Details  |
|---|---|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43 |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30              |

**(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

|   | <b>For Shareholders holding shares in Demat Form and Physical Form</b>   |
|---|--|
| <b>PAN</b>  | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>                |
| <b>Dividend Bank Details OR Date of Birth (DOB)</b> | 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. <ul style="list-style-type: none"> <li>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 (v).</li> </ul> |

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.



- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant **<GKB OPHTHALMICS LIMITED>** on which you choose to vote.
- (x) 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.
- (xi) Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the 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.
- (xvi) **Facility for Non – Individual Shareholders and Custodians – Remote Voting**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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 mailed to [helpdesk.evoting@cdslindia.com](mailto: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. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs.sbhat@gmail.com](mailto:cs.sbhat@gmail.com) / [investor.grievance@gkb.net](mailto:investor.grievance@gkb.net), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.



4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **2 working days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [investor.grievance@gkb.net](mailto:investor.grievance@gkb.net). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 working days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [investor.grievance@gkb.net](mailto:investor.grievance@gkb.net). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company** - [investor.grievance@gkb.net](mailto:investor.grievance@gkb.net) or **RTA email id.** [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The Board commends the Special and Ordinary Resolutions set out at Item Nos. 4, 5, 6 and 7 of the Notice for approval by the members

**Item No. 4:**

Mr. K.G. Gupta was re-appointed as a Managing Director in the Extra Ordinary General Meeting of the Company w.e.f. 01.04.2018 for a period of three years. Mr. K.G. Gupta aged 80 years is a Promoter Director of the Company since its incorporation and has been instrumental in contributing to the growth and development of the Company. He has been actively involved in the operations of the Company. He has rich and varied experience of 59 years in the ophthalmic lens industry.

On the recommendation of Nomination and Remuneration Committee, the Board of Directors in their meeting held on February 10, 2021 had approved the appointment of Mr. K.G. Gupta as the Chairman, Managing Director and the Key Managerial Person of the Company and approved the terms of the remuneration of Mr. K.G. Gupta subject to the approval of the members. To avail the continuity of his expertise by re-appointing Mr. K.G. Gupta as Chairman and Managing Director, for a further period of three years w.e.f. April 01, 2021 to March 31, 2024, at the remuneration, in accordance with norms laid down in Schedule V and other applicable provisions of Companies Act, 2013 and rules made thereunder.

The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regards to duties of director. The Managing Director shall adhere to the Company's Code of Conduct.

Mr. K. G. Gupta is also a Director in GKB Vision Pvt. Ltd and GSV Ophthalmics Pvt. Ltd.

Mr. K. G. Gupta, Managing Director holds 9,00,412 equity shares and Krishna Gopal Gupta & Sons (HUF) holds 2,38,209 equity shares in the Company

Details of Mr. K.G. Gupta are provided in the Annexure to the notice pursuant to the 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, 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 of Directors recommend the passing of resolution as a Special Resolution set out at Item No. 4, for the approval of the members.

**Item No. 5:**

Mr. Subhash Redkar has been an employee of the Company since the year 2006 as per the contract of employment with the Company. Based on the recommendation of the Nomination and Remuneration Committee (NRC) of the Company and thereafter, upon approval of the Board of Directors 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 Executive Director w.e.f. August 14, 2019, for a period of three years.

While in his capacity as an Executive Director his Basic Salary approved by the shareholders was Rs. 36,400 plus the other benefits.

In view of the contribution made by Mr. Subhash Redkar in the operational matters of the Company, the NRC reviewed and recommended to the Board, proposal regarding increase in remuneration by way of an annual increment paid and to be payable to Mr. Subhash Redkar, the Executive Director of the Company.



The Board of Directors approved the revision in the basic salary of Mr. Subhash Redkar w.e.f. January 01, 2021, till his remaining tenure with a revised basic pay within the range of Rs. 36,400 p.m. to Rs. 49,000 p.m., plus other benefits.

Remaining terms and conditions of appointment of Mr. Subhash Redkar are the same as approved by the members on September 30, 2019 and a brief summary is stated as below:

| <b>Particulars</b>                      | <b>Terms of Appointment</b>   |
|---|---|
| Variable pay                            | Depends on his own performance and business performance of the Company                                  |
| House Rent Allowance and other benefits | As per Rules of the Company   |
| Post Employment Benefits                | Contribution to Provident Fund and Contribution to Superannuation Fund as per the Policy of the Company |
| Notice Period                           | 3 Months  |

Details of Mr. Subhash Redkar are provided in the Annexure to the notice pursuant to 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 and fixing of remuneration pursuant to Regulation 36(3) of the Listing Regulations and in terms of Secretarial Standards on General Meetings (SS-2) :

| Name of the Director  | <b>K. G. Gupta,</b><br>Promoter, Managing Director   | <b>Mr. Subhash Redkar</b><br>Executive Director  |
|---|--|--|
| Date of Birth   | 31.12.1940   | 19.09.1978   |
| Date of first appointment                                     | 10.12.1981   | 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 59 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 . 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 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. | Mr. Subhash Redkar, is a Mechanical Engineer from Goa University. He held various positions in GKB Ophthalmics Limited and GKB Vision Private Limited during his 21 years tenure and currently working as Director- Production, wholly responsible for the entire manufacturing process of plastic lenses including production planning, order execution, process improvements, variance analysis, Operations and coordination of approx 300 workers and Production Engineers. He is also involved in QA & QC aspects of the products and safety measures and he is member of the Safety Committee of the Company. He is in charge of administrative activities and implementation of production incentive schemes. He had visited China thrice to study Lens Manufacturing process. |
| Expertise   | Production, administration and export sales  | Operations, Production   |
| Qualifications  | B.Sc.  | B.E.   |
| Directorship held in other listed Companies                   | Nil  | Nil  |
| Membership/Chairmanships of Committees in GKB Ophthalmics Ltd | Nil  | 1) Member- Audit Committee<br>2) Member – Stakeholders' Relationship Committee   |
| No. of Board Meetings attended during the year 2020-21        | 7 (Seven)  | 6 (Six)  |
| No. of Shares held in the Company                             | 9,00,412   | 0  |
| Relationship between Directors inter-se                       | Father of Mr. Vikram Gupta   | 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 and supply of semi – finished 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 | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> |
|----------------------|----------------|----------------|----------------|
| Sales                | 3,743.28       | 3046.81        | 2548.22        |
| Net Profit           | (265.42)       | (271.88)       | (407.19)       |
| Dividend %           | –              | –              | –              |

- 4) (b) Export performance and net foreign exchange earnings :

Rs. in lakhs

|                                  | <b>2017-18</b> | <b>2018-19</b> | <b>2019-20</b> |
|----------------------------------|----------------|----------------|----------------|
| Foreign Exchange Earned and used | 672.62         | 591.49         | 527.78         |
| Foreign exchanged earned         | 1,205.67       | 1095.31        | 637.24         |
| Foreign exchanged used           | (532.95)       | (503.82)       | (109.46)       |
| Net earning                      |                |                |                |

- (5) Foreign investments or collaborations, if any:

The details of foreign investment is as under:

- (i) One equity share of Dirhams 1,50,000/- in GKB Ophthalmics Products FZE, Sharjah, UAE, equivalent to Rs. 18,30,150/- at par.

**II. INFORMATION ABOUT THE APPOINTEES:**

| Name of the Director | Mr. K.G. Gupta  | Mr. Subhash Redkar  |
|----------------------|---|---|
| Background details   | Mr. K. G. Gupta is a Science Graduate and is well known figure in the Ophthalmic Industry all over the world and has a rich experience of over 59 years in the field. He has been the Chairman of the Board of Directors and is Managing Director of the Company since inception. | Mr. Subhash Redkar, is a Mechanical Engineer from Goa University. He has 21 years of experience in Production, Operation, Quality, Planning, process improvements of Plastic Lenses. He was the Plant Manager of the Company from 2013 to 2019. Presently , he is serving as the Director – Production. |
| Past remuneration    | The last remuneration paid to Mr. K. G. Gupta was Rs. 40.23 lakhs for the financial year 31st March 2021.   | The last remuneration as an Executive Director received by Mr. Subhash Redkar for the financial year ended 31 <sup>st</sup> March 2021, was Rs. 10.34 Lacs.   |



| Name of the Director            | Mr. K.G. Gupta  | Mr. Subhash Redkar  |
|---------------------------------|---|---|
| Recognition or Awards           | <p>(i) Mr. K. G. Gupta is the Past Chairman of Confederation of Indian Industry (CII) in Goa and was a member of Western Regional Council of CII.</p> <p>(ii) Mr. K. G. Gupta was a member of Regional Governing Council for the year 2010-2012 and 2012-14, of SEEPZ, Special Economic Zone, Mumbai.</p> <p>(iii) Under the leadership of Mr. K. G. Gupta, the Company has been winning the CAPEXIL Award for its performance in International Trade, since inception.</p> <p>(iv) Also during his tenure as Chairman and Managing Director, the Company has :</p> <p>(a) Won the prestigious Business Today – YES Bank, Best SME award 2010, in the International Trade.</p> <p>(b) 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.</p> <p>(c) Been ISO certified– 9001: 2015, TUV Nord, for the manufacture and supply of plastic lenses.</p> | Nil   |
| Job profile and his suitability | <p>Mr. K. G. Gupta was instrumental in starting plastic lens business in the Company for which an entire plant was imported from Spain. Plastic lens business now accounts for the entire turnover of the Company. Mr. K. G. Gupta has excellent knowledge and experience in all facets of the Ophthalmic Industry from Manufacturing to Sales, Finance, Administration and Exports.</p> <p>The Company also made considerable progress in the area of R &amp; D and Technology in Plastic lenses.</p>  | As Executive Director, Mr. Subhash Redkar is responsible for the entire manufacturing process of CR Ophthalmics lenses including production planning, order execution, process improvements, variance analysis, Operations and coordination of about 300 workers and Production Engineers. He is also involved in QA & QC aspects of the products and safety measures |
| Remuneration Proposed           | As mentioned in Item No. 4, under Special Business  | As mentioned in Item No. 5, under Special Business  |
| Comparative Remuneration        | Considering the size of the Company, the Industry benchmarks, experience and the responsibilities shouldered by the appointee, the proposed remuneration paid is in line with the remuneration paid to similar appointees in the Industry.  | The remuneration proposed to be paid to the director being paid based on the experience and expertise in the similar role in the industry.  |



| Name of the Director   | Mr. K.G. Gupta  | Mr. Subhash Redkar |
|------------------------|---|--------------------|
| Pecuniary Relationship | Except for the proposed remuneration and transactions with related parties, Mr. K. G. Gupta does not have any pecuniary relationship directly or indirectly with the Company or any relationship with the managerial personnel of the Company, except Mr. Vikram Gupta, Non – Executive Director. | Nil                |

### III. OTHER INFORMATION:

- (1) Reasons of loss or inadequate profits:  
As there was lack of demand for glass lenses, the Company had to switch on totally to manufacture of Plastic Lenses. As far as manufacturing of Plastic Lenses is concerned , the competition from Chinese Plastic Lens market has become more stiff due to ongoing US – China Trade War. China is pushing their lenses fiercely in Indian market at lower than cost price. The Company has made a representation to impose an Anti- Dumping Duty on the import of the plastic lenses into India and the said application with the Central Government is under review.
- (2) Steps taken or proposed to be taken for improvement:  
The spread of the Covid -19 pandemic all across the globe has affected the demand for plastic lenses. Presently, the company on an average manufactures 14,000 pieces per day of plastic lenses which it is expecting to increase during the current financial year.
- (3) Expected increase in productivity and profits in measurable terms:  
A significant improvement in demand for plastic lenses is expected from overseas buyers, but it is not possible to quantify the increase in productivity and profitability in measurable terms as the same depends on improvement of economy and other factors beyond the control of the Company.

### IV. DISCLOSURES:

- (1) Necessary disclosures as required under Clause IV of Section II, Part II of Schedule V of Companies Act, 2013, have been made in Corporate Governance Report which forms a part of the Board of Directors' Report.
- (2) The disclosures regarding all elements of remuneration package and other required details have been made.

### Item No. 6:

As per the requirements of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), all material related party transactions shall require the approval of Members through a Resolution. Further, the explanation to Regulation 23(1) of the Listing Regulations provides that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during the Financial Year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

In view of the above, the Company needs to obtain a fresh limit approved by the shareholders for entering into related party transactions with the newly incorporated Subsidiary Company i.e. GSV Ophthalmics Private Limited ("GSV") and the Subsidiary Company, Lensco- The Lens Company ("Lensco") which was a wholly owned Company until December 16, 2020. The approval for the said limit of related party transactions may be granted for the period from April 01, 2021 to March 31, 2023, for a term of 2 years.



All the Related Party Transactions entered into by the Company with Related Parties are in its ordinary course of business and at arm's length.

It may be noted that GSV and Lensco are related parties in terms of Regulation 2(1)(zb) of the Listing Regulations. The annual value of transaction with GSV and Lensco are projected at Rs 10.00 Crores and Rs 7.00 Crores respectively which would exceed the threshold of 10% of the annual consolidated turnover of the Company i.e. Rs. 5.8 Crores as per last audited financial Statement for the year ended March 31, 2020

The Audit Committee members and the Board of Directors in their respective meetings held on June 10, 2021, considered the above annual limits for related party transactions and have approved the same.

The following relevant information is given below:

| SI No. | Particulars   | Remarks  |
|--------|---|--|
| 1      | Name of the related party   | 1) GSV Ophthalmics Private Limited<br>2) Lensco- The Lens Company  |
| 2      | Name of the Director or KMP who is related  | Mr. K. G. Gupta and Mr. Vikram Gupta   |
| 3      | Nature of Relationship  | Subsidiary Company   |
| 4      | Nature, material terms, monetary value and particulars of the contract or arrangement                     | Transactions involve sale, purchase or supply of any goods, or materials; selling or otherwise disposing of, or buying, property or machinery of any kind; leasing of property of any kind ; availing or rendering of any services; and such other transactions in the normal course of business over a period of 2 years in the ordinary course of business and at arm's length basis for a annual limit of Rs 10.00 Crores and Rs 7.00 Crores with GSV and Lensco, respectively. |
| 5      | Any advance paid or received for the contract or arrangement, if any                                      | Yes, advances received from time to time and are duly recorded in the books of accounts  |
| 6      | The manner of determining the pricing and other commercial terms  | All proposed transactions would be carried out as part of the business requirement of the Company and are ensured to be on arm's length basis and in the ordinary course of business. Further, the Company is also subjected to transfer pricing norms prevalent in the country.   |
| 7      | Any other information relevant or important for the members to take a decision on the proposed resolution | Mr. K. G. Gupta and Mr. Vikram Gupta, Directors of the Company being interested, were not present at the meeting during discussions on related party transactions.   |

Except Mr. K.G. Gupta and his relatives, to the extent of their shareholding, and the directorship held by Mr. K. G. Gupta and Mr. Vikram Gupta, none of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the said resolution.

The Board of Directors recommend the passing of resolution as an Ordinary Resolution as set out at Item No. 6, for the approval of the members.

**Item no.7**

In the year 2018, Mr. Krishna Murari Gupta , Ms. Usha Gupta, Mr. Aditya Gupta and Mr. Vivek Gupta ( " K.M. Gupta & Family") were proposed to be reclassified from the 'Promoter Group' to the 'Public' category and accordingly, the Company had taken the approval of the shareholders by Special Resolution through Postal Ballot dated January 29, 2018. As pointed out by BSE Limited, one of the conditions of reclassification remained unfulfilled, i.e. the outgoing promoters should be holding less than 10% of the shareholding whereas KM Gupta and Family held around 17% of the shareholding, therefore, the Board of Directors re-clubbed the shareholdings of K.M. Gupta and family back into the promoter Category effective from March 31, 2021.

The Company is in receipt of fresh request letters from KM Gupta and Family vide letter dated August 10, 2021, requesting for re-classification from the 'Promoter Group' category to the 'Public' category of shareholders of the Company, in accordance with Regulation 31(A), Listing Regulations.

Based on the letter received from above promoters, the matter was discussed by the Board of Directors at their meeting held on August 13, 2021 and Board decided to get the above promoter/promoter group persons reclassified from the "Promoter Category" to "Public Category" with the approval of shareholders and stock exchange.

The aforesaid promoter/ promoter group persons do not exercise any control over the day to day affairs of the Company and are not engaged in any manner whatsoever in the policy decisions of the management of the Company. The aforesaid persons neither have representation on the Board of Directors of the Company nor hold any key Management position in the Company.

Regulation 31A (2) read with Regulation 31 A (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 provides that the Stock exchanges allow reclassification of the status of promoter shareholders only upon the receipt of a request of an application along with all relevant documents.

All the conditions Specified under Regulation 31A (2) and 31 A (3) of Listing Regulation have been duly complied with by the Company.

Except Mr. K.M.Gupta & family and their relatives , including Mr. K.G. Gupta and Mr. Vikram Gupta, none of the Directors, Key Managerial persons of the Company is/are concerned or interested in the resolution.

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

By order of the Board of Directors  
For GKB Ophthalmics Limited

Place: Mapusa-Goa  
Date : August 13, 2021

Pooja Bicholkar  
Company Secretary  
ACS 54716



## **DIRECTORS' REPORT**

Dear Shareholders,

Your directors have great pleasure in presenting before you the 39th Annual Report of the Company together with the Audited Annual Financial Statements of the Company for the year ended March 31, 2021.

### **FINANCIAL RESULTS:**

The Company's financial performance for the year under review along with the previous year figures is given hereunder:

|   |                 | Rs. in lakhs |
|---|-----------------|--------------|
|   | <b>2020-21</b>  | 2019-20      |
| Revenue from Operations & Other Income                        | 2,467.91        | 2,694.54     |
| Profit/Loss before Financial Charges, Depreciation & Taxation | 276.23          | 65.21        |
| Less: Finance Charges   | 133.72          | 135.04       |
| Less: Depreciation  | 299.20          | 347.33       |
| Less: Deferred Tax  | (18.01)         | 0.00         |
| Profit/ (Loss) for the year                                   | <b>(156.69)</b> | (417.17)     |
| Other Comprehensive Income (Net of Taxes)                     | <b>(37.13)</b>  | 9.98         |
| Total Comprehensive Income for the year                       | <b>(247.92)</b> | (407.19)     |
| Balance from previous years                                   | <b>680.26</b>   | 1,087.45     |
| Balance carried forward                                       | <b>432.34</b>   | 680.26       |

### **OPERATIONS:**

During the year under review, the turnover from operations of the Company declined to Rs. 2134.31 lakhs compared to Rs. 2556.17 lakhs in the previous financial year. However, the Company reported a net loss from operations of Rs. 247.92 lakhs only during the current financial year compared to a net loss of Rs. 407.19 lakhs incurred during the previous financial year. The Company is a manufacturer of the plastic lenses. The Company's business has been facing a stiff competition from China as Chinese are dumping lenses at a very lower price. The Company has made a representation to impose an Anti- Dumping Duty on the import of the plastic lenses into India and the said application with the Central Government is under review.

The spread of the Covid -19 pandemic all across the globe has affected the demand for plastic lenses. The shut-down of the plant operations during the first quarter of April 2020, in line with the State Government's Covid-19 guidelines, restrictions on the movement of required manpower and the disrupted supply-chain network resulted in lower production and accordingly lower sales for the year 2020-21. However, as the lenses are an essential commodity, the company is expecting that the demand for its products will be restored as soon as the second wave of the pandemic gets over.

### **DIVIDEND:**

With the view to conserve the resources, your directors regret their inability to recommend any dividend for the year 2020-21. No amount has been transferred to reserve for the financial year ended March 31, 2021.

### **SHARE CAPITAL:**

The paid-up equity share capital of the Company as on March 31, 2021, is Rs. 504.05 lakhs.

### **SUBSIDIARIES:**

GKB Ophthalmics Products FZE, Sharjah, UAE is a Wholly Owned Subsidiary of the Company.

The Lens Company NJ, USA, is a Subsidiary of GKB Ophthalmics Products FZE and a Step-Down Subsidiary of the Company.

GSV Ophthalmics Private Limited is another Subsidiary of the Company, being set-up to produce Hi-Index Ophthalmic Lenses with SOMO Holdings and Technology Co., Ltd, Korea (JV Partner). The commissioning of this JV Project continues to face challenges in this tough and uncertain times on account of the ongoing pandemic. Due to the surge in Covid cases in April 2021 and May 2021 and the resultant restrictions, the structural work had slowed down for a certain period but has now again picked up. The Company and the JV Partner are waiting for the respective Governments to lift the international travel restrictions to depute the engineers on site to commence the essential training to be extended to the project supervisors/ engineers in South Korea. This will follow the import of the technological machinery by the Company.





A statement under Section 129(3) of the Companies Act, 2013, containing salient features of the financial statement and performance of subsidiaries in Form AOC-1, is annexed with the Consolidated Financial Statements. In terms of Section 136(1)(a) of the Companies Act, 2013, the Audited Accounts of the subsidiaries are placed on website of the Company at [www.gkb.net](http://www.gkb.net). A copy of the audited financial statements in respect of each of the subsidiaries will be made available to interested shareholders, upon a written request. The audited accounts of the subsidiaries are also available at the Registered Office of the Company, for inspection, during business hours.

**TRANSFERS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

The Ministry of Corporate Affairs has set up the Investor Education and Protection Fund for promotion of investor awareness and protection of investor interests. In terms of Section 124 of the Companies Act, 2013 and the rules made thereunder, the dividends in respect of the shares of the Company which have remained unpaid or unclaimed for seven consecutive years or more, are required to be transferred to IEPF.

The Company has not declared any dividend since 2010-11. In one instance, an amount of Rs. 12,822, pertaining to FY 2009-10 which was lying in the Bank's Stale Demand Draft account needs to be transferred to IEPF account as soon as the matter is sorted out with the Bank.

**ACCREDITATION:**

The Company has been accredited with ISO 9001:2015 by TUV SUD, South Asia Private Limited.

**CHANGE IN PROMOTERS' SHAREHOLDING:**

The Company, on the request of Mr. Krishna Murari Gupta and family had reclassified Mr. Krishna Murari Gupta, Ms. Usha Gupta, Mr. Aditya Gupta and Mr. Vivek Gupta ("Krishna Murari Gupta and family") from the "Promoter Category" to the "Public Category" in the year 2018. However, in February 2021, the Company received a correspondence from BSE advising the Company to reinstate Mr. Krishna Murari Gupta and Family into the Promoter Category as the reclassification done by the company was not meeting certain stipulated criteria, i.e. out going Promoters were holding more than 10% of the paid up capital of the Company. Accordingly, the Board of Directors, after deliberations, approved the reinstatement of the shareholding of Krishna Murari Gupta and Family into the Promoter Category effective March 31, 2021. In view of the above, the Promoter's Shareholding as on March 31, 2021 has gone up to 59.44% from 48.97% and Public shareholding has decreased to 40.56% from 51.03%.

**CHANGE IN NATURE OF BUSINESS, IF ANY:**

There has been no change in the nature of business of the Company during the year 2020-21.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:****Director retiring by rotation: -**

Mr. K.G. Gupta will be retiring by rotation at the forthcoming AGM, pursuant to Articles of Association of the Company being eligible offers himself for re-appointment. Brief resume together with other relevant details of Mr. K.G. Gupta are given in Note no. 13 to the Notice for the ensuing Annual General Meeting.

**Second term of Independent Directors: -**

Mr. Anil Palekar and Mr. Joseph A.A. D'costa have been re-appointed for a second consecutive term up to March 31, 2024 (4 years) and March 31, 2022 (2 years) respectively, as both of them will be attaining the age of 75 years on June 15, 2024 and November 02, 2022, respectively. Mr. Sadashiv Shet and Mrs. Shashi K.Katreddi have been re-appointed for a term of five years up to May 22, 2025 and March 31, 2025, respectively.

**Key Managerial Personnel:-**

Pursuant to provisions of Section 2 (51) and Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following are the Key Managerial Personnel (KMP) of the Company as on the date of this report:-





| Sr. No. | Name of the KMP     | Designation             |
|---------|---------------------|-------------------------|
| 1       | Mr. K. G. Gupta     | Managing Director       |
| 2       | Mr. Gurudas Sawant  | Chief Financial Officer |
| 3       | Ms. Pooja Bicholkar | Company Secretary       |

**SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:**

In terms of Section 149 (8) read with Schedule IV, of the Companies Act, 2013, the Independent Directors held a Meeting on March 24, 2021 without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. A familiarization programme for the Independent Directors was held on March 24, 2021. The details of the Familiarization programme are given in the Corporate Governance Report.

At this meeting, the Independent Directors:

1. Reviewed the performance of the Non-Independent Directors and the Board as a whole.
2. Reviewed the performance of Chairperson, taking into account the views of Executive Director and Non-Executive Directors.
3. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**INDEPENDENT DIRECTORS' DECLARATION**

The Independent Directors have submitted the Declaration of Independence, as required pursuant to Section 149 of the Companies Act, 2013 and provisions of the Listing Regulations, 2015, stating that they meet the criteria of independence, as provided therein. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act. Further, all Independent Directors on the Board of the Company have registered themselves under Independent Director database vide notification no. G.S.R. 804(E) dated 01st December, 2019, the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019.

**MEETINGS OF THE BOARD OF DIRECTORS:**

During the year under review, seven Board Meetings were held. Further details are given in Corporate Governance Report, forming part of this Report. The maximum gap between two Board Meetings held during the year was not more than 120 days. However, the meetings held in February 2020 and July 2020 exceeded 120 days which is in compliance with the MCA Circular no. 11/2020 dated March 24, 2020 relaxing the gap between two consecutive meetings of the Board to 180 days instead of 120 days as required in the Companies Act, 2013.

**AUDIT COMMITTEE:**

The composition of the Audit Committee and other details are given in Corporate Governance Report, which is part of this report.

**NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of a director, relating to remuneration for directors, key managerial personnel as provided under section 178(3) of the Companies Act, 2013 and Listing Regulations, 2015.

The Remuneration Policy is stated in the Corporate Governance Report which is part of this report. Further details have been disseminated on the Company's website [www.gkb.net](http://www.gkb.net)

**PERFORMANCE EVALUATION:**

The Board evaluated the performance of the Board as a whole, Committees of the Board and the performance of individual directors including the Chairman of the Board pursuant to Regulation 17(10) of the Listing Regulations. The performance of the Board, Committees and individual Directors was evaluated by the Board seeking inputs from all the Directors. The Independent Directors also carried out the performance evaluation in terms of Part VIII of Schedule IV of the Companies Act, 2013, in their meeting held on March 24, 2021.



The details of the Performance Evaluation carried out is provided in the Corporate Governance Report which is a part of this report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to provision of Section 134 (5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability hereby state and confirm:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) that they have 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 and Loss of the Company for that period;
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- d) that they have prepared the annual accounts on a going concern basis;
- e) that they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**AUDITORS:**

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, in the 36th Annual General Meeting held on August 27, 2018, M/s. MSKA & Associates, Chartered Accountants (FRN 105047 W) were appointed as Statutory Auditors of the Company for a term of five years at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company. The Statutory Auditor to hold the office till the conclusion of the Annual General Meeting to be held in the year 2022-23.

**AUDITORS' REPORT:**

The Auditors' Report is unmodified and there are no qualifications, reservations or adverse remarks or disclaimers. In respect of the observation made by the Auditors in their report, the Board's response thereon is as follows:

- (i) Paragraph 2 (g) (iii)

Regarding the observation made by the Auditors, the Company will be transferring the unpaid Dividend of Rs. 12, 822/-, pertaining to FY 2009-10 to IEPF account as soon as the matter is sorted out with the Bank.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:**

There is no significant or material order passed by any Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

**INTERNAL FINANCIAL CONTROL:**

As per Section 134 (5) (e) of the Companies Act, 2013, read with Rule 8 (viii) of Companies (Accounts) Rules, 2014, the Board has laid the Internal Financial Control to be followed by the Company and that such Internal Financial Controls are adequate and are operating effectively. As per Section 143(3)(i) of the Companies Act, 2013, a report issued by M/s. MSKA & Associates, Statutory Auditors of the Company is attached with their Independent Auditor's Report, which is self explanatory.

**RISK MANAGEMENT POLICY:**

The company has developed and implemented a Board approved Risk Management Policy that ensures appropriate management of risks which aligns with its internal systems and culture. 'Risk Management' is the identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of uncertain events or to maximize the realization of opportunities.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

Particulars of loans, guarantees given and investments made during the year as required under Section 186 of the Companies Act, 2013 and Schedule V of the Listing Regulations are given in the notes to financial statements.

**RELATED PARTY TRANSACTIONS:**

All transactions entered into with related parties, pursuant to Section 188 of the Companies Act, 2013 and Regulation 23 of Listing Regulations, during the year were at arm's length basis and in ordinary course of business. Therefore, disclosure in Form AOC-2, is not required.

The Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions in terms of Regulation 23(1) of Listing Regulations. The Board of Directors of the Company has approved and adopted a policy on related party transactions and the same has been uploaded on Company's website (<http://gkb.net/en/wp-content/uploads/Accounts/Related-party-transactions-policy.pdf>).

**EXTRACT OF ANNUAL RETURN:**

The extract of the Annual Return as provided under Section 92(3) of the Companies Act, 2013 and as prescribed in Form No. MGT-9 of the Companies ( Management and Administration) Rules, 2014, is set out in Annexure – I and the same is also placed on the website of the company at [www.gkb.net](http://www.gkb.net).

**CORPORATE GOVERNANCE:**

A separate section on Corporate Governance practices followed by the Company, together with certificate from the Practising Company Secretary confirming compliance, Management Discussion and Analysis Report and Declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel forms the part of this annual report.

**SECRETARIAL AUDIT:**

As per provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Ms. Girija Nagvekar, Practising Company Secretary, for the financial year ended March 31, 2021, forming part of this Annual Report, is annexed herewith as Annexure - II. The Secretarial Audit Report is self-explanatory and requires no comments.

**CORPORATE SOCIAL RESPONSIBILITY:**

Provisions of Section 135 of the Companies Act, 2013, and Rules made thereunder, regarding Corporate Social Responsibility are not applicable to the Company.

**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.

**MATERIAL CHANGES AND COMMITMENTS :**

There are no material changes and commitments, affecting the financial position of the company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.


**PARTICULARS UNDER SECTION 197(12) AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

| <b>Name</b>                            | <b>Ratio</b> |
|--|--------------|
| Mr. K. G. Gupta, Managing Director     | 17.99:1      |
| Mr. Subhash Redkar, Executive Director | 4.54:1       |

(ii)(a) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

| <b>Name</b>                                 | <b>Percentage</b> |
|---|-------------------|
| Mr. K. G. Gupta, Managing Director          | 1.3%              |
| Mr. Subash Redkar, Executive Director       | 0.46%             |
| Mr. Gurudas Sawant, Chief Financial Officer | 8.00%             |
| Ms. Pooja Bicholkar, Company Secretary      | 38.00%            |

(ii)(b) The Non-Executive Directors of the Company are entitled to sitting fees within the limits approved by the Board of Directors and shareholders. The details of remuneration of Directors are provided in the Corporate Governance Report.

(iii) the percentage increase in the median remuneration of employees in the financial year: 13.03%

(iv) the number of permanent employees on the rolls of Company: 180

(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase (decrease) made in the salaries of employees other than the managerial personnel in the last financial year i.e 2020-21 is 13.61% whereas the increase (decrease) in the managerial remuneration for the same financial year was 1.1%

(vi) comparison of each remuneration of the Key Managerial against the performance of the Company:

The remuneration of the Managing Director was within the minimum remuneration as per Schedule V, Part II and Section II of the Companies Act, 2013.

(vii) the key parameters for any variable component of remuneration availed by the directors:

Mr. K. G. Gupta, Managing Director is entitled to commission not exceeding 1% of the net profit of the Company computed in the manner laid down under the Act as may be determined by the Board. In the absence of net profit, no commission was paid to him for the year under review.

Mr. Subhash Redkar, Executive Director, is entitled to remuneration as approved in his letter of appointment.

None of the other Directors are paid any remuneration except sitting fees and traveling expenses for attending Board and Committee Meetings.

(viii) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: N.A.



- (xi) affirmation that the remuneration is as per the remuneration policy of the Company:  
The remuneration is as per the Remuneration Policy of the Company.

**PARTICULARS OF EMPLOYEES:**

None of the employees is covered under Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As per Listing Regulations, Management Discussion and Analysis Report is attached to this report.

**FINANCE:**

Total Fund based exposure of the Company with the Banks was to the tune of Rs. 876.00 lakhs. Total Non-Fund based exposure of the Company with the Banks was to the tune of Rs. 560.00 lakhs. Additionally, the Company has availed credit facilities from State Bank of India under its "Common Covid Emergency Credit Line" (CCECL) to the tune of Rs. 50.00 lakhs and a credit facility of Rs. 120.00 lakhs under the "Guaranteed Emergency Credit Line" (GECL) scheme.

**PUBLIC DEPOSITS**

The Company has not accepted any deposits falling under the ambit of Section 73 of the Companies Act, 2013 from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on 31st March 2021.

**CREDIT RATING:**

CRISIL Limited – the credit rating agency, has assigned the credit rating of "CRISIL B/Stable ( Re-affirmed)" to the long-term Bank facilities availed by the Company and credit rating of "CRISIL A4 ( Re-affirmed)" to the short-term Bank facilities availed by the Company.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has in place a Vigil Mechanism. It provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct policy and the same has been posted on the Company's website [www.gkb.net](http://www.gkb.net).

**REPORTING OF FRAUD BY AUDITORS:**

During the year under review, no offense involving fraud has been committed against the Company by its employees or officers of the Company in terms of Section 143(12) of the Companies Act, 2013.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (Prevention, Prohibition and Redressal) Act, 2013.**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review no complaints were received.

**RESUME OF HEALTH & SAFETY PERFORMANCE OF THE FACTORY:**

In terms of Section 90 B (5) (d) of the Goa Factories Rules, 1985, the Company has an Occupational Health, Safety and Environment Policy through which every employee is made responsible for the observance of the measures designed to prevent accidents, damage to property, occupational ill- health and avoidable environmental pollutants.



**Safety & Health:-** For the safe work environment , Hazard Identification & Risk Assessment workshops and training programme were conducted for the employees on First Aid procedure, Behavioral Safety, Occupational Safety, Health & Environment, etc., with a view to equip them to recognize the hazards and risks associated with a given task and take preemptive action. Also, the Annual event via Safety Week Celebration, besides statutory requirements under Factories Act, a seminar was conducted on the topic, "Industrial Hygiene for the Production Engineers." Another seminar, "Accident Prevention on Shop-floor" and "Manual Material Handling and Ergonomics" was organized for the employees .

**Audit -** Occupational Safety & Health Audit, and Internal Electrical Safety Audit was conducted to assess potential fire hazards in the factory set-up and to provide assurance on the implementation and effectiveness of these system and processes. The company has organized Eye-testing for employees engaged in Quality Control operations during the year.

**Environment:-** The Company has been focusing on achieving environmental standards with "Go Green" philosophy. The Company is certified with ISO 9001:2015 standard of TUV Certifying body. The company has continued its efforts for water and energy conservation. Licenses under Pollution Control Board are periodically renewed under Air, Water and Hazard Waste Management. The process of Solid waste management disposal is done on regular basis through Mumbai Waste Management Ltd., Taloja in Maharashtra.

**Measure to fight against COVID-19:-** The Company is adhering to all the guidelines and safety protocols provided by the Ministry of Home Affairs together with the directives issued by the State Government which includes temperature sensing, wearing face masks, sanitizing and washing hands in the factory and office premises to safeguard the well-being of its employees and other stakeholders from spread of Covid-19 pandemic. All Social distancing norms are being followed in the factory and the administrative office.

**OTHER DISCLOSURES:-**

- 1) The consolidated financial statement is also being presented in addition to the standalone financial statement of the company.
- 2) The maintenance of cost records is not applicable to the Company as per the amended Companies (Cost Records and Audit) Rules, 2014, prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Particulars required to be disclosed under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 are annexed herewith as Annexure – III and forms an integral part of this report.

**ACKNOWLEDGEMENT:**

Your Directors wish to acknowledge and are grateful for the excellent support received from all levels, customers, vendors, regulatory authorities, bankers, shareholders and all other stakeholders. Your Directors recognize and appreciate the hard work and efforts put in by all the employees of the Company and their contribution to the progress of the Company in a very challenging environment.

For and on behalf of the Board of Directors

Place : Mapusa - Goa.  
Date : June 10, 2021

K. G. Gupta  
Chairman and Managing Director  
DIN : 00051863




**Annexure -I**
**FORM MGT-9**
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31.03.2021

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS :**

|     |   |   |   |
|-----|---|---|---|
| i   | CIN   | : | L26109GA1981PLC000469   |
| ii  | Registration Date   | : | 10-12-1981  |
| iii | Name of the Company   | : | GKB OPHTHALMICS LIMITED   |
| iv  | Category/Sub-category of the Company                                  | : | Company having share capital  |
| v   | Address of the Registered office & contact details                    | : | 16-A, Tivim Industrial Estate<br>Mapusa - Goa, 403 526<br>Tel No. : (0832) 2257253/6714444<br>Fax No. : (0832) 2257044<br>Email : <a href="mailto:gkbophthalmics@gkb.net">gkbophthalmics@gkb.net</a><br>Website : <a href="http://www.gkb.net">www.gkb.net</a>  |
| vi  | Whether listed company  | : | Yes (Listed in Bombay Stock Exchange Ltd.)  |
| vii | Name, Address & Contact details of Registrar & Transfer Agent, if any | : | Link Intime India Private Limited<br>C 101, 247 Park, LBS Marg,<br>Vikhroli West, Mumbai - 400 083.<br>Phone : + 91 22 49186000<br>Fax : + 91 22 49186060<br>Email : <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a><br>Website : <a href="http://www.linkintime.com">www.linkintime.com</a> |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

| Sr. No | Name & Description of main products/services | NIC Code of the Product/Service | % to total turnover of the Company |
|--------|--|---------------------------------|------------------------------------|
| 1      | Manufacture and Export of Ophthalmics Lenses | 32507                           | 100.00%                            |

**III. PARTICULARS OF HOLDING AND SUBSIDIARY COMPANIES :**

| Sr. No | Name and Address of the Company   | CIN/GLN                       | Holding/ Subsidiary/Associate | % of Shares held | Applicable Section |
|--------|---|-------------------------------|-------------------------------|------------------|--------------------|
| 1      | GKB Ophthalmics Products FZE<br>250, M2 Warehouse A3-083 SAIF ZONE, P.O. Box.9089, Sharjah-U.A.E. | UIN: PJWAZ20040413            | Subsidiary Company            | 100.00%          | Section 2 (87)     |
| 2      | GSV Ophthalmics Private Limited<br>16-A, Tivim Industrial Estate, Mapusa - Goa.                   | CIN:<br>U36990GA2018PTCO13725 | Subsidiary Company            | 79.54%           | Section 2 (87)     |
| 3      | Lensco- The Lens Company<br>700 Route 46 Suite 7<br>Clifton New Jersey 07013                      | UIN: BYWAZ20080845            | Step Down Subsidiary Company  | 60%              | Section 2 (87)     |
| 4      | GKB Vision FZC<br>250, M2 Warehouse<br>A3-085 SAIF ZONE, P.O. Box.514189, Sharjah - U.A.E.        | UIN:PJJAZ20171435             | Associate Company             | 49%              | Section 2 (6)      |




**IV. SHARE HOLDING PATTERN (Equity Shares Capital Breakup as percentage of Total Equity)**
**(i) Category-wise Share Holding**

| Category of Shareholders  | No. of shares held at the beginning of the year 2020 |          |                  |                   | No. of shares held at the end of the year 2021 |          |                  |                   | % Change during the year |
|---|--|----------|------------------|-------------------|--|----------|------------------|-------------------|--------------------------|
|   | Demat  | Physical | Total            | % of Total Shares | Demat  | Physical | Total            | % of Total Shares |                          |
| <b>A. Promoters &amp; Promoter Group</b>  |  |          |                  |                   |  |          |                  |                   |                          |
| <b>(1) Indian</b>   |  |          |                  |                   |  |          |                  |                   |                          |
| a) Individual/HUF   | <b>24,68,611</b>                                     | 0        | 24,68,611        | 48.975            | 29,96,218                                      | --       | 29,96,218        | 59.442            | 10.467                   |
| b) Central Govt   | 0  | 0        | 0                | 0                 | 0  | 0        | 0                | 0                 | 0                        |
| c) State Govt(s)  | 0  | 0        | 0                | 0                 | 0  | 0        | 0                | 0                 | 0                        |
| d) Bodies Corporates  | 0  | 0        | 0                | 0                 | 0  | 0        | 0                | 0                 | 0                        |
| e) Bank/FI  | 0  | 0        | 0                | 0                 | 0  | 0        | 0                | 0                 | 0                        |
| f) Any Other  | 0  | 0        | 0                | 0                 | 0  | 0        | 0                | 0                 | 0                        |
| <b>SUB TOTAL : (A )(1)</b>  | <b>24,68,611</b>                                     | <b>0</b> | <b>24,68,611</b> | <b>48.975</b>     | <b>29,96,218</b>                               | <b>0</b> | <b>29,96,218</b> | <b>59.442</b>     | <b>10.467</b>            |
| <b>(2) Foreign</b>  |  |          |                  |                   |  |          |                  |                   |                          |
| a) Individuals (Non-Resident Individuals Foreign Individuals                    | 0  | 0        | 0                | 0                 | 0  | 0        | 0                | 0                 | 0                        |
| b) Government   | 0  | 0        | 0                | 0                 | 0  | 0        | 0                | 0                 | 0                        |
| c) Bodies Corporates  | 0  | 0        | 0                | 0                 | 0  | 0        | 0                | 0                 | 0                        |
| d) Bank/FI Investor   | 0  | 0        | 0                | 0                 | 0  | 0        | 0                | 0                 | 0                        |
| e) Qualified Foreign Investors  | 0  | 0        | 0                | 0                 | 0  | 0        | 0                | 0                 | 0                        |
| f) Any Other  | 0  | 0        | 0                | 0                 | 0  | 0        | 0                | 0                 | 0                        |
| <b>SUB TOTAL : (A)(2)</b>   | <b>0</b>   | <b>0</b> | <b>0</b>         | <b>0</b>          | <b>0</b>                                       | <b>0</b> | <b>0</b>         | <b>0</b>          | <b>0</b>                 |
| <b>Total Shareholding of Promoters &amp; Promoter Group (A)=(A)(1) + (A)(2)</b> | <b>24,68,611</b>                                     | <b>0</b> | <b>24,68,611</b> | <b>48.975</b>     | <b>29,96,218</b>                               | <b>0</b> | <b>29,96,218</b> | <b>59.442</b>     | <b>10.467</b>            |



**IV. SHARE HOLDING PATTERN (Equity Shares Capital Breakup as percentage of Total Equity)**

**(i) Category-wise Share Holding**

| Category of Shareholders   | No. of shares held at the beginning of the year - 2020 |               |                  |                   | No. of shares held at the end of the year - 2021 |               |                  |                   | % Change during the year |
|--|--|---------------|------------------|-------------------|--|---------------|------------------|-------------------|--------------------------|
|  | Demat  | Physical      | Total            | % of Total Shares | Demat  | Physical      | Total            | % of Total Shares |                          |
| <b>B. Public Shareholding</b>  |  |               |                  |                   |  |               |                  |                   |                          |
| <b>(1) Institutions</b>  |  |               |                  |                   |  |               |                  |                   |                          |
| a) Mutual Funds / UTI  | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| b) Venture Capital Funds   | 0  | 0             | 0                | 0                 | 0  | —             | 0                | 0                 | 0                        |
| c) Alternate Investment Funds  | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| d) Foreign Venture Capital Investor  | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| e) Foreign Prortfolio Investor   | 1,00,000   | 0             | 1,00,000         | 1.984             | 1,00,000   | 0             | 1,00,000         | 1.984             | 0                        |
| f) Financial Institution Banks   | 19,600   | 0             | 19,600           | 0.388             | 19,600   | 0             | 19,600           | 0.388             | 0                        |
| g) Insurance Companies   | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| h) Provident Funds/Pension Funds   | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| i) Any Others (specify)  | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| <b>SUB TOTAL : (B)(1)</b>  | <b>1,19,600</b>  | <b>0</b>      | <b>1,19,600</b>  | <b>2.372</b>      | <b>1,19,600</b>                                  | <b>0</b>      | <b>1,19,600</b>  | <b>2.372</b>      | <b>0</b>                 |
| <b>(2) Central Government/State Government(s) President of Indai</b>                 | <b>0</b>   | <b>0</b>      | <b>0</b>         | <b>0</b>          | <b>0</b>   | <b>0</b>      | <b>0</b>         | <b>0</b>          | <b>0</b>                 |
| <b>SUB TOTAL : (B)(2)</b>  | <b>0</b>   | <b>0</b>      | <b>0</b>         | <b>0</b>          | <b>0</b>   | <b>0</b>      | <b>0</b>         | <b>0</b>          | <b>0</b>                 |
| <b>(3) Non-institutions</b>  |  |               |                  |                   |  |               |                  |                   |                          |
| a) Individuals   |  |               |                  |                   |  |               |                  |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs. 1.00 lakh          | 3,44,374   | 58,525        | 4,02,899         | 7.993             | 3,68,029   | 58,525        | 4,26,554         | 8.462             | 0.469                    |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1.00 lakh | 13,50,682  | 0             | 13,50,682        | 26.797            | 7,79,648   | 0             | 7,79,648         | 15.467            | -11.330                  |
| b) NBFCs registered with RBI   | 1,000  | 0             | 1,000            | 0.020             | 1,500  | 0             | 1,500            | 0.030             | 0.01                     |
| c) Overseas Depositories (holding Drs) (balancing figure)                            | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| c) Any other (Specify)   |  |               |                  |                   |  |               |                  |                   |                          |
| Hindu Undivided Family   | 70,587   | 0             | 70,587           | 1.400             | 68,420   | 0             | 68,420           | 1.358             | -0.042                   |
| Foreign Companies  | 2,00,000   | 0             | 2,00,000         | 3.968             | 2,00,000   | 0             | 2,00,000         | 3.968             | 0                        |
| Non Resident Indians (Non Repat)   | 2,856  | 0             | 2,856            | 0.056             | 2,846  | 0             | 2,846            | 0.057             | -0.001                   |
| Non Resident Indians (Repat)   | 67,882   | 0             | 67,882           | 1.347             | 66,893   | 0             | 66,893           | 1.327             | -0.02                    |
| Clearing Member  | 24,601   | 0             | 24,601           | 0.488             | 2,895  | 0             | 2,895            | 0.057             | -1.431                   |
| Bodies Corporate   | 3,31,862   | 0             | 3,31,862         | 6.584             | 3,76,006   | 0             | 3,76,006         | 7.460             | 0.876                    |
| <b>SUB TOTAL : (B)(3)</b>  | <b>23,93,844</b>                                       | <b>58,525</b> | <b>24,52,369</b> | <b>48.653</b>     | <b>18,66,237</b>                                 | <b>58,525</b> | <b>19,24,762</b> | <b>38.186</b>     | <b>-10.467</b>           |
| <b>Total Public shareholding (B)=(B)(1) + (B)(2) + (B)(3)</b>                        | <b>25,13,444</b>                                       | <b>58,525</b> | <b>25,71,969</b> | <b>51.025</b>     | <b>19,85,837</b>                                 | <b>58,525</b> | <b>20,44,362</b> | <b>40.558</b>     | <b>-10.467</b>           |
| <b>Total (A) + (B)</b>   | <b>49,82,055</b>                                       | <b>58,525</b> | <b>50,40,580</b> | <b>100.000</b>    | <b>49,82,055</b>                                 | <b>58,525</b> | <b>50,40,580</b> | <b>100.000</b>    | <b>0.000</b>             |



**IV. SHARE HOLDING PATTERN (Equity Shares Capital Breakup as percentage of Total Equity)**

**(i) Category-wise Share Holding**

| Category of Shareholders  | No. of shares held at the beginning of the year - 2020 |               |                  |                   | No. of shares held at the end of the year - 2021 |               |                  |                   | % Change during the year |
|---|--|---------------|------------------|-------------------|--|---------------|------------------|-------------------|--------------------------|
|   | Demat  | Physical      | Total            | % of Total Shares | Demat  | Physical      | Total            | % of Total Shares |                          |
| <b>C. Non Promoter - Non Public</b>   |  |               |                  |                   |  |               |                  |                   |                          |
| (C1) Share Underlying Drs   | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| (1) Custodian/DR Holder   | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| (C2) Shares Held by Employees Trust   | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| (2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014 | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| <b>Grand Total (A+B+C)</b>  | <b>49,82,055</b>                                       | <b>58,525</b> | <b>50,40,580</b> | <b>100.000</b>    | <b>49,82,055</b>                                 | <b>58,525</b> | <b>50,40,580</b> | <b>100.000</b>    | <b>0.000</b>             |

**(ii) Share holding of Promoters:**

| Sr. No. | Shareholder's Name        | Shareholding at the beginning of the year-2020 |                                  |  | Shareholding at the end of the year-2021 |                                  |  | % change in share holding during the year |
|---------|---------------------------|--|----------------------------------|--|--|----------------------------------|--|---|
|         |                           | No. of shares                                  | % of total shares of the Company | % of shares pledged/encumbered to total shares | No. of shares                            | % of total shares of the Company | % of shares pledged/encumbered to total shares |   |
| 1       | Mr. Krishna Gopal Gupta   | 9,00,024                                       | 17.857                           | 0  | 9,00,412                                 | 17.863                           | 0  | 0.006                                     |
| 2       | Mr. Vikram Gupta          | 4,23,105                                       | 8.394                            | 0  | 4,23,105                                 | 8.394                            | 0  | 0   |
| 3       | Mr. Gaurav Gupta          | 4,07,966                                       | 8.093                            | 0  | 4,07,966                                 | 8.093                            | 0  | 0   |
| 4       | Mrs. Veena Gupta          | 3,00,753                                       | 5.967                            | 0  | 3,00,753                                 | 5.967                            | 0  | 0   |
| 5       | Mrs. Shefali Chawla       | 2,42,464                                       | 4.810                            | 0  | 2,42,464                                 | 4.810                            | 0  | 0   |
| 6       | Krishna Gopal Gupta (HUF) | 1,94,299                                       | 3.854                            | 0  | 2,38,209                                 | 4.726                            | 0  | 0.872                                     |
| 7       | Krishna Murari Gupta      | 0  | 0                                | 0  | 3,27,207                                 | 6.492                            | 0  | 6.492                                     |
| 8       | Usha Gupta                | 0  | 0                                | 0  | 1,14,707                                 | 2.276                            | 0  | 2.276                                     |
| 9       | Vivek Gupta               | 0  | 0                                | 0  | 25,055                                   | 0.497                            | 0  | 0.497                                     |
| 10      | Aditya Gupta              | 0  | 0                                | 0  | 16,340                                   | 0.324                            | 0  | 0.324                                     |
|         | <b>TOTAL</b>              | <b>24,68,611</b>                               | <b>48.975</b>                    | <b>0</b>                                       | <b>29,96,218</b>                         | <b>59.442</b>                    | <b>0</b>                                       | <b>10.467</b>                             |


**iii) Change in Promoter's Shareholding (please specify, if there is no change)**

| Sr. No. | Shareholder's Name           | Shareholding at the beginning of the year - 2020 |                                  |            | Cumulative Shareholding during the year - 2021 |             |               | % of total shares of the Company |
|---------|------------------------------|--|----------------------------------|------------|--|-------------|---------------|----------------------------------|
|         |                              | No. of Shares at the beginning of the year       | % of total Shares of the Company | Date       | Increasing / Decreasing in shareholding        | Reason      | No. of shares |                                  |
| 1       | Mr. Krishna Gopal Gupta      |  |                                  |            |  |             |               |                                  |
|         | At the beginning of the year | 9,00,024   | 17.8575                          | 01.04.2020 | –  |             | 9,00,024      | 17.8575                          |
|         |                              |  |                                  | 18.12.2020 | 100  | Buy         | 9,00,124      | 17.8575                          |
|         |                              |  |                                  | 19.02.2021 | 60   | Buy         | 9,00,184      | 17.8587                          |
|         |                              |  |                                  | 26.03.2021 | 228  | Buy         | 9,00,412      | 17.8633                          |
|         | At the end of the year       |  |                                  |            |  |             | 9,00,412      | 17.8633                          |
| 2       | Mr. Vikram Gupta             |  |                                  |            |  |             |               |                                  |
|         | At the beginning of the year | 4,23,105   | 8.394                            | 01.04.2020 |  |             |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 |  | No Change   | 4,23,105      | 8.394                            |
| 3       | Mr. Gaurav Gupta             |  |                                  |            |  |             |               |                                  |
|         | At the beginning of the year | 4,07,966   | 8.093                            | 01.04.2020 |  |             |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 |  | No Change   | 4,07,966      | 8.093                            |
| 4       | Mr. Krishna Murari Gupta     |  |                                  |            |  |             |               |                                  |
|         | At the beginning of the year | 0  | 0                                | 01.04.2020 |  |             |               |                                  |
|         |                              |  |                                  |            |  | Re clubbed* | 3,28,207      | 6.5113                           |
|         |                              |  |                                  | 05.03.2021 | (1000)   | Sell        | 3,27,207      | 6.492                            |
|         | At the end of the year       |  |                                  | 31.03.2021 |  |             | 3,27,207      | 6.492                            |
| 5       | Mrs. Veena Gupta             |  |                                  |            |  |             |               |                                  |
|         | At the beginning of the year | 3,00,753   | 5.967                            | 01.04.2020 |  |             |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 |  | No Change   | 3,00,753      | 5.967                            |
| 6       | Mrs. Shefali Chawla          |  |                                  |            |  |             |               |                                  |
|         | At the beginning of the year | 2,42,464   | 4.810                            | 01.04.2020 |  |             |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 |  | No Change   | 2,42,464      | 4.810                            |



| Sr. No. | Shareholder's Name           | Shareholding at the beginning of the year - 2020 |                                  |            | Cumulative Shareholding during the year - 2021 |        |               | % of total shares of the Company |
|---------|------------------------------|--|----------------------------------|------------|--|--------|---------------|----------------------------------|
|         |                              | No. of Shares at the beginning of the year       | % of total Shares of the Company | Date       | Increasing / Decreasing in shareholding        | Reason | No. of shares |                                  |
|         | Krishna Gopal Gupta HUF      |  |                                  |            |  |        |               |                                  |
|         | At the beginning of the year | 1,94,299   | 3.8547                           | 01.04.2020 |  |        |               |                                  |
|         |                              |  |                                  | 05.05.2020 | 50   | Buy    | 1,94,349      | 3.86                             |
|         |                              |  |                                  | 13.07.2020 | 1000   | Buy    | 1,95,349      | 3.88                             |
|         |                              |  |                                  | 14.07.2020 | 1400   | Buy    | 1,96,749      | 3.90                             |
|         |                              |  |                                  | 16.07.2020 | 100  | Buy    | 1,96,849      | 3.91                             |
|         |                              |  |                                  | 17.07.2020 | 200  | Buy    | 1,97,049      | 3.91                             |
|         |                              |  |                                  | 24.07.2020 | 154  | Buy    | 1,97,203      | 3.91                             |
|         |                              |  |                                  | 15.09.2020 | 80   | Buy    | 1,97,283      | 3.91                             |
|         |                              |  |                                  | 16.09.2020 | 120  | Buy    | 1,97,403      | 3.92                             |
|         |                              |  |                                  | 23.09.2020 | 220  | Buy    | 1,97,623      | 3.92                             |
|         |                              |  |                                  | 29.09.2020 | 29   | Buy    | 1,97,652      | 3.92                             |
|         |                              |  |                                  | 30.09.2020 | 247  | Buy    | 1,97,899      | 3.93                             |
|         |                              |  |                                  | 01.10.2020 | 50   | Buy    | 1,97,949      | 3.93                             |
|         |                              |  |                                  | 09.12.2020 | 682  | Buy    | 1,98,631      | 3.94                             |
|         |                              |  |                                  | 10.12.2020 | 3313   | Buy    | 2,01,944      | 4.01                             |
|         |                              |  |                                  | 14.12.2020 | 764  | Buy    | 2,02,708      | 4.02                             |
|         |                              |  |                                  | 16.12.2020 | 1031   | Buy    | 2,03,739      | 4.04                             |
|         |                              |  |                                  | 17.12.2020 | 1574   | Buy    | 2,05,313      | 4.07                             |
|         |                              |  |                                  | 18.12.2020 | 823  | Buy    | 2,06,136      | 4.09                             |
|         |                              |  |                                  | 21.12.2020 | 1795   | Buy    | 2,07,931      | 4.13                             |
|         |                              |  |                                  | 22.12.2020 | 2012   | Buy    | 2,09,943      | 4.17                             |
|         |                              |  |                                  | 23.12.2020 | 2557   | Buy    | 2,12,500      | 4.22                             |
|         |                              |  |                                  | 24.12.2020 | 4456   | Buy    | 2,16,956      | 4.30                             |
|         |                              |  |                                  | 28.12.2020 | 1565   | Buy    | 2,18,521      | 4.34                             |
|         |                              |  |                                  | 29.12.2020 | 3370   | Buy    | 2,21,891      | 4.40                             |
|         |                              |  |                                  | 30.12.2020 | 3566   | Buy    | 2,25,457      | 4.47                             |
|         |                              |  |                                  | 31.12.2020 | 690  | Buy    | 2,26,147      | 4.49                             |
|         |                              |  |                                  | 12.02.2021 | 1112   | Buy    | 2,27,259      | 4.51                             |



| Sr. No. | Shareholder's Name     | Shareholding at the beginning of the year - 2020 |                                  |            | Cumulative Shareholding during the year - 2021 |        |               | % of total shares of the Company |
|---------|------------------------|--|----------------------------------|------------|--|--------|---------------|----------------------------------|
|         |                        | No. of Shares at the beginning of the year       | % of total Shares of the Company | Date       | Increasing / Decreasing in shareholding        | Reason | No. of shares |                                  |
|         |                        |  |                                  | 16.02.2021 | 300  | Buy    | 2,27,559      | 4.51                             |
|         |                        |  |                                  | 17.02.2021 | 407  | Buy    | 2,27,966      | 4.52                             |
|         |                        |  |                                  | 18.02.2021 | 410  | Buy    | 2,28,376      | 4.53                             |
|         |                        |  |                                  | 19.02.2021 | 400  | Buy    | 2,28,776      | 4.54                             |
|         |                        |  |                                  | 22.02.2021 | 660  | Buy    | 2,29,436      | 4.55                             |
|         |                        |  |                                  | 23.02.2021 | 640  | Buy    | 2,30,076      | 4.56                             |
|         |                        |  |                                  | 24.02.2021 | 1314   | Buy    | 2,31,390      | 4.59                             |
|         |                        |  |                                  | 25.02.2021 | 699  | Buy    | 2,32,089      | 4.60                             |
|         |                        |  |                                  | 26.02.2021 | 433  | Buy    | 2,32,522      | 4.61                             |
|         |                        |  |                                  | 01.03.2021 | 400  | Buy    | 2,32,922      | 4.62                             |
|         |                        |  |                                  | 03.03.2021 | 470  | Buy    | 2,33,392      | 4.63                             |
|         |                        |  |                                  | 04.03.2021 | 419  | Buy    | 2,33,811      | 4.64                             |
|         |                        |  |                                  | 05.03.2021 | 1064   | Buy    | 2,34,875      | 4.66                             |
|         |                        |  |                                  | 08.03.2021 | 262  | Buy    | 2,35,137      | 4.66                             |
|         |                        |  |                                  | 09.03.2021 | 160  | Buy    | 2,35,297      | 4.67                             |
|         |                        |  |                                  | 10.03.2021 | 212  | Buy    | 2,35,509      | 4.67                             |
|         |                        |  |                                  | 12.03.2021 | 139  | Buy    | 2,35,648      | 4.68                             |
|         |                        |  |                                  | 16.03.2021 | 160  | Buy    | 2,35,808      | 4.68                             |
|         |                        |  |                                  | 17.03.2021 | 30   | Buy    | 2,35,838      | 4.68                             |
|         |                        |  |                                  | 18.03.2021 | 1564   | Buy    | 2,37,402      | 4.71                             |
|         |                        |  |                                  | 19.03.2021 | 143  | Buy    | 2,37,545      | 4.71                             |
|         |                        |  |                                  | 22.03.2021 | 300  | Buy    | 2,37,845      | 4.72                             |
|         |                        |  |                                  | 23.03.2021 | 10   | Buy    | 2,37,855      | 4.72                             |
|         |                        |  |                                  | 24.03.2021 | 20   | Buy    | 2,37,875      | 4.72                             |
|         |                        |  |                                  | 26.03.2021 | 334  | Buy    | 2,38,209      | 4.73                             |
|         |                        |  |                                  | 30.03.2021 | 1189   | Buy    | 2,39,398      | 4.75                             |
|         | At the end of the year |  |                                  | 31.03.2021 | 541  | Buy    | 2,39,939      | 4.76                             |
|         |                        |  |                                  |            |  |        |               |                                  |
|         |                        |  |                                  |            |  |        |               |                                  |



| Sr. No. | Shareholder's Name           | Shareholding at the beginning of the year - 2020 |                                  |            | Cumulative Shareholding during the year - 2021 |             |               | % of total shares of the Company |
|---------|------------------------------|--|----------------------------------|------------|--|-------------|---------------|----------------------------------|
|         |                              | No. of Shares at the beginning of the year       | % of total Shares of the Company | Date       | Increasing / Decreasing in shareholding        | Reason      | No. of shares |                                  |
| 8       | Mrs. Usha Gupta              |  |                                  |            |  |             |               |                                  |
|         | At the beginning of the year | 0  | 0                                | 01.04.2020 |  |             |               |                                  |
|         |                              |  |                                  |            | -  | Re clubbed* | 1,14,707      | 2.276                            |
|         | At the end of the year       |  |                                  | 31.03.2021 | -  | No Change   | 1,14,707      | 2.276                            |
| 9       | Mr. Vivek Gupta              |  |                                  |            |  |             |               |                                  |
|         | At the beginning of the year | 0  | 0                                | 01.04.2020 |  |             |               |                                  |
|         |                              |  |                                  |            | -  | Re clubbed* | 30,758        | 0.610                            |
|         |                              |  |                                  | 22.05.2020 | 150  | Buy         | 30,908        | 0.613                            |
|         |                              |  |                                  | 05.03.2021 | (5853)   | Sell        | 25,055        | 0.497                            |
|         | At the end of the year       |  |                                  | 31.03.2021 |  |             | 25,055        | 0.497                            |
| 10      | Mr. Aditya Gupta             |  |                                  |            |  |             |               |                                  |
|         | At the beginning of the year | 0  | 0                                | 01.04.2020 |  |             |               |                                  |
|         |                              |  |                                  |            | -  | Re clubbed* | 25,830        | 0.512                            |
|         |                              |  |                                  | 19.02.2021 | (400)  | Sell        | 25,430        | 0.504                            |
|         |                              |  |                                  | 26.02.2021 | (5176)   | Sell        | 20,257        | 0.401                            |
|         |                              |  |                                  | 05.03.2021 | (3704)   | Sell        | 16,550        | 0.328                            |
|         |                              |  |                                  | 13.03.2021 | (210)  | Sell        | 16,340        | 0.324                            |
|         |                              |  |                                  | 31.03.2021 |  |             | 16,340        | 0.324                            |

\* Mr. Krishna Murari Gupta , Mrs. Usha Gupta, Mr. Aditya Gupta and Mr. Vivek Gupta ( "K.M. Gupta & Family") were in the Public Category at the beginning of the year i.e., April 01, 2020. However, Board of Directors reinstated the shareholdings of K.M. Gupta & Family, effective from March 31, 2021 ( at the end of the year) to 'Promoter and Promoter Group' category.





**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :**

| Sr. No. | Shareholder's Name           | Shareholding at the beginning of the year  |                                  |            | Cumulative Shareholding during the year |           |               | % of total shares of the Company |
|---------|------------------------------|--|----------------------------------|------------|---|-----------|---------------|----------------------------------|
|         |                              | No. of Shares at the beginning of the year | % of total Shares of the Company | Date       | Increasing / Decreasing in shareholding | Reason    | No. of shares |                                  |
| 1       | Brijendra Kumar Gupta        |  |                                  |            |   |           |               |                                  |
|         | At the beginning of the year | 2,44,950                                   | 4.859                            | 01.04.2020 |   |           |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 | –                                       | No Change | 2,44,950      | 4.859                            |
| 2       | SOMO Vision Co. Ltd.         |  |                                  |            |   |           |               |                                  |
|         | At the beginning of the year | 2,00,000                                   | 3.968                            | 01.04.2020 |   |           |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 | –                                       | No Change | 2,00,000      | 3.968                            |
| 3       | Polus Global Fund            |  |                                  |            |   |           |               |                                  |
|         | At the beginning of the year | 1,00,000                                   | 1.983                            | 01.04.2020 |   |           |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 | –                                       | No Change | 1,00,000      | 1.983                            |
| 4       | Raviraj Developers           | 33,029                                     | 0.655                            | 01.04.2020 |   |           | 33,029        | 0.655                            |
|         |                              |  |                                  | 17.04.2020 | (46)                                    | Sell      | 32,983        | 0.654                            |
|         |                              |  |                                  | 30.06.2020 | 1890                                    | Buy       | 34,873        | 0.691                            |
|         |                              |  |                                  | 10.07.2020 | (1890)                                  | Sell      | 32,983        | 0.654                            |
|         |                              |  |                                  | 31.07.2020 | (100)                                   | Sell      | 32,883        | 0.652                            |
|         |                              |  |                                  | 04.09.2020 | 34,516                                  | Buy       | 67,399        | 1.337                            |
|         |                              |  |                                  | 18.09.2020 | 500                                     | Buy       | 67,899        | 1.347                            |
|         |                              |  |                                  | 27.12.2020 | 197                                     | Buy       | 68,096        | 1.351                            |
|         |                              |  |                                  | 18.12.2020 | 1,059                                   | Buy       | 69,155        | 1.372                            |
|         |                              |  |                                  | 25.12.2020 | (2,006)                                 | Sell      | 67,149        | 1.332                            |
|         |                              |  |                                  | 31.12.2020 | (5,155)                                 | Sell      | 61,994        | 1.229                            |
|         |                              |  |                                  | 22.01.2021 | 806                                     | Buy       | 62,800        | 1.245                            |
|         |                              |  |                                  | 29.01.2021 | 6,100                                   | Buy       | 68,900        | 1.366                            |
|         |                              |  |                                  | 05.02.2021 | 1                                       | Buy       | 68,901        | 1.366                            |
|         |                              |  |                                  | 05.03.2021 | 110                                     | Buy       | 69,011        | 1.369                            |
|         |                              |  |                                  | 12.03.2021 | 6,017                                   | Buy       | 75,028        | 1.488                            |
|         |                              |  |                                  | 26.03.2021 | 5,960                                   | Buy       | 80,988        | 1.606                            |
|         |                              |  |                                  | 31.03.2021 | 450                                     | Buy       | 81,438        | 1.615                            |
|         | At the end of the year       |  |                                  |            |   |           | 81,438        | 1.615                            |



| Sr. No. | Shareholder's Name           | Shareholding at the beginning of the year  |                                  |            | Cumulative Shareholding during the year |           |               | % of total shares of the Company |
|---------|------------------------------|--|----------------------------------|------------|---|-----------|---------------|----------------------------------|
|         |                              | No. of Shares at the beginning of the year | % of total Shares of the Company | Date       | Increasing / Decreasing in shareholding | Reason    | No. of shares |                                  |
| 5       | Dhwaja Commodity Service     |  |                                  |            |   |           |               |                                  |
|         | At the beginning of the year | 72,306                                     | 1.434                            | 01.04.2020 |   |           |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 | -                                       | No Change | 72,306        | 1.434                            |
| 6       | Lalit Kumar Gupta            |  |                                  |            |   |           |               |                                  |
|         | At the beginning of the year | 70,500                                     | 1.398                            | 01.04.2020 |   |           |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 | -                                       | No Change | 70,500        | 1.398                            |
| 7       | Sanjiv Kumar Gupta           |  |                                  |            |   |           |               |                                  |
|         | At the beginning of the year | 70,500                                     | 1.398                            | 01.04.2020 |   |           |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 | -                                       | No Change | 70,500        | 1.398                            |
| 8       | Rajiv Jhunhunwala            |  |                                  |            |   |           |               |                                  |
|         | At the beginning of the year | 66,668                                     | 1.322                            | 01.04.2020 |   |           |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 | -                                       | No Change | 66,668        | 1.322                            |
| 9       | Rajkumar Agarwal             |  |                                  |            |   |           |               |                                  |
|         | At the beginning of the year | 66,667                                     | 1.322                            | 01.04.2020 |   |           |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 | -                                       | No Change | 66,667        | 1.322                            |
| 10      | Jyotivardhan Jaipuria        |  |                                  |            |   |           |               |                                  |
|         | At the beginning of the year | 66,667                                     | 1.322                            | 01.04.2020 |   |           |               |                                  |
|         | At the end of the year       |  |                                  | 31.03.2021 | -                                       | No Change | 66,667        | 1.322                            |


**v) Shareholding of Directors and Key Managerial Personnel :**

| Sr. No. | For each of the Directors and KMP      | Shareholding at the beginning of the year  |                                  |            | Cumulative Shareholding during the year |           |               | % of total shares of the Company |
|---------|--|--|----------------------------------|------------|---|-----------|---------------|----------------------------------|
|         |  | No. of Shares at the beginning of the year | % of total Shares of the Company | Date       | Increasing / Decreasing in shareholding | Reason    | No. of shares |                                  |
| 1       | Mr. Krishna Gopal Gupta                |  |                                  |            |   |           |               |                                  |
|         | At the beginning of the year           | 9,00,024                                   | 17.857                           | 01.04.2020 | –                                       | –         | –             | –                                |
|         |  | –  | --                               | 18.12.2020 | 100                                     | Buy       | 9,00,124      | 17.857                           |
|         |  |  |                                  | 19.02.2021 | 60                                      | Buy       | 9,00,184      | 17.858                           |
|         |  |  | .                                | 26.03.2021 | 228                                     | Buy       | 9,00,412      | 17.863                           |
|         | At the end of the year                 | –  | –                                | 31.03.2021 |   |           | 9,00,412      | 17.863                           |
| 2       | Mr. Vikram Gupta                       |  |                                  |            |   |           |               |                                  |
|         | At the beginning of the year           | 4,23,105                                   | 8.394                            | 01.04.2020 | –                                       | –         | –             | –                                |
|         | At the end of the year                 | –  | –                                | 31.03.2021 | –                                       | No Change | 4,23,105      | 8.394                            |
| 3       | Mr. Anil Palekar                       | –  | –                                | –          | –                                       | –         | –             | –                                |
| 4       | Mr. Sadashiv Shet                      | –  | –                                | –          | –                                       | –         | –             | –                                |
| 5       | Mr. Joseph A.A. D'Costa                | –  | –                                | –          | –                                       | –         | –             | –                                |
| 6       | Mrs. Shashi K. Katreddi                | –  | –                                | –          | –                                       | –         | –             | –                                |
| 7       | Mr. Subhash Redkar                     | –  | –                                | –          | –                                       | –         | –             | –                                |
| 8       | Mr. Gurudas Sawant, (CFO)              |  |                                  |            |   |           |               |                                  |
|         | At the beginning of the year           | 1,840                                      | 0.036                            | 01.04.2020 |   |           |               |                                  |
|         | At the end of the year                 | –  | –                                | 31.03.2021 | –                                       | No Change | 1,840         | 0.036                            |
| 9       | Ms. Pooja Bicholkar, Company Secretary | –  | –                                |            | –                                       | –         | –             | –                                |



**V. INDEBTEDNESS :**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Rs. in lakhs

| Particulars                                      | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Deposits | Total<br>indebtedness |
|--|-------------------------------------|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the year        |                                     |                    |          |                       |
| i) Principal Amount                              | <b>989.92</b>                       | —                  | —        | <b>989.92</b>         |
| ii) Interest due but not paid                    | <b>9.20</b>                         | —                  | —        | <b>9.20</b>           |
| iii) Interest accrued but not due                | —                                   | —                  | —        | —                     |
| <b>Total (i+ii+iii)</b>                          | <b>999.12</b>                       | —                  | —        | <b>999.12</b>         |
| Change in Indebtedness during the financial year |                                     |                    |          |                       |
| * Addition                                       | <b>32.60</b>                        | —                  | —        | <b>32.60</b>          |
| * Reduction                                      | —                                   | —                  | —        | —                     |
| <b>Net Change</b>                                | <b>32.60</b>                        | —                  | —        | <b>32.60</b>          |
| Indebtedness at the end of the year              |                                     |                    |          |                       |
| i) Principal Amount                              | <b>1023.94</b>                      | —                  | —        | <b>1023.94</b>        |
| ii) Interest due but not paid                    | <b>7.78</b>                         | —                  | —        | <b>7.78</b>           |
| iii) Interest accrued but not due                | —                                   | —                  | —        | —                     |
| <b>Total (i+ii+iii)</b>                          | <b>1031.72</b>                      | —                  | —        | <b>1031.72</b>        |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Rs. in lakhs

| Sr.<br>No. | Particulars of Remuneration   | Name of MD/WTD/Manager                |                                 | Total<br>Amount |
|------------|---|---------------------------------------|---------------------------------|-----------------|
|            |   | Mr. K. G. Gupta,<br>Managing Director | Mr. Subhash Redkar,<br>Director |                 |
| 1          | Gross Salary  |                                       |                                 |                 |
|            | (a) Salary as per provisions contained in Section 17(1) of the Income - Tax Act, 1961 | 30.00                                 | 9.39                            | 39.39           |
|            | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                               | 7.17                                  | —                               | 7.17            |
|            | (c) Profits in lieu of salary under Section 17 (3) Income -tax Act, 1961              | —                                     | —                               | —               |
| 2          | Stock Option  | —                                     | —                               | —               |
| 3          | Sweat Equity  | —                                     | —                               | —               |
| 4          | Commission<br>- as % of profit<br>- others, specify                                   | —                                     | —                               | —               |
| 5          | Others, please specify (Post Employment Benefits)                                     | 3.06                                  | 0.95                            | 4.01            |
|            | <b>Total (A)</b>  | <b>40.23</b>                          | <b>10.34</b>                    | <b>50.57</b>    |
|            | Ceiling as per the Act  | 5% of the net profits of the Company  |                                 |                 |


**B. Remuneration to other Directors :**

Rs. in lakhs

| Sr. No. | Particulars of Remuneration  | Name of Directors |                   |                         |                                       | Total Amount   |
|---------|--|-------------------|-------------------|-------------------------|---------------------------------------|----------------|
|         |  | Mr. Anil Palekar  | Mr. Sadashiv Shet | Mr. Joseph A.A. D'Costa | Mrs. Shashi K. Katreddi               |                |
| 1       | Independent Directors<br>* Fee for attending board/ committee meetings<br>* Commission<br>* Others, please specify           | 1.50<br>—<br>—    | 1.50<br>—<br>—    | 1.50<br>—<br>—          | 1.00<br>—<br>—                        | 5.50<br>—<br>— |
|         | <b>Total (1)</b>   | <b>1.50</b>       | <b>1.50</b>       | <b>1.50</b>             | <b>1.00</b>                           | <b>5.50</b>    |
| Sr. No. | Particulars of Remuneration  | Name of Directors |                   |                         | Total Amount                          |                |
|         |  | Mr. Vikram Gupta  |                   |                         |                                       |                |
| 2       | Other Non - Executive Directors<br>* Fee for attending board /committee meetings<br>* Commission<br>* Others, please specify | 0.30<br>—<br>—    |                   |                         | 0.30<br>—<br>—                        |                |
|         | <b>Total (2)</b>   | <b>0.30</b>       |                   |                         | <b>0.30</b>                           |                |
|         | <b>Total (B)= (1+2)</b>  |                   |                   |                         | <b>5.80</b>                           |                |
|         | <b>Total Managerial Remuneration (A+B)</b>   |                   |                   |                         | <b>56.37</b>                          |                |
|         | Over all Ceiling as per the Act  |                   |                   |                         | 11% of the net profits of the Company |                |

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD :**

Rs. in lakhs

| Sr. No. | Particulars of Remuneration   | Key Managerial Personnel |  | Total Amount    |
|---------|---|--------------------------|--|-----------------|
|         |   | Mr. Gurudas Sawant, CFO  | Ms. Pooja Bicholkar, Company Secretary |                 |
| 1       | Gross Salary<br>(a) Salary as per provisions contained in Section 17(1) of the Income- Tax Act, 1961<br>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961<br>(c) Profits in lieu of salary under Section 17 (3) Income -tax Act, 1961 | 10.01<br>—<br>—          | 5.35<br>—<br>—                         | 15.36<br>—<br>— |
| 2       | Stock Option  | —                        | —                                      | —               |
| 3       | Sweat Equity  | —                        | —                                      | —               |
| 4       | Commission<br>- as % of profit<br>- others, specify   | —<br>—                   | —<br>—                                 | —<br>—          |
| 5       | Others, please specify (Post Employment Benefits)   | 1.00                     | 0.21                                   | 1.21            |
|         | <b>Total</b>  | <b>11.01</b>             | <b>5.56</b>                            | <b>16.57</b>    |

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :**

| Type                                 | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD/NCLT/Court] | Appeal made,if any (give details) |
|--------------------------------------|------------------------------|-------------------|---|---------------------------|-----------------------------------|
| <b>A. COMPANY</b>                    |                              |                   |   |                           |                                   |
| Penalty<br>Punishment<br>Compounding |                              |                   | ----- Nil -----   |                           |                                   |
| <b>B. DIRECTORS</b>                  |                              |                   |   |                           |                                   |
| Penalty<br>Punishment<br>Compounding |                              |                   | ----- Nil -----   |                           |                                   |
| <b>C. OTHER OFFICERS IN DEFAULT</b>  |                              |                   |   |                           |                                   |
| Penalty<br>Punishment<br>Compounding |                              |                   | ----- Nil -----   |                           |                                   |



**FORM No. MR-3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
**The Members,  
GKB OPHTHALMICS LIMITED  
16A TIVIM INDUSTRIAL ESTATE,  
MAPUSA – GOA 403526**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GKB OPHTHALMICS LIMITED** having **CIN L26109GA1981PLC000469** and having registered office at **16A TIVIM INDUSTRIAL ESTATE, MAPUSA – GOA 403526** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **GKB OPHTHALMICS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **GKB OPHTHALMICS LIMITED** ("the Company") for the financial year ended on **31<sup>st</sup> March, 2021** according to the provisions of:

- (i) The Companies Act, 2013(the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act,1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations, 2009;





- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999..... (Not Applicable under the period of audit)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ..... (Not Applicable under the period of audit)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable under the period of audit) and
- (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; ..... (Not Applicable under the period of audit)
- (i) The Securities and Exchange Board of India (Depositories and Participant) regulations, 2018 and circulars/guidelines issued thereunder
- (vi) The Factories Act, 1948
- (vii) Trade Mark Act, 1999
- (viii) Foreign Trade (Development & Regulation) Act, 1992
- (ix) Customs Act, 1962
- (x) Central Excise Act, 1962
- (xi) Industrial Disputes Act, 1947
- (xii) The Payment of Wages Act, 1936
- (xiii) The Minimum Wages Act, 1948
- (xiv) Employees' State Insurance Act, 1948
- (xv) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- (xvi) The Payment of Bonus Act, 1965
- (xvii) The Payment of Gratuity Act, 1972
- (xviii) The Contract Labour (Regulation and Abolition) Act, 1970
- (xix) The Maternity Benefit Act, 1961 and as amended
- (xx) The Industrial Employment (Standing Orders) Act, 1946
- (xxi) The Apprentice Act, 1961
- (xxii) Equal Remuneration Act, 1976
- (xxiii) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959



- (xxiv) The Environment (Protection) Act, 1986
- (xxv) Air (Prevention and Control of Pollution) Act, 1981 and rules thereunder
- (xxvi) Water (Prevention and Control of Pollution) Act, 1974 and rules thereunder
- (xxvii) The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- (xxviii) The Goa, Daman & Diu Factories Rules, 1985
- (xxix) Indian Stamp Act, 1999 and The Indian Stamp (Goa, Daman and Diu Amendment) Act, 1968
- (xxx) Negotiable Instrument Act, 1881
- (xxxi) Goa Value Added Tax Act, 2005 and rules thereunder
- (xxxii) Income Tax Act, 1961 and Indirect Tax Law
- (xxxiii) Weekly Holidays Act, 1942
- (xxxiv) Registration Act, 1908 and The Registration (Goa, Daman and Diu Amendment) Act, 1985
- (xxxv) Goods and Service Tax (GST) Act, 2016 and as amended
- (xxxvi) Sexual harassment of women at workplace (prevention, prohibition and redressal) Act 2013.
- (xxxvii) Federal Food, Drug and Cosmetics, Act, USA

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and as revised.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- a) The Company has filed various eforms with Ministry of Corporate Affairs as required as per provisions of Companies Act, 2013 however few eforms are filed within permitted period.
- b) The Company has got three factory units: Unit I, Unit II and Unit III:
  - (i) The Company is presently undergoing structural modifications in Unit I and Unit III and the necessary approvals as required under the Factories Act, 1948, are in process.
  - (ii) The Company's operations are functioning from Unit II smoothly.



- C) As per provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, the Company had to report in digital Form SMF (Single Master Form) on the FIRMS platform on RBI website on account of the Foreign Investment remittance received towards 2,00,000 Equity shares allotted pursuant to exercise of option attached to the underlying Equity Convertible warrants, issued in the month of January, 2020. The Company is in process of filing the requisite form. However due to COVID -19 pandemic, the communication and coordination with the external authorities and agencies have been delayed. The Company is positive of taking adequate steps to complete the reporting process

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions are taken unanimously after taking into consideration views, opinions expressed by all the members.

**I further report that**

- a) The Company has complied with the requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and timely yearly payment of renewal fees with Bombay Stock Exchange Limited.
- b) The Company has also complied with SEBI (Prohibition of Insider Trading) Regulations, 2015
- c) The Company has received email on 02.12.2020 from Bombay Stock Exchange Limited (BSE) in general course of action for complaint received from one of the investors and BSE sought clarification on whether the company is in compliance with the provisions of Reg.31(4) of SEBI (LODR) 2015 on disclosure of promoter and promoter group separately in the shareholding pattern and with the provisions of Regulation 31(A) of SEBI (LODR) 2015 regarding reclassification of Shares. The Company has replied via email to BSE that they shall comply as required on filing the revised shareholding pattern and reclassification of shares for the quarter ended March 31, 2021.
- d) The Company has complied with Disclosure of material impact of COVID -19 pandemic on the Company under Regulation 30 of SEBI(LODR) Regulations, 2015
- e) The Company has complied with rules of land on export of spectacle lens or progressive lenses to foreign nations such as Federal Food, Drug and Cosmetics, Act, USA and has obtained license under U.S. Foods and Drugs Administration, which is renewed on yearly basis.
- f) The Company has engaged with Mumbai Waste Management Limited, Panvel, Maharashtra for handling and disposal of hazardous waste.
- g) The Company has duly constituted Internal Complaint Committee (ICC) under Prevention of Sexual Harassment of Women at workplace (POSH) for safety and wellbeing of women employed in organization and also timely submitted the report to Goa State Commission for Women.



**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Note: Impact of COVID -19 pandemic on the business:**

The Company is adhering to all the guidelines and safety protocols provided by the Ministry of Home Affairs together with the directives issued by the State Government and maintaining social distancing in the factory and administrative office.

Date : 08.06.2021  
Place : Mapusa - Goa.

CS Girija G. Nagvekar  
Practising Company Secretary  
FCS:10358 / COP: 10335

**UDIN No. F010358C000431240**

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report



'Annexure A'

To,  
**The Members,  
GKB OPHTHALMICS LIMITED  
16A TIVIM INDUSTRIAL ESTATE,  
MAPUSA – GOA 403526**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules and regulations, standards is the responsibility of management. Our examination was limited to the verifications of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 08.06.2021  
Place: Panaji Goa

CS Girija G. Nagvekar  
Practising Company Secretary  
FCS:10358/COP: 10335

**Annexure – III****ANNEXURE TO DIRECTORS' REPORT**

**[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]**

**A. CONSERVATION OF ENERGY**

Energy conservation is the practice of decreasing the quantity of energy used for the same quality and quantity of Output. The Company has put in place measures to improve the efficiency of energy utilization by using energy efficient processes and equipments. General awareness has been created to conserve energy and promote energy saving.

- I. The Steps taken or impact on conservation of energy.
  - a) Scheduled and planned maintenance programme has resulted in improved performance of equipment.
  - b) Special analysis methods are used to improve performance of utilities like compressors, chillers, etc.
  - (c) Existing CFL lights have been replaced in several places with low wattage LED lights, which contributes to power savings.
  - (d) Technology upgradation.
- II. Steps taken by the Company for using alternate sources of energy  
Efforts are being made to develop alternate sources of energy. Conditioned monitoring of equipments & strict monitoring for efficient usage of equipment is being continued in all sections.
- III. Capital Investment on energy conservation equipments  
There was no significant capital investment on energy conservation equipments during the year.

**B. TECHNOLOGY ABSORPTION**

- I. Efforts made towards technology absorption.  
Efforts are being made towards technology absorption. The technology we have adopted is best suited for our products and is absorbed in full.
- II. Benefits derived like product improvement, cost reduction, product development or import substitution.
  - a) Steps are taken to improve productivity by introducing innovations and developments in the Company's line of business.
  - b) Research and Development has contributed towards Import Substitution and increase in productivity.
- III. Information regarding technology imported during the last 3 years:



| Sr. No. | Technology Imported            | Year of import | Status   |
|---------|--------------------------------|----------------|----------|
| 1       | No machinery has been imported | 2018-19        | —        |
| 2       | Ovens with accessories         | 2019-20        | Absorbed |
| 3       | Lens Inspection machine        | 2020-21        | Absorbed |

- IV. Expenditure incurred on Research and Development.  
No separate expenditure has been incurred under the head Research and Development during the financial year.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO FOR FINANCIAL YEAR 2020-21**

| Rs. in lakhs            |        |
|-------------------------|--------|
| Foreign exchange earned | 682.48 |
| Foreign exchange used   | 682.46 |
| Net earnings            | 0.02   |

For and on behalf of the Board of Directors

Place : Mapusa - Goa.  
Date : June 10, 2021

K. G. Gupta  
Chairman and Managing Director  
DIN : 00051863





## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **CAUTIONARY STATEMENT:**

Certain statements made in this Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from such expectation whether express or implied. Several factors that could make significant impact on the company's operations include global and domestic demand and supply conditions, input availability and prices, changes in Government regulations, tax laws, economic developments within the country and other factors.

#### **i) Industry Structure and Developments:**

There is no demand for Glass Lenses as they are brittle and deteriorate easily, therefore have now been replaced by plastic lenses. They are organic lenses made by polymerisation of chemical mixtures consisting mainly of monomer mixed with an initiator. Plastic Lenses have greater durability, good ultraviolet light resistance and are safe to use during any physical activity as there are less chances of breakage. Plastic Lenses are low weight as compared to glass lenses which makes them user friendly. Plastic Lenses can be tinted with colours which in turn make them very attractive. Now, new variants have been introduced by the industry being High Refractive Index lenses, which are thinner and lighter in nature.

Eyesight is a vital aspect of everyone's life. Sedentary lifestyle, increasing usage of mobile phones, television and pollution has resulted in significant rise in the number of people suffering from vision-related ailments, requiring vision correction. With the increase in awareness, education and medical services, there is a big scope for increase in demand of lenses. There is an urgent need to promote investment in eye care industry.

#### **ii) Opportunities and Threats:**

The durability of plastic lenses is one of the key reasons for their high demand in the global market. The resurgence of Covid -19 pandemic, the resultant restrictions and the sluggish economic conditions all over the world has lowered the demand for lenses. However, lenses being a necessity, the company is expecting that the demand for its lenses shall pick up very soon. Relief measures by the Government are also expected to boost the economy affected because of the Pandemic.

The Company's business has been facing a stiff competition from China as Chinese are dumping lenses in India at a very lower price. The Company has made a representation to the Central Government to impose an Anti-Dumping Duty on the import of the plastic lenses into India. The said application with the Central Government is under review.

#### **iii) Segment wise or Product wise Performance:**

The Company is engaged in the business of manufacturing semi-finished plastic lenses.

#### **iv) Outlook :**

It has been a year of challenges due to the ongoing corona virus pandemic. The shutting down of manufacturing units had adversely impacted the business of the Company during the first quarter of 2020. However, as the demand for lenses started increasing, the operations of the Company reached back to normalcy by the year end.

The resurgence of the pandemic in the month of April and May 2021, had again slowed down the progress. As the Company sells its products to the end customers who finish these lenses for the end consumers, the closure of optical shops in containment areas affect the demand for its products during lockdowns.



Presently, the company on an average manufactures 14,000 pieces per day of plastic lenses which it is expecting to increase during the current financial year, taking into consideration all the safety protocols provided by the Ministry of Home Affairs together with the directives issued by the State Government.

Further, the Company is taking all efforts to expedite and advance the date of pilot production of its Joint Venture Project, GSV Ophthalmics Private Limited.

**v) Risks and Concerns:**

We do not foresee any risks, except for foreign exchange fluctuations. Since the Company also depends on exports, the economic situation in exporting countries is likely to affect the performance of the Company.

**vi) Internal Control Systems and their Adequacy:**

The Company has developed adequate Internal Control Systems, commensurate to its size and business, which are aimed at achieving efficiency in operations, effective monitoring and optimum utilisation of resources. The Internal Audit is carried out by a firm of Independent Chartered Accountants, along with CFO of the Company. The reports of the Internal Auditors are periodically reviewed by the Audit Committee.

**vii) Discussion on Financial Performance with respect to Operational Performance:**

During the year under review, the turnover from operations of the Company declined to Rs. 2134.31 lakhs compared to Rs. 2556.17 lakhs in the previous financial year. However, the Company reported a net loss from operations of Rs. 247.92 lakhs only during the current financial year compared to a net loss of Rs. 407.19 lakhs incurred during the previous financial year.

**viii) Material Developments in Human Resources/Industrial Relations front, including number of people employed :**

The Ophthalmic lens industry is a labour intensive. Labour relations have been cordial with no interruption of manufacturing activities. The total number of permanent employees of the company as on March 31, 2021, was 180, out of which 152 employees are working for more than 10 years.

**REPORT ON CORPORATE GOVERNANCE****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company's philosophy on Corporate Governance is to attain high level of transparency and accountability in the functioning of the Company and in its relationship with employees, shareholders, creditors, lenders and ensuring sound Corporate Governance practices. The Company also believes that its systems and procedures will enhance corporate performance and maximize shareholders' value in the long term.

A Report on compliance with the principles of Corporate Governance as prescribed in Chapter IV read with Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'), is given below:

**2. BOARD OF DIRECTORS****a) Composition of Board**

The Composition of the Board is in conformity in terms of Listing Regulations. The Board of Directors comprises of seven members, out of which five are Non-Executive as on March 31, 2021. There are four Independent Directors including a Woman Director. There are two Executive Directors, one of which is the Managing Director and more than half of the Board comprises of Independent Directors.

The number of directorships and the positions held on Board Committees by the directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act, 2013 and SEBI Listing Regulations.

The Composition of the Board and other relevant details as on March 31, 2021, are given below: -

| Name of the Director     | DIN      | Category                                | No. of Board Meetings Attended | Attendance at the last AGM | Number of equity shares held |
|--------------------------|----------|---|--------------------------------|----------------------------|------------------------------|
| Mr. K. G. Gupta          | 00051863 | Managing Director, Promoter & Executive | 7                              | Yes                        | 9,00,412                     |
| Mr. Vikram Gupta         | 00052019 | Promoter & Non-Executive                | 2                              | Yes                        | 4,23,105                     |
| Mr. Subhash Redkar       | 08515642 | Non-Promoter Executive                  | 6                              | Yes                        | --                           |
| Mr. Anil Palekar         | 01987078 | Independent & Non-Executive             | 7                              | Yes                        | --                           |
| Mr. Sadashiv Shet        | 02227102 | Independent & Non-Executive             | 7                              | Yes                        | --                           |
| Mr. Joseph A. A. D'Costa | 03489392 | Independent & Non-Executive             | 7                              | Yes                        | --                           |
| Mrs. Shashi K. Katreddi  | 07139250 | Independent & Non-Executive             | 6                              | Yes                        | --                           |

**Other Directorships:-**

Directorship in Listed Entities other than GKB Ophthalmics Limited and the category of directorship as on March 31, 2021, is as follows:

| Name of the Director | Name of the other Listed Companies in which Directors of the Company are Directors | Category                              |
|----------------------|--|---------------------------------------|
| Mr. Sadashiv Shet    | Kore Foods Limited   | Independent & Non- Executive Chairman |
| Mr. Sadashiv Shet    | Chowgule Steamships Limited  | Independent Director                  |



The number of directorships of the Board, memberships/chairmanships of the Committees for each director of the Company are as follows as on March 31, 2021:

| Name                     | Directorship # | Committee positions |              |
|--------------------------|----------------|---------------------|--------------|
|                          |                | Member ##           | Chair-person |
| Mr. K.G. Gupta           | 1              | 0                   | 0            |
| Mr. Vikram Gupta         | 1              | 1                   | 0            |
| Mr. Subhash Redkar       | 1              | 2                   | 0            |
| Mr. Anil Palekar         | 1              | 1                   | 0            |
| Mr. Sadashiv Shet        | 3              | 1                   | 4            |
| Mr. Joseph A. A. D'Costa | 1              | 1                   | 0            |
| Mrs. Shashi K. Katreddi  | 1              | 0                   | 1            |

# Excludes directorships in private limited companies, foreign companies and companies registered under Section 8 of the Companies Act. Directorship includes GKB Ophthalmics Limited.  
Chairmanship and membership of the Audit Committee and the Stakeholders' Relationship Committee, alone has been considered, as per Regulation 26(1) of Listing Regulations.

## Membership excludes chairmanship.

#### **b) Number of Board Meetings held and dates on which held.**

Seven Board Meetings were held during the year under review. They were held on July 07, 2020, September 07, 2020, October 27, 2020, November 12, 2020, December 16, 2020, February 10, 2021, and March 24, 2021.

The maximum gap between two Board Meetings held during the year was not more than 120 days. However, the meetings held in February 2020 and July 2020 exceeded 120 days which is in compliance with the MCA Circular no. 11/2020 dated March 24, 2020 relaxing the gap between two consecutive meetings of the Board to 180 days instead of 120 days as required in the Companies Act, 2013.

#### **c) Disclosure of relationships between directors inter-se.**

Mr. K. G. Gupta is the father of Mr. Vikram Gupta. None of the other Directors have any relationship inter-se.

#### **d) Independent Directors.**

Independent Directors appointment by the Company fulfills the conditions of independence as per Regulation 25 of Listing Regulations and provisions of Section 149(6) of the Companies Act, 2013. The Company has re-appointed its Independent Directors for a second consecutive term in its Annual General Meeting held on September 26, 2020.

Appointment of Independent Directors is formalised by issuing Letter of Appointment setting out terms and conditions of appointment in the manner as required under Regulation 4 (2)(b) of the Listing Regulations and Section 149(8) of the Companies Act, 2013 and the same is placed on website of our Company, [www.gkb.net](http://www.gkb.net).

As per Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors shall hold at least one meeting in a year without the presence of non-independent directors and members of the management. The yearly meeting of the Independent Directors for the financial year 2020-21, was held on March 24, 2021 and the Notice for the same was circulated on March 16, 2021. The Independent Directors reviewed the performance of the Non-Independent, Non-Executive Directors, Chairman of the Company and performance of the Board as a whole for the financial year 2020-21. The Chairman of the meeting was Mr. Anil Palekar. The meeting was attended by all the Independent Directors.


**e) Familiarization programmes imparted to Independent Directors.**

Whenever new Non-Executive and Independent Directors are inducted in the Board, they are familiarized with Company's culture through appropriate orientation sessions, presentations and programmes. Factory visits are also arranged. They are also familiarized with organizational structure, business of the Company, constitution, Board procedures, major risks, management strategy and products manufactured.

A familiarization programme was held for the Independent Directors on March 24, 2021, in which Mr. Subhash Redkar, Executive Director of the Company, made a Power Point Presentation through which the Independent Directors were familiarised with the Production process of Plastic Lenses, the various lenses manufactured by the Company, latest developments in the ophthalmics industry (Domestic and International level) and the future prospects of the Ophthalmic industry.

Details of the familiarisation programme are also displayed on the website of the Company [www.gkb.net](http://www.gkb.net) and weblink thereto, ([https://gkb.net/en/wp-content/uploads/Accounts/ Familiarisation\\_Programme\\_for\\_Independent\\_Directors\\_2021.pdf](https://gkb.net/en/wp-content/uploads/Accounts/Familiarisation_Programme_for_Independent_Directors_2021.pdf))

**f) Reasons for resignation of Independent Director before the expiry of his tenure.**

There were no resignations by Independent Directors of the Company during FY 2020-21.

**g) Core skills/expertise/competencies of the Directors.**

Pursuant to provisions in sub-para 2(h) of Part C of Schedule V of the Listing Regulations given below is the list of core skills/expertise/competencies that the Company's Board has identified as particularly valuable to the effective oversight and functioning of the Company:

| <b>Name of the Director</b> | <b>Skills/expertise/Competence possessed</b>  |
|-----------------------------|---|
| Mr. K. G. Gupta             | Corporate Management and strategy planning, Leadership Experience, Operational and technical skill with commercial knowledge. |
| Mr. Vikram Gupta            | Corporate Management and strategy planning, Leadership Experience, Operational and technical skill with commercial knowledge. |
| Mr. Subhash Redkar          | Corporate Management and strategy planning, Operational and technical skill with commercial knowledge.                        |
| Mr. Anil Palekar            | Financial and Accounting Expertise , Legal, Regulatory and Compliance skill , Business Planning experience.                   |
| Mr. Sadashiv Shet           | Financial and Accounting Expertise , Legal, Regulatory and Compliance skill, Business Planning experience.                    |
| Mr. Joseph A. A. D'Costa    | Financial and Accounting Expertise , Regulatory and Compliance skill, Business Planning experience.                           |
| Mrs. Shashi K. Katreddi     | Administration, Regulatory and Compliance skill.  |

**3. AUDIT COMMITTEE**

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee are as per the guidelines set out in Part C of Schedule II of the Listing Regulations.



**a) Brief description of terms of reference: -**

1. 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.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Reviewing with the management, the annual financial statement before submission to the board for approval.
4. Reviewing with the management the quarterly financial statement before submission to the board for approval.
5. Reviewing and monitoring auditor's independence and performance and effectiveness of audit process.
6. Evaluation of internal financial controls.
7. Scrutiny of inter corporate loans and investments.
8. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the chief internal auditor, coverage and frequency of internal audit, appointment, removal, performance and terms of remuneration of the chief internal auditor.
9. Discussing with the internal auditor and senior management, significant internal audit findings and follow-up thereon.

**b) Composition, name of members and chairperson: -**

The Composition of the Audit Committee is in compliance with Regulation 18 of Listing Regulations. The Audit Committee comprises of three Non-Executive Independent Directors and one Executive Director as on March 31, 2021. Mr. Sadashiv Shet is the Chairman of the Audit Committee and was present at the 38<sup>th</sup> Annual General Meeting of the Company held on September 26, 2020. All these Directors possess knowledge of Corporate Finance, Accounts and Company Law. Ms. Pooja Bicholkar, Company Secretary, acts as the Secretary of the Committee.

The Managing Director, Internal Auditors, Statutory Auditors, Executives of Accounts and Finance Department are the permanent invitees to the Audit Committee meetings.

**c) Meetings and Attendance during the year.**

Four meetings were held during the year, i.e., on July 07, 2020; September 07, 2020; November 12, 2020 and February 10, 2021.

The names of the members of the Committee and their attendance are as follows:

| <b>Name</b>              | <b>Category</b>             | <b>Designation</b> | <b>No. of Meetings attended</b> |
|--------------------------|-----------------------------|--------------------|---------------------------------|
| Mr. Sadashiv Shet        | Independent & Non-Executive | Chairman           | 4                               |
| Mr. Anil Palekar         | Independent & Non-Executive | Member             | 4                               |
| Mr. Joseph A. A. D'Costa | Independent & Non-Executive | Member             | 4                               |
| Mr. Subhash Redkar       | Non-Promoter & Executive    | Member             | 3                               |



#### **4. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee ("NRC") of the Company is constituted in line with the provisions of Regulation 19(1) and (2) of the Listing Regulations read with Section 178 of the Companies Act, 2013. The broad terms of reference of the NRC are as follows:

**a) Brief description of terms of reference.**

- (i) The Nomination and Remuneration Committee has been constituted to recommend / review the remuneration of the Managing Director and Whole Time Directors, if any, based inter alia on their experience, qualifications, individual and company performance and comparable industry practices.
- (ii) The Committee shall carry out evaluation of every Director's performance and support the Board, its Committees and individual Directors, including formulation of criteria for evaluation of Independent Directors and the Board.
- (iii) Recommend to the Board the appointment or reappointment of Directors, including Independent directors and Key Managerial Personnel, on the basis of the performance evaluation.

**b) Composition, No. of Meetings held and attendance.**

During the Financial Year 2020-21, two Meetings were held, on June 29, 2020 and February 10, 2021.

| <b>Name of the Director</b> | <b>Category</b>             | <b>Designation</b> | <b>No. of Meetings attended</b> |
|-----------------------------|-----------------------------|--------------------|---------------------------------|
| Mr. Anil Palekar            | Independent & Non-Executive | Chairman           | 2                               |
| Mr. Sadashiv Shet           | Independent & Non-Executive | Member             | 2                               |
| Mr. Joseph A. A. D'Costa    | Independent & Non-Executive | Member             | 2                               |

**c) Performance Evaluation criteria for Independent Directors.**

In terms of Regulation 17 (10) of Listing Regulations, the performance evaluation of Independent Directors was done by the entire Board (excluding the Director being evaluated). A detailed questionnaire was circulated to all the eligible Directors and written answers were received, on a confidential basis.

The criteria for performance evaluation includes composition and structure, effectiveness of board processes, skill, diligence, independent judgement, contribution in the long-term strategic planning by the Independent Directors.

#### **5. REMUNERATION POLICY OF DIRECTORS**

The Company has a Remuneration Policy for Directors, KMP and others in accordance with the provisions of the Act and the Listing Regulations. For details on Remuneration Policy for Directors, KMP and others, kindly refer to the Board's Report and the website of the Company – [www.gkb.net](http://www.gkb.net).

#### **REMUNERATION POLICY FOR MANAGING DIRECTOR/ WHOLE TIME DIRECTOR/ KEY MANAGERIAL PERSONNEL.**

**1) Remuneration to Managing Director / Whole Time Director or Manager:**

The Nomination and Remuneration Committee shall make recommendations to the Board of Directors regarding the remuneration and perquisites payable to the Managing Director, Whole Time Director or Manager.





The remuneration and perquisites payable to the Managing Director, Whole Time Director or Manager shall be governed by the provisions of Section 197 and Schedule V and other applicable provisions of the Companies Act, 2013 and rules in force, subject to the approval of the members by way of a suitable resolution at the General Meeting of the Company.

## 2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors. Provided that the amount of such fees shall not exceed Rupees one lakh per meeting of the Board or Committee thereof. For Independent Directors, the sitting fees shall not be less than sitting fees paid to other Directors. The Company also reimburses the travelling expenses incurred by the Directors, for attending the meetings.
- b) Other criteria of making payment to Non-Executive Directors has been disseminated on Company's website [www.gkb.net](http://www.gkb.net).

### c) Details of remuneration paid to all the Directors.

The Non-Executive Directors are paid sitting fees for attending the Board and Committee Meetings and the payment is based on the number of meetings attended by them. Non – Executive Directors have not been paid any other fees or compensation.

Remuneration paid to Managing Director, Executive Director and sitting fees paid to Non-Executive Directors during the year 2020-21 are as under:

| (Rs)                        |               |                 |                     |              |
|-----------------------------|---------------|-----------------|---------------------|--------------|
| <b>Name of the Director</b> | <b>Salary</b> | <b>Benefits</b> | <b>Sitting fees</b> | <b>Total</b> |
| Mr. K.G. Gupta              | 30,00,000*    | 10,23,091       | —                   | 40,23,091    |
| Mr. Vikram Gupta            | —             | —               | 30,000              | 30,000       |
| Mr. Anil Palekar            | —             | —               | 1,50,000            | 1,50,000     |
| Mr. Sadashiv Shet           | —             | —               | 1,50,000            | 1,50,000     |
| Mr. Joseph A. A. D'Costa    | —             | —               | 1,50,000            | 1,50,000     |
| Mrs. Shashi K. Katreddi     | —             | —               | 1,00,000            | 1,00,000     |
| Mr. Subhash Redkar          | 9,38,752*     | 95,780          | —                   | 10,34,532    |

\* fixed component.

Minimum Remuneration paid to the Managing Director and Executive Director. No commission or bonus or incentive pay was paid during the year 2020-21, as the Company did not make profit.

Mr. K. G. Gupta- Service Contract : April 01, 2021 to March 31, 2024\*  
 Notice Period : 3 months  
 Severance fee : Not applicable

\*The Board of Directors at its meeting held on February 10, 2021, has re-appointed Mr. K.G. Gupta as Chairman and Managing Director of the Company, for a further period of three years w.e.f. April 01, 2021 to March 31, 2024, subject to the approval of shareholders in the ensuing Annual General Meeting to be held on September 28, 2021.

Mr. Subhash Redkar -Service Contract : August 14, 2019 to August 13, 2022  
 Notice Period : 3 months  
 Severance fee : Not applicable

The Company does not have any Employee Stock Option Scheme.



## **6. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

This committee is constituted under Section 178(5) of the Companies Act, 2013 and in terms of Regulation 20 of Listing Regulations. The Committee considers and resolves the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of Annual Report and non-receipt of declared dividends.

### **a) Name of Non-Executive Director heading the committee.**

Mrs. Shashi K. Katreddi, a Non – Executive Director, is the Chairperson of the Committee.

### **b) Name and designation of Compliance Officer.**

Ms. Pooja Bicholkar  
Company Secretary  
E-mail : [pooja.bicholkar@gkb.net](mailto:pooja.bicholkar@gkb.net)

### **c) No. of Meetings held and Attendance during the year.**

As per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Stakeholders' Relationship Committee shall meet at least once in a year. The yearly meeting of the Stakeholders' Relationship Committee for the financial year 2020-21, was held on March 24, 2021 and the Notice for the same was circulated on March 16, 2021.

The names of the members of the Committee and their attendance are as follows:

| <b>Name of the Director</b> | <b>Category</b>             | <b>Designation</b> | <b>No. of Meetings attended</b> |
|-----------------------------|-----------------------------|--------------------|---------------------------------|
| Mrs. Shashi K. Katreddi     | Independent & Non-Executive | Chairperson        | 2                               |
| Mr. Vikram Gupta            | Promoter & Non-Executive    | Member             | 1                               |
| Mr. Subhash Redkar          | Executive Director          | Member             | 2                               |

### **d) Details of Shareholders' complaints:**

Status of the complaints during the year under review:-

|  |   |
|--|---|
| No. of shareholders' complaints at the beginning of the year | 1 |
| No. of shareholders' complaints received during the year     | 0 |
| No. of shareholders' complaints resolved during the year     | 1 |
| No. of pending complaints as on March 31, 2021               | 0 |

## **7. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

The Company has formulated and adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Code of Conduct for Prohibition of Insider Trading' for its designated employees in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down the procedures to be followed and disclosures to be made by designated employees while dealing with shares of the Company.

The Company has appointed Ms. Pooja Bicholkar, Company Secretary, as the Compliance Officer under the Code to deal with dissemination of Unpublished Price Sensitive Information and for complying with the Regulations.


**8. GENERAL BODY MEETINGS**

| Financial Year | Date & Time                      | Location   | Special Resolutions passed  |
|----------------|----------------------------------|--|---|
| 2017-18        | August 27, 2018,<br>11.00 A.M.   | Conference Room, GKB Ophthalmics Limited, 16-A, Tivim Industrial Estate, Mapusa, Goa | a) Ratification of corrected Shareholding Pattern in the EGM notice dated May 10, 2018<br>b) Ratification of Compliance Certificate issued by Statutory Auditors.<br>c) Ratification of correction in the name of Polus Global Fund.  |
| 2018-19        | September 30, 2019<br>11.00 A.M. |  | a) Variation in remuneration of Mr. K.G.Gupta, Managing Director of the Company.<br>b) Appointment of Mr. Subhash Redkar as an Executive Director of the Company.<br>c) To approve the Annual limits for Related Party Transactions for the period April 01, 2020 to March 31, 2023.  |
| 2019-20        | September 26, 2020,<br>11.00 A.M | Video conference / Other Audio Visual Means  | a) Re-appointment of Mr. Anil Palekar ( DIN: 01987078) as Independent Director.<br>b) Re-appointment of Mr. Sadashiv Shet (DIN: 02227102) as Independent Director.<br>c) Re-appointment of Mr. Joseph A. A. D'Costa (DIN: 03489392) as Independent Director.<br>d) Re-appointment of Mrs. Shashi K. Katreddi (DIN: 07139250) as Independent Director. |

All resolutions moved at the last AGM were passed by the requisite majority of Members.

**Postal Ballot: -**

During the year under review, the Company had passed the following Special Resolutions by Postal Ballot Notice dated November 12, 2020 :

- 1) To authorize the Board of Directors to make investments, extend guarantee, provide security, make inter corporate loans upto an amount not exceeding Rs. 50.00 Crores.
- 2) Leasing of part of the business premise to its Subsidiary Company, GSV Ophthalmics Private Limited.

**Procedure for Postal Ballot :**

Pursuant to Section 110 of the Companies Act, 2013 ("Act") , Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), as amended from time to time, read with the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 33/2020 dated September 28, 2020, issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars"), and as amended till date, the Company had sought the consent of its members, by way of Special Resolutions, through Postal Ballot, only by voting through electronic means ("remote e-voting").

For this purpose, the Board of Directors of the Company appointed Mr. Shivaram Bhat, Practising Company Secretary, (Membership No.ACS 10454, CP No. 7853) as a Scrutinizer, to conduct the Postal Ballot process in a fair and transparent manner.



In compliance with the MCA Circulars, the Postal Ballot Notice dated November 12, 2020, together with the resolutions and Explanatory Statement under Section 102 of the Companies Act, 2013, was sent electronically to all those members who have registered their email addresses with the Company or depository / depository participants and whose names appeared in the List of Members as on November 24, 2020, being the cutoff date. The dispatch process was completed on November 30, 2020.

The voting rights of the members were in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off-date (record date).

The Notice was also given to the Directors, Auditors and the Secretarial Auditor of the Company. The Notice was also placed on the website of the Company.

Advertisements of Notice were published in English language in "The Times of India", (Goa Edition) and in Marathi language in "Pudhari", on December 01, 2020, intimating about the completion of dispatch of Notice, and the time of commencement of e-voting period.

The e-voting commenced on December 01, 2020 at 9.00 A.M. and ended on December 30, 2020, at 5.00 P.M.

Further, the communication of assent / dissent of the members had taken place through the remote e-voting system. The resolutions, if passed by requisite majority, were deemed to have been passed on the last date of remote e-voting, i.e. Wednesday, December 30, 2020.

After due scrutiny of all e-votes received up to 5.00 P.M on December 30, 2020, the Scrutinizer submitted his report on January 01, 2021 and the results of Postal Ballot were declared on the same day. The results along with Scrutinizer's report were intimated to the Stock Exchange, and hosted on Company's website [www.gkb.net](http://www.gkb.net) on January 01, 2021.

The Voting results of Postal Ballot are as under:

| Resolution  | Nature of Resolution | No of valid votes cast | Votes cast in favour |       | Votes cast against |      | No. of invalid votes cast |
|---|----------------------|------------------------|----------------------|-------|--------------------|------|---------------------------|
|   |                      |                        | No. of votes         | %     | No. of votes       | %    |                           |
| To authorize the Board of Directors to make investments, extend guarantee, provide security, make inter corporate loans upto an amount not exceeding Rs. 50.00 Crores | Special Resolution   | 25,99,371              | 25,96,326            | 99.88 | 3045               | 0.12 | 0                         |
| Leasing of part of the business premise to its Subsidiary Company, GSV Ophthalmics Private Limited  | Special Resolution   | 1,53,027               | 1,49,982             | 98.01 | 3045               | 1.99 | 0                         |

## 9. MEANS OF COMMUNICATION

All important information relating to the Company, its financial performance, shareholding pattern, quarterly results, other information as per the Listing Regulations are regularly posted on Company's website, [www.gkb.net](http://www.gkb.net). The quarterly, half-yearly and annual financial results of the Company are published in newspapers such as Financial Express -English Daily and Pudhari -Marathi Daily. These results are also available on the website of the Company and BSE Limited. No presentations have been made to institutional investors/analysts during the financial year.


**10. GENERAL SHAREHOLDER INFORMATION**

|      |                             |   |
|------|-----------------------------|---|
| i.   | 39th Annual General Meeting |   |
|      | Date                        | : September 28, 2021  |
|      | Time                        | : 11.00 A.M.  |
|      | Venue                       | : In accordance with the General Circular issued by the MCA on May 5, 2020 read with General Circular dated April 8, 2020, April 13, 2020 and January 13, 2021, the AGM will be held through VC/OAVM only |
| ii.  | Financial Year              | : The financial year of the Company is from April 1st to March 31st.  |
| iii. | Date of Book closure        | : Book Closure is from Tuesday, September 21, 2021 to Tuesday September 28, 2021  |
| iv.  | Dividend payment date       | : No dividend is proposed   |
| v.   | Listing on Stock Exchanges  | : BSE Ltd. ( Bombay Stock Exchange Ltd.)<br>: 25 <sup>th</sup> Floor, Phiroze Jeejubhoy Towers, Dalal Street, Mumbai - 400 001<br>Phone : 91 -22-227 21233/4<br>Fax : 91-22-22721919                      |
|      | Fees                        | : Annual Listing fees have been paid to Bombay Stock Exchange Ltd., for the year 2021-22  |
| vi   | Stock Code :                |   |
|      | BSE                         | : 533212  |
|      | ISIN NUMBER                 | : INE 265 D01015  |

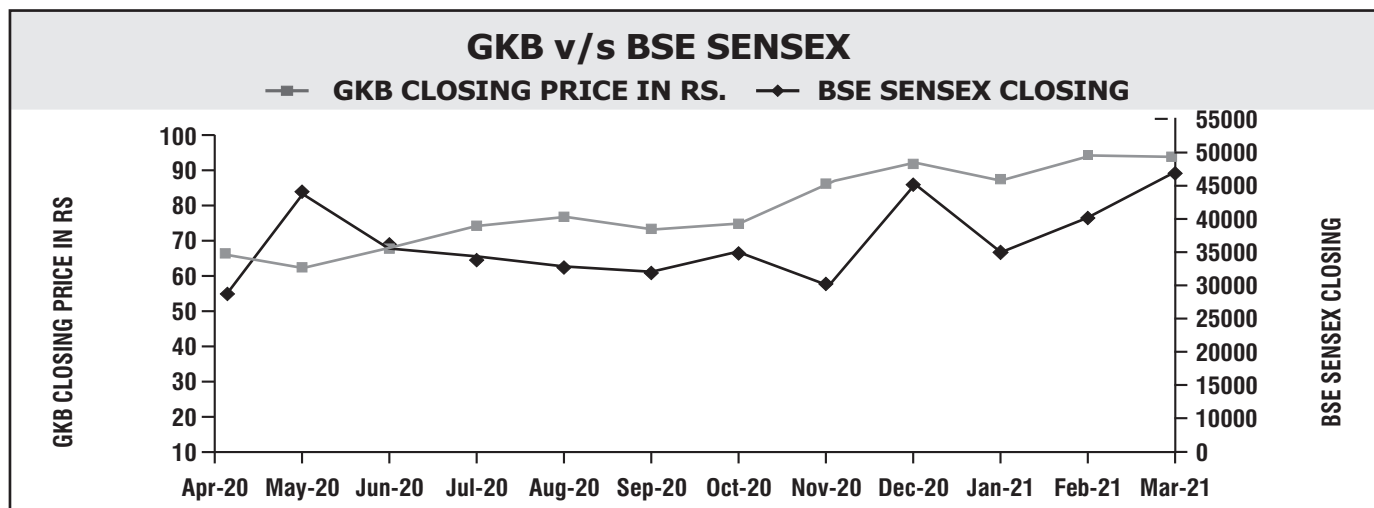
- vii. Market Price Data  
High, Low during each month in the last financial year

in Rs.

| Months          | BSE           |       |
|-----------------|---------------|-------|
|                 | Equity Shares |       |
|                 | High          | Low   |
| April, 2020     | 46.80         | 37.00 |
| May, 2020       | 72.45         | 45.00 |
| June, 2020      | 72.00         | 54.15 |
| July, 2020      | 68.60         | 58.05 |
| August, 2020    | 60.95         | 46.10 |
| September, 2020 | 59.95         | 45.00 |
| October, 2020   | 56.70         | 52.05 |
| November, 2020  | 57.00         | 48.25 |
| December, 2020  | 81.90         | 48.85 |
| January, 2021   | 80.00         | 57.95 |
| February, 2021  | 76.00         | 57.60 |
| March, 2021     | 87.75         | 65.30 |



**Share price performance in comparison to broad based indices – BSE SENSEX**



**viii. Share Registrars & Transfer Agents**

Link Intime India Private Limited.,  
C 101, 247 Park, L BS Marg, Vikhroli West,  
Mumbai 400 083

Phone: + 91 022-49186000

Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Fax: +91 022-49186060

Web: [www.linkintime.co.in](http://www.linkintime.co.in)

The Registrar and Transfer Agent of the company, Sharex Dynamic (India) Private Limited has been merged with Link Intime India Private Limited ( SEBI Registration No. INR000004058). Therefore, the work pertaining to share transfer and registration including investor correspondence, etc, would be handled by Link Intime India Private Limited.

**ix. Share Transfer System**

The Company has retained Link Intime (India) Pvt. Ltd, Mumbai, to carry out the transfer related activities. Authorised Personnel are approving the transfer on periodical basis. All valid transfers are effected within stipulated time. Share Certificates received at the Registered Office are also sent to Registrar and Transfer Agents for doing the needful.

The Company has obtained the half yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities, as per the requirement of Regulation 40(9) of the Listing Regulations.

The Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with the Securities and Exchange Board of India (SEBI) requirements. The audit reports for the financial year under review have been filed with the stock exchanges within one month of the end of each quarter.


**x. Distribution of Shareholding**

The distribution of shareholding as on March 31, 2021, is as under:

| Range              | Shareholders |                | Total shares        |                   |
|--------------------|--------------|----------------|---------------------|-------------------|
|                    | Number       | % to Total Nos | No. of shares       | % to Total shares |
| (1)                | (2)          | (3)            | (4)                 | (5)               |
| Upto 5,000         | 1161         | 95.39          | 4,04,382.00         | 8.0225            |
| 5,001 to 10,000    | 12           | 0.986          | 84,351.00           | 1.6734            |
| 10,001 to 20,000   | 7            | 0.5752         | 1,10,638.00         | 2.1949            |
| 20,001 to 30,000   | 10           | 0.8217         | 2,41,129.00         | 4.7838            |
| 30,001 to 40,000   | 1            | 0.0822         | 31,763.00           | 0.6301            |
| 40,001 to 50,000   | 3            | 0.2465         | 1,40,269.00         | 2.7828            |
| 50,001 to 1,00,000 | 13           | 1.0682         | 9,35,936.00         | 18.5680           |
| 1,00,001 and above | 10           | 0.8217         | 30,92,112.00        | 61.3444           |
| <b>Total</b>       | <b>1217</b>  | <b>100.00</b>  | <b>50,40,580.00</b> | <b>100.00</b>     |

**xi. The categories of shareholding as on March 31, 2021, are as under:**

| Sr. No | Category  | No of Shares held | Percentage (%) |
|--------|---|-------------------|----------------|
| 1      | Indian Promoters                                    | 29,96,218         | 59.44          |
| 2      | Banks, Financial Institutions & Insurance Companies | 19,600            | 0.39           |
| 3      | Other body corporates                               | 3,76,006          | 7.46           |
| 4      | Public  | 12,06,202         | 23.93          |
| 5      | Hindu Undivided Family (HUF)                        | 68,420            | 1.36           |
| 6      | Foreign Company                                     | 2,00,000          | 3.97           |
| 7      | Others (a) NRI/OCB / Non Resident (Non Repatriable) | 69,739            | 1.37           |
|        | (b) Clearing member                                 | 2,895             | 0.06           |
|        | (c) NBFCs Registered with RBI                       | 1,500             | 0.03           |
|        | (d) FPI Category II - Corp                          | 1,00,000          | 1.99           |
|        | <b>Total</b>  | <b>50,40,580</b>  | <b>100</b>     |

**xii. Dematerialization of shares and liquidity :**

98.84% of the Company's equity shares were dematerialised and the shares are traded on the BSE Ltd.

As per SEBI Notification, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1st April, 2019, unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders still holding shares in physical form are requested to dematerialise their shares at the earliest. For further information / clarification / assistance in this regard, please contact Link Intime India Private Limited., Registrar and Share Transfer Agent.

**xiii. Address for correspondence and Plant Locations:**
**Address for correspondence:**

GKB Ophthalmics Limited  
16-A, Tivim Industrial Estate.  
Mapusa – Goa 403 526

Phone : +91 832 2257253/6714444

Fax : + 91 832 2257044

Email : [gkbophthalmics@gkb.net](mailto:gkbophthalmics@gkb.net)

**Plant Locations :**

Unit I - 16-A  
Unit II - D2-14, 18 & 19  
Unit III - 16 C & D  
Tivim Industrial Estate  
Mapusa, Goa – 403 526





xiv. **Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs and ADRs. There are no outstanding warrants or any convertible instruments.

xv. **Credit Rating**

CRISIL Limited – Credit Rating Agency, has assigned the credit rating of “CRISIL B/Stable (Re-affirmed)” to the long-term Bank facilities availed by the Company and credit rating of “CRISIL A4 (Re-affirmed)” to the short-term Bank facilities availed by the Company.

xvi. **Commodity price risks or foreign exchange risks and hedging activities**

The Company manages commodity and foreign exchange risk as per its policies. To control and minimize foreign exchange risk, the Company has documented Forex Policy, according to which currency forecast is received from various banks on regular basis.

## **11. OTHER DISCLOSURES**

a) **Related Party Transactions.**

All transactions entered into with related parties pursuant to Section 188 of the Companies Act, 2013 and Regulation 23 of Listing Regulations, during the Financial Year 2020-21, were at arm's length price basis and in ordinary course of business. These transactions have been approved by the Audit Committee.

The Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions in terms of Regulation 23(1) of Listing Regulations. The Board of Directors of the Company has approved and adopted a policy on related party transactions and the same has been uploaded on Company's website (<http://gkb.net/en/wp-content/uploads/Accounts/Related-party-transactions-policy.pdf>)

The Company has not entered into any transactions of material nature with the related parties viz. its promoters, the directors or the management or their subsidiaries or relatives during the year that have potential conflicts with the interest of the Company.

Related party transactions have been disclosed in **Note to accounts** to the Standalone Financial Statements. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit Committee for its review.

b) **Statutory Compliance.**

There were no instances of non-compliance by the Company, no penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

c) **Establishment of Vigil Mechanism**

The Company has in place a Vigil Mechanism. It provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct policy. It provides for adequate safeguards against victimization of employees to avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy of the Company has been posted on the website of the Company.



- d) Compliance with mandatory requirements:
- i) A certificate from the Chief Executive Officer/Managing Director and Chief Financial Officer on the financial statements of the Company was placed before the Board in terms of Regulation 17(8) as specified in Part B of Schedule II of Listing Regulations. All other mandatory requirements have been duly complied with, to the extent applicable.
  - ii) The Company has partially adopted the non-mandatory requirements.
- e) The policy for determining material subsidiaries is disclosed on Company's website. The web link for the same is (<http://gkb.net/en/wp-content/uploads/Accounts/Policy-for-Determining-Material-Subsidiary.pdf>)
- f) The policy on dealing with related party transactions is available on Company's website. The web link is (<http://gkb.net/en/wp-content/uploads/Accounts/Related-party-transactions-policy.pdf>)
- g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

The Company has raised funds through preferential allotment during the year under review.  
The utilization / status of funds raised from the preferential issue as at March 31, 2021, is as follows:-

| Particulars   | Amount<br>(Rs. in lakhs)<br>March 31, 2021 | Amount<br>(Rs. in lakhs)<br>March 31, 2020 |
|---|--|--|
| Towards funding growth plans – Inorganic  | 1,170.00                                   | 300.00                                     |
| Towards scaling up of operations, long term capital requirements and other general corporate purposes - Organic | 334.91                                     | 334.91                                     |
| Total Funds Utilised (A)  | 1,504.91                                   | 634.91                                     |
| Balance in Escrow account   | 7.36                                       | 877.36                                     |
| Total Funds Raised (B)  | 1,512.27                                   | 1,512.27                                   |

- h) Certificate from PCS under sub-para 10(i) of Part C of Schedule V of the Listing Regulations
- A Certificate has been received from Ms. Girija Nagvekar, Practicing Company Secretary, under sub-para 10(i) , Part C of Schedule V of the Listing Regulations, which is annexed to this report as Annexure IV ,which is self explanatory.
- i) Confirmation by the Board of Directors' acceptance of recommendation of mandatory committees
- In terms of the amended SEBI Listing Regulations, the Board of Directors of the Company, confirm that during the year under review, it has accepted all recommendations received from its mandatory committees.
- j) Details of total fees paid to the Statutory Auditors of the Company



The details of the total fees paid to MSKA & Associates, Chartered Accountants, Statutory Auditors of the Company, during the Financial Year ended 31st March 2021, is given below:

| Sr. No. | Description of fees paid                           | Amount in lakhs (Rs.) |
|---------|--|-----------------------|
| 1       | Statutory Audit fees paid for Audit of the Company | 6.30                  |
| 2       | Fees paid for Tax Audit                            | 1.95                  |
| 3       | Other Matter- Limited review                       | 5.75                  |
| 4       | Reimbursement of expenses                          | 1.16                  |
|         | <b>Total</b>                                       | <b>15.16</b>          |

- k) Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year under review, no complaints have been received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **12. NON-COMPLIANCE WITH REQUIREMENTS OF CORPORATE GOVERNANCE**

The Company has complied with all the requirements of the Corporate Governance Report of sub paras (2) to (10) of Part C, Schedule V of Listing Regulations.

## **13. ADOPTION OF NON-MANDATORY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

- a) There are no audit qualifications in the Auditors' Report.
- b) Other non-mandatory requirements shall be adopted as and when considered appropriate.

## **14. DETAILS OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS**

The Company has complied with the applicable corporate governance requirements as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

## **15. CERTIFICATE ON CORPORATE GOVERNANCE**

As required by the Listing Regulations, the compliance certificate from the Practicing Company Secretary regarding compliance of conditions of corporate governance, is annexed to the Directors' Report.

## **16. RISK MANAGEMENT:**

Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is not applicable to the Company.

## **17. COMPLIANCE CERTIFICATE FROM CEO& CFO**

The Executive Director and CFO have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II of the Listing Regulations pertaining to CEO & CFO certification for the Financial Year ended March 31, 2021.

## **18. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT AS REQUIRED**

Nil



**19. TRANSFER OF UNCLAIMED/UNPAID AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND**

During the year, there were no amounts transferred from unclaimed dividend account to Investor Education and Protection Fund.

**20. CODE OF CONDUCT**

The Company has adopted a Code of Conduct for Board of Directors and Senior Management ('The Code'). The Code has been communicated to the Directors and the members of Senior Management. The Code has also been posted on the Company's website at [www.gkb.net](http://www.gkb.net). All Board members and senior management have confirmed compliance with the Code for the year ended March 31, 2021. A certificate from Mr. K.G. Gupta, Managing Director, to this effect, is given below.

**DECLARATION**

As required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Board of Directors and the Senior Management for the year ended March 31, 2021.

Place: Goa  
Date: June 10, 2021

Mr. K.G.Gupta  
Managing Director  
DIN: 00051863



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

**The Members,  
GKB OPHTHALMICS LIMITED  
16A TIVIM INDUSTRIAL ESTATE,  
MAPUSA – GOA 403526**

Dear Sirs,

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **GKB OPHTHALMICS LIMITED** having **CIN L26109GA1981PLC000469** and having registered office at **16A TIVIM INDUSTRIAL ESTATE, MAPUSA – GOA 403526** and (hereinafter referred to as the Company), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the **Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority .

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 08-06-2021  
Place: Panaji Goa

CS Girija G. Nagvekar  
Practicing Company Secretary  
FCS: 10358/ COP: 10335  
**UDIN No. F010358C000431449**



**COMPLIANCE CERTIFICATE FROM PRACTISING COMPANY SECRETARY ON COMPLIANCE OF CORPORATE GOVERNANCE**

To  
The Members  
GKB OPHTHALMICS LIMITED

I have examined the compliance of conditions of Corporate Governance by **GKB OPHTHALMICS LIMITED**, for the year ended 31<sup>st</sup> March, 2021, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and based on the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

I further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Panaji Goa  
Date: 08.06.2021

CS Girija Nagvekar  
Practising Company Secretary  
Membership No. F10358  
CP No. 10335

**UDIN number : F010358C000431471**



**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

We, Mr. K.G. Gupta, Managing Director and Mr. Gurudas Sawant, Chief Financial Officer of GKB Ophthalmics Limited ("the Company") hereby certify that:

- A) We have reviewed the financial statements and the cash flow statement of GKB Ophthalmics Limited for the year ended March 31, 2021 and that to the best of our knowledge and belief, we state that ;
  - 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.
  - 2) These statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps taken or proposed to be taken to rectify these deficiencies.
- (D) We have indicated to the Auditors and the Audit Committee:
  - (1) Significant changes in internal control over financial reporting during the year and that the same have been disclosed in the notes to the financial statements;
  - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

K. G. Gupta  
Managing Director

Gurudas Sawant  
Chief Financial Officer

Place : Mapusa, Goa  
Date : June 10, 2021



## INDEPENDENT AUDITOR'S REPORT

To the Members of GKB Ophthalmics Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of GKB Ophthalmics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention to Note 45 to the financial statements which states that the management has made an assessment of the impact of COVID-19 pandemic on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognized in the Financial Statements. Accordingly, no adjustments have been made to the Financial Statements.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

##### 1. Revenue Recognition

Refer the disclosures related to Revenue recognition in Note 2.5 to the accompanying Consolidated Financial Statements.

The Company's revenue is derived from the sale of unfinished ophthalmic lenses. The Company recognises revenue when performance obligations as per the underlying contracts are satisfied in accordance with Ind AS 115 - Revenue





from Contract with Customers. The terms set out in the Company's sales contracts are varied which affect the timing of revenue recognition.

We have identified Revenue recognition as a Key Audit Matter because timing of revenue recognition involves significant management judgement.

Our audit procedures, in respect of this matter included :

- a. Obtained an understanding and assessed the design, implementation and operating effectiveness of internal controls over the existence, accuracy and timing of revenue recognition.
- b. Verified the contracts on test check basis to identify performance obligations under the contract and to assess whether revenue is recognised in the period in which the performance obligation is satisfied.
- c. Performed substantive transactional testing on test check basis
- d. Performed substantive analytical procedure considering the revenue trends of the previous years and the relationship between revenue and other financial statements line items.
- e. Reconciled the revenue with sales register.
- f. Performed cut-off testing to validate the timing of revenue recognition determined by management.

## 2. Contingent Liabilities & Provisions

Refer note 37 to the standalone financial statements.

The Company has received certain claims from the government authorities, which are disputed, with respect to demands and penalty for Excise duty, Sales Tax, Entry Tax and Income tax. These involve a high degree of judgement to determine the possible outcomes, and estimates relating to the timing and the amount of outflow of resources embodying economic benefits.

The possible outcomes of the claims will have a material effect on the financial position, results of operations and cash flows.

Our audit procedures, in respect of this matter included :

- a. Obtained a detailed understanding of the managements process for determining statutory liabilities, provisions and contingent liabilities pertains to claims or disputes.
- b. Tested the design and operating effectiveness of the Company's key controls over the estimation, monitoring and disclosure of provisions and contingent liabilities.
- c. Made corroborative inquiries with appropriate level of the management personnel including status update, expectation of outcomes with the basis, and the future course of action contemplated by the Company.
- d. Obtained the understanding of the matters involved by reading the correspondences, communications, minutes of the Audit Committee and/or the Board meetings and discussions with the appropriate Management personnel.
- e. Evaluated the evidence supporting the judgement of the management about possible outcomes and the reasonableness of the estimates.
- f. Evaluated appropriateness of disclosures in accordance with the applicable accounting standards.
- g. Obtained management representations in this regard.

## Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information



included in the Directors' Report including Annexures but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:



- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss(including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standard) Rules, 2015, as amended.
  - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 37 to the standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. Unpaid Dividend of Rs. 12,822/- pertaining to financial year 2010-11 has not been transferred to the Investor Education and Protection Fund by the Company as on March 31, 2021 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

### For MSKA & Associates

#### Chartered Accountants

ICAI Firm Registration No. 105047W

#### Darryl Frank

Partner

Membership No. 104096

UDIN: 21104096AAAAJV5038

Place: Panaji, Goa

Date: June 10, 2021



## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GKB OPHTHALMICS LIMITED**

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or



regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**For MSKA & Associates  
Chartered Accountants**

ICAI Firm Registration No. 105047W

**Darryl Frank**

Partner

Membership No.: 104096

UDIN: 21104096AAAAJV5038

Place: Panaji, Goa

Date: June 10, 2021



**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GKB OPHTHALMICS LIMITED FOR THE YEAR ENDED MARCH 31, 2021**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report on even date to the Members of GKB Ophthalmics Limited on the Standalone Financial Statements for the year ended March 31, 2021]

- i. **(a)** The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).
- (b)** All the fixed assets (Property, Plant and Equipment) have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits in accordance with the provisions of Sections 73 to 76 of the Act and the rules framed thereunder.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and records examined by us, the company has been generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues as applicable, with the appropriate authorities though there has been delays in few cases with regards to income tax (Tax Deducted at Source), provident fund and employees' state insurance.
- (b) Statutory dues which were outstanding, as at March 31, 2021 for a period of more than six months from the date they became payable are as follows:



| Name of the statute | Nature of the dues | Amount Rs.    | Financial Year | Due Date          | Date of Payment             |
|---------------------|--------------------|---------------|----------------|-------------------|-----------------------------|
| Companies Act, 2013 | Unpaid Dividend    | 12,822        | 2010-11        | November 01, 2017 | Not Paid till June 10, 2021 |
|                     | <b>Total</b>       | <b>12,822</b> |                |                   |                             |

- (c) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, goods and service tax, customs duty, cess and any other statutory dues on account of any dispute, are as follows:

| Name of the statute                 | Nature of dues                   | Amount (in Rs. lakhs) | Period to which the amount relates | Forum where the dispute is pending                                       |
|-------------------------------------|----------------------------------|-----------------------|------------------------------------|--|
| Income Tax Act, 1961                | Income Tax, Interest and Penalty | 41.37                 | 2012-13                            | Commissioner of Income Tax (Appeals)                                     |
|                                     | Income Tax, Interest and Penalty | 39.25                 | 2013-14                            | Commissioner of Income Tax (Appeals)                                     |
| The Central Excise Act, 1944        | Duty, Interest and Penalty       | 17.82                 | 2005-06                            | Central Excise and Service Tax Appellate Tribunal (CESTAT)               |
|                                     | Duty, Interest and Penalty       | 17.07                 | 2006-07                            | Joint Commissioner/ Commissioner of Customs and Central Excise (Appeals) |
|                                     | Duty, Interest and Penalty       | 1,155.59              | 2007-08 to Sep' 2015               | Commissioner of Central Excise and Service Tax, Goa                      |
| The Central Sales Tax Act, 1956     | Sales Tax, Interest and Penalty  | 111.71                | 2008-09                            | Additional Commissioner of Commercial Tax, Panaji                        |
|                                     | Sales Tax, Interest and Penalty  | 54.94                 | 2014-15                            | Additional Commissioner of Commercial Tax, Panaji                        |
|                                     | Sales Tax, Interest and Penalty  | 18.42                 | 2014-15                            | Additional Commissioner of Commercial Tax, Panaji                        |
| Goa Tax on Entry of Goods Act, 2000 | Entry Tax and Interest           | 51.20                 | 2015-16                            | Additional Commissioner of Commercial Tax, Panaji                        |
|                                     | Entry Tax and Interest           | 28.61                 | 2013-14                            | Additional Commissioner of Commercial Tax, Panaji                        |
|                                     |                                  | <b>1,535.98</b>       |                                    |  |

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the banks. The Company does not have dues to financial institutions and has not issued any debentures and therefore repayment to the financial institutions and debenture holders is not applicable.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.



- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable. The details of such transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, "Related Party Disclosure" specified under section 133 of the Act, read with relevant rules issued thereunder.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

**For MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W

**Darryl Frank**

Partner

Membership No.: 104096

UDIN: 21104096AAAAJV5038

Place: Panaji-Goa

Date: June 10, 2021





**ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GKB OPHTHALIMICS LIMITED**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report on even date to the Members of GKB Ophthalmics Limited on the Standalone Financial Statements for the year ended March 31, 2021]

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of GKB Ophthalmics Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

**Meaning of Internal Financial Controls with Reference to Standalone Financial Statements**

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;



(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

### **For MSKA & Associates**

Chartered Accountants  
ICAI Firm Registration No.105047W

### **Darryl Frank**

Partner  
Membership No.: 104096  
UDIN: 21104096AAAAJV5038

Place: Panaji-Goa  
Date: June 10, 2021



**Standalone Balance Sheet as at March 31, 2021**

(Amount in INR, unless otherwise stated)

|  | Notes | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|-------|------------------------|------------------------|
| <b>ASSETS</b>  |       |                        |                        |
| <b>Non-current assets</b>  |       |                        |                        |
| Property, plant and equipment  | 5     | 222,778,142            | 248,183,501            |
| Capital work-in-progress   |       | 12,285,446             | -                      |
| Other intangible assets  | 6     | 67,191                 | 103,873                |
| Financial assets   |       |                        |                        |
| Investments  | 7     | 118,955,450            | 31,955,450             |
| Other financial assets   | 8     | 380,144                | 900,144                |
| Other non-current assets   | 9     | 29,354,203             | 19,250,055             |
| <b>Total Non-current Assets</b>  |       | <b>383,820,576</b>     | <b>300,393,023</b>     |
| <b>Current Assets</b>  |       |                        |                        |
| Inventories  | 10    | 69,848,290             | 47,000,010             |
| Financial Assets   |       |                        |                        |
| Investments  | 7     | 3,203,638              | 120,204                |
| Trade receivables  | 11    | 74,448,760             | 103,741,665            |
| Cash and cash equivalents  | 12    | 8,505,882              | 96,534,761             |
| Bank balances other than cash and cash equivalents                                       | 13    | 12,477,937             | 7,021,541              |
| Loans and advances   | 14    | 1,020,667              | 1,093,084              |
| Other financial assets   | 15    | 11,406,060             | 8,072,153              |
| Other Current assets   | 16    | 3,915,278              | 2,871,574              |
| <b>Total Current Assets</b>  |       | <b>184,826,512</b>     | <b>266,454,992</b>     |
| <b>Total Assets</b>  |       | <b>568,647,088</b>     | <b>566,848,015</b>     |
| <b>EQUITY AND LIABILITIES</b>  |       |                        |                        |
| <b>Equity</b>  |       |                        |                        |
| Equity share capital   | 17    | 50,405,800             | 50,405,800             |
| Other equity   | 18    | 277,301,296            | 302,093,871            |
| <b>Total equity</b>  |       | <b>327,707,096</b>     | <b>352,499,671</b>     |
| <b>Liabilities</b>   |       |                        |                        |
| <b>Non-current liabilities</b>   |       |                        |                        |
| Financial liabilities  |       |                        |                        |
| Borrowings   | 19    | 10,000,000             | -                      |
| Other financial liabilities  | 20    | 10,262,206             | -                      |
| Provisions   | 21    | 7,791,809              | 7,493,765              |
| Deferred Tax Liabilities   | 34    | 1,763,159              | 4,868,781              |
| <b>Total non-current liabilities</b>   |       | <b>29,817,174</b>      | <b>12,362,546</b>      |
| <b>Current liabilities</b>   |       |                        |                        |
| Financial liabilities  |       |                        |                        |
| Borrowings   | 22    | 103,171,755            | 99,912,609             |
| Trade payables   | 23    |                        |                        |
| i) total outstanding dues of micro enterprises and small enterprises                     |       | 1,139,035              | 2,067,009              |
| ii) total outstanding dues of creditors other than micro enterprise and small enterprise |       | 67,071,740             | 76,442,234             |
| Other financial liabilities  | 24    | 9,423,440              | 1,921,261              |
| Other current liabilities  | 25    | 19,597,405             | 16,971,581             |
| Provisions   | 21    | 10,719,443             | 4,671,104              |
| <b>Total current liabilities</b>   |       | <b>211,122,818</b>     | <b>201,985,798</b>     |
| <b>Total liabilities</b>   |       | <b>240,939,992</b>     | <b>214,348,344</b>     |
| <b>Total equity and liabilities</b>  |       | <b>568,647,088</b>     | <b>566,848,015</b>     |
| See accompanying notes to the financial statements                                       | 1-46  |                        |                        |

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For **MSKA & Associates**  
Chartered Accountants  
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of  
**GKB Ophthalmics Limited**  
CIN : L26109GA1981PLC000469

**Darryl Frank**  
Partner  
Membership No. 104096  
Place : Panaji, Goa  
Date : June 10, 2021

**K. G. Gupta**  
Managing Director  
DIN : 00051863  
Place : Mapusa, Goa  
Date : June 10, 2021

**Vikram Gupta**  
Director  
DIN : 00052019

**Gurudas Sawant**  
Chief Financial Officer

**Pooja Bicholkar**  
Company Secretary  
ICSI Membership No: 54716


**Standalone Statement of Profit and Loss for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

|   | Notes | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|---|-------|-----------------------------|-----------------------------|
| <b>Income</b>   |       |                             |                             |
| Revenue from operations   | 26    | 213,431,415                 | 255,616,429                 |
| Other income  | 27    | 33,360,289                  | 13,837,232                  |
| <b>Total income</b>   |       | <b>246,791,704</b>          | <b>269,453,661</b>          |
| <b>Expenses</b>   |       |                             |                             |
| Cost of materials consumed  | 28    | 108,875,877                 | 106,333,882                 |
| Purchase of Stock-in-trade  |       | 1,963,059                   | 6,301,984                   |
| Changes in inventories of finished goods, stock-in-trade and work-in-progress | 29    | (11,625,696)                | 15,920,678                  |
| Employee benefits expenses  | 30    | 58,052,844                  | 62,146,712                  |
| Finance costs   | 31    | 13,372,374                  | 13,503,956                  |
| Depreciation and amortization expense   | 32    | 29,919,570                  | 34,733,091                  |
| Other expenses  | 33    | 61,902,202                  | 72,229,779                  |
| <b>Total expenses</b>   |       | <b>262,460,230</b>          | <b>311,170,082</b>          |
| <b>Profit / (Loss) before exceptional items and tax</b>                       |       | <b>(15,668,526)</b>         | <b>(41,716,421)</b>         |
| Exceptional items (Refer note 5)  | 5(a)  | 7,211,357                   | -                           |
| <b>Profit / (Loss) before tax</b>   |       | <b>(22,879,883)</b>         | <b>(41,716,421)</b>         |
| <b>Tax expense</b>  |       |                             |                             |
| Current tax   | 34    | -                           | -                           |
| Deferred tax  | 34    | (1,800,860)                 | -                           |
| <b>Total income tax expense</b>   |       | <b>(1,800,860)</b>          | <b>-</b>                    |
| <b>Profit / (Loss) for the year</b>   |       | <b>(21,079,023)</b>         | <b>(41,716,421)</b>         |
| <b>Other comprehensive income</b>   |       |                             |                             |
| Remeasurement of net defined benefit liability                                |       | (5,018,314)                 | 1,348,079                   |
| Income tax effect   |       | 1,304,762                   | (350,501)                   |
| <b>Other comprehensive income for the year, net of tax</b>                    |       | <b>(3,713,552)</b>          | <b>997,578</b>              |
| <b>Total comprehensive income for the year</b>                                |       | <b>(24,792,575)</b>         | <b>(40,718,843)</b>         |
| <b>Earnings per equity share</b>  |       |                             |                             |
| Basic earnings per share (INR)  | 35    | (4.18)                      | (8.28)                      |
| Diluted earnings per share (INR)  | 35    | (4.18)                      | (8.28)                      |
| See accompanying notes to the financial statements                            | 1-46  |                             |                             |

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For **MSKA & Associates**  
Chartered Accountants  
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of  
**GKB Ophthalmics Limited**  
CIN : L26109GA1981PLC000469

**Darryl Frank**  
Partner  
Membership No. 104096

**K. G. Gupta**  
Managing Director  
DIN : 00051863

**Vikram Gupta**  
Director  
DIN : 00052019

**Gurudas Sawant**  
Chief Financial Officer

**Pooja Bicholkar**  
Company Secretary  
ICSI Membership No: 54716

Place : Panaji, Goa  
Date : June 10, 2021

Place : Mapusa, Goa  
Date : June 10, 2021


**Standalone Statement of changes in equity for the year ended March 31, 2021**
**(A) Equity share capital**

| Particulars   | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|---|-------------------------|-------------------------|
|   | Amount                  | Amount                  |
| Equity shares of Rs 10 each issued, subscribed and fully paid |                         |                         |
| Opening   | 50,405,800              | 46,405,800              |
| Add: issued during the year                                   | -                       | 4,000,000               |
| Closing   | <b>50,405,800</b>       | <b>50,405,800</b>       |

**(B) Other equity**

| Particulars                             | Balance as at<br>April 01, 2019 | Profit / (Loss)<br>for the year | Other<br>comprehensive<br>income | Others            | Balance as at<br>March 31, 2020 |
|---|---------------------------------|---------------------------------|----------------------------------|-------------------|---------------------------------|
| Retained earnings                       | 110,223,851                     | (41,716,421)                    | -                                | -                 | 68,507,430                      |
| General Reserve                         | 65,056,619                      | -                               | -                                | -                 | 65,056,619                      |
| FVTOCI Reserve on defined benefit plan  | (1,478,906)                     | -                               | 997,578                          | -                 | (481,328)                       |
| Capital Reserves                        | 4,328,500                       | -                               | -                                | 13,562,500        | 17,891,000                      |
| Investment Allowance (Utilised) Reserve | 2,229,150                       | -                               | -                                | -                 | 2,229,150                       |
| Money received against share warrants   | 29,062,500                      | -                               | -                                | (29,062,500)      | -                               |
| Securities Premium Reserve              | 90,891,000                      | -                               | -                                | 58,000,000        | 148,891,000                     |
| <b>Total reserves</b>                   | <b>300,312,714</b>              | <b>(41,716,421)</b>             | <b>997,578</b>                   | <b>42,500,000</b> | <b>302,093,871</b>              |

| Particulars                             | Balance as at<br>April 01, 2020 | Profit / (Loss)<br>for the year | Other<br>comprehensive<br>income | Others   | Balance as at<br>March 31, 2021 |
|---|---------------------------------|---------------------------------|----------------------------------|----------|---------------------------------|
| Retained earnings                       | 68,507,430                      | (21,079,023)                    | -                                | -        | 47,428,407                      |
| General Reserve                         | 65,056,619                      | -                               | -                                | -        | 65,056,619                      |
| FVTOCI Reserve on defined benefit plan  | (481,328)                       | -                               | (3,713,552)                      | -        | (4,194,880)                     |
| Capital Reserves                        | 17,891,000                      | -                               | -                                | -        | 17,891,000                      |
| Investment Allowance (Utilised) Reserve | 2,229,150                       | -                               | -                                | -        | 2,229,150                       |
| Money received against share warrants   | -                               | -                               | -                                | -        | -                               |
| Securities Premium Reserve              | 148,891,000                     | -                               | -                                | -        | 148,891,000                     |
| <b>Total reserves</b>                   | <b>302,093,871</b>              | <b>(21,079,023)</b>             | <b>(3,713,552)</b>               | <b>-</b> | <b>277,301,296</b>              |

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For **MSKA & Associates**  
Chartered Accountants  
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of  
**GKB Ophthalmics Limited**  
CIN : L26109GA1981PLC000469

**Darryl Frank**  
Partner  
Membership No. 104096

**K. G. Gupta**  
Managing Director  
DIN : 00051863

**Vikram Gupta**  
Director  
DIN : 00052019

**Gurudas Sawant**  
Chief Financial Officer

Place : Panaji, Goa  
Date : June 10, 2021

Place : Mapusa, Goa  
Date : June 10, 2021

**Pooja Bicholkar**  
Company Secretary  
ICSI Membership No : 54716


**Standalone Statement of Cash Flows for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

|   | <b>Year ended<br/>31 March 2021</b> | <b>Year ended<br/>31 March 2020</b> |
|---|-------------------------------------|-------------------------------------|
| <b>Cash flow from operating activities</b>                      |                                     |                                     |
| Loss before tax   | (22,879,883)                        | (41,716,421)                        |
| Adjustments for:  |                                     |                                     |
| Depreciation and amortization expenses                          | 29,919,570                          | 34,733,091                          |
| Assets written off  | 7,211,357                           | -                                   |
| Finance costs   | 13,372,374                          | 13,500,106                          |
| Provision for / (Reversal of) Doubtful / Bad Debts (net)        | (1,138,253)                         | 3,954,156                           |
| Net unrealised exchange loss                                    | 20,575                              | 154,886                             |
| Interest on income tax  | -                                   | 3,850                               |
| Dividend income   | (10,691,171)                        | (10,378,945)                        |
| Interest income   | (417,435)                           | (305,509)                           |
| Liabilities written back  | (19,835,797)                        | (202,895)                           |
| Fair value change in Investment                                 | (76,919)                            | -                                   |
| (Gain)/ loss on sale of fixed assets (net)                      | 2,923,161                           | (96,438)                            |
| <b>Operating Loss before working capital changes</b>            | <b>(1,592,421)</b>                  | <b>(354,119)</b>                    |
| <b>Changes in working capital</b>                               |                                     |                                     |
| Decrease/ (Increase) in inventories                             | (22,848,281)                        | 20,867,093                          |
| Decrease/ (Increase) in trade receivables                       | 30,388,579                          | 2,063,976                           |
| Decrease/ (Increase) in financial assets                        | 72,417                              | (55,523)                            |
| Decrease/ (Increase) in current assets                          | (8,811,447)                         | 28,794,743                          |
| (Decrease)/ Increase in trade payables                          | 9,375,589                           | 2,010,125                           |
| (Decrease)/ Increase in financial liabilities                   | 10,586,174                          | 7,820,000                           |
| (Decrease)/ Increase in provisions                              | 1,328,069                           | 1,000,188                           |
| (Decrease)/ increase in other current liabilities               | 2,625,824                           | (698,057)                           |
| <b>Cash generated from operations</b>                           | <b>21,124,503</b>                   | <b>61,448,426</b>                   |
| Income tax paid   | (44,318)                            | (104,387)                           |
| <b>Net cash flow from operating activities (A)</b>              | <b>21,080,185</b>                   | <b>61,344,039</b>                   |
| <b>Cash flow from Investing activities</b>                      |                                     |                                     |
| Payment for property, plant and equipment and intangible assets | (31,517,221)                        | (37,743,818)                        |
| Proceeds from sale / disposal of fixed assets                   | 3,440,154                           | 1,130,460                           |
| Investment in subsidiary  | (87,000,000)                        | (30,000,000)                        |
| Purchase of Investments   | (3,000,000)                         | (5,690)                             |
| Net proceeds from / (amount deposited into) fixed deposits      | (4,936,396)                         | (218,379)                           |
| Dividend received   | 7,636,000                           | 9,807,358                           |
| Interest received   | 143,241                             | 222,952                             |
| <b>Net cash flow used in investing activities (B)</b>           | <b>(115,234,222)</b>                | <b>(56,807,117)</b>                 |
| <b>Cash flow from Financing activities</b>                      |                                     |                                     |
| Proceeds from issuance of equity shares on preferential basis   | -                                   | 46,500,000                          |
| Proceeds from / (Repayments of) short term borrowings (net)     | 3,259,146                           | (448,049)                           |
| Proceeds from long term borrowings                              | 16,065,698                          | 313,277                             |
| Interest paid   | (13,199,686)                        | (13,311,531)                        |
| <b>Net cash flow from financing activities (C)</b>              | <b>6,125,158</b>                    | <b>33,053,697</b>                   |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>        | <b>(88,028,879)</b>                 | <b>37,590,619</b>                   |
| Cash and cash equivalents at the beginning of the year          | 96,534,761                          | 58,944,142                          |
| Cash and cash equivalents at the end of the year                | <b>8,505,882</b>                    | <b>96,534,761</b>                   |
| <b>Cash and cash equivalents comprise (Refer note 12)</b>       |                                     |                                     |
| Balances with banks   |                                     |                                     |
| On current accounts   | 8,500,797                           | 96,533,759                          |
| Cash on hand  | 5,085                               | 1,002                               |
| <b>Total cash and bank balances at end of the year</b>          | <b>8,505,882</b>                    | <b>96,534,761</b>                   |

See accompanying notes to the financial statements

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The accompanying notes are an integral part of the financial statements

As per our report of even date  
For **MSKA & Associates**  
Chartered Accountants  
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of  
**GKB Ophthalmics Limited**  
CIN : L26109GA1981PLC000469

**Darryl Frank**  
Partner  
Membership No. 104096

**K. G. Gupta**  
Managing Director  
DIN : 00051863

**Vikram Gupta**  
Director  
DIN : 00052019

**Gurudas Sawant**  
Chief Financial Officer

**Pooja Bicholkar**  
Company Secretary  
ICSI Membership No: 54716

Place : Panaji, Goa  
Date : June 10, 2021

Place : Mapusa, Goa  
Date : June 10, 2021



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**1 GENERAL INFORMATION**

GKB Ophthalmics Limited (the "Company") is a public limited company domiciled in India and was incorporated on December 10, 1981 under the provisions of the Companies Act, 1956. Its registered and principal office of business is located at 16-A, Tivim Industrial Estate, Mapusa, Goa 403 526, India.

The company is engaged in manufacture and sale of unfinished ophthalmic lenses.

**2 SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies adopted by the company are as under:

**2.1 Basis of Preparation of Standalone Financial Statements**

**(a) Compliance with Ind AS**

These Standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(b) Basis of measurement**

The standalone financial statements have been prepared on the historical cost basis except for the following items:

| Items   | Measurement Basis  |
|---|--|
| Certain Financial Assets and Financials Liabilities | Fair Value   |
| Net Defined Benefit (asset)/liability               | Present value of defined benefit obligation less fair value of plan assets |

(c) All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisitions of materials for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

**(d) Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**2.2 Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost of property, plant and equipment comprises its purchase price net of any discounts and rebates, any import duties and other taxes (other than those subsequently recovered from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any, and interest on borrowings attributable to it up to the date it is ready for its intended use. Cost of property, plant and equipment that are not yet ready for their intended use at the balance sheet date are shown under capital work-in-progress.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

**Depreciation methods, estimated useful lives**

The Company depreciates Property, plant and equipments using the straight line method over their estimated useful lives as under :

| <b>Property, plant and equipment</b> | <b>Useful Life</b> |
|--------------------------------------|--------------------|
| Building                             | 30 to 60 years     |
| Plant & Machinery                    | 1 to 15 years      |
| Furniture and Fixtures               | 1 to 10 years      |
| Office Equipment                     | 1 to 5 years       |
| Vehicles                             | 8 to 10 years      |
| Computers                            | 1 to 15 years      |

Leasehold land is amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Standalone Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

**2.3 Other Intangible Assets**

Other Intangible assets are stated at acquisition cost, net of accumulated amortization.



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**Amortisation, estimated useful lives**

The Company amortises intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

| <b>Intangible assets</b> | <b>Useful Life</b> |
|--------------------------|--------------------|
| Computer Software        | 6 years            |

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

**2.4 Foreign Currency Transactions****(a) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

**(b) Transactions and balances**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

**2.5 Revenue Recognition****Sale of goods**

Revenue from the sale of goods is recognised when the Company satisfies the performance obligation by transferring promised goods to the customer. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of discounts, allowances, returns, Goods and Services Tax (GST) and amounts collected on behalf of third party.

**Rendering of services**

Revenue from services is recognized in accordance with the terms of the contract with customers when the identified performance obligation is completed. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of Goods and Services Tax (GST) and amounts collected on behalf of third party.

**Other operating income**

Export incentive under various schemes are accounted in the year of export on accrual basis when the right to receive is established.

**Other Income**

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Dividend income is accounted for when the right to receive the same is established, which is generally when the shareholders approve the dividend.

**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**2.6 Taxes on Income**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

**(a) Current income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**(b) Deferred tax**

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**2.7 Leases****As a lessee**

The Company's lease asset classes primarily consist of leasehold land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

**2.8 Inventories**

Inventories are valued at the lower of cost and net realisable value.

Raw materials, stores, spares and consumable tools, packing materials, work-in-progress and finished goods are valued at lower of cost or net realisable value.

**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

In case of raw materials, stores, spares, consumable tools and packing materials, cost represents purchase price and other costs incurred for bringing the inventories to their present location and conditions and is determined on "weighted average" basis.

In case of work-in-progress and finished goods, cost represents cost of raw material, cost of conversion such as direct labour, direct expenses, etc. and production overheads which are based on normal level of production.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

Cost of traded goods is determined on a weighted average basis.  
The comparison of cost and net realizable value is made on item by item basis.

**2.9 Impairment of non-financial assets**

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

**2.10 Provisions, contingent liabilities, Contingent assets**

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Reimbursement by another party, expected in respect of expenditure required to settle a provision, is recognised when it is virtually certain that reimbursement will be received if the obligation is settled.

Contingent assets are neither recognised nor disclosed.  
Provisions, contingent liabilities, contingent assets are reviewed at each balance sheet date.

**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**2.11 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

**2.12 Employee Benefits****(a) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(b) Other long-term employee benefit obligations****(i) Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Superannuation: Contributions to the superannuation fund, which is administered by Life Insurance Corporation of India, are charged to the Statement of Profit and Loss.

**(ii) Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

**(iii) Other long term employee benefit obligations**

Compensated Absences:

The employees of the company are entitled to encashment of un-availed leave. The employees can carry forward a portion of the unutilised leave and receive cash compensation at retirement or termination of employment. The Company records an obligation for encashment of un-availed leave in the period in which the employee renders the services, based on an actuarial valuation at the balance sheet date, carried out by an independent actuary.

**2.13 Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

**2.14 Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or Production of a Qualifying asset are capitalised as part of cost of such Asset till such time as the asset is ready for its intended use or sale.

A Qualifying Asset is an Asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

**2.15 Statement of cash flows**

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**2.16 Exceptional items**

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

**2.17 Segment accounting**

The Company operates in one primary segment i.e. Ophthalmics lenses. The Company identifies primary operating segment based on the different risks and returns, the organisation structure, the internal reporting systems and review by chief operating decision maker. Secondary segments are identified on the basis of geography in which sales have been effected.

**2.18 Fair value measurement**

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**2.19 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(a) Financial assets**

**(i) Initial recognition and measurement**

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**(ii) Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(iii) Impairment of financial assets**

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 8-quarters ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 8 quarters ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 8 quarters ECL is a portion of the lifetime ECL which results from default events that are possible within 8 quarters after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

**(iv) Derecognition of financial assets**

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

**(b) Financial liabilities****(i) Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of Loans & borrowings and payables, net of directly attributable transaction costs.

**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(ii) Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

**(c) Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

**(d) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**2.20 Rounding off amounts**

All amounts disclosed in financial statements and notes have been rounded off to the nearest rupee as per requirement of Schedule III of the Act, unless otherwise stated.

**3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

In the preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2021 are as below :





**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(a) Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(b) Useful lives of property, plant and equipment and intangible assets**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Useful lives of intangible assets is determined on the basis of estimated benefits to be derived from use of such intangible assets. These reassessments may result in change in the depreciation /amortisation expense in future periods.

**(c) Impairment of non-financial assets**

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

**(d) Actuarial Valuation**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

- 4** Ministry of Corporate affairs ("MCA") notifies new standard or amendments to the existing standards. There are neither new standards nor amendments to existing standards which are effective for the annual period beginning from April 01, 2021.



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**5 PROPERTY, PLANT AND EQUIPMENT**

(Amount in INR)

|                              | Gross block           |                           |                            |                        | Depreciation          |                   |                            |                        | Net block              |                        |
|------------------------------|-----------------------|---------------------------|----------------------------|------------------------|-----------------------|-------------------|----------------------------|------------------------|------------------------|------------------------|
|                              | As at<br>1 April 2020 | Additions/<br>Adjustments | Deductions/<br>Adjustments | As at<br>31 March 2021 | As at<br>1 April 2020 | For the<br>year   | Deductions/<br>Adjustments | As at<br>31 March 2021 | As at<br>31 March 2021 | As at<br>31 March 2020 |
| Freehold Land                | 429,910               | -                         | -                          | 429,910                | -                     | -                 | -                          | -                      | 429,910                | 429,910                |
| Leasehold Land               | 895,500               | -                         | -                          | 895,500                | 169,276               | 9,426             | -                          | 178,702                | 716,798                | 726,224                |
| Buildings                    | 82,696,838            | 502,613                   | 6,614,033                  | 76,585,418             | 19,559,027            | 2,257,862         | 1,606,732                  | 20,210,157             | 56,375,261             | 63,137,811             |
| Plant and Equipment          | 253,036,547           | 1,120,934                 | 76,058,760                 | 178,098,721            | 161,792,846           | 10,284,225        | 70,718,621                 | 101,358,450            | 76,740,271             | 91,243,701             |
| Plant and Equipment - Moulds | 120,705,816           | 16,354,836                | 3,306,832                  | 133,753,820            | 35,397,725            | 15,650,578        | 79,600                     | 50,968,703             | 82,785,117             | 85,308,091             |
| Furniture and Fixtures       | 17,621,778            | 43,500                    | -                          | 17,665,278             | 12,847,480            | 805,267           | -                          | 13,652,747             | 4,012,531              | 4,774,298              |
| Office Equipment             | 4,500,046             | 30,318                    | -                          | 4,530,364              | 3,772,302             | 322,940           | -                          | 4,095,242              | 435,122                | 727,744                |
| Vehicles                     | 10,383,664            | -                         | 752,850                    | 9,630,814              | 8,547,942             | 552,590           | 752,850                    | 8,347,682              | 1,283,132              | 1,835,722              |
| <b>Total</b>                 | <b>490,270,099</b>    | <b>18,052,201</b>         | <b>86,732,475</b>          | <b>421,589,825</b>     | <b>242,086,598</b>    | <b>29,882,888</b> | <b>73,157,803</b>          | <b>198,811,683</b>     | <b>222,778,142</b>     | <b>248,183,501</b>     |

|                              | Gross block           |                           |                            |                        | Depreciation          |                   |                            |                        | Net block              |                        |
|------------------------------|-----------------------|---------------------------|----------------------------|------------------------|-----------------------|-------------------|----------------------------|------------------------|------------------------|------------------------|
|                              | As at<br>1 April 2019 | Additions/<br>Adjustments | Deductions/<br>Adjustments | As at<br>31 March 2020 | As at<br>1 April 2019 | For the<br>year   | Deductions/<br>Adjustments | As at<br>31 March 2020 | As at<br>31 March 2020 | As at<br>31 March 2019 |
| Freehold Land                | 429,910               | -                         | -                          | 429,910                | -                     | -                 | -                          | -                      | 429,910                | 429,910                |
| Leasehold Land               | 895,500               | -                         | -                          | 895,500                | 159,850               | 9,426             | -                          | 169,276                | 726,224                | 735,650                |
| Buildings                    | 59,816,388            | 22,880,450                | -                          | 82,696,838             | 17,369,543            | 2,189,484         | -                          | 19,559,027             | 63,137,811             | 42,446,845             |
| Plant and Equipment          | 246,230,383           | 6,806,164                 | -                          | 253,036,547            | 150,365,659           | 11,427,187        | -                          | 161,792,846            | 91,243,701             | 95,864,724             |
| Plant and Equipment - Moulds | 110,769,683           | 10,981,593                | 1,045,460                  | 120,705,816            | 16,165,668            | 19,243,495        | 11,438                     | 35,397,725             | 85,308,091             | 94,604,015             |
| Furniture and Fixtures       | 17,306,278            | 315,500                   | -                          | 17,621,778             | 12,032,880            | 814,600           | -                          | 12,847,480             | 4,774,298              | 5,273,398              |
| Office Equipment             | 4,309,561             | 190,485                   | -                          | 4,500,046              | 3,416,588             | 355,714           | -                          | 3,772,302              | 727,744                | 892,973                |
| Vehicles                     | 10,795,814            | -                         | 412,150                    | 10,383,664             | 8,326,525             | 633,567           | 412,150                    | 8,547,942              | 1,835,722              | 2,469,289              |
| <b>Total</b>                 | <b>450,553,517</b>    | <b>41,174,192</b>         | <b>1,457,610</b>           | <b>490,270,099</b>     | <b>207,836,713</b>    | <b>34,673,473</b> | <b>423,588</b>             | <b>242,086,598</b>     | <b>248,183,501</b>     | <b>242,716,804</b>     |

**Footnote**

- (a) During the year, Board of Directors at its meeting held on November 12, 2020 have approved the expansion of the Company's factory building located at Plot No. 16 A, C, D in Tivim Industrial Estate, Karaswada, Mapusa - Goa. The said existing factory building located in Plot 16-C has since been demolished and its written down value of Rs. 49,68,699/- has been written off in the books of accounts as exceptional item. Further, machinery and equipment which is obsolete and not usable having written down value of Rs. 22,42,658/- has been written off as exceptional item.



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**6 OTHER INTANGIBLE ASSETS**

|                   | Gross block           |                           |                            |                        | Depreciation          |                 |                            |                        | Net block              |                        |
|-------------------|-----------------------|---------------------------|----------------------------|------------------------|-----------------------|-----------------|----------------------------|------------------------|------------------------|------------------------|
|                   | As at<br>1 April 2020 | Additions/<br>Adjustments | Deductions/<br>Adjustments | As at<br>31 March 2021 | As at<br>1 April 2020 | For the<br>year | Deductions/<br>Adjustments | As at<br>31 March 2021 | As at<br>31 March 2021 | As at<br>31 March 2020 |
| Computer Software | 1,956,977             | -                         | -                          | 1,956,977              | 1,853,104             | 36,682          | -                          | 1,889,786              | 67,191                 | 103,873                |
| <b>Total</b>      | <b>1,956,977</b>      | <b>-</b>                  | <b>-</b>                   | <b>1,956,977</b>       | <b>1,853,104</b>      | <b>36,682</b>   | <b>-</b>                   | <b>1,889,786</b>       | <b>67,191</b>          | <b>103,873</b>         |

|                   | Gross block           |                           |                            |                        | Depreciation          |                 |                            |                        | Net block              |                        |
|-------------------|-----------------------|---------------------------|----------------------------|------------------------|-----------------------|-----------------|----------------------------|------------------------|------------------------|------------------------|
|                   | As at<br>1 April 2019 | Additions/<br>Adjustments | Deductions/<br>Adjustments | As at<br>31 March 2020 | As at<br>1 April 2019 | For the<br>year | Deductions/<br>Adjustments | As at<br>31 March 2020 | As at<br>31 March 2020 | As at<br>31 March 2019 |
| Computer Software | 1,956,977             | -                         | -                          | 1,956,977              | 1,793,486             | 59,618          | -                          | 1,853,104              | 103,873                | 163,491                |
| <b>Total</b>      | <b>1,956,977</b>      | <b>-</b>                  | <b>-</b>                   | <b>1,956,977</b>       | <b>1,793,486</b>      | <b>59,618</b>   | <b>-</b>                   | <b>1,853,104</b>       | <b>103,873</b>         | <b>163,491</b>         |



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**7 INVESTMENTS**

**A Non Current Investments**

At Cost

Unquoted equity shares

- In Subsidiaries

GKB Ophthalmic Products FZE, Sharjah

1 equity share (March 31, 2020: 1 equity share) of nominal value of AED 150,000 fully paid-up

GSV Ophthalmics Private Limited

1,17,10,000 equity shares (March 31, 2020: 30,10,000 equity shares) of Rs 10 each fully paid-up\*

- In Others

Saraswat Co-operative Bank Limited

2,500 equity shares (March 31, 2020: 2,500 equity shares) of ₹ 10 each fully paid-up

**Total Non Current Investments**

|              | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--------------|------------------------|------------------------|
|              | 1,830,150              | 1,830,150              |
|              | 117,100,000            | 30,100,000             |
|              | -                      | -                      |
|              | 25,300                 | 25,300                 |
| <b>Total</b> | <b>118,955,450</b>     | <b>31,955,450</b>      |

\* 10,000 (March 31, 2020 - 10,000) Equity Shares of GSV Ophthalmics Private Limited are held by director and a nominee in trust on behalf of the Company.

**B Current Investments**

Fair value through profit and loss (FVTPL)

- Investments in Mutual Funds (unquoted) (Refer footnote i)

**Total Current Investments**

**Total Investments**

Current

Non- Current

|              |                    |                   |
|--------------|--------------------|-------------------|
|              | 3,203,638          | 120,204           |
| <b>Total</b> | <b>3,203,638</b>   | <b>120,204</b>    |
|              | 3,203,638          | 120,204           |
|              | 118,955,450        | 31,955,450        |
| <b>Total</b> | <b>122,159,088</b> | <b>32,075,654</b> |
|              | 3,126,718          | 120,204           |
|              | 3,203,638          | 120,204           |
|              | -                  | -                 |

**Aggregate book value of:**

Mutual Funds (unquoted)

**Aggregate market value of:**

Mutual Funds (unquoted)

**Aggregate amount of impairment in value of Investments**

**Footnotes**

**I. Details of investments in Mutual Funds designated at FVTPL:**

|  | Number of units        |                        | Amount (in Rs.)        |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | As at<br>31 March 2021 | As at<br>31 March 2020 | As at<br>31 March 2021 | As at<br>31 March 2020 |
| JM Liquid Fund - Savings Plan              | 618                    | 598                    | 6,449                  | 5,709                  |
| HDFC Money Market Fund - Direct Plan       | 113                    | 107                    | 120,270                | 114,495                |
| HDFC Ultra Short term Fund - Direct Growth | 257,711                | -                      | 3,076,919              | -                      |
| <b>Total</b>                               | <b>258,442</b>         | <b>705</b>             | <b>3,203,638</b>       | <b>120,204</b>         |



## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(Amount in INR, unless otherwise stated)

### 8 OTHER NON-CURRENT FINANCIAL ASSETS

Margin money deposits:

Margin money deposits maturing after 12 months from reporting date

**Total Other non current financial assets**

| As at<br>31 March 2021 | As at<br>31 March 2020 |
|------------------------|------------------------|
| 380,144                | 900,144                |
| <b>380,144</b>         | <b>900,144</b>         |

### 9 Other non-current assets

Capital advance\*

Security deposits

Balance with Government authorities

Income tax receivable (net of provision for tax of Rs. 3,73,75,215/-

(March 31, 2020 - Rs. 3,73,75,215/-))

**Total Other non-current assets**

\* Value of contracts on capital account remaining to be executed as at March 31, 2021 is Rs. 4,25,54,375/- (March 31, 2020: Rs. 3,99,947/-)

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 2,547,087               | 255,000                 |
| 6,776,173               | 6,631,471               |
| 17,998,476              | 10,375,435              |
| 2,032,467               | 1,988,149               |
| <b>29,354,203</b>       | <b>19,250,055</b>       |

### 10 Inventories\*

(Valued at the lower of cost and net realizable value)

Raw materials

Raw materials in transit

Stock-in-trade

Work in progress

Finished goods

Packing material

Store and spares parts

Store and spares parts in transit

**Total Inventories**

\* Hypothecated as charge against short term-borrowings. Refer note 22.

| As at<br>March 31, 2020 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 16,744,224              | 10,534,033              |
| 7,263,214               | 4,084,121               |
| 1,895,560               | -                       |
| 1,884,748               | 1,843,605               |
| 29,834,633              | 20,145,640              |
| 1,343,912               | 1,156,909               |
| 10,208,357              | 9,235,702               |
| 673,642                 | -                       |
| <b>69,848,290</b>       | <b>47,000,010</b>       |

### 11 Trade receivables

Secured, considered good

Unsecured

Considered good

- Related parties (refer note 38)

- Others

- Considered doubtful

Less-Allowance for bad and doubtful debts

**Total Trade receivables**

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

Due from related parties includes reinstated amount of Rs. Nil as on March 31, 2021 (March 31, 2020 Rs. 91,12,980/-) due from Lensco- The Lens Company, USA against exports which are overdue for a period exceeding 9 months.

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| -                       | -                       |
| 40,920,891              | 52,760,968              |
| 33,527,869              | 50,980,697              |
| 5,615,476               | 6,753,729               |
| (5,615,476)             | (6,753,729)             |
| <b>74,448,760</b>       | <b>103,741,665</b>      |

### 12 Cash and cash equivalents

Balances with banks:

On current accounts

Cash on hand

**Total Cash and cash equivalents**

Includes amount of Rs. Nil as on March 31, 2021 (March 31, 2020 - Rs. 8,77,35,342/-) received on account of preferential allotment of equity shares and equity convertible share warrants.

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 8,500,797               | 96,533,759              |
| 5,085                   | 1,002                   |
| <b>8,505,882</b>        | <b>96,534,761</b>       |



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**13 Bank balances other than Cash and cash equivalent**

In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date #

**Other balances**

Earmarked balances with banks:

Unpaid dividends \*

Margin money deposits #

**Total Bank balances other than Cash and cash equivalent**

\* Amount of Rs. 12,822/- is due to be transferred to the Investors Education & Protection Fund as at March 31, 2021 (March 31, 2020 - Rs.12,822/-).

# Kept as lien against outstanding bank guarantee and letter of credit amounting to Rs. 3,90,45,946/- as on March 31, 2021 (March 31, 2020 - Rs. 4,42,36,288/-)

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 5,800,000               | -                       |
| 12,822                  | 12,822                  |
| 6,665,115               | 7,008,719               |
| <b>12,477,937</b>       | <b>7,021,541</b>        |

**14 Loans and Deposits**

Unsecured, considered good

Employee advances

Value/Refund to be received from revenue authorities

**Total Loans and Deposits**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 21,314                  | 93,731                  |
| 999,353                 | 999,353                 |
| <b>1,020,667</b>        | <b>1,093,084</b>        |

**15 Other financial assets**

Dividend receivable from GKB Ophthalmic Products FZE, Sharjah (Subsidiary)

Interest accrued on fixed deposits

**Total Other financial assets**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 10,695,713              | 7,636,000               |
| 710,347                 | 436,153                 |
| <b>11,406,060</b>       | <b>8,072,153</b>        |

**16 Other current assets**

Advances to Suppliers

Balance with Government authorities

Prepaid expenses

**Total Other current assets**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 949,074                 | 1,969,673               |
| 1,539,874               | 38,973                  |
| 1,426,330               | 862,928                 |
| <b>3,915,278</b>        | <b>2,871,574</b>        |

**17 Share capital**

**(a) Equity shares**

**Authorized**

70,00,000 (March 31, 2020: 70,00,000) equity shares of Rs. 10 each

**Issued, subscribed and paid up**

**Issued :**

50,86,980 (March 31, 2020: 50,86,980) equity shares of Rs. 10 each fully paid

**Subscribed and Paid up :**

50,40,580 (March 31, 2020: 50,40,580) equity shares of Rs. 10 each fully paid

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 70,000,000              | 70,000,000              |
| <b>70,000,000</b>       | <b>70,000,000</b>       |
| 50,869,800              | 50,869,800              |
| 50,405,800              | 50,405,800              |
| <b>50,405,800</b>       | <b>50,405,800</b>       |

**(b) Reconciliation of equity shares outstanding at the beginning and at the end of the year**

Equity Shares at the beginning of the year

Add: Issued during the year

Equity Shares at the end of the year

| 31 March 2021    |                   | 31 March 2020    |                   |
|------------------|-------------------|------------------|-------------------|
| Number of shares | Amount            | Number of shares | Amount            |
| 5,040,580        | 50,405,800        | 4,640,580        | 46,405,800        |
| -                | -                 | 400,000          | 4,000,000         |
| <b>5,040,580</b> | <b>50,405,800</b> | <b>5,040,580</b> | <b>50,405,800</b> |


**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(c) Rights, preferences and restrictions attached to equity shares**

Equity Shares: The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

| Name of the shareholder                        | As at 31 March, 2021 |                           | As at 31 March, 2020 |                           |
|--|----------------------|---------------------------|----------------------|---------------------------|
|  | Number of shares     | % of holding in the class | Number of shares     | % of holding in the class |
| <b>Equity shares of Rs. 10 each fully paid</b> |                      |                           |                      |                           |
| Krishna Gopal Gupta                            | 900,412              | 17.86%                    | 900,024              | 17.86%                    |
| Krishna Murari Gupta                           | 327,207              | 6.49%                     | 328,207              | 6.51%                     |
| Vikram Gupta                                   | 423,105              | 8.39%                     | 423,105              | 8.39%                     |
| Gaurav Gupta                                   | 407,966              | 8.09%                     | 407,966              | 8.09%                     |
| Veena Gupta                                    | 300,753              | 5.97%                     | 300,753              | 5.97%                     |

(e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(f) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

**18 Other equity**
**(A) Securities premium reserve (SPR)\***

Opening balance

Add : Securities premium credited on share issue

**Closing balance**

\* SPR comprises of premium on issue of shares to be utilised in accordance with the Companies Act, 2013

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 148,891,000             | 90,891,000              |
| -                       | 58,000,000              |
| <b>148,891,000</b>      | <b>148,891,000</b>      |

**(B) General reserve (GR)\***

Opening balance

Add: Transfer during the year

**Closing balance**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 65,056,619              | 65,056,619              |
| -                       | -                       |
| <b>65,056,619</b>       | <b>65,056,619</b>       |

\* GR is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

**(C) Surplus/(deficit) in the Statement of Profit and Loss**

Opening balance

Add/ (Less): Profit / (Loss) for the current year

**Closing balance**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 68,507,430              | 110,223,851             |
| (21,079,023)            | (41,716,421)            |
| <b>47,428,407</b>       | <b>68,507,430</b>       |

**(D) FVTOCI reserve on defined benefit plan (net of tax)**

Opening Balance

Remeasurement gain / (loss) on defined benefit plans (net of tax)

**Closing balance**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| (481,328)               | (1,478,906)             |
| (3,713,552)             | 997,578                 |
| <b>(4,194,880)</b>      | <b>(481,328)</b>        |

**(E) Capital reserve (CR)\***

Opening balance

Add : Amount forfeited on cancellation of warrants

**Closing balance**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 17,891,000              | 4,328,500               |
| -                       | 13,562,500              |
| <b>17,891,000</b>       | <b>17,891,000</b>       |

\* CR up to the nominal value of shares is created out of distributable profit for buyback of shares as per the Act.


**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(F) Investment Allowance (utilised) Reserve**

Opening balance  
Add : Movement during the year  
**Closing balance**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 2,229,150               | 2,229,150               |
| -                       | -                       |
| <b>2,229,150</b>        | <b>2,229,150</b>        |

**(G) Money received against share warrants**

Opening balance  
Add : Amount received on issue of warrants  
Add : Amount received on exercise of option for conversion of warrants  
Less: Transfer to equity share capital on allotment of equity shares  
Less: Transfer to share premium reserve  
Less: Transfer of forfeited amount to Capital Reserve  
**Closing balance**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| -                       | 29,062,500              |
| -                       | -                       |
| -                       | 46,500,000              |
| -                       | (4,000,000)             |
| -                       | (58,000,000)            |
| -                       | (13,562,500)            |
| -                       | -                       |
| <b>277,301,296</b>      | <b>302,093,871</b>      |

**Total other equity**

**19 Long - Term Borrowings**
**Secured**

Term loan  
From Bank (Refer note below)

Less: Current maturity of long term loans

**Total non current maturities of long term borrowings**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 16,549,105              | 483,407                 |
| <b>16,549,105</b>       | <b>483,407</b>          |
| 6,549,105               | 483,407                 |
| <b>10,000,000</b>       | -                       |

**Note**

During the year ended March 31, 2021, new term loans amounting to Rs. 1,65,49,105/- has been availed as follows: 1) Rs. 50,00,000/- collateral term loan under Common Covid-19 Emergency Credit Line (CCECL) repayable in 18 equal monthly installments after a moratorium of 6 months. Balance outstanding as on March 31, 2021 Rs. 65,49,105/- (Including accrued interest) (March 31, 2020 - Rs. Nil) 2) Rs. 1,20,00,000/- term loan under Guaranteed Emergency Credit Line (GECL) repayable in 36 equal monthly installments after a moratorium of 12 months. Balance outstanding as on March 31, 2021 Rs. 1,00,00,000/- (Including accrued interest) (March 31, 2020 - Rs. Nil). The above loans are secured by means of first charge over Factory land & building, Inventories and Trade receivables and second charge on all Plant & machinery and other fixed assets.

Vehicle loan of Rs. Nil (March 31, 2020: Rs. 4,83,407) secured by charge of vehicle repayable in 48 equated monthly installments from November, 2015

**20 Other long-term financial liabilities**

Security Deposit  
Rent received in advance  
**Total Other long term liabilities**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 2,593,110               | -                       |
| 7,669,096               | -                       |
| <b>10,262,206</b>       | -                       |

**21 Provisions**

Provision for gratuity (funded) (Refer note 36)  
Provision for gratuity (unfunded) (Refer note 36)  
Provision for leave encashment (unfunded)  
**Total Provisions**

| Long term               |                         | Short term              |                         |
|-------------------------|-------------------------|-------------------------|-------------------------|
| As at<br>March 31, 2021 | As at<br>March 31, 2020 | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
| -                       | -                       | 9,554,648               | 3,803,643               |
| 5,700,000               | 5,555,538               | -                       | -                       |
| 2,091,809               | 1,938,227               | 1,164,795               | 867,461                 |
| <b>7,791,809</b>        | <b>7,493,765</b>        | <b>10,719,443</b>       | <b>4,671,104</b>        |




**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**22 Short-Term Borrowings**
**Secured, from bank, term loan (Refer footnote)**

-Packing credit  
-Cash credit  
-Overdrawn bank balances

**Total Short-term Borrowings**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 10,040,866              | 9,138,041               |
| 93,130,889              | 90,707,524              |
| -                       | 67,044                  |
| <b>103,171,755</b>      | <b>99,912,609</b>       |

**Footnote:**# The above facilities from banks are secured by hypothecation of the Company's entire present and future stocks of raw materials, finished goods, work in progress, consumable stores & spares, book debts, other current assets, mortgage of leasehold land, factory building, plant & machinery, all other fixed assets of the Company and personal guarantee of Directors.

**23 Trade payables**

Total outstanding dues of micro enterprises and small enterprises  
Total outstanding dues of creditors other than micro enterprises and small enterprises

**Total Trade payables**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 1,139,035               | 2,067,009               |
| 67,071,740              | 76,442,234              |
| <b>68,210,775</b>       | <b>78,509,243</b>       |

Disclosure relating to suppliers registered under MSMED Act, 2006 based on the information available with the Company:

| Particulars   | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|---|-------------------------|-------------------------|
| (a) Amount remaining unpaid to any supplier at the end of each accounting year:   |                         |                         |
| Principal   | 1,139,035               | 2,067,009               |
| Interest  | 172,688                 | 188,575                 |
| <b>Total</b>  | <b>1,311,723</b>        | <b>2,255,584</b>        |
| (b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.   | -                       | -                       |
| (c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.   | 172,688                 | 188,575                 |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year.   | 573,373                 | 400,685                 |
| (e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act. | -                       | -                       |

Due to creditors other than micro enterprises and small enterprises the outstanding amount payable of USD 2,56,543 to "Alpha Diamond Industry - Japan" against imports, which at the exchange rate of Rs 76.36 amounted to Rs. 1,95,89,589/- as on March 31, 2020, has been written back during year ended March 31, 2021 as no claim towards the amount has been made by the party and efforts to contact the party by the Company have been unsuccessful.

**24 Other financial liabilities**
**Other financial liabilities at amortised cost**

Current maturity of long term loans  
Creditors for capital goods  
Unpaid dividend \*  
Others liabilities  
Rent received in advance

**Total other financial liabilities**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 6,549,105               | 483,407                 |
| 2,043,728               | 931,215                 |
| 12,822                  | 12,822                  |
| 279,991                 | 493,817                 |
| 537,794                 | -                       |
| <b>9,423,440</b>        | <b>1,921,261</b>        |

\* Amount of Rs. 12,822/- is due to be credited to the Investors Education & Protection Fund as at March 31, 2021 (March 31, 2020: Rs 12,822/-).

**25 Other current liabilities**

Statutory dues payable  
Advance from customer  
Excess payment on share allotment pursuant to share warrant

**Employee Benefits payable:**

- Salary payable  
- Bonus payable  
- Superannuation payable

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 1,727,713               | 1,010,117               |
| 671,483                 | 171,558                 |
| 7,750,000               | 7,750,000               |
| 5,598,314               | 4,742,186               |
| 3,268,335               | 2,862,980               |
| 581,560                 | 434,740                 |
| <b>19,597,405</b>       | <b>16,971,581</b>       |


**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**26 Revenue from operations**

Revenue from contracts with customers

- Sale of products
- Sale of services

(I)

Other operating revenue

- Export incentives (MEIS)

(II)

**Total Revenue from operations**

(I + II)

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 205,495,864                          | 253,163,217                          |
| 3,523,537                            | 2,148,176                            |
| <b>209,019,401</b>                   | <b>255,311,393</b>                   |
| 4,412,014                            | 305,036                              |
| <b>4,412,014</b>                     | <b>305,036</b>                       |
|                                      |                                      |
| <b>213,431,415</b>                   | <b>255,616,429</b>                   |

**27 Other income**

Interest income

- on fixed deposits

Dividend income

- from subsidiary Company
- from others

Other non operating income

- Sale of miscellaneous scrap

Foreign exchange fluctuation (net)

Rental income

Gain on sale/disposal of fixed assets (net)

Miscellaneous Income

Provision for doubtful debts written back (Net)

Insurance claim recovery

Fair valuation adjustments of Investments designated as FVTPL\*

Liabilities written back #

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 417,435                              | 305,509                              |
| 10,684,658                           | 10,368,879                           |
| 6,513                                | 10,066                               |
| 224,548                              |                                      |
| 833,898                              | 1,776,858                            |
| -                                    | 1,076,587                            |
| -                                    | 96,438                               |
| 2,162                                | -                                    |
| 1,138,253                            | -                                    |
| 140,106                              | -                                    |
| 76,919                               | -                                    |
| 19,835,797                           | 202,895                              |
| <b>33,360,289</b>                    | <b>13,837,232</b>                    |

\* FVTPL of investments represent fair valuation changes in mutual funds which include dividend declared and not distributed (distributed based on record dates) as at reporting dates, which have not been recognized separately in financial statements.

# Includes due to creditors other than micro enterprises and small enterprises the outstanding amount payable of USD 2,56,543 to "Alpha Diamond Industry - Japan" against imports, which at the exchange rate of Rs 76.36 amounted to Rs. 1,95,89,589/- as on March 31, 2020, has been written back during year ended March 31, 2021 (includes Rs. 107,606 write back of payables net of write off of investment in GKB Ophthalmics GmbH, Germany, during the year ended March 31, 2020).

**28 Cost of raw material consumed**

Inventory of raw materials at the beginning of the year

Add: Purchases

Less: Inventory of raw materials at the end of the year

**Cost of raw material consumed**

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 15,775,063                           | 21,103,517                           |
| 118,452,164                          | 101,005,428                          |
| (25,351,350)                         | (15,775,063)                         |
| <b>108,875,877</b>                   | <b>106,333,882</b>                   |

**29 Changes in inventories of finished goods, stock-in-trade and work-in-progress**

**Inventories at the beginning of the year**

-Finished goods

-Work-in-progress

**Less: Inventories at the end of the year**

-Finished goods

-Work-in-progress

-Stock-in-trade

**Net decrease/ (increase)**

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 20,145,640                           | 35,252,441                           |
| 1,843,605                            | 2,657,482                            |
| <b>21,989,245</b>                    | <b>37,909,923</b>                    |
| 29,834,633                           | 20,145,640                           |
| 1,884,748                            | 1,843,605                            |
| 1,895,560                            | -                                    |
| <b>33,614,941</b>                    | <b>21,989,245</b>                    |
| <b>(11,625,696)</b>                  | <b>15,920,678</b>                    |


**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**30 Employee benefits expenses**

|  |
|--|
| Salaries, wages, bonus, ex-gratia and other allowances                                     |
| Contribution to Provident Fund and Other Social Securities funds/schemes # (Refer Note 36) |
| Contribution to Gratuity fund (Refer Note 36)  |
| Staff welfare and other employee expenses  |
| <b>Total Employee benefits expense *</b>   |

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 51,452,707                           | 54,819,810                           |
| 4,508,686                            | 5,180,248                            |
| 1,077,153                            | 1,212,067                            |
| 1,014,298                            | 934,587                              |
| <b>58,052,844</b>                    | <b>62,146,712</b>                    |

# Based on the Supreme Court Judgement dated February 28, 2019, the Company was required to reassess the components to be included in the basic salary for the purposes of deduction of PF. However, the Company believes that there is not likely to be material impact and hence has not provided for any additional liability as on March 31, 2021 (previous year March 31, 2020 - Rs. Nil) in the books of account.

\* 'The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**31 Finance costs**

|  |
|--|
| Interest on long term borrowing                |
| Interest on working capital                    |
| Bank charges                                   |
| Interest on income taxes                       |
| Interest on delay in payment to MSME creditors |
| Interest on GST                                |
| <b>Total Finance costs</b>                     |

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 855,113                              | 57,082                               |
| 10,016,712                           | 11,190,087                           |
| 1,934,599                            | 2,064,362                            |
| -                                    | 3,850                                |
| 172,688                              | 188,575                              |
| 393,262                              | -                                    |
| <b>13,372,374</b>                    | <b>13,503,956</b>                    |

**32 Depreciation and amortization expense**

|  |
|--|
| Depreciation (Refer note 5)                        |
| Amortization (Refer note 6)                        |
| <b>Total Depreciation and amortization expense</b> |

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 29,882,888                           | 34,673,473                           |
| 36,682                               | 59,618                               |
| <b>29,919,570</b>                    | <b>34,733,091</b>                    |

**33 Other expenses**

|  |
|--|
| Electricity and water                          |
| Rent (refer foot note 1)                       |
| Repairs and maintenance - Building             |
| Repairs and maintenance - Machinery            |
| Repairs and maintenance - others               |
| Rates and Taxes                                |
| Travelling and conveyance                      |
| Insurance                                      |
| Other manufacturing expenses                   |
| Stores and spares consumed                     |
| Printing & Stationery                          |
| Communication, broadband and internet expenses |
| Loss on sale/disposal of fixed assets (net)    |
| Security Charges                               |
| Legal and professional charges                 |
| Audit fees (refer foot note 2)                 |
| Advertising and sales promotion                |
| Directors' Sitting fees                        |
| Membership and Subscription                    |
| Provision for doubtful debts (net)             |
| Miscellaneous expenses                         |
| <b>Total Other expenses</b>                    |

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 14,868,261                           | 16,070,137                           |
| 922,946                              | 557,816                              |
| 137,468                              | 126,743                              |
| 1,317,203                            | 1,276,443                            |
| 800,419                              | 568,371                              |
| 827,530                              | 577,712                              |
| 1,098,244                            | 2,444,894                            |
| 434,511                              | 400,229                              |
| 12,303,096                           | 17,512,749                           |
| 18,564,785                           | 19,546,957                           |
| 227,888                              | 373,706                              |
| 712,966                              | 1,235,104                            |
| 2,923,161                            | -                                    |
| 1,424,768                            | 2,165,668                            |
| 2,879,932                            | 2,496,188                            |
| 1,516,365                            | 1,661,567                            |
| 246,162                              | 176,417                              |
| 580,000                              | 450,000                              |
| 44,770                               | 156,564                              |
| -                                    | 3,954,156                            |
| 71,727                               | 478,358                              |
| <b>61,902,202</b>                    | <b>72,229,779</b>                    |

Foot note 1 :The Company has taken a residential apartment on operating lease. The Company also pays lease rent on the factory premises and warehouse shed. Being short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Accordingly, lease rent amounting to ₹ 9,22,946 (March 31, 2020: ₹ 5,57,816) has been charged to the Statement of Profit and Loss.


**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

Foot note 2 :The following is the break-up of Auditors remuneration (exclusive of Goods and service tax).

**Auditor's Remuneration**
**As auditor:**

Statutory audit

**In other capacity:**

For taxation matters

For other services

Reimbursement of expenses

**Total**

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 630,000                              | 630,000                              |
| 195,000                              | 195,000                              |
| 575,000                              | 675,000                              |
| 116,365                              | 161,567                              |
| <b>1,516,365</b>                     | <b>1,661,567</b>                     |

**34 Income Tax**
**(A) Deferred tax relates to the following:**
**Deferred tax assets**

On provision for employee benefits

On unabsorbed depreciation and carry forward business losses

Business losses

Unabsorbed depreciation

On Provision for doubtful receivables

On others

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 5,813,898                            | 3,794,340                            |
| -                                    | -                                    |
| 3,137,410                            | 3,137,410                            |
| 9,077,080                            | 9,077,080                            |
| 1,460,024                            | 727,889                              |
| 409,078                              | 55,149                               |
| 19,897,490                           | 16,791,868                           |
| 21,660,649                           | 21,660,649                           |
| 21,660,649                           | 21,660,649                           |
| (1,763,159)                          | (4,868,781)                          |

**Deferred tax liabilities**

On property, plant and equipment

Net deferred tax asset / (liability) (net)

Deferred tax assets of Rs. 3,50,73,494/- (March 31, 2020: Rs. 2,60,95,433/-) and Rs. 29,08,684/- (March 31, 2020: Rs. Nil) have not been recognized in respect of unabsorbed depreciation losses amounting to Rs. 13,48,98,053/- (March 31, 2020: Rs. 10,03,67,049/-) and unabsorbed business losses amounting to Rs. 1,11,87,248/- (March 31, 2020: Rs. Nil) respectively, in the absence of reasonable certainty of generating adequate taxable profits to offset these losses.

**(B) Recognition of deferred tax asset to the extent of deferred tax liability**
**Balance sheet**

Deferred tax asset

Deferred tax liabilities

Deferred tax liabilities, net

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 19,897,490                           | 16,791,868                           |
| (21,660,649)                         | (21,660,649)                         |
| (1,763,159)                          | (4,868,781)                          |

**(B) Reconciliation of deferred tax assets / (liabilities) (net):**

Opening balance as of 1 April 2020

Effect on tax asset recognized in Statement of Profit and Loss

Effect on tax asset / (liability) recognized in OCI

**Closing balance as at 31 March 2021**

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| (4,868,781)                          | (4,518,280)                          |
| 1,800,860                            | -                                    |
| 1,304,762                            | (350,501)                            |
| <b>(1,763,159)</b>                   | <b>(4,868,781)</b>                   |

**(C) Deferred tax assets / (liabilities) to be recognized in Statement of Profit and Loss**

Tax asset

Tax Liabilities

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 1,800,860                            | -                                    |
| -                                    | -                                    |
| 1,800,860                            | -                                    |



## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(Amount in INR, unless otherwise stated)

### (D) Income tax expense

- Current tax taxes
- Adjustments in respect of current income tax of previous year
- Deferred tax charge / (income)

#### Income tax expense reported in the statement of profit or loss

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| -                                    | -                                    |
| -                                    | -                                    |
| (1,800,860)                          | -                                    |
| (1,800,860)                          | -                                    |

### (E) Income tax expense charged to OCI

Net loss/(gain) on remeasurements of defined benefit plans

#### Income tax charged to OCI

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| (1,304,762)                          | 350,501                              |
| (1,304,762)                          | 350,501                              |

### (F) Reconciliation of tax charge

- Profit/(loss) before tax  
Income tax expense at tax rates applicable  
Tax effects of:
- Item not deductible for tax
  - Others

#### Income tax expense

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| (22,879,883)                         | (41,716,421)                         |
| -                                    | -                                    |
| -                                    | -                                    |
| -                                    | -                                    |
| -                                    | -                                    |

## 35 Earnings/ (Loss) per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

- Profit / (Loss) attributable to equity holders  
Weighted average number of equity shares for basic EPS  
Effect of dilution:  
    Convertible share warrants  
Weighted average number of equity shares adjusted for the effect of dilution
- Basic loss per share (INR)  
Diluted loss per share (INR)

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| (21,079,023)                         | (41,716,421)                         |
| 5,040,580                            | 5,040,580                            |
| -                                    | -                                    |
| 5,040,580                            | 5,040,580                            |
| (4.18)                               | (8.28)                               |
| (4.18)                               | (8.28)                               |

## 36 Employee benefits

### (A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss –

- Employers' Contribution to Provident Fund
- Employer contribution to Employee State Insurance and employee social securities fund / scheme
- Employers' Contribution to Superannuation Fund
- Employers' Contribution to Labour Welfare Fund

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 3,299,337                            | 3,697,392                            |
| 960,544                              | 1,160,362                            |
| 254,040                              | 250,534                              |
| 63,090                               | 71,960                               |
| <b>4,508,686</b>                     | <b>5,180,248</b>                     |
| 15,254,648                           | 9,359,181                            |

### (B) Defined benefit plans

- a) Gratuity payable to employees (Refer Note 21)



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**Gratuity**

**i) Actuarial assumptions**

|                            | As at<br>March 31, 2021<br>Gratuity<br>(funded) | As at<br>March 31, 2020<br>Gratuity<br>(funded) | As at<br>March 31, 2021<br>Gratuity<br>(unfunded) | As at<br>March 31, 2020<br>Gratuity<br>(unfunded) |
|----------------------------|---|---|---|---|
| Discount rate (per annum)  | 6.87%   | 6.84%   | 8.25%   | 8.25%   |
| Rate of increase in Salary | 5.00%   | 5.00%   | -   | -   |
| Attrition rate             | 2.00%   | 2.00%   | -   | -   |
| Mortality rate             | IALM (2006-08) Ult.                             | IALM (2006-08) Ult.                             |   |   |

**ii) Changes in the present value of defined benefit obligation and plan assets**

|   | As at<br>March 31, 2021<br>Gratuity<br>(funded) | As at<br>March 31, 2020<br>Gratuity<br>(funded) | As at<br>March 31, 2021<br>Gratuity<br>(unfunded) | As at<br>March 31, 2020<br>Gratuity<br>(unfunded) |
|---|---|---|---|---|
| <b>Present value of obligation at the beginning of the year</b> | 13,925,937                                      | 13,772,096                                      | 5,555,538   | 5,411,538   |
| Interest cost   | 952,534   | 1,032,907                                       | -   | -   |
| Current service cost  | 672,522   | 795,205   | 144,462   | 144,000   |
| Benefits paid   | (469,690)                                       | (326,192)                                       | -   | -   |
| Liability Transferred In/ Acquisitions                          | 161,734   | -   | -   | -   |
| Actuarial (gain)/ loss on obligations                           | 1,011,016                                       | (1,348,079)                                     | -   | -   |
| <b>Present value of obligation at the end of the year</b>       | <b>16,254,053</b>                               | <b>13,925,937</b>                               | <b>5,700,000</b>                                  | <b>5,555,538</b>                                  |

**Plan assets at the beginning of the year**  
Expected return of plan assets - Interest income  
Contributions  
Assets Transferred In  
Actuarial gain / (loss)  
Benefits paid  
**Plan assets at the end of the year**

|                  |                   |          |          |
|------------------|-------------------|----------|----------|
| 10,122,294       | 9,596,704         | -        | -        |
| 692,365          | 760,045           | -        | -        |
| 200,000          | 91,737            | -        | -        |
| 161,734          | -                 | -        | -        |
| (4,007,298)      | -                 | -        | -        |
| (469,690)        | (326,192)         | -        | -        |
| <b>6,699,405</b> | <b>10,122,294</b> | <b>-</b> | <b>-</b> |

**iii) Expense recognized in the Statement of Profit and Loss**

|  | As at<br>March 31, 2021<br>Gratuity<br>(funded) | As at<br>March 31, 2020<br>Gratuity<br>(funded) | As at<br>March 31, 2021<br>Gratuity<br>(unfunded) | As at<br>March 31, 2020<br>Gratuity<br>(unfunded) |
|--|---|---|---|---|
| Current service cost   | 672,522   | 795,205   | 144,462   | 144,000   |
| Interest cost  | 952,534   | 1,032,907                                       | -   | -   |
| Expected return on plan assets                                     | (692,365)                                       | (760,045)                                       | -   | -   |
| <b>Total expenses recognized in the Statement Profit and Loss*</b> | <b>932,691</b>                                  | <b>1,068,067</b>                                | <b>144,462</b>                                    | <b>144,000</b>                                    |

\*Included in Employee benefits expense (Refer Note 30). Actuarial (gain)/loss of Rs. 50,18,314/- (March 31, 2020: Rs. (13,48,079/-)) is included in other comprehensive income.

**iv) Assets and liabilities recognized in the Balance Sheet:**

|  | As at<br>March 31, 2021<br>Gratuity<br>(funded) | As at<br>March 31, 2020<br>Gratuity<br>(funded) | As at<br>March 31, 2021<br>Gratuity<br>(unfunded) | As at<br>March 31, 2020<br>Gratuity<br>(unfunded) |
|--|---|---|---|---|
| Present value of obligation as at the end of the year      | 16,254,053                                      | 13,925,937                                      | 5,700,000   | 5,555,538   |
| Plan assets at the end of the year                         | 6,699,405                                       | 10,122,294                                      | -   | -   |
| <b>Net asset / (liability) recognized in Balance Sheet</b> | <b>(9,554,648)</b>                              | <b>(3,803,643)</b>                              | <b>(5,700,000)</b>                                | <b>(5,555,538)</b>                                |

\*Included in provision for employee benefits (Refer note 21)


**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**v) Expected contribution to the fund in the next year**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| Gratuity<br>(funded)    | Gratuity<br>(funded)    |
| 2,004,475               | 1,541,935               |

**vi) Expected Gratuity cost to be recognised in the Statement of Profit and Loss for the next year**

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| Gratuity<br>(funded)    | Gratuity<br>(funded)    |
| 1,498,335               | 932,691                 |

**vii) A quantitative sensitivity analysis for significant assumption as at 31 March 2021 is as shown below:**

Impact on defined benefit obligation

Discount rate

1% increase

1% decrease

Rate of increase in salary

1% increase

1% decrease

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| Gratuity (funded)       | Gratuity (funded)       |
| 14,907,522              | 12,733,750              |
| 17,811,761              | 15,305,439              |
| 17,825,531              | 15,317,218              |
| 14,873,011              | 12,703,524              |

**viii) Maturity profile of defined benefit obligation**

Year

Year 1

Year 2

Year 3

Year 4

Year 5

Years 6 to 10

Above 10 years

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| Gratuity (funded)       | Gratuity (funded)       |
| 1,702,802               | 1,020,795               |
| 968,651                 | 621,854                 |
| 956,071                 | 1,319,428               |
| 610,833                 | 842,446                 |
| 716,197                 | 548,602                 |
| 6,129,270               | 5,402,134               |
| 23,127,248              | 19,916,046              |

**37 Contingent liabilities (to the extent not provided for)**

Sales Tax liability that may arise in respect of matters in appeal

Entry Tax liability that may arise in respect of matters in appeal

Excise duty / service tax liability that may arise in respect of matters in appeal

Income Tax liability that may arise in respect of matters in appeal

Letters of credit outstanding

Bank guarantees

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 18,506,729              | 18,506,729              |
| 7,981,583               | 7,981,583               |
| 119,048,230             | 119,048,230             |
| 8,061,660               | 8,061,660               |
| 31,083,228              | 35,073,570              |
| 7,962,718               | 9,162,718               |

**Commitments**

Estimated gross amount of Contracts remaining to be executed on capital account

Less :- Capital Advance (refer note 9)

Estimated net amount of contracts remaining to be executed on capital account, not provided for

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 42,452,860              | 654,947                 |
| 2,547,087               | 255,000                 |
| 39,905,773              | 399,947                 |

Other commitments

The Company was a 100% EOU registered under the SEEPZ Special Economic Zone. As per the amendment to Letter of Permission dated November 20, 2008, the Company was required to achieve export turnover of USD 35.82 million and Net Foreign Exchange Earning (NFE) of USD 3.26 million during the period April 1, 2008 to March 31, 2013. Although the Company achieved Net Foreign Exchange Earnings (NFE) as required, export turnover obligation remained unfulfilled to the extent of USD 8.03 million. By letter dated May 27, 2013, the EOU status of the Company has been further extended by a period of 5 years. However, the letter granting the extension does not make any mention of export turnover obligation. The Company is of the view that the condition of achieving export turnover no longer applies and the only requirement is that the Company should be NFE positive.





## Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021

(Amount in INR, unless otherwise stated)

### 38 Related Party Disclosures

(A) Names of related parties and description of relationship as identified and certified by the Company:

#### Subsidiary Companies

GKB Ophthalmics Products FZE  
GSV Ophthalmics Private Limited

#### Associates / Entities under common control

Lensco-The Lens Company  
Prime Lenses Private Limited  
GKB Vision Private Limited  
GKB Vision FZC

#### Key Management Personnel (KMP)

Mr K G Gupta  
Mr. Subhash Redkar  
Mr. Prakash Joshi (till November 12, 2019)  
Mr Vikram Gupta  
Mr. Anil Palekar  
Mr. Sadashiv Shet  
Mr. Joseph A.A. D'Costa  
Mrs. Shashi Katreddi  
Ms. Pooja Bicholkar (w.e.f. April 01, 2019)

Chairman and Managing Director  
Executive Director  
Non-Executive Director  
Non-Executive Director  
Non-Executive/ Independent Director  
Non-Executive/ Independent Director  
Non-Executive/ Independent Director  
Non-Executive/ Independent Director  
Company Secretary

#### Relatives of the Key Management Personnel

Mrs Veena Gupta

(B) Details of transactions with related party in the ordinary course of business for the year ended:

#### (i) Purchases of goods and services

##### Subsidiary Companies

GKB Ophthalmics Products FZE

##### Associate / Entities under common control

GKB Vision Private Limited  
Lensco-The Lens Company

##### Total

| March 31, 2021   | March 31, 2020    |
|------------------|-------------------|
| 398,784          | 1,312,876         |
| 3,940,732        | 11,250,410        |
| 1,763,962        | -                 |
| <b>6,103,478</b> | <b>12,563,286</b> |

#### (ii) Purchases of capital goods

##### Associate / Entities under common control

GKB Vision Private Limited

| March 31, 2021    | March 31, 2020    |
|-------------------|-------------------|
| 12,804,425        | 10,981,593        |
| <b>12,804,425</b> | <b>10,981,593</b> |

#### (iii) Sales of goods and services

##### Subsidiary Companies

GKB Ophthalmics Products FZE

##### Associate / Entities under common control

Lensco-The Lens Company  
GKB Vision FZC  
GKB Vision Private Limited  
Prime Lenses Private Limited

##### Total

| March 31, 2021     | March 31, 2020     |
|--------------------|--------------------|
| 3,185,164          | -                  |
| 6,611,676          | 6,979,978          |
| 7,938,079          | 7,191,848          |
| 61,821,585         | 12,106,986         |
| 35,149,481         | 126,934,819        |
| <b>114,705,985</b> | <b>153,213,631</b> |

#### (iv) Sale of capital goods

##### Associates / Entities under common control

GKB Vision Private Limited

##### Total

| March 31, 2021 | March 31, 2020   |
|----------------|------------------|
| 516,833        | 1,045,460        |
| <b>516,833</b> | <b>1,045,460</b> |




**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

| <b>(v) Reimbursement of expenses</b><br><b>Subsidiary Companies</b><br>GSV Ophthalmics Pvt Ltd<br><br><b>Associates / Entities under common control</b><br>GKB Vision Private Limited<br><b>Total</b>  | <table> <tr> <th>March 31, 2021</th><th>March 31, 2020</th></tr> <tr> <td>187,851</td><td>168,865</td></tr> <tr> <td>847,565</td><td>-</td></tr> <tr> <td><b>1,035,416</b></td><td><b>168,865</b></td></tr> </table>  | March 31, 2021 | March 31, 2020 | 187,851    | 168,865    | 847,565           | -                 | <b>1,035,416</b> | <b>168,865</b> |                  |                  |                   |                   |        |        |                |                |                |                |
|--|---|----------------|----------------|------------|------------|-------------------|-------------------|------------------|----------------|------------------|------------------|-------------------|-------------------|--------|--------|----------------|----------------|----------------|----------------|
| March 31, 2021   | March 31, 2020  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 187,851  | 168,865   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 847,565  | -   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>1,035,416</b>   | <b>168,865</b>  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>(vi) Dividend income</b><br><b>Subsidiary company</b><br>GKB Ophthalmics Products FZE<br><b>Total</b>   | <table> <tr> <th>March 31, 2021</th><th>March 31, 2020</th></tr> <tr> <td>10,684,658</td><td>10,368,879</td></tr> <tr> <td><b>10,684,658</b></td><td><b>10,368,879</b></td></tr> </table>   | March 31, 2021 | March 31, 2020 | 10,684,658 | 10,368,879 | <b>10,684,658</b> | <b>10,368,879</b> |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| March 31, 2021   | March 31, 2020  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 10,684,658   | 10,368,879  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>10,684,658</b>  | <b>10,368,879</b>   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>(vii) Remuneration of key management personnel #</b><br><b>Short term employee benefits</b><br>Mr K G Gupta<br>Mr. Subhash Redkar<br>Ms. Pooja Bicholkar<br><br><b>Post employee benefits</b><br>Mr K G Gupta<br>Mr. Subhash Redkar<br>Ms. Pooja Bicholkar  | <table> <tr> <th>March 31, 2021</th><th>March 31, 2020</th></tr> <tr> <td>3,716,841</td><td>3,670,150</td></tr> <tr> <td>938,752</td><td>614,300</td></tr> <tr> <td>535,700</td><td>420,000</td></tr> <tr> <td><b>5,191,293</b></td><td><b>4,704,450</b></td></tr> <tr> <td>306,250</td><td>360,000</td></tr> <tr> <td>95,780</td><td>32,760</td></tr> <tr> <td>21,116</td><td>19,296</td></tr> <tr> <td><b>423,146</b></td><td><b>412,056</b></td></tr> </table> | March 31, 2021 | March 31, 2020 | 3,716,841  | 3,670,150  | 938,752           | 614,300           | 535,700          | 420,000        | <b>5,191,293</b> | <b>4,704,450</b> | 306,250           | 360,000           | 95,780 | 32,760 | 21,116         | 19,296         | <b>423,146</b> | <b>412,056</b> |
| March 31, 2021   | March 31, 2020  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 3,716,841  | 3,670,150   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 938,752  | 614,300   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 535,700  | 420,000   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>5,191,293</b>   | <b>4,704,450</b>  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 306,250  | 360,000   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 95,780   | 32,760  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 21,116   | 19,296  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>423,146</b>   | <b>412,056</b>  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| #The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.   |   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>(viii) Director's sitting fees</b><br><b>Key Management Personnel (KMP)</b><br>Mr Vikram Gupta<br>Mr. Anil Palekar<br>Mr. Sadashiv Shet<br>Mr. Joseph A.A. D'Costa<br>Mrs. Shashi Katreddi<br>Mr. Prakash Joshi (till November 12, 2019)<br><b>Total</b>  | <table> <tr> <th>March 31, 2021</th><th>March 31, 2020</th></tr> <tr> <td>30,000</td><td>10,000</td></tr> <tr> <td>150,000</td><td>130,000</td></tr> <tr> <td>150,000</td><td>130,000</td></tr> <tr> <td>150,000</td><td>110,000</td></tr> <tr> <td>100,000</td><td>50,000</td></tr> <tr> <td>-</td><td>20,000</td></tr> <tr> <td><b>580,000</b></td><td><b>450,000</b></td></tr> </table>  | March 31, 2021 | March 31, 2020 | 30,000     | 10,000     | 150,000           | 130,000           | 150,000          | 130,000        | 150,000          | 110,000          | 100,000           | 50,000            | -      | 20,000 | <b>580,000</b> | <b>450,000</b> |                |                |
| March 31, 2021   | March 31, 2020  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 30,000   | 10,000  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 150,000  | 130,000   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 150,000  | 130,000   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 150,000  | 110,000   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 100,000  | 50,000  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| -  | 20,000  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>580,000</b>   | <b>450,000</b>  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>(ix) Rent paid</b><br><b>Relatives of the Key Management Personnel</b><br>Veena Gupta<br><b>Total</b>   | <table> <tr> <th>March 31, 2021</th><th>March 31, 2020</th></tr> <tr> <td>480,000</td><td>480,000</td></tr> <tr> <td><b>480,000</b></td><td><b>480,000</b></td></tr> </table>   | March 31, 2021 | March 31, 2020 | 480,000    | 480,000    | <b>480,000</b>    | <b>480,000</b>    |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| March 31, 2021   | March 31, 2020  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 480,000  | 480,000   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>480,000</b>   | <b>480,000</b>  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>(x) Purchase of Equity Shares</b><br><b>Subsidiary Companies</b><br>GSV Ophthalmics Private Limited   | <table> <tr> <th>March 31, 2021</th><th>March 31, 2020</th></tr> <tr> <td>87,000,000</td><td>30,000,000</td></tr> <tr> <td><b>87,000,000</b></td><td><b>30,000,000</b></td></tr> </table>   | March 31, 2021 | March 31, 2020 | 87,000,000 | 30,000,000 | <b>87,000,000</b> | <b>30,000,000</b> |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| March 31, 2021   | March 31, 2020  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 87,000,000   | 30,000,000  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>87,000,000</b>  | <b>30,000,000</b>   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>(xi) Lease deposit received</b><br><b>Subsidiary Companies</b><br>GSV Ophthalmics Private Limited   | <table> <tr> <th>March 31, 2021</th><th>March 31, 2020</th></tr> <tr> <td>10,800,000</td><td>-</td></tr> <tr> <td><b>10,800,000</b></td><td><b>-</b></td></tr> </table>   | March 31, 2021 | March 31, 2020 | 10,800,000 | -          | <b>10,800,000</b> | <b>-</b>          |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| March 31, 2021   | March 31, 2020  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 10,800,000   | -   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>10,800,000</b>  | <b>-</b>  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>(C) Amount due to/from related party as on:</b>   |   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>(i) Accounts payable and other payables</b><br><b>Subsidiary Companies</b><br>GKB Ophthalmics Products FZE<br><br><b>Associates / Entities under common control</b><br>GKB Vision Private Limited<br>Lensco-The Lens Company<br><br><b>Relatives of the Key Management Personnel</b><br>Veena Gupta<br><b>Total</b> | <table> <tr> <th>March 31, 2021</th><th>March 31, 2020</th></tr> <tr> <td>396,735</td><td>1,312,876</td></tr> <tr> <td>11,141,731</td><td>19,392,420</td></tr> <tr> <td>1,753,301</td><td>-</td></tr> <tr> <td>293,860</td><td>144,000</td></tr> <tr> <td><b>13,585,627</b></td><td><b>20,849,296</b></td></tr> </table>  | March 31, 2021 | March 31, 2020 | 396,735    | 1,312,876  | 11,141,731        | 19,392,420        | 1,753,301        | -              | 293,860          | 144,000          | <b>13,585,627</b> | <b>20,849,296</b> |        |        |                |                |                |                |
| March 31, 2021   | March 31, 2020  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 396,735  | 1,312,876   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 11,141,731   | 19,392,420  |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 1,753,301  | -   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| 293,860  | 144,000   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |
| <b>13,585,627</b>  | <b>20,849,296</b>   |                |                |            |            |                   |                   |                  |                |                  |                  |                   |                   |        |        |                |                |                |                |


**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(ii) Accounts Receivable and Other Receivables**
**Subsidiary Companies**

GKB Ophthalmics Products FZE

**Associates / Entities under common control**

Lensco-The Lens Company

GKB Vision Private Limited

GKB Vision FZC

Prime Lenses Private Limited

**Total**

| March 31, 2021    | March 31, 2020    |
|-------------------|-------------------|
| 12,461,327        | 7,636,000         |
| 5,095,447         | 12,449,921        |
| 32,106,085        | 12,463,314        |
| 1,953,745         | 3,671,904         |
| -                 | 24,175,827        |
| <b>51,616,604</b> | <b>60,396,966</b> |

**39 Disclosure pursuant to Indian Accounting Standard (Ind AS) 108, Operating Segments**
**a) Operating segment**

The Company's operations predominantly relate to manufacturing of unfinished polymer ophthalmic lenses. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

**b) Geographical segment**

|  | For the year ended 31 March 2021 |               |             | For the year ended 31 March 2020 |               |             |
|--|----------------------------------|---------------|-------------|----------------------------------|---------------|-------------|
|  | Within India                     | Outside India | Total       | Within India                     | Outside India | Total       |
| Revenue from external customers *<br>(excluding other operational revenue) | 162,778,718                      | 46,240,683    | 209,019,401 | 220,660,840                      | 34,650,553    | 255,311,393 |
| Carrying amount of segment assets  | 539,792,338                      | 28,854,750    | 568,647,088 | 530,047,036                      | 36,800,979    | 566,848,015 |
| Additions to fixed assets during the year                                  | 18,052,201                       | -             | 18,052,201  | 41,174,192                       | -             | 41,174,192  |

\* Revenue within India includes deemed export sales of Rs 1,35,99,617 (March 31, 2020: Rs 1,04,96,161) made to other EOU units in India.

**Country wise breakup of revenue and assets outside India**

| Country        | Revenue (Rs)      | Revenue (Rs)      | Assets (Rs)       | Assets (Rs)       |
|----------------|-------------------|-------------------|-------------------|-------------------|
|                | 2020-21           | 2019-20           | 2020-21           | 2019-20           |
| China          | -                 | -                 | 34,416            | 406,315           |
| Czech Republic | 8,169,533         | 7,067,023         | -                 | 2,990,288         |
| Germany        | 655,452           | 1,490,580         | -                 | 1,601,908         |
| Israel         | 2,568,587         | 3,080,539         | 480,566           | 858,882           |
| Japan          | -                 | -                 | 352,440           | 505,296           |
| Jordan         | 122,097           | 655,393           | 82,694            | -                 |
| Philippines    | 1,759,493         | 343,342           | 582,103           | 416,043           |
| Portugal       | 9,699,804         | 1,226,530         | 2,250,146         | 407,087           |
| Saudi Arabia   | 1,649,974         | 6,970,399         | 1,652,844         | 1,817,333         |
| South Korea    | -                 | -                 | -                 | 119,977           |
| Sri Lanka      | -                 | 87,568            | -                 | -                 |
| UAE            | 14,473,158        | 7,191,848         | 18,112,886        | 14,359,516        |
| USA            | 6,587,138         | 6,537,331         | 5,306,655         | 13,318,334        |
| Malaysia       | 23,546            | -                 | -                 | -                 |
| South Africa   | 531,901           | -                 | -                 | -                 |
|                | <b>46,240,683</b> | <b>34,650,553</b> | <b>28,854,750</b> | <b>36,800,979</b> |


**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**c) Major customers**

Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:

Customer A  
Customer B  
Customer C

| For the year ended<br>31 March 2021 | For the year ended<br>31 March 2020 |
|-------------------------------------|-------------------------------------|
| 61,821,585                          | 126,934,819                         |
| 35,149,481                          | 35,624,466                          |
| 23,891,656                          | -                                   |
| <b>120,862,722</b>                  | <b>162,559,285</b>                  |

**40 Fair values of financial assets and financial liabilities**
**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

**B. Measurement of fair value**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**The following methods and assumptions were used to estimate the fair values:**

1. The fair value of other current financial assets, cash and cash equivalents, bank balances other than cash and cash equivalents, loans and advances, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts largely due to short-term maturities of these instruments.
2. The fair value of non-current financial assets comprising of security deposits and non-current term deposits at amortised cost using Effective Interest Rate (EIR) are not significantly different from the carrying amount.

**Fair value hierarchy**

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

**Fair value measurement hierarchy of assets**
**(a) Financial Assets measured at fair value**

Investments in mutual funds at FVTPL

| Fair value hierarchy  | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|---|-------------------------|-------------------------|
| Level 2   | 3,203,638               | 120,204                 |
|   | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
| Financial assets measured at amortized cost                   |                         |                         |
| Trade receivables   | Level 3 74,448,760      | 103,741,665             |
| Cash and cash equivalents                                     | Level 3 8,505,882       | 96,534,761              |
| Bank balances other than cash and cash equivalent             | Level 3 12,477,937      | 7,021,541               |
| Loans and advances (Current)                                  | Level 3 1,020,667       | 1,093,084               |
| Other financial assets  | Level 3 11,786,204      | 8,972,297               |
| Financial liabilities measured at amortized cost (at Level 3) |                         |                         |
| Short term Borrowings   | Level 3 103,171,755     | 99,912,609              |
| Long term Borrowings  | Level 3 10,000,000      | -                       |
| Trade payables  | Level 3 68,210,775      | 78,509,243              |
| Other financial liabilities                                   | Level 3 9,423,440       | 1,921,261               |

There have been no transfers between Level 1 and Level 2 during the period



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**41 Financial risk management objectives and policies**

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

**(A) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

|               | Increase/ decrease in<br>basis points | Effect on profit<br>before tax |
|---------------|---------------------------------------|--------------------------------|
| 31 March 2021 |                                       |                                |
| INR           | +100                                  | 1,197,209                      |
| INR           | -100                                  | (1,197,209)                    |
| 31 March 2020 |                                       |                                |
| INR           | +100                                  | 1,003,960                      |
| INR           | -100                                  | (1,003,960)                    |

**((ii) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency). The risk is measured through monitoring the net exposure to various foreign currencies and the same is minimized to the extent possible.

**Foreign currency sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in the foreign currency rate, with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities).

| Foreign currency risk exposure as at 31 March 2021           |                      |              |                      |              |
|--|----------------------|--------------|----------------------|--------------|
| Particulars  |                      | USD          |                      | Euro         |
| Trade receivables  |                      | 15,564,407   |                      | -            |
| Other receivables  |                      | 10,695,713   |                      | -            |
| Trade payables   |                      | (23,442,446) |                      | (1,057,162)  |
| Net exposure to foreign currency risk assets / (liabilities) |                      | 2,817,674    |                      | (1,057,162)  |
| Foreign currency risk exposure as at 31 March 2020           |                      |              |                      |              |
| Particulars  |                      | USD          |                      | Euro         |
| Trade receivables  |                      | 22,607,207   |                      | 4,592,196    |
| Other receivables  |                      | 7,636,000    |                      | -            |
| Trade payables   |                      | (29,946,357) |                      | (159,557)    |
| Net exposure to foreign currency risk assets / (liabilities) |                      | 296,850      |                      | 4,432,639    |
| Foreign currency sensitivity                                 |                      |              |                      |              |
| Particulars  | As at March 31, 2021 |              | As at March 31, 2020 |              |
|  | 1 % Increase         | 1 % decrease | 1 % Increase         | 1 % decrease |
| USD  | 28,177               | (28,177)     | 2,968                | (2,968)      |
| Euro   | (10,572)             | 10,572       | 44,326               | (44,326)     |


**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(B) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of credit losses in respect of trade and other receivables.

However, the credit risk arising on cash and cash equivalents is limited as the Company invest in deposits with banks and financial institution with credit ratings and strong repayment capacity. Investment in securities primarily include investment in liquid mutual funds units and equity shares.

**Trade receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

|                                 | <b>As at<br/>March 31, 2021</b> | <b>As at<br/>March 31, 2020</b> |
|---------------------------------|---------------------------------|---------------------------------|
| Not due                         | 56,480,102                      | 51,745,312                      |
| Past due 1-180 days             | 19,102,753                      | 38,888,986                      |
| Past due for more than 180 days | 4,481,381                       | 19,861,096                      |

**Expected credit loss assessment**

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Movement of provision for doubtful debts:

|   | <b>As at<br/>March 31, 2021</b> | <b>As at<br/>March 31, 2020</b> |
|---|---------------------------------|---------------------------------|
| Balance at the beginning of the year              | 6,753,729                       | 2,799,573                       |
| Amount provided during the year (net of reversal) | (1,138,253)                     | 4,300,875                       |
| Amounts written off                               | -                               | (346,719)                       |
| <b>Balance at the end of the year</b>             | <b>5,615,476</b>                | <b>6,753,729</b>                |

**Cash and cash equivalent**

As at the year end, the Company held cash and cash equivalents Rs 85,05,882/- [31 March 2020 - Rs. 9,65,34,761/-] The cash and cash equivalents are held with banks with good credit rating.

**Other bank balances**

Other bank balances are held with banks with good credit rating.

**Other financial assets**

Other financial assets are neither past due nor impaired.



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(C) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Maturities of financial liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

|                             | On demand   | Less than 3 months | 3 to 12 months | 1 to 5 years | More than 5 years | Total       |
|-----------------------------|-------------|--------------------|----------------|--------------|-------------------|-------------|
| <b>As at March 31, 2021</b> |             |                    |                |              |                   |             |
| Term loan from banks        | -           | 833,334            | 5,715,771      | 10,000,000   | -                 | 16,549,105  |
| Short term borrowings       | 103,171,755 | -                  | -              | -            | -                 | 103,171,755 |
| Trade payables              | -           | 54,543,474         | 13,625,523     | 41,778       | -                 | 68,210,775  |
| Other financial liabilities | -           | 2,043,728          | 292,813        | -            | 537,794           | 2,874,335   |
|                             | 103,171,755 | 57,420,536         | 19,634,107     | 10,041,778   | 537,794           | 190,805,970 |
| <b>As at March 31, 2020</b> |             |                    |                |              |                   |             |
| Term loan from banks        | -           | 483,407            | -              | -            | -                 | 483,407     |
| Short term borrowings       | 99,912,609  | -                  | -              | -            | -                 | 99,912,609  |
| Trade payables              | -           | 31,583,657         | 34,954,936     | 11,970,650   | -                 | 78,509,243  |
| Other financial liabilities | -           | 70,000             | 1,367,854      | -            | -                 | 1,437,854   |
|                             | 99,912,609  | 32,137,064         | 36,322,790     | 11,970,650   | -                 | 180,343,113 |

**42 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of current borrowing. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

|   |           | <b>As at March 31, 2021</b> | <b>As at March 31, 2020</b> |
|---|-----------|-----------------------------|-----------------------------|
| Total equity  | (i)       | 327,707,096                 | 352,499,671                 |
| Borrowings other than convertible preference shares |           | 119,720,860                 | 100,396,016                 |
| Less: cash and cash equivalents                     |           | (8,505,882)                 | (96,534,761)                |
| Adjusted net debt                                   | (ii)      | 111,214,978                 | 3,861,255                   |
| Adjusted Net Debt to Equity ratio                   | (ii)/ (i) | 33.94%                      | 1.10%                       |

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

**43** The products manufactured by the company do not have a warranty period, hence provision for warranty as specified in Indian Accounting Standard (Ind AS) 37 on "Provisions, Contingent Liabilities and Contingent Assets" is not required to be made.

**44** During the year the Company has not capitalised any borrowing costs as per Ind AS 23 - "Borrowing costs".



**Notes forming part of the Standalone Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

- 45** The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus. This pandemic and response thereon have impacted most of the industries. Consequent to the nationwide lock down on March 24, 2020, the Company's operations were scaled down in compliance with applicable regulatory orders. Subsequently, during the year, the Company's operations have been scaled up in a phased manner taking into account directives from various Government authorities. The impact on future operations would, to a large extent, depend on how the pandemic further develops and its resultant impact on the operations of the Company. The Company continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations. The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.
- 46** Previous year figures have been regrouped/ reclassified to confirm to the presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date  
For **MSKA & Associates**  
Chartered Accountants  
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of  
**GKB Ophthalmics Limited**  
CIN : L26109GA1981PLC000469

**Darryl Frank**  
Partner  
Membership No. 104096

**K. G. Gupta**  
Managing Director  
DIN : 00051863

**Vikram Gupta**  
Director  
DIN : 00052019

**Gurudas Sawant**  
Chief Financial Officer

**Pooja Bicholkar**  
Company Secretary  
ICSI Membership No: 54716

Place : Panaji, Goa  
Date : June 10, 2021

Place : Mapusa, Goa  
Date : June 10, 2021





## INDEPENDENT AUDITOR'S REPORT

### To the Members of GKB Ophthalmics Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **GKB Ophthalmics Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associate as at March 31, 2021, of consolidated loss (financial performance including other comprehensive income), changes in consolidated equity and its consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

We draw attention to Note 46 to the consolidated financial statements which states that the management has made an assessment of the impact of COVID-19 pandemic on the Group's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognized in the Consolidated Financial Statements. Accordingly, no adjustments have been made to the Consolidated Financial Statements.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## 1. Revenue Recognition

Refer the disclosures related to Revenue recognition in Note 2.5 to the accompanying Standalone Financial Statements.

The Group's revenue is derived from the sale of unfinished ophthalmic lenses. The Group recognises revenue when performance obligations as per the underlying contracts are satisfied in accordance with Ind AS 115 - Revenue from Contract with Customers. The terms set out in the Group's sales contracts are varied which affect the timing of revenue recognition.

We have identified Revenue recognition as a Key Audit Matter because timing of revenue recognition involves significant management judgement.

Our audit procedures, in respect of this matter included :

- a. Obtained an understanding and assessed the design, implementation and operating effectiveness of internal controls over the existence, accuracy and timing of revenue recognition.
- b. Verified the contracts on test check basis to identify performance obligations under the contract and to assess whether revenue is recognised in the period in which the performance obligation is satisfied.
- c. Performed substantive transactional testing on test check basis
- d. Performed substantive analytical procedure considering the revenue trends of the previous years and the relationship between revenue and other consolidated financial statements line items.
- e. Reconciled the revenue with sales register.
- f. Performed cut-off testing to validate the timing of revenue recognition determined by management.

## 2. Contingent Liabilities & Provisions

Refer Note No 38 to the Consolidated Financial Statements

The Group has received certain claims from the government authorities, which are disputed, with respect to demands and penalty for Excise duty, Sales Tax, Entry Tax and Income tax. These involve a high degree of judgement to determine the possible outcomes, and estimates relating to the timing and the amount of outflow of resources embodying economic benefits.

The possible outcomes of the claims will have a material effect on the financial position, results of operations and cash flows.

Our audit procedures, in respect of this matter included :

- a. Obtained a detailed understanding of the managements process for determining statutory liabilities, provisions and contingent liabilities pertains to claims or disputes.
- b. Tested the design and operating effectiveness of the Company's key controls over the estimation, monitoring and disclosure of provisions and contingent liabilities.
- c. Made corroborative inquiries with appropriate level of the management personnel including status update, expectation of outcomes with the basis, and the future course of action contemplated by the Company.
- d. Obtained the understanding of the matters involved by reading the correspondences, communications, minutes of the Audit Committee and/or the Board meetings and discussions with the appropriate Management personnel.
- e. Evaluated the evidence supporting the judgement of the management about possible outcomes and the reasonableness of the estimates.
- f. Evaluated appropriateness of disclosures in accordance with the applicable accounting standards.
- g. Obtained management representations in this regard.



### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's report including annexures, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.



## Other Matters

- a. We did not audit the financial information of two subsidiaries whose Financial information reflects Group's share in total assets of Rs. 5,045.18 lakhs as at March 31, 2021, Group's share of total revenue of Rs. 2,543.98 lakhs and Group's share of total net profit after tax of Rs. 118.18 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid entities, is based solely on the reports of the other auditors.
- b. We did not audit the financial information of one step down subsidiary whose financial information reflect Group's share in total assets of Rs. 1,591.79 lakhs as at March 31, 2021, Group's share of total revenue of Rs. 1,201.93 lakhs and Group's share of total net profit after tax of Rs. 54.92 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 62.28 lakhs for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of one associate, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this step down subsidiary and associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid step down subsidiary and associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Holding Company's Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.



- f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate— Refer Note 38 to the consolidated financial statements.
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. Unpaid Dividend of Rs. 12,822/- pertaining to financial year 2010-11 has not been transferred to the Investor Education and Protection Fund by the Holding Company as on March 31, 2021 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.
2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Group companies to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

**For MSKA & Associates  
Chartered Accountants**

ICAI Firm Registration No. 105047W

**Darryl Frank**

Partner

Membership No. 104096

UDIN: 21104096AAAAJW3340

Place: Panaji, Goa

Date: June 10, 2021



**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GKB Ophthalmics Limited**

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**For MSKA & Associates  
Chartered Accountants**

ICAI Firm Registration No. 105047W

**Darryl Frank**

Partner

Membership No. 104096

UDIN: 21104096AAAAJW3340

Place: Panaji, Goa

Date: June 10, 2021





### **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GKB OPHTHALMICS LIMITED**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of **GKB Ophthalmics Limited** on the Consolidated Financial Statements for the year ended March 31, 2021]

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of **GKB Ophthalmics Limited** (hereinafter referred to as "the Holding Company") and its subsidiary companies and associate company which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company, its subsidiary companies and its associate company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company, its subsidiary companies and its associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding company, its subsidiary companies and its associate company, which are companies incorporated in India.



### Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

### Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to two subsidiary companies and one associate company is based on the corresponding reports of the auditors of such companies incorporated in India.

### For MSKA & Associates Chartered Accountants

ICAI Firm Registration No. 105047W

### Darryl Frank

Partner

Membership No. 104096

UDIN: 21104096AAAAJW3340

Place: Panaji, Goa

Date: June 10, 2021


**Consolidated Balance Sheet as at March 31, 2021**

(Amount in INR, unless otherwise stated)

|  | Notes | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|-------|------------------------|------------------------|
| <b>ASSETS</b>  |       |                        |                        |
| <b>Non-current Assets</b>  |       |                        |                        |
| Property, Plant and Equipment  | 5     | 230,075,753            | 255,823,871            |
| Capital work-in-progress   |       | 12,285,446             | -                      |
| Other Intangible assets  | 6     | 7,446,396              | 7,483,078              |
| Financial Assets   |       |                        |                        |
| Investments  | 7     | 17,631,907             | 11,403,800             |
| Other financial assets   | 8     | 380,144                | 900,144                |
| Other non-current assets   | 9     | 60,333,907             | 19,325,028             |
| <b>Total Non-current Assets</b>  |       | <b>328,153,553</b>     | <b>294,935,921</b>     |
| <b>Current Assets</b>  |       |                        |                        |
| Inventories  | 10    | 354,110,669            | 304,182,619            |
| Financial Assets   |       |                        |                        |
| Investments  | 7     | 3,203,638              | 120,204                |
| Trade receivables  | 11    | 194,756,240            | 249,165,041            |
| Cash and cash equivalents  | 12    | 60,153,880             | 131,662,361            |
| Bank balances other than cash and cash equivalents                                       | 13    | 112,677,937            | 7,021,541              |
| Loans and advances   | 14    | 3,261,534              | 27,207,970             |
| Other financial assets   | 15    | 2,422,615              | 436,153                |
| Other Current assets   | 16    | 9,445,402              | 7,796,019              |
| <b>Total Current Assets</b>  |       | <b>740,031,915</b>     | <b>727,591,908</b>     |
| <b>Total Assets</b>  |       | <b>1,068,185,468</b>   | <b>1,022,527,829</b>   |
| <b>EQUITY AND LIABILITIES</b>  |       |                        |                        |
| <b>Equity</b>  |       |                        |                        |
| Equity share capital   | 17    | 50,405,800             | 50,405,800             |
| Other equity   | 18    | 576,118,016            | 542,106,227            |
| Non - Controlling Interest   | 19    | 36,504,218             | -                      |
| <b>Total equity</b>  |       | <b>663,028,034</b>     | <b>592,512,027</b>     |
| <b>Liabilities</b>   |       |                        |                        |
| <b>Non-current liabilities</b>   |       |                        |                        |
| Financial liabilities  |       |                        |                        |
| Borrowings   | 20    | 10,000,000             | -                      |
| Provisions   | 21    | 12,236,861             | 11,306,881             |
| Deferred Tax Liabilities   | 34    | 1,763,159              | 4,868,781              |
| <b>Total non-current liabilities</b>   |       | <b>24,000,020</b>      | <b>16,175,662</b>      |
| <b>Current liabilities</b>   |       |                        |                        |
| Financial liabilities  |       |                        |                        |
| Borrowings   | 22    | 103,171,755            | 151,162,532            |
| Trade payables   | 23    |                        |                        |
| i) total outstanding dues of micro enterprises and small enterprises                     |       | 1,139,035              | 2,067,009              |
| ii) total outstanding dues of creditors other than micro enterprise and small enterprise |       | 236,699,553            | 235,633,934            |
| Other financial liabilities  | 24    | 8,885,646              | 2,027,709              |
| Other current liabilities  | 25    | 20,541,982             | 18,277,852             |
| Provisions   | 21    | 10,719,443             | 4,671,104              |
| <b>Total current liabilities</b>   |       | <b>381,157,414</b>     | <b>413,840,140</b>     |
| <b>Total liabilities</b>   |       | <b>405,157,434</b>     | <b>430,015,802</b>     |
| <b>Total equity and liabilities</b>  |       | <b>1,068,185,468</b>   | <b>1,022,527,829</b>   |
| See accompanying notes to the financial statements                                       | 1-48  |                        |                        |

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For **MSKA & Associates**  
Chartered Accountants  
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of  
**GKB Ophthalmics Limited**  
CIN : L26109GA1981PLC000469

**Darryl Frank**  
Partner  
Membership No. 104096  
Place : Panaji, Goa  
Date : June 10, 2021

**K. G. Gupta**  
Managing Director  
DIN : 00051863  
Place : Mapusa, Goa  
Date : June 10, 2021

**Vikram Gupta**  
Director  
DIN : 00052019

**Gurudas Sawant**  
Chief Financial Officer

**Pooja Bicholkar**  
Company Secretary  
ICSI Membership No. 54716



**Consolidated Statement of Profit and Loss for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

|  | Notes | For the Year ended<br>31 March 2021 | For the Year ended<br>31 March 2020 |
|--|-------|-------------------------------------|-------------------------------------|
| <b>Income</b>  |       |                                     |                                     |
| Revenue from operations  | 26    | 568,781,836                         | 585,342,200                         |
| Other income   | 27    | 24,264,505                          | 4,955,152                           |
| <b>Total income</b>  |       | <b>593,046,341</b>                  | <b>590,297,352</b>                  |
| <b>Expenses</b>  |       |                                     |                                     |
| Cost of materials consumed   | 28    | 103,244,059                         | 104,869,709                         |
| Purchase of Stock-in-trade   |       | 303,952,800                         | 302,871,946                         |
| Changes in inventories of finished goods, stock-in-trade and work-in-progress              | 29    | (36,625,605)                        | (36,697,191)                        |
| Employee benefits expense  | 30    | 78,618,060                          | 81,025,169                          |
| Finance costs  | 31    | 20,326,633                          | 14,633,948                          |
| Depreciation and amortization expense  | 32    | 31,432,743                          | 36,201,406                          |
| Other expenses   | 33    | 100,399,041                         | 111,898,109                         |
| <b>Total expenses</b>  |       | <b>601,347,731</b>                  | <b>614,803,096</b>                  |
| <b>Profit / (Loss) before share of profit / (loss) of associates and exceptional items</b> |       | (8,301,390)                         | (24,505,744)                        |
| Share in profit of associates  |       | 6,228,107                           | 6,109,727                           |
| <b>Profit / (Loss) before exceptional items and tax</b>                                    |       | <b>(2,073,283)</b>                  | <b>(18,396,017)</b>                 |
| Exceptional Items (Refer note 5)   |       | 7,211,357                           | -                                   |
| <b>Profit / (Loss) before tax</b>  |       | <b>(9,284,640)</b>                  | <b>(18,396,017)</b>                 |
| <b>Tax expense</b>   |       |                                     |                                     |
| Current tax  | 34    | -                                   | -                                   |
| Deferred tax   | 34    | (1,800,860)                         | -                                   |
| <b>Total income tax expense</b>  |       | <b>(1,800,860)</b>                  | <b>-</b>                            |
| <b>Profit / (Loss) for the year</b>  |       | <b>(7,483,780)</b>                  | <b>(18,396,017)</b>                 |
| <b>Other comprehensive income</b>  |       |                                     |                                     |
| <b>Items that will not be reclassified to profit or loss</b>                               |       |                                     |                                     |
| Remeasurement of net defined benefit liability   |       | (5,018,314)                         | 1,348,079                           |
| Income tax effect  |       | 1,304,762                           | (350,501)                           |
|  |       | <b>(3,713,552)</b>                  | <b>997,578</b>                      |
| <b>Total comprehensive income for the year</b>   |       | <b>(11,197,332)</b>                 | <b>(17,398,439)</b>                 |
| <b>Profit / (Loss) for the period attributable to</b>                                      |       |                                     |                                     |
| Equity holders of the parent   |       | (9,074,553)                         | (18,396,017)                        |
| Non-controlling interest   |       | 1,590,773                           | -                                   |
| <b>Other comprehensive income for the period attributable to</b>                           |       |                                     |                                     |
| Equity holders of the parent   |       | (3,713,552)                         | 997,578                             |
| Non-controlling interest   |       | -                                   | -                                   |
| <b>Total Comprehensive income for the period</b>   |       |                                     |                                     |
| Equity holders of the parent   |       | (12,788,105)                        | (17,398,439)                        |
| Non-controlling interest   |       | 1,590,773                           | -                                   |
| <b>Earnings per equity share</b>   |       |                                     |                                     |
| Basic earnings per share (INR)   | 36    | (1.80)                              | (3.65)                              |
| Diluted earnings per share (INR)   | 36    | (1.80)                              | (3.65)                              |
| See accompanying notes to the financial statements   | 1-48  |                                     |                                     |

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For **MSKA & Associates**  
Chartered Accountants  
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of  
**GKB Ophthalmics Limited**  
CIN : L26109GA1981PLC000469

**Darryl Frank**  
Partner  
Membership No. 104096

**K. G. Gupta**  
Managing Director  
DIN : 00051863

**Vikram Gupta**  
Director  
DIN : 00052019

**Gurudas Sawant**  
Chief Financial Officer

**Pooja Bicholkar**  
Company Secretary  
ICSI Membership No. 54716

Place : Panaji, Goa  
Date : June 10, 2021

Place : Mapusa, Goa  
Date : June 10, 2021


**Consolidated Statement of changes in equity for the year ended March 31, 2021**
**(A) Equity share capital**

| Particulars   | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|---|-------------------------|-------------------------|
|   | Amount                  | Amount                  |
| Equity shares of Rs 10 each issued, subscribed and fully paid |                         |                         |
| Opening   | 50, 405, 800            | 46,405,800              |
| Add: issue during the year                                    | -                       | 4,000,000               |
| Closing   | <b>50,405,800</b>       | <b>50,405,800</b>       |

**(B) Other equity**

| Particulars                             | Balance as at<br>April 01, 2019 | Profit / (Loss)<br>for the year | Other<br>comprehensive<br>income | transferred to<br>non controlling<br>interest | Others            | Balance as at<br>March 31, 2020 |
|---|---------------------------------|---------------------------------|----------------------------------|---|-------------------|---------------------------------|
| Retained earnings                       | 291,522,054                     | (18,396,017)                    | -                                | -   | -                 | 273,126,037                     |
| General Reserve                         | 65,056,619                      | -                               | -                                | -   | -                 | 65,056,619                      |
| FVTOCI Reserve on defined benefit plan  | (1,478,906)                     | -                               | 997,578                          | -   | -                 | (481,328)                       |
| Capital Reserves                        | 4,328,500                       | -                               | -                                | -   | 13,562,500        | 17,891,000                      |
| Investment Allowance (Utilised) Reserve | 2,229,150                       | -                               | -                                | -   | -                 | 2,229,150                       |
| Money received against share warrants   | 29,062,500                      | -                               | -                                | -   | (29,062,500)      | -                               |
| Foreign Currency Translation Reserve    | 20,044,885                      | -                               | -                                | -   | 15,348,864        | 35,393,749                      |
| Securities Premium Reserve              | 90,891,000                      | -                               | -                                | -   | 58,000,000        | 148,891,000                     |
| <b>Total reserves</b>                   | <b>501,655,802</b>              | <b>(18,396,017)</b>             | <b>997,578</b>                   | <b>-</b>                                      | <b>57,848,864</b> | <b>542,106,227</b>              |

| Particulars                             | Balance as at<br>April 01, 2020 | Profit / (Loss)<br>for the year | Other<br>comprehensive<br>income | transferred to<br>non controlling<br>interest | Others            | Balance as at<br>March 31, 2021 |
|---|---------------------------------|---------------------------------|----------------------------------|---|-------------------|---------------------------------|
| Retained earnings                       | 273,126,037                     | (9,074,553)                     | -                                | 5,027,492                                     | -                 | 269,078,976                     |
| General Reserve                         | 65,056,619                      | -                               | -                                | (9,692,172)                                   | -                 | 55,364,447                      |
| FVTOCI Reserve on defined benefit plan  | (481,328)                       | -                               | (3,713,552)                      | -   | -                 | (4,194,880)                     |
| Capital Reserves                        | 17,891,000                      | -                               | -                                | -   | -                 | 17,891,000                      |
| Investment Allowance (Utilised) Reserve | 2,229,150                       | -                               | -                                | -   | -                 | 2,229,150                       |
| Money received against share warrants   | -                               | -                               | -                                | -   | -                 | -                               |
| Foreign Currency Translation Reserve    | 35,393,749                      | -                               | -                                | -   | 1,962,600         | 37,356,349                      |
| Securities Premium Reserve              | 148,891,000                     | -                               | -                                | -   | 49,501,974        | 198,392,974                     |
| <b>Total reserves</b>                   | <b>542,106,227</b>              | <b>(9,074,553)</b>              | <b>(3,713,552)</b>               | <b>(4,664,680)</b>                            | <b>51,464,574</b> | <b>576,118,016</b>              |

As per our report of even date  
For **MSKA & Associates**  
Chartered Accountants  
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of  
**GKB Ophthalmics Limited**  
CIN : L26109GA1981PLC000469

**Darryl Frank**  
Partner  
Membership No. 104096

**K. G. Gupta**  
Managing Director  
DIN : 00051863

**Vikram Gupta**  
Director  
DIN : 00052019

**Gurudas Sawant**  
Chief Financial Officer

**Pooja Bicholkar**  
Company Secretary  
ICSI Membership No. 54716

Place : Panaji, Goa  
Date : June 10, 2021

Place : Mapusa, Goa  
Date : June 10, 2021


**Consolidated Statement of Cash Flows for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

|   | <b>Year ended<br/>31 March 2021</b> | <b>Year ended<br/>31 March 2020</b> |
|---|-------------------------------------|-------------------------------------|
| <b>Cash flow from operating activities</b>                      |                                     |                                     |
| Profit / (Loss) before tax                                      | (9,284,640)                         | (18,396,017)                        |
| Adjustments for:  |                                     |                                     |
| Depreciation and amortization expenses                          | 31,432,743                          | 36,201,406                          |
| Finance cost  | 20,326,633                          | 14,633,948                          |
| Provision/(write-back) for Doubtful/ Bad Debts (net)            | (138,429)                           | 4,507,538                           |
| Sundry balances written back (net)                              | (20,204,932)                        | (202,895)                           |
| Fair value (gain)/loss on investments                           | (76,919)                            | -                                   |
| Unrealised exchange loss /(gain) (net)                          | 50,272                              | 878,300                             |
| (Gain)/ loss on sale of fixed assets                            | 2,923,161                           | (96,438)                            |
| Assets written off  | 7,211,357                           | -                                   |
| Share of profit in associate                                    | (6,228,107)                         | (6,109,727)                         |
| Dividend Income   | (6,514)                             | (10,065)                            |
| Interest income   | (2,268,544)                         | (305,509)                           |
| <b>Operating Profit / (Loss) before working capital changes</b> | <b>23,736,081</b>                   | <b>31,100,541</b>                   |
| <b>Changes in working capital</b>                               |                                     |                                     |
| Decrease/ (Increase) in inventories                             | (49,928,050)                        | (26,836,514)                        |
| Decrease/ (Increase) in trade receivables                       | 54,408,801                          | (13,793,056)                        |
| (Increase) / Decrease in current assets                         | (90,481,772)                        | (5,344,918)                         |
| (Decrease)/ Increase in trade payables                          | 11,455,117                          | 38,769,644                          |
| (Decrease)/ Increase in financial liabilities                   | (320,274)                           | 420,274                             |
| (Decrease)/ increase in other current liabilities               | 12,943,263                          | 6,477,451                           |
| (Decrease)/ Increase in provisions                              | 1,960,005                           | 1,966,824                           |
| <b>Cash generated used in operations</b>                        | <b>(36,226,829)</b>                 | <b>32,760,246</b>                   |
| Income tax paid   | (352,028)                           | (104,387)                           |
| <b>Net cash flows used in operating activities (A)</b>          | <b>(36,578,857)</b>                 | <b>32,655,859</b>                   |
| <b>Cash flow from Investing activities</b>                      |                                     |                                     |
| Payment for property, plant and equipment and intangible assets | (63,323,575)                        | (38,610,177)                        |
| Proceeds from sale / disposal of fixed assets                   | 3,440,154                           | 1,130,460                           |
| Purchase of current investments                                 | (3,000,000)                         | (5,690)                             |
| Interest received   | 282,082                             | 222,952                             |
| Dividend received   | -                                   | 10,065                              |
| <b>Net cash flow from investing activities (B)</b>              | <b>(62,601,339)</b>                 | <b>(37,252,390)</b>                 |
| <b>Cash flow from Financing activities</b>                      |                                     |                                     |
| Proceeds from issuance of equity shares                         | 79,750,739                          | 46,500,000                          |
| Proceeds from / (Repayments of) long term borrowings (net)      | 15,961,037                          | 313,276                             |
| Proceeds from short term borrowings                             | (47,990,777)                        | 10,618,690                          |
| Interest paid   | (20,049,284)                        | (14,441,524)                        |
| <b>Net cash flow from financing activities (C)</b>              | <b>27,671,715</b>                   | <b>42,990,442</b>                   |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>        | <b>(71,508,481)</b>                 | <b>38,393,911</b>                   |
| Cash and cash equivalents at the beginning of the year          | 131,662,361                         | 93,268,450                          |
| Cash and cash equivalents at the end of the year                | <b>60,153,880</b>                   | <b>131,662,361</b>                  |
| <b>Cash and cash equivalents comprise (Refer note 12)</b>       |                                     |                                     |
| Balances with banks   |                                     |                                     |
| On current accounts   | 59,930,435                          | 131,101,528                         |
| Cash on hand  | 223,445                             | 560,833                             |
| <b>Total cash and bank balances at end of the year</b>          | <b>60,153,880</b>                   | <b>131,662,361</b>                  |
| See accompanying notes to the financial statements              | 1-48                                |                                     |

As per our report of even date  
For **MSKA & Associates**  
Chartered Accountants  
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of  
**GKB Ophthalmics Limited**  
CIN : L26109GA1981PLC000469

**Darryl Frank**  
Partner  
Membership No. 104096

Place : Panaji, Goa  
Date : June 10, 2021

**K. G. Gupta**  
Managing Director  
DIN : 00051863

Place : Mapusa, Goa  
Date : June 10, 2021

**Vikram Gupta**  
Director  
DIN : 00052019

**Gurudas Sawant**  
Chief Financial Officer

**Pooja Bicholkar**  
Company Secretary  
ICSI Membership No. 54716



**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**1 GENERAL INFORMATION**

GKB Ophthalmics Limited (the "Company" or "Parent") is a public limited company domiciled in India and was incorporated on 10th December 1981 under the provisions of the Companies Act, 1956 applicable in India. Its registered and principal office of business is located at 16-A, Thivim Industrial Estate, Mapusa, Goa 403 526, India.

The Group is engaged in manufacture and sale of ophthalmic lenses made up of Glass and Plastic.

**2 SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies adopted by the company are as under:

**2.1 Basis of Preparation of Consolidated Financial Statements**

**(a) Compliance with Ind AS**

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(b) Basis of measurement**

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

| Items  | Measurement Basis  |
|--|--|
| Certain Financial Assets and Financial Liabilities | Fair Value   |
| Net Defined Benefit (asset)/liability              | Present value of defined benefit obligation less fair value of plan assets |

**(c)** All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisitions of materials for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

**(d) Use of estimates**

The preparation of Consolidated financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.



**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(e) Principles of consolidation :**

The consolidated financial statements comprise the financial statements of the Parent and its Subsidiaries as at March 31, 2021. Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the group controls an investee if, and only if, the group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
  - Exposure, or rights, to variable returns from its involvement with the investee, and
  - The ability to use its power over the investee to affect its returns.
- Generally, there is a presumption that a majority voting rights results in control. To support this presumption and when the group has less than a majority of the voting or similar rights of an investee, the group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
- The contractual arrangement with the other vote holders of the investee.
  - Rights arising from other contractual arrangements,
  - The Group's voting rights and potential voting rights, and
  - The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting right holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the group obtains control. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Assets, liabilities, income and expenses of the subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date group gains control until the date the group ceases to control the subsidiary.

A Change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other comprehensive equity while any resultant gain or loss is recognised in statement of profit and loss. Any investment retained as recognised at fair value.

**(g) Basis of consolidation :**

The financial statements the parent and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra group balances, intra group transactions and unrealised profits resulting there from and are prepared, to the extent possible, in the same form and manner as the Parent's independent financial statements. The profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the group and to the non-controlling interest, even if this results in the non-controlling interest having a deficit balance.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group members financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies

The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting reporting date as that of parent company i.e. year ended on March 31, 2021



**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**2.2 Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost of property, plant and equipment comprises its purchase price net of any discounts and rebates, any import duties and other taxes (other than those subsequently recovered from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any, and interest on borrowings attributable to it up to the date it is ready for its intended use. Cost of property, plant and equipment that are not yet ready for their intended use at the balance sheet date are shown under capital work-in-progress.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

**Depreciation methods, estimated useful lives**

The Group depreciates Property, plant and equipments using the straight line method over their estimated useful lives as under :

| <b>Property, plant and equipment</b> | <b>Useful Life</b> |
|--------------------------------------|--------------------|
| Building                             | 30 to 60 years     |
| Plant & Machinery                    | 1 to 15 years      |
| Furniture and Fixtures               | 1 to 10 years      |
| Office Equipment                     | 1 to 5 years       |
| Vehicles                             | 8 to 10 years      |
| Computers                            | 1 to 15 years      |

Leasehold land is amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building.

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

Incase of foreign subsidiaries / Companies, depreciation on property, plant and equipment has been provided at the rates required / permissible by the GAAPs of the respective countries. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**2.3 Goodwill**

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

**2.4 Other Intangible Assets**

Intangible assets are stated at acquisition cost, net of accumulated amortization.

**Amortisation, estimated useful lives**

The Group amortises intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

| <b>Intangible assets</b> | <b>Useful Life</b> |
|--------------------------|--------------------|
| Computer Software        | 6 years            |

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

**2.5 Foreign Currency Transactions****(a) Functional and presentation currency**

Items included in the Consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

**(b) Transactions and balances**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statement of profit and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognised in other equity.

Any Goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate of exchange at the reporting date.

**2.6 Revenue Recognition****Sale of goods**

Revenue from the sale of goods is recognised when the Company satisfies the performance obligation by transferring promised goods to the customer. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of discounts, allowances, returns, Goods and Services Tax (GST) and amounts collected on behalf of third party.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**Rendering of services**

Revenue from services is recognized in accordance with the terms of the contract with customers when the identified performance obligation is completed. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of Goods and Services Tax (GST) and amounts collected on behalf of third party.

**Other operating income**

Export incentive under various schemes are accounted in the year of export on accrual basis when the right to receive is established.

**Other Income**

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

Dividend income is accounted for when the right to receive the same is established, which is generally when the shareholders approve the dividend.

**2.7 Taxes on Income**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

**(a) Current income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**(b) Deferred tax**

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**2.8 Leases****As a lessee**

The Group's lease asset classes primarily consist of leasehold land. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

**2.9 Inventories**

Inventories are valued at the lower of cost and net realisable value.

Raw materials, stores, spares and consumable tools, packing materials, work-in-process and finished goods are valued at lower of cost or net realisable value.

In case of raw materials, stores, spares, consumable tools and packing materials, cost represents purchase price and other costs incurred for bringing the inventories to their present location and conditions and is determined on "weighted average" basis.

In case of work-in-process and finished goods, cost represents cost of raw material, cost of conversion such as direct labour, direct expenses, etc. and production overheads which are based on normal level of production.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

Cost of traded goods is determined on a weighted average basis.

The comparison of cost and net realizable value is made on item by item basis.

**2.10 Impairment of non-financial assets**

The Group assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Group estimates the asset's recoverable amount and the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss. The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**2.11 Provisions, contingent liabilities, Contingent assets**

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Reimbursement by another party, expected in respect of expenditure required to settle a provision, is recognised when it is virtually certain that reimbursement will be received if the obligation is settled.

Contingent assets are neither recognised nor disclosed.

Provisions, contingent liabilities, contingent assets are reviewed at each balance sheet date.

**2.12 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

**2.13 Employee Benefits****(a) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(b) Other long-term employee benefit obligations****(i) Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company or Parent has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Superannuation: Contributions to the superannuation fund, which is administered by Life Insurance Corporation of India, are charged to the Statement of Profit and Loss.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(ii) Defined benefit plans**

Gratuity: The Parent Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Parent Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

**(iii) Other long term employee benefit obligations**

Compensated Absences:

The employees of the Parent Company are entitled to encashment of un-availed leave. The employees can carry forward a portion of the unutilised leave and receive cash compensation at retirement or termination of employment. The Parent Company records an obligation for encashment of un-availed leave in the period in which the employee renders the services, based on an actuarial valuation at the balance sheet date, carried out by an independent actuary.

**2.14 Contributed equity**

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**2.15 Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Group's earnings per share is the net profit or loss for the year after deducting any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

**2.16 Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or Production of a Qualifying asset are capitalised as part of cost of such Asset till such time as the asset is ready for its intended use or sale.

A Qualifying Asset is an Asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

**2.17 Statement of cash flows**

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.



**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**2.18 Exceptional items**

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the group is such that its disclosure improves the understanding of the performance of the group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

**2.19 Segment accounting**

The Group operates in one primary segment i.e. Ophthalmics lenses. The Group identifies primary operating segment based on the different risks and returns, the organisation structure, the internal reporting systems and review by chief operating decision maker. Secondary segments are identified on the basis of geography in which sales have been effected.

**2.20 Business combinations**

Business combinations are accounted for using acquisition method. The cost of acquisition is measured as aggregate of consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the group elects whether it measures non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the fair value on acquisition date of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit and loss

Any contingent consideration to be transferred by the acquirer will be recognised at the fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised either in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is from acquisition date, allocated to each of the groups cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where the goodwill forms the part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

Common control business combinations includes transactions, such as transfer of subsidiaries or businesses, between entities within a Group

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.



**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as the share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and the purpose in the notes.

**2.21 Investment in associates and joint ventures**

An associate is an entity which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement which exists only when decisions about the relevant activities require unanimous consent of the parties sharing.

The Group's investments in the associate are accounted by using the equity method.

Under the equity method, the investment in an associate or joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate or a joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or a joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or a joint venture, the group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit and loss of an associate and a joint venture is shown on the face of the statement of profit and loss outside operating profit and represents profit and loss after tax of the associate.

The financial statements of the associates are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the group determines whether it is necessary to recognise an impairment loss on its investment in its associate or a joint venture. At each reporting date, the group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as "Share of profit of an associate or joint venture in the statement of profit and loss.

**2.22 Fair value measurement**

The Group measures financial instruments at fair value at each balance sheet date.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: 0% In the principal market for the asset or liability, or 0% In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Group's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

**2.23 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(a) Financial assets****(i) Initial recognition and measurement**

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**(ii) Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

**Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**(iii) Impairment of financial assets**

In accordance with Ind AS 109, Financial Instruments, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 8-quarters ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 8-quarter ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 8-quarters ECL is a portion of the lifetime ECL which results from default events that are possible within 8-quarters after the year end.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(iv) Derecognition of financial assets**

A financial asset is derecognized only when a) the rights to receive cash flows from the financial asset is transferred or b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

**(b) Financial liabilities****(i) Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

**(ii) Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

**(c) Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

**(d) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**2.23 Rounding off amounts**

All amounts disclosed in financial statements and notes have been rounded off to the nearest rupee as per requirement of Schedule III of the Act, unless otherwise stated.

**3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

In the preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2021 are as below :

**(a) Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(b) Useful lives of property, plant and equipment and intangible assets**

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Useful lives of intangible assets is determined on the basis of estimated benefits to be derived from use of such intangible assets. These reassessments may result in change in the depreciation /amortisation expense in future periods.

**(c) Impairment of non-financial assets**

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

**(d) Actuarial Valuation**

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

- 4** Ministry of Corporate affairs ("MCA") notifies new standard or amendments to the existing standards. There are neither new standards nor amendments to existing standards which are effective for the annual period beginning from April 01, 2021.



**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**5 PROPERTY, PLANT AND EQUIPMENT**

(Amount in INR)

|                             | Gross Block          |                        |                         |                          |                      | Depreciation        |                   |                         |                         |                      | Net Block            |                    |
|-----------------------------|----------------------|------------------------|-------------------------|--------------------------|----------------------|---------------------|-------------------|-------------------------|-------------------------|----------------------|----------------------|--------------------|
|                             | As at April 01, 2020 | Additions/ Adjustments | Deductions/ Adjustments | Transalation Adjustments | As at March 31, 2021 | As at April 01.2020 | For the year      | Deductions/ Adjustments | Transalation Adjustment | As at March 31, 2021 | As at March 31, 2021 | As at 1 April 2020 |
| <b>Owned assets</b>         |                      |                        |                         |                          |                      |                     |                   |                         |                         |                      |                      |                    |
| Freehold Land               | 429,910              | -                      | -                       | -                        | 429,910              | -                   | -                 | -                       | -                       | -                    | 429,910              | 429,910            |
| Leasehold Land              | 4,538,255            | -                      | -                       | (107,193)                | 4,431,062            | 1,442,582           | 97,009            | -                       | (36,435)                | 1,503,156            | 2,927,906            | 3,095,673          |
| Buildings                   | 85,262,105           | 502,613                | 6,614,033               | (74,930)                 | 79,075,755           | 20,190,902          | 2,763,475         | 1,606,732               | (26,077)                | 21,321,568           | 57,754,187           | 65,071,203         |
| Plant and Machinery         | 253,488,040          | 1,120,934              | 76,058,760              | (13,286)                 | 178,536,928          | 162,246,014         | 10,284,225        | 70,718,621              | (13,286)                | 101,798,332          | 76,738,596           | 91,242,026         |
| Plant and Machinery -Moulds | 120,705,816          | 16,354,836             | 3,306,832               | -                        | 133,753,820          | 35,397,725          | 15,650,578        | 79,600                  | -                       | 50,968,703           | 82,785,117           | 85,308,091         |
| Furniture and Fixtures      | 24,013,931           | 980,026                | -                       | (191,380)                | 24,802,577           | 18,537,370          | 1,042,931         | -                       | (173,544)               | 19,406,757           | 5,395,820            | 5,476,561          |
| Office Equipment            | 6,264,923            | 468,089                | 319,560                 | (44,761)                 | 6,368,691            | 4,958,121           | 573,398           | 319,560                 | (38,487)                | 5,173,472            | 1,195,219            | 1,306,802          |
| Vehicles                    | 22,121,877           | -                      | 752,850                 | (349,691)                | 21,019,336           | 18,228,272          | 984,445           | 752,850                 | (289,529)               | 18,170,338           | 2,848,998            | 3,893,605          |
| <b>Total</b>                | <b>516,824,857</b>   | <b>19,426,498</b>      | <b>87,052,035</b>       | <b>(781,241)</b>         | <b>448,418,079</b>   | <b>261,000,986</b>  | <b>31,396,061</b> | <b>73,477,363</b>       | <b>(577,358)</b>        | <b>218,342,326</b>   | <b>230,075,753</b>   | <b>255,823,871</b> |

|                              | Gross Block          |                        |                         |                          |                     | Depreciation        |                   |                         |                         |                      | Net Block            |                    |
|------------------------------|----------------------|------------------------|-------------------------|--------------------------|---------------------|---------------------|-------------------|-------------------------|-------------------------|----------------------|----------------------|--------------------|
|                              | As at April 01, 2019 | Additions/ Adjustments | Deductions/ Adjustments | Transalation Adjustments | As at March 31,2020 | As at April 01.2019 | For the year      | Deductions/ Adjustments | Transalation Adjustment | As at March 31, 2020 | As at March 31, 2020 | As at 1 April 2019 |
| <b>Owned assets</b>          |                      |                        |                         |                          |                     |                     |                   |                         |                         |                      |                      |                    |
| Freehold Land                | 429,910              | -                      | -                       | -                        | 429,910             | -                   | -                 | -                       | -                       | -                    | 429,910              | 429,910            |
| Leasehold Improvement        | 4,241,906            | -                      | -                       | 296,349                  | 4,538,255           | 1,254,394           | 93,045            | -                       | 95,143                  | 1,442,582            | 3,095,673            | 2,987,512          |
| Buildings                    | 62,174,501           | 2,880,450              | -                       | 207,154                  | 85,262,105          | 17,497,974          | 2,652,627         | -                       | 40,301                  | 20,190,902           | 65,071,203           | 44,676,527         |
| Plant and Machinery          | 246,645,146          | 6,806,164              | -                       | 36,730                   | 253,488,040         | 150,782,097         | 11,427,187        | -                       | 36,730                  | 162,246,014          | 91,242,026           | 95,863,049         |
| Plant and Machinery - Moulds | 110,769,683          | 10,981,593             | 1,045,460               | -                        | 120,705,816         | 16,165,668          | 19,243,495        | 11,438                  | -                       | 35,397,725           | 85,308,091           | 94,604,015         |
| Furniture and Fixtures       | 23,182,966           | 315,500                | -                       | 515,465                  | 24,013,931          | 17,025,163          | 1,047,739         | -                       | 464,468                 | 18,537,370           | 5,476,561            | 6,157,803          |
| Office Equipment             | 5,712,169            | 412,819                | -                       | 139,935                  | 6,264,923           | 4,236,807           | 631,742           | -                       | 89,572                  | 4,958,121            | 1,306,802            | 1,475,362          |
| Vehicles                     | 21,586,526           | -                      | 412,150                 | 947,501                  | 22,121,877          | 16,821,575          | 1,045,953         | 412,150                 | 772,894                 | 18,228,272           | 3,893,605            | 4,764,951          |
| <b>Total</b>                 | <b>474,742,807</b>   | <b>41,396,526</b>      | <b>1,457,610</b>        | <b>2,143,134</b>         | <b>516,824,857</b>  | <b>223,783,678</b>  | <b>36,141,788</b> | <b>423,588</b>          | <b>1,499,108</b>        | <b>261,000,986</b>   | <b>255,823,871</b>   | <b>250,959,129</b> |

**Footnote**

(a) During the year, Board of Directors at its meeting held on November 12, 2020 have approved the expansion of the Company's factory building located at Plot No. 16 A, C, D in Tivim Industrial Estate, Karaswada, Mapusa - Goa. The said existing factory building located in Plot 16-C has since been demolished and its written down value of Rs. 49,68,699/- has been written off in the books of accounts as exceptional item. Further, machinery and equipment which is obsolete and not usable having written down value of Rs. 22,42,658/- has been written off as exceptional item.



**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**6 OTHER INTANGIBLE ASSETS**

(Amount in INR)

|                   | Gross Block          |                        |                         |                          |                      | Depreciation        |               |                         |                         |                      | Net Block            |                    |
|-------------------|----------------------|------------------------|-------------------------|--------------------------|----------------------|---------------------|---------------|-------------------------|-------------------------|----------------------|----------------------|--------------------|
|                   | As at April 01, 2020 | Additions/ Adjustments | Deductions/ Adjustments | Transalation Adjustments | As at March 31, 2021 | As at April 01.2020 | For the year  | Deductions/ Adjustments | Transalation Adjustment | As at March 31, 2021 | As at March 31, 2021 | As at 1 April 2020 |
| Computer Software | 1,956,977            | -                      | -                       | -                        | 1,956,977            | 1,853,104           | 36,682        | -                       | -                       | 1,889,786            | 67,191               | 103,873            |
| Goodwill          | 7,379,205            | -                      | -                       | -                        | 7,379,205            | -                   | -             | -                       | -                       | -                    | 7,379,205            | 7,379,205          |
| <b>Total</b>      | <b>9,336,182</b>     | <b>-</b>               | <b>-</b>                | <b>-</b>                 | <b>9,336,182</b>     | <b>1,853,104</b>    | <b>36,682</b> | <b>-</b>                | <b>-</b>                | <b>1,889,786</b>     | <b>7,446,396</b>     | <b>7,483,078</b>   |
|                   |                      |                        |                         |                          |                      |                     |               |                         |                         |                      |                      |                    |
|                   | Gross Block          |                        |                         |                          |                      | Depreciation        |               |                         |                         |                      | Net Block            |                    |
|                   | As at April 01, 2019 | Additions/ Adjustments | Deductions/ Adjustments | Transalation Adjustments | As at March 31, 2020 | As at April 01.2019 | For the year  | Deductions/ Adjustments | Transalation Adjustment | As at March 31, 2020 | As at March 31, 2020 | As at 1 April 2019 |
| Computer Software | 1,956,977            | -                      | -                       | -                        | 1,956,977            | 1,793,486           | 59,618        | -                       | -                       | 1,853,104            | 103,873              | 163,491            |
| Goodwill          | 7,379,205            | -                      | -                       | -                        | 7,379,205            | -                   | -             | -                       | -                       | -                    | 7,379,205            | 7,379,205          |
| <b>Total</b>      | <b>9,336,182</b>     | <b>-</b>               | <b>-</b>                | <b>-</b>                 | <b>9,336,182</b>     | <b>1,793,486</b>    | <b>59,618</b> | <b>-</b>                | <b>-</b>                | <b>1,853,104</b>     | <b>7,483,078</b>     | <b>7,542,696</b>   |




**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**7 FINANCIAL ASSETS- INVESTMENTS**
**A Non Current Investments**

- i At Cost
- a Unquoted equity shares
  - In Associate
  - GKB Vision FZC, Sharjah
  - 49 equity shares (March 31, 2020: 49 shares) of nominal value of AED 1500 each fully paid-up
  - Add : Share in profit of associates for current year
- In Others
- Saraswat Co-operative Bank Limited
- 2,500 equity shares (March 31, 2020: 2,500 equity shares) of Rs 10 each fully paid-up

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
|                         |                         |
| 11,378,500              | 5,268,773               |
| 6,228,107               | 6,109,727               |
| 17,606,607              | 11,378,500              |
|                         |                         |
| 25,300                  | 25,300                  |
| <b>17,631,907</b>       | <b>11,403,800</b>       |
|                         |                         |
|                         |                         |
| 3,203,638               | 120,204                 |
| <b>3,203,638</b>        | <b>120,204</b>          |
|                         |                         |
| 3,203,638               | 120,204                 |
| 17,631,907              | 11,403,800              |
| <b>20,835,545</b>       | <b>11,524,004</b>       |
|                         |                         |
|                         |                         |
| 3,126,718               | 120,204                 |
|                         |                         |
| 3,203,638               | 120,204                 |
| -                       | -                       |

**B Current Investments**

- i Fair value through profit and loss (FVTPL)
- Investments in Mutual Funds (unquoted) (Refer footnote i)

**Total Investments**

Current  
Non- Current

**Aggregate book value of:**

Mutual Funds (unquoted)

**Aggregate market value of:**

Mutual Funds (unquoted)

**Aggregate amount of impairment in value of Investments**
**i. Details of investments in Mutual Funds designated at FVTPL:**

|   | Number of units         |                         | Amount (in Rs.)         |                         |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
|   | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2021 | As at March 31,<br>2020 |
| JM Liquid Fund - Savings Plan             | 629                     | 575                     | 6,449                   | 5,709                   |
| HDFC Money Market Fund - Direct Plan      | 113                     | 107                     | 120,270                 | 114,495                 |
| HDFC Ultra Short term Fund- Direct Growth | 257,711                 | 0                       | 3,076,919               | -                       |
|   | <b>258,453</b>          | <b>682</b>              | <b>3,203,638</b>        | <b>120,204</b>          |

**8 OTHER NON CURRENT FINANCIAL ASSETS**

Margin money deposits:  
Margin money deposits maturing after 12 months from reporting date  
**Total Other non current financial assets**

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
|                         |                         |
| 380,144                 | 900,144                 |
| <b>380,144</b>          | <b>900,144</b>          |


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**9 OTHER NON-CURRENT ASSETS**

Capital advance\*  
Security deposits  
Balance with Government authorities  
Advance income tax (net of provisions amounting to Rs. 3,73,75,215/-  
(March 31, 2020 - Rs. 3,73,75,215/-))

\* Value of contracts on capital account remaining to be executed as at March 31, 2021 is Rs. 4,25,54,375/- (March 31, 2020: Rs. 3,99,947/-)

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| 33,183,027              | 255,000                 |
| 6,776,173               | 6,670,444               |
| 18,034,530              | 10,411,435              |
| 2,340,177               | 1,988,149               |
| <b>60,333,907</b>       | <b>19,325,028</b>       |

**10 INVENTORIES\***

(Valued at the lower of cost and net realizable value)

Raw materials  
Raw Material Goods In Transit  
Work in progress  
Finished goods  
Packing material  
Store and spares parts  
'Store and spares parts in transit  
Stock in trade  
Less:- Unrealised Gain on Closing stock

\*Hypothecated as charge against short term-borrowings. Refer note 22.

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| 16,744,224              | 10,534,033              |
| 7,263,214               | 4,084,121               |
| 1,884,748               | 1,843,605               |
| 29,834,633              | 20,145,640              |
| 1,343,912               | 1,156,909               |
| 10,208,357              | 9,235,702               |
| 673,642                 | -                       |
| 286,157,939             | 259,262,471             |
| -                       | (2,079,862)             |
| <b>354,110,669</b>      | <b>304,182,619</b>      |

**11 TRADE RECEIVABLES**

Secured, considered good  
Unsecured  
Considered good  
    '- Related parties (refer note 38)  
    '- Others  
-Considered doubtful  
Less-Allowance for bad and doubtful debts

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| -                       | -                       |
| 34,059,830              | 39,745,059              |
| 160,696,410             | 209,419,982             |
| 7,711,910               | 8,913,241               |
| (7,711,910)             | (8,913,241)             |
| <b>194,756,240</b>      | <b>249,165,041</b>      |

**12 CASH AND CASH EQUIVALENTS**

Balances with banks:  
    On current accounts  
Cash on hand

Includes amount of Rs. Nil (March 31, 2020 - Rs. 8,77,35,342/-) as on March 31, 2021 received on account of preferential allotment of equity shares and equity convertible share warrants.

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| 59,930,435              | 131,101,528             |
| 223,445                 | 560,833                 |
| <b>60,153,880</b>       | <b>131,662,361</b>      |

**13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT**

In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date

**Other balances**

Earmarked balances with banks:  
Unpaid dividends \*  
Margin money deposits

\* Amount of Rs. 12,822/- is due to be transferred to the Investors Education & Protection Fund as at March 31, 2021 (March 31, 2020 - Rs.12,822/-).

# Kept as lien against bank guarantee and letter of credit facility amounting to Rs. 3,90,45,946/- (March 31, 2020 - 4.42,36,288/-)

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| 106,000,000             | -                       |
| 12,822                  | 12,822                  |
| 6,665,115               | 7,008,719               |
| <b>112,677,937</b>      | <b>7,021,541</b>        |


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**14 CURRENT FINANCIAL ASSETS - LOANS**

Unsecured, considered good  
Employee advances  
Security deposit  
CST receivable

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| 110,966                 | 257,908                 |
| 2,151,215               | 25,950,709              |
| 999,353                 | 999,353                 |
| <b>3,261,534</b>        | <b>27,207,970</b>       |

**15 OTHER FINANCIAL ASSETS**

Interest accrued on fixed deposits

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| 2,422,615               | 436,153                 |
| <b>2,422,615</b>        | <b>436,153</b>          |

**16 OTHER CURRENT ASSETS**

Advance recoverable in kind  
Balance with revenue authorities  
Prepaid expenses

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| 2,048,775               | 2,263,954               |
| 1,539,874               | 170,723                 |
| 5,856,753               | 5,361,342               |
| <b>9,445,402</b>        | <b>7,796,019</b>        |

**17 EQUITY SHARE CAPITAL**
**(a) Equity shares**
**Authorized**

70,00,000 (March 31, 2020: 70,00,000 equity shares) of Rs. 10 each

**Issued, subscribed and paid up**
**Issued :**

50,86,980 (March 31, 2020: 50,86,980 equity shares) of Rs. 10 each fully paid

**Subscribed and Paid up :**

50,40,580 (March 31, 2020: 50,40,580 equity shares) of Rs. 10 each fully paid

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| 70,000,000              | 70,000,000              |
| <b>70,000,000</b>       | <b>70,000,000</b>       |
| 50,869,800              | 50,869,800              |
| 50,405,800              | 50,405,800              |
| <b>50,405,800</b>       | <b>50,405,800</b>       |

**(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year**

|   | As at March 31, 2021 |                   | As at March 31, 2020 |                   |
|---|----------------------|-------------------|----------------------|-------------------|
|   | Number of shares     | Amount            | Number of shares     | Amount            |
| Equity Shares at the beginning of the year  | 5,040,580            | 50,405,800        | 4,640,580            | 46,405,800        |
| Add: Issued during the year                 | -                    | -                 | 400,000              | 4,000,000         |
| <b>Equity Shares at the end of the year</b> | <b>5,040,580</b>     | <b>50,405,800</b> | <b>5,040,580</b>     | <b>50,405,800</b> |

**(b) Rights, preferences and restrictions attached to equity shares**

Equity Shares: The Holding Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**c) Details of shares held by shareholders holding more than 5% of the aggregate shares**

| Name of the shareholder                 | As at March 31, 2021 |                           | As at March 31, 2020 |                           |
|---|----------------------|---------------------------|----------------------|---------------------------|
|   | Number of shares     | % of holding in the class | Number of shares     | % of holding in the class |
| Equity shares of Rs. 10 each fully paid |                      |                           |                      |                           |
| Krishna Gopal Gupta                     | 900,412              | 17.86%                    | 900,024              | 17.86%                    |
| Krishna Murari Gupta                    | 327,207              | 6.491%                    | 328,207              | 6.51%                     |
| Vikram Gupta                            | 423,105              | 8.39%                     | 423,105              | 8.39%                     |
| Gaurav Gupta                            | 407,966              | 8.09%                     | 407,966              | 8.09%                     |
| Veena Gupta                             | 300,753              | 5.97%                     | 300,753              | 5.97%                     |

(d) No class of shares have been issued as bonus shares or for consideration other than cash by the Company or Parent during the period of five years immediately preceding the current year end.

(e) No class of shares have been bought back by the Company or the Parent during the period of five years immediately preceding the current year end.

**18 OTHER EQUITY**
**(A) Securities premium reserve (SPR)\***

Opening balance

Add : Securities premium credited on issue of shares

**Closing balance**

\* SPR comprises of premium on issue of shares to be utilised in accordance with the Companies Act, 2013

| As at March 31, 2021 | As at March 31, 2020 |
|----------------------|----------------------|
| 148,891,000          | 90,891,000           |
| 49,501,974           | 58,000,000           |
| <b>198,392,974</b>   | <b>148,891,000</b>   |

**(B) General reserve (GR)**

Opening balance

Add/ (Less): Transferred to non-controlling interest

**Closing balance**

| As at March 31, 2021 | As at March 31, 2020 |
|----------------------|----------------------|
| 65,056,619           | 65,056,619           |
| (9,692,172)          | -                    |
| <b>55,364,447</b>    | <b>65,056,619</b>    |

\* GR is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.

**(C) Surplus/(deficit) in the Statement of Profit and Loss**

Opening balance

Add/ (Less): Profit / (Loss) for the current year

Add/ (Less): Transferred to non-controlling interest

**Closing balance**

| As at March 31, 2021 | As at March 31, 2020 |
|----------------------|----------------------|
| 273,126,037          | 291,522,054          |
| (9,074,553)          | (18,396,017)         |
| 5,027,492            | -                    |
| <b>269,078,976</b>   | <b>273,126,037</b>   |

**(D) FVTOCI reserve on defined benefit plan (net of tax)**

Opening Balance

Remeasurement gain / (loss) on defined benefits plans (net of tax)

**Closing balance**

| As at March 31, 2021 | As at March 31, 2020 |
|----------------------|----------------------|
| (481,328)            | (1,478,906)          |
| (3,713,552)          | 997,578              |
| <b>(4,194,880)</b>   | <b>(481,328)</b>     |

**(D) Capital reserves (CR)\***

Opening balance

Add : Amount forfeited on cancellation of warrants

**Closing balance**

| As at March 31, 2021 | As at March 31, 2020 |
|----------------------|----------------------|
| 17,891,000           | 4,328,500            |
| -                    | 13,562,500           |
| <b>17,891,000</b>    | <b>17,891,000</b>    |

\* CR up to the nominal value of shares is created out of distributable profit for buyback of shares as per the Act.


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(E) Investment Allowance (utilised) Reserve**

Opening balance  
Add : Movement during the year  
**Closing balance**

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| 2,229,150               | 2,229,150               |
| -                       | -                       |
| <b>2,229,150</b>        | <b>2,229,150</b>        |

**(F) Money received against share warrants**

Opening balance  
Add : Amount received on issue of warrants  
Add : Amount received on exercise of option for conversion of warrants  
Less: Transfer to equity share capital on allotment of equity shares  
Less: Transfer to share premium reserve  
Less: Transfer of forfeited amount to Capital Reserve  
**Closing balance**

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| -                       | 29,062,500              |
| -                       | -                       |
| -                       | 46,500,000              |
| -                       | (4,000,000)             |
| -                       | (58,000,000)            |
| -                       | (13,562,500)            |
| -                       | -                       |

**(G) Foreign currency translation reserve**

Opening balance  
Add : Movement during the year  
**Closing balance**

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| 35,393,750              | 20,044,885              |
| 1,962,597               | 15,348,865              |
| <b>37,356,349</b>       | <b>35,393,750</b>       |
| <b>576,118,016</b>      | <b>542,106,227</b>      |

**Total other equity**
**19 NON - CONTROLLING INTEREST**

Opening balance  
add:- Equity Share Capital  
add:- Pre-acquisition reserve pertaining to non-controlling interest  
add:- profit for the period post acquisition  
**Total Non - Controlling Interest**

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| -                       | -                       |
| 30,248,765              | -                       |
| 4,664,680               | -                       |
| 1,590,773               | -                       |
| <b>36,504,218</b>       | <b>-</b>                |

**20 LONG -TERM BORROWINGS**
**Secured**

- (a) Term loan  
From Bank (Refer note below)

Less: Amount disclosed under the head "Other financial liabilities"

**Total long term borrowings**

| As at March 31,<br>2021 | As at March 31,<br>2020 |
|-------------------------|-------------------------|
| 16,549,105              | 483,407                 |
| <b>16,549,105</b>       | <b>483,407</b>          |
| 6,549,105               | 483,407                 |
| <b>10,000,000</b>       | <b>-</b>                |

**Terms of repayment**

During the year ended March 31, 2021, new term loans amounting to Rs. 1,65,49,105/- has been availed as follows:

- 1) Rs. 50,00,000/- collateral term loan under Common Covid-19 Emergency Credit Line (CCECL) repayable in 18 equal monthly installments after a moratorium of 6 months. Balance outstanding as on March 31, 2021 Rs. 65,49,105/- (Including accrued interest) (March 31, 2020 - Rs. Nil)
- 2) Rs. 1,20,00,000/- term loan under Guaranteed Emergency Credit Line (GECL) repayable in 36 equal monthly installments after a moratorium of 12 months. Balance outstanding as on March 31, 2021 Rs. 1,00,00,000/- (Including accrued interest) (March 31, 2020 - Rs. Nil).

The above loans are secured by means of first charge over Factory land & building, Inventories and Trade receivables and second charge on all Plant & machinery and other fixed assets

Vehicle loan of Rs. Nil (March 31, 2020: Rs. 4,83,407/-) secured by charge of vehicle repayable in 48 equated monthly installments from November, 2015


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**21 PROVISIONS**

|   | Long term            |                      | Short term           |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | As at March 31, 2021 | As at March 31, 2020 | As at March 31, 2021 | As at March 31, 2020 |
| Provision for gratuity (funded) (Refer note 37)   | -                    | -                    | 9,554,648            | 3,803,643            |
| Provision for gratuity (unfunded) (Refer note 37) | 10,145,052           | 9,368,654            | -                    | -                    |
| Provision for leave encashment (unfunded)         | 2,091,809            | 1,938,227            | 1,164,795            | 867,461              |
|   | <b>12,236,861</b>    | <b>11,306,881</b>    | <b>10,719,443</b>    | <b>4,671,104</b>     |

**22 SHORT -TERM BORROWINGS**
**Secured, from bank, term loan (Refer footnote)**

- Packing credit
- Cash credit
- Overdrawn bank balances

**Unsecured, from others**

| As at March 31, 2021 | As at March 31, 2020 |
|----------------------|----------------------|
| 10,040,866           | 9,138,041            |
| 93,130,889           | 90,707,524           |
| -                    | 67,044               |
| -                    | 51,249,923           |
| <b>103,171,755</b>   | <b>151,162,532</b>   |

**Footnote: #** The above facilities from banks are secured by hypothecation of the Company's entire present and future stocks of raw materials, finished goods, work in progress, consumable stores & spares, book debts, other current assets, mortgage of leasehold land, factory building, plant & machinery, all other fixed assets of the Company or Parent and personal guarantee of Directors.

**23 TRADE PAYABLES**

- Total outstanding dues of micro enterprises and small enterprises
- Total outstanding dues of creditors other than micro enterprises and small enterprises

| As at March 31, 2021 | As at March 31, 2020 |
|----------------------|----------------------|
| 1,139,035            | 2,067,009            |
| 236,699,553          | 235,633,934          |
| <b>237,838,588</b>   | <b>237,700,943</b>   |

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Group:

| Particulars   | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| (a) Amount remaining unpaid to any supplier at the end of each accounting year:   |                      |                      |
| Principal   | 1,139,035            | 2,067,009            |
| Interest  | 172,688              | 188,191              |
| <b>Total</b>  | <b>1,311,723</b>     | <b>2,255,200</b>     |
| (b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.   | -                    | -                    |
| (c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.   | 172,688              | 188,575              |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year.   | 573,373              | 400,685              |
| (e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act. | -                    | -                    |

Due to creditors other than micro enterprises and small enterprises the outstanding amount payable of USD 2,56,543 to "Alpha Diamond Industry - Japan" against imports, which at the exchange rate of Rs 76.36 amounted to Rs. 1,95,89,589/- as on March 31, 2020, has been written back during year ended March 31, 2021 as no claim towards the amount has been made by the party and efforts to contact the party by the Company have been unsuccessful.



**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**24 OTHER FINANCIAL LIABILITIES**

**Other financial liabilities at amortised cost**

Current maturity of long term loans

Creditors for capital goods

Unpaid dividend \*

Others liabilities

**Total other financial liabilities**

\* Amount of Rs. 12,822/- is due to be credited to the Investors Education & Protection Fund as at March 31, 2021 (March 31, 2020: Rs 12,822/-).

| As at March 31, 2021 | As at March 31, 2020 |
|----------------------|----------------------|
| 6,549,105            | 483,407              |
| 2,043,728            | 931,215              |
| 12,822               | 12,822               |
| 279,991              | 600,265              |
| <b>8,885,646</b>     | <b>2,027,709</b>     |

**25 OTHER CURRENT LIABILITIES**

Statutory due payable

Advance from customer

Excess payment on share allotment pursuant to share warrant

**Employee Benefits payable:**

- Salary payable

- Bonus payable

- Superannuation payable

| As at March 31, 2021 | As at March 31, 2020 |
|----------------------|----------------------|
| 1,883,292            | 1,167,695            |
| 1,052,601            | 826,748              |
| 7,750,000            | 7,750,000            |
| 6,006,194            | 5,235,689            |
| 3,268,335            | 2,862,980            |
| 581,560              | 434,740              |
| <b>20,541,982</b>    | <b>18,277,852</b>    |

**26 REVENUE FROM OPERATIONS**

**Revenue from contracts with customers**

Sale of goods

Sale of services

Other operating income - Sale of raw materials, stores and packing material

Other operating revenue

- Export incentives (MEIS)

**Total Revenue from operations**

| For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|-----------------------------------|-----------------------------------|
| 560,846,285                       | 580,942,035                       |
| 3,523,537                         | 2,148,176                         |
| -                                 | 1,946,953                         |
| <b>564,369,822</b>                | <b>585,037,164</b>                |
| 4,412,014                         | 305,036                           |
| <b>4,412,014</b>                  | <b>305,036</b>                    |
| <b>568,781,836</b>                | <b>585,342,200</b>                |

(I)

(II)

(I + II)

**27 OTHER INCOME**

Interest income

- on fixed deposits

Provision from Doubtfull Debts(Net)

Dividend income

-from others

Foreign exchange fluctuation (net)

Rental income

Commission on sales

Other non Operating Income -Sale of miscellaneous scrap

Miscellaneous income

Gain on sale/disposal of fixed assets

Insurance claim recovery

Other Financial Income (Fair value revaluation of MF)\*

Liabilities written back #

| For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|-----------------------------------|-----------------------------------|
| 2,268,544                         | 305,509                           |
| 138,429                           | -                                 |
| 6,514                             | 10,065                            |
| -                                 | 2,081,955                         |
| -                                 | 1,915,166                         |
| 599,566                           | 343,124                           |
| 224,548                           | -                                 |
| 604,947                           | -                                 |
| -                                 | 96,438                            |
| 140,106                           | -                                 |
| 76,919                            | -                                 |
| 20,204,932                        | 202,895                           |
| <b>24,264,505</b>                 | <b>4,955,152</b>                  |

\* FVTPL of investments represent fair valuation changes in mutual funds which include dividend declared and not distributed (distributed based on record dates) as at reporting dates, which have not been recognized separately in financial statements.

# Includes due to creditors other than micro enterprises and small enterprises the outstanding amount payable of USD 2,56,543 to "Alpha Diamond Industry - Japan" against imports, which has the reinstated rate Rs 76.36 amounted to Rs. 1,95,89,589/- as on March 31, 2020, has been written back during year ended March 31, 2021 (includes Rs. 107,606 write back of payables net of write off of investment in GKB Ophthalmics GmbH, Germany, during the year ended March 31, 2020).




**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**28 COST OF MATERIAL CONSUMED**

Inventory of raw materials at the beginning of the year  
Add: Purchases  
Less: Inventory of raw materials at the end of the year

**Cost of raw material consumed**

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 15,775,063                           | 26,017,779                           |
| 112,820,346                          | 94,626,993                           |
| (25,351,350)                         | (15,775,063)                         |
| <b>103,244,059</b>                   | <b>104,869,709</b>                   |

**29 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**

**Inventories at the beginning of the year**

-Finished goods  
-Work-in-progress  
-Stock-in-trade

**Less: Inventories at the end of the year**

-Finished goods  
-Work-in-progress  
-Stock-in-trade

**Net decrease/ (increase)**

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 20,145,640                           | 35,252,441                           |
| 1,843,605                            | 2,657,482                            |
| 259,262,470                          | 204,564,740                          |
| <b>281,251,715</b>                   | <b>242,474,663</b>                   |
| 29,834,633                           | 20,145,640                           |
| 1,884,748                            | 1,843,605                            |
| 286,157,939                          | 257,182,609                          |
| <b>317,877,320</b>                   | <b>279,171,854</b>                   |
| <b>(36,625,605)</b>                  | <b>(36,697,191)</b>                  |

**30 EMPLOYEE BENEFITS EXPENSE**

Salaries, wages, bonus and other allowances  
Contribution to Provident Fund (PF) and Other Social Securities fund / schemes # (Refer Note 37)  
Gratuity expenses (Refer Note 37)  
Staff welfare expenses

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 71,059,092                           | 72,637,890                           |
| 4,508,686                            | 5,180,248                            |
| 1,831,843                            | 2,065,028                            |
| 1,218,439                            | 1,142,003                            |
| <b>78,618,060</b>                    | <b>81,025,169</b>                    |

# Based on the Supreme Court Judgement dated February 28, 2019, the Company was required to reassess the components to be included in the basic salary for the purposes of deduction of PF. However, the Company believes that there is not likely to be material impact and hence has not provided for any additional liability as on March 31, 2021 (previous year March 31, 2020 - Rs. Nil) in the books of account.

\* 'The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**31 FINANCE COSTS**

Interest on long term borrowing  
Interest on working capital  
Bank charges  
Interest on delay in payment to MSME creditors  
Interest on GST  
Interest on income taxes

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 855,113                              | 57,082                               |
| 10,016,712                           | 11,190,087                           |
| 8,888,858                            | 3,194,354                            |
| 172,688                              | 188,575                              |
| 393,262                              | -                                    |
| -                                    | 3,850                                |
| <b>20,326,633</b>                    | <b>14,633,948</b>                    |

**32 DEPRECIATION AND AMORTIZATION EXPENSE**

Depreciation (Refer note 5)  
Amortization (Refer note 6)

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 31,396,061                           | 36,141,788                           |
| 36,682                               | 59,618                               |
| <b>31,432,743</b>                    | <b>36,201,406</b>                    |


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**33 OTHER EXPENSES**

|  | For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Electricity and water                          | 15,998,693                           | 17,138,670                           |
| Rent (refer foot note 1)                       | 12,923,105                           | 11,415,150                           |
| Repairs and maintenance-Building               | 137,468                              | 126,743                              |
| Repairs and maintenance- Machinery             | 1,317,203                            | 1,276,443                            |
| Repairs and maintenance - others               | 2,162,071                            | 1,856,517                            |
| Rates and Taxes                                | 7,524,344                            | 6,928,559                            |
| Travelling and conveyance                      | 1,338,046                            | 4,071,016                            |
| Freight and forwarding                         | -                                    | 2,259,584                            |
| Insurance                                      | 1,707,419                            | 1,375,885                            |
| Other manufacturing expenses                   | 12,303,096                           | 15,698,660                           |
| Stores and spares consumed                     | 18,564,785                           | 19,546,957                           |
| Printing & Stationery                          | 474,221                              | 809,113                              |
| Communication, broadband and internet expenses | 1,742,773                            | 2,239,597                            |
| Security Charges                               | 1,424,768                            | 2,165,668                            |
| Legal and professional charges                 | 4,066,383                            | 4,657,270                            |
| Audit fees (refer foot note 2)                 | 1,803,846                            | 1,925,468                            |
| Advertisement                                  | 708,267                              | 596,854                              |
| Directors' Sitting fees                        | 580,000                              | 450,000                              |
| Loss on sale/disposal of fixed assets          | 2,923,161                            | -                                    |
| Foreign exchange fluctuation                   | 1,010,412                            | -                                    |
| Commission on sales                            | 9,727,186                            | 8,134,081                            |
| Miscellaneous expenses                         | 1,917,024                            | 4,650,744                            |
| Provision for doubtful debts                   | -                                    | 4,507,538                            |
| Membership and Subscription                    | 44,770                               | -                                    |
| Donation                                       | -                                    | 67,592                               |
|  | <b>100,399,041</b>                   | <b>111,898,109</b>                   |

**Foot note 1 :** The Group has taken a residential apartment on operating lease. The Group also pays lease rent on the factory and office premises, warehouse shed and staff accommodation. Being short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Accordingly, lease rent amounting to Rs 1,29,23,105/- (March 31, 2020: Rs 1,14,15,150/-) has been charged to the Statement of Profit and Loss.

**Foot note 2 :** The following is the break-up of Auditors remuneration (exclusive of Goods and service tax).

**Auditor's Remuneration**
**As auditor:**

Statutory audit

**In other capacity:**

For taxation matters

For other services

Reimbursement of expenses

**Total**

|                           | For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|---------------------------|--------------------------------------|--------------------------------------|
| As auditor:               | 917,481                              | 630,000                              |
| In other capacity:        |                                      |                                      |
| For taxation matters      | 195,000                              | 195,000                              |
| For other services        | 575,000                              | 938,901                              |
| Reimbursement of expenses | 116,365                              | 161,567                              |
| <b>Total</b>              | <b>1,803,846</b>                     | <b>1,925,468</b>                     |


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**34 INCOME TAX**
**(A) Deferred tax relates to the following:**
**Deferred tax assets**

On provision for employee benefits  
Business losses  
Unabsorbed depreciation  
On Provision for doubtful receivables  
On others

**Deferred tax liabilities**

On property, plant and equipment

Net deferred tax liability (net)

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 5,813,898                            | 3,794,340                            |
| 3,137,410                            | 3,137,410                            |
| 9,077,080                            | 9,077,080                            |
| 1,460,024                            | 727,889                              |
| 409,078                              | 55,149                               |
| 19,897,490                           | 16,791,868                           |
| 21,660,649                           | 21,660,649                           |
| 21,660,649                           | 21,660,649                           |
| 1,763,159                            | 4,868,781                            |

Deferred tax assets of Rs. 3,50,73,494/- (March 31, 2020: Rs. 2,60,95,433/-) and Rs. 29,08,684/- (March 31, 2020: Rs. Nil) have not been recognized in respect of unabsorbed depreciation losses amounting to Rs. 13,48,98,053/- (March 31, 2020: Rs. 10,03,67,049/-) and unabsorbed business losses amounting to Rs. 1,11,87,248/- (March 31, 2020: Rs. Nil) respectively, in the absence of reasonable certainty of generating adequate taxable profits to offset these losses.

**(B) Recognition of deferred tax asset to the extent of deferred tax liability**
**Balance sheet**

Deferred tax asset  
Deferred tax liabilities

Deferred tax liabilities, net

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 19,897,490                           | 16,791,868                           |
| (21,660,649)                         | (21,660,649)                         |
| <b>(1,763,159)</b>                   | <b>(4,868,781)</b>                   |

**(C) Reconciliation of deferred tax (assets) / liabilities (net):**

Opening balance  
Tax asset recognized in Statement of Profit and Loss  
Tax liability recognized in OCI  
**Closing balance**

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 4,868,781                            | 4,518,280                            |
| (1,800,860)                          | -                                    |
| (1,304,762)                          | 350,501                              |
| <b>1,763,159</b>                     | <b>4,868,781</b>                     |

**(D) Deferred tax (assets) / liabilities to be recognized in Statement of Profit and Loss**

Tax asset  
Tax Liabilities

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| (1,800,860)                          | -                                    |
| -                                    | -                                    |
| <b>(1,800,860)</b>                   | <b>-</b>                             |

**(E) Income tax expense**

- Current tax taxes  
- Adjustments in respect of current income tax of previous year  
- Deferred tax charge / (income)

**Income tax expense reported in the statement of profit or loss**

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| -                                    | -                                    |
| -                                    | -                                    |
| (1,800,860)                          | -                                    |
| <b>(1,800,860)</b>                   | <b>-</b>                             |

**(F) Income tax expense charged to OCI**

Net loss/(gain) on remeasurements of defined benefit plans

**Income tax charged to OCI**

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| (1,304,762)                          | 350,501                              |
| <b>(1,304,762)</b>                   | <b>350,501</b>                       |

**(G) Reconciliation of tax charge**

Profit/(loss) before tax  
Income tax expense at tax rates applicable  
Tax effects of:  
- Item not deductible for tax  
- Others

**Income tax expense**

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| (9,284,640)                          | (18,396,017)                         |
| -                                    | -                                    |
| -                                    | -                                    |
| -                                    | -                                    |
| <b>-</b>                             | <b>-</b>                             |


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**35 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (CFS) :**

The Consolidated Financial Statements (CFS) are prepared in accordance with the requirements of Indian Accounting Standard (Ind AS) 21, 'Consolidated Financial Statements', (Ind AS) 110, 'Accounting for Investments in Associates in Consolidated Financial Statements' and (Ind AS) 28 as notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The CFS comprises the financial statements of GKB Ophthalmics Limited and its subsidiaries. References in these notes to GKB, Company, Companies, Parent Company or Group shall mean to include GKB Ophthalmics Limited or any of its subsidiaries, unless otherwise stated.

The notes and significant accounting policies to the CFS are intended to serve as a guide for better understanding of the GKB Group's position. In this respect, the Company has disclosed such notes and policies which represent the required disclosure.

The list of subsidiaries and associates included in the consolidated financial statements are as under:

| Name of the Company   | Relationship | Country of Incorporation | Proportion of ownership interest |
|---|--------------|--------------------------|----------------------------------|
| 1. GSV Ophthalmics Private Limited  | Subsidiary   | India                    | 79.60%                           |
| 2. GKB Ophthalmics Products [FZE], Sharjah (Limited Liability Establishment) (including its following subsidiary and associate) | Subsidiary   | United Arab Emirates     | 100%                             |
| a. Lensco - the lens company (Subsidiary - 59.5%)   |              |                          |                                  |
| b. GKB Vision FZC (Associate - 49%)   |              |                          |                                  |

**36 EARNINGS/ LOSS PER SHARE**

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Loss attributable to equity holders  
 Weighted average number of equity shares for basic EPS\*  
 Effect of dilution:  
 Share warrants  
 Weighted average number of equity shares adjusted for the effect of dilution

Basic loss per share (INR)  
 Diluted loss per share (INR)

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| (9,074,553)                          | (18,396,017)                         |
| 5,040,580                            | 5,040,580                            |
| -                                    | -                                    |
| 5,040,580                            | 5,040,580                            |
| (1.80)                               | (3.65)                               |
| (1.80)                               | (3.65)                               |

**37 EMPLOYEE BENEFITS**
**(A) Defined Contribution Plans**

During the year, the Company has recognized the amounts in the Statement of Profit and Loss as follows –  
 Employers' Contribution to Provident Fund and Employee State Insurance  
 Employer contribution to Employee State Insurance and employee social securities fund / scheme  
 Employers' Contribution to Superannuation Fund  
 Employers' Contribution to Labour Welfare Fund

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 3,231,012                            | 3,697,392                            |
| 960,544                              | 1,160,362                            |
| 254,040                              | 250,534                              |
| 63,090                               | 71,960                               |
| <b>4,508,686</b>                     | <b>5,180,248</b>                     |



**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**(B) Defined benefit plans**

**I Gratuity**

**i) Actuarial assumptions**

|                            | <b>As at<br/>March 31, 2021<br/>Gratuity<br/>(funded)</b> | <b>As at<br/>March 31, 2020<br/>Gratuity<br/>(funded)</b> | <b>As at<br/>March 31, 2021<br/>Gratuity<br/>(unfunded)</b> | <b>As at<br/>March 31, 2020<br/>Gratuity<br/>(unfunded)</b> |
|----------------------------|---|---|---|---|
| Discount rate (per annum)  | 6.87%   | 6.84%   | -   | 8.25%   |
| Rate of increase in Salary | 5.00%   | 5.00%   | -   | -   |
| Attrition rate             | 2.00%   | 2.00%   | -   | -   |
| Mortality rate             | IALM (2006-08) Ult.                                       | IALM (2006-08) Ult.                                       | -   | -   |

**ii) Changes in the present value of defined benefit obligation and plan assets**

|   | <b>As at<br/>March 31, 2021<br/>Gratuity<br/>(funded)</b> | <b>As at<br/>March 31, 2020<br/>Gratuity<br/>(funded)</b> | <b>As at<br/>March 31, 2021<br/>Gratuity<br/>(unfunded)</b> | <b>As at<br/>March 31, 2020<br/>Gratuity<br/>(unfunded)</b> |
|---|---|---|---|---|
| <b>Present value of obligation at the beginning of the year</b> | 13,925,937  | 13,772,096  | 5,555,538   | 5,411,538   |
| Interest cost   | 672,522   | 1,032,907   | 144,462   | -   |
| Past service cost   | -   | -   | -   | -   |
| Current service cost  | 952,534   | 795,205   | -   | 144,000   |
| Liability Transferred Out/ Divestments                          | -   | -   | -   | -   |
| Benefits paid   | (469,690)   | (326,192)   | -   | -   |
| Liability Transferred In/ Acquisitions                          | 161,734   | -   | -   | -   |
| Actuarial (gain)/ loss on obligations                           | 1,011,016   | (1,348,079)   | -   | -   |
| <b>Present value of obligation at the end of the year*</b>      | <b>16,254,053</b>   | <b>13,925,937</b>   | <b>5,700,000</b>  | <b>5,555,538</b>  |

**Plan assets at the beginning of the year**

|  |                  |                   |          |          |
|--|------------------|-------------------|----------|----------|
| Expected return of plan assets -                           | 10,122,294       | 9,596,704         | -        | -        |
| Interest income  | 692,365          | 760,045           | -        | -        |
| Expected return of plan assets - excluding interest income | (181,736)        | -                 | -        | -        |
| Contributions  | 200,000          | 91,737            | -        | -        |
| Assets Transferred In                                      | 161,734          | -                 | -        | -        |
| Assets Transferred Out                                     | (3,825,562)      | -                 | -        | -        |
| Benefits paid  | (469,690)        | (326,192)         | -        | -        |
| <b>Plan assets at the end of the year</b>                  | <b>6,699,405</b> | <b>10,122,294</b> | <b>-</b> | <b>-</b> |

**iii) Expense recognized in the Statement of Profit and Loss**

|  | <b>As at<br/>March 31, 2021<br/>Gratuity<br/>(funded)</b> | <b>As at<br/>March 31, 2020<br/>Gratuity<br/>(funded)</b> | <b>As at<br/>March 31, 2021<br/>Gratuity<br/>(unfunded)</b> | <b>As at<br/>March 31, 2020<br/>Gratuity<br/>(unfunded)</b> |
|--|---|---|---|---|
| Current service cost   | 952,534   | 795,205   | -   | 144,000   |
| Interest cost  | 672,522   | 1,032,907   | 144,462   | -   |
| Expected return on plan assets                                     | (692,365)   | (760,045)   | -   | -   |
| <b>Total expenses recognized in the Statement Profit and Loss*</b> | <b>932,691</b>  | <b>1,068,067</b>  | <b>144,462</b>  | <b>144,000</b>  |

\*Included in Employee benefits expense (Refer Note 30). Actuarial loss of Rs. 50,18,314/- (March 31,2020: Rs. 13,48,079/-) is included in other comprehensive income.



**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**iv) Assets and liabilities recognized in the Balance Sheet:**

|   | As at<br>March 31, 2021<br>Gratuity<br>(funded) | As at<br>March 31, 2020<br>Gratuity<br>(funded) | As at<br>March 31, 2021<br>Gratuity<br>(unfunded) | As at<br>March 31, 2020<br>Gratuity<br>(unfunded) |
|---|---|---|---|---|
| Present value of obligation as at the end of the year       | (16,254,053)                                    | (13,925,937)                                    | (5,700,000)                                       | (8,258,019)                                       |
| Plan assets at the end of the year                          | 6,699,405                                       | 10,122,294                                      | -   | -   |
| <b>Net asset / (liability) recognized in Balance Sheet*</b> | <b>(9,554,648)</b>                              | <b>(3,803,643)</b>                              | <b>(5,700,000)</b>                                | <b>(8,258,019)</b>                                |

\*Included in provision for employee benefits (Refer note 21)

**v) Expected contribution to the fund in the next year**

|  | As at<br>March 31, 2021<br>Gratuity<br>(funded) | As at<br>March 31, 2020<br>Gratuity<br>(funded) |
|--|---|---|
|  | 2,004,475                                       | 1,541,935                                       |

**vi) A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is as shown below:**

|                                      | As at<br>March 31, 2021<br>Gratuity<br>(funded) | As at<br>March 31, 2020<br>Gratuity<br>(funded) |
|--------------------------------------|---|---|
| Impact on defined benefit obligation |   |   |
| Discount rate                        |   |   |
| 1% increase                          | 14,907,522                                      | 12,733,750                                      |
| 1% decrease                          | 17,811,761                                      | 15,305,439                                      |
| Rate of increase in salary           |   |   |
| 1% increase                          | 17,825,531                                      | 15,317,218                                      |
| 1% decrease                          | 14,873,011                                      | 12,703,524                                      |

**vii) Maturity profile of defined benefit obligation**

|               | As at<br>March 31, 2021<br>Gratuity<br>(funded) | As at<br>March 31, 2020<br>Gratuity<br>(funded) |
|---------------|---|---|
| Year          |   |   |
| Year 1        | 1,702,802                                       | 1,020,795                                       |
| Year 2        | 968,651   | 621,854   |
| Year 3        | 956,071   | 1,319,428                                       |
| Year 4        | 610,833   | 842,446   |
| Year 5        | 716,197   | 548,602   |
| Years 6 to 10 | 6,129,270                                       | 5,402,134                                       |


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**38 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)**

Sales Tax liability that may arise in respect of matters in appeal  
 Entry Tax liability that may arise in respect of matters in appeal  
 Excise duty / service tax liability that may arise in respect of matters in appeal  
 Income Tax liability that may arise in respect of matters in appeal  
 Letters of credit outstanding  
 Bank guarantees

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 18,506,729              | 18,506,729              |
| 7,981,583               | 7,981,583               |
| 119,048,230             | 119,048,230             |
| 8,061,660               | 8,061,660               |
| 31,083,228              | 35,073,570              |
| 7,962,718               | 9,162,718               |

**Commitments**

Estimated gross amount of Contracts remaining to be executed on capital account  
 Less :- Capital Advance (refer note 9)  
 Estimated net amount of contracts remaining to be executed on capital account,  
 not provided for

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 42,452,860              | 654,947                 |
| 2,547,087               | 255,000                 |
| <b>39,905,773</b>       | <b>399,947</b>          |

**Other commitments**

The Company was a 100% EOU registered under the SEEPZ Special Economic Zone. As per the amendment to Letter of Permission dated November 20, 2008, the Company was required to achieve export turnover of USD 35.82 million and Net Foreign Exchange Earning (NFE) of USD 3.26 million during the period April 1, 2008 to March 31, 2013. Although the Company achieved Net Foreign Exchange Earnings (NFE) as required, export turnover obligation remained unfulfilled to the extent of USD 8.03 million. By letter dated May 27, 2013, the EOU status of the Company has been further extended by a period of 5 years. However, the letter granting the extension does not make any mention of export turnover obligation. The Company is of the view that the condition of achieving export turnover no longer applies and the only requirement is that the Company should be NFE positive.





## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(Amount in INR, unless otherwise stated)

### 39 RELATED PARTY DISCLOSURES

(A) Names of related parties and description of relationship as identified and certified by the Company:

#### Associate / Entities under common control

Prime Lenses Private Limited  
GKB Vision Pvt Ltd  
GKB Vision FZC

#### Key Management Personnel (KMP)

Mr K G Gupta  
Mr. Subhash Redkar  
Mr. Prakash Joshi (till November 12, 2019)  
Mr Vikram Gupta  
Mr. Anil Palekar  
Mr. Sadashiv Shet  
Mr. Joseph A.A. D'Costa  
Mrs. Shashi Katreddi  
Ms. Pooja Bicholkar (w.e.f. April 01, 2019)

Chairman and Managing Director  
Executive Director  
Non-Executive Director  
Non-Executive Director  
Non-Executive/ Independent Director  
Non-Executive/ Independent Director  
Non-Executive/ Independent Director  
Non-Executive/ Independent Director  
Company Secretary

#### Relatives of the Key Management Personnel

Mrs Veena Gupta

(B) Details of transactions with related party in the ordinary course of business for the year ended:

#### (i) Purchase of goods and services

##### Associate / Entities under common control

GKB Vision FZC  
GKB Vision Pvt Limited

##### Total

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 108,074,795<br>57,698,617            | 89,557,071<br>78,919,949             |
| <b>165,773,412</b>                   | <b>168,477,020</b>                   |

#### (ii) Purchases of fixed assets

##### Associate / Entities under common control

GKB Vision Private Limited

##### Total

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 12,804,425                           | 11,960,008                           |
| <b>12,804,425</b>                    | <b>11,960,008</b>                    |

#### (ii) Sales of goods and services

##### Associate / Entities under common control

GKB Vision Private Limited  
GKB Vision FZC  
Prime Lenses Private Limited

##### Total

| For the Year ended<br>March 31, 2021   | For the Year ended<br>March 31, 2020    |
|--|---|
| 77,729,027<br>24,625,248<br>35,365,931 | 14,756,878<br>18,338,104<br>147,010,716 |
| <b>137,720,206</b>                     | <b>180,105,698</b>                      |

#### (iii) Sale of fixed assets

##### Associate / Entities under common control

GKB Vision Private Limited

##### Total

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 516,833                              | 1,045,460                            |
| <b>516,833</b>                       | <b>1,045,460</b>                     |

#### (iv) Re-imbursement of expenses

##### Associate / Entities under common control

GKB Vision Private Limited  
GKB Vision FZC

##### Total

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 847,565<br>1,685,910                 | -<br>3,012,834                       |
| <b>2,533,475</b>                     | <b>3,012,834</b>                     |



## Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021

(Amount in INR, unless otherwise stated)

### (iv) Commission income

#### Associate / Entities under common control

GKB Vision Private Limited

#### Total

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 599,566                              | 343,124                              |
| <b>599,566</b>                       | <b>343,124</b>                       |

### (v) Remuneration of key management personnel #

#### Short term employee benefits

Mr K G Gupta

Mr. Subhash Redkar

Ms. Pooja Bicholkar

#### Post employee benefits

Mr K G Gupta

Mr. Subhash Redkar

Ms. Pooja Bicholkar

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 3,716,841                            | 3,670,150                            |
| 938,752                              | 614,300                              |
| 535,700                              | 420,000                              |
| <b>5,191,293</b>                     | <b>4,704,450</b>                     |
| 306,250                              | 360,000                              |
| 95,780                               | 32,760                               |
| 21,116                               | 19,296                               |
| <b>423,146</b>                       | <b>412,056</b>                       |

### (vi) Director's sitting fees

Mr Vikram Gupta

Mr. Anil Palekar

Mr. Sadashiv Shet

Mr. Joseph A.A. D'Costa

Mrs. Shashi Katreddi

Mr. Prakash Joshi (till November 12, 2019)

#### Total

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 30,000                               | 10,000                               |
| 150,000                              | 130,000                              |
| 150,000                              | 130,000                              |
| 150,000                              | 110,000                              |
| 100,000                              | 50,000                               |
| -                                    | 20,000                               |
| <b>580,000</b>                       | <b>450,000</b>                       |

### (vii) Rent paid

#### Relatives of the Key Management Personnel

Veena Gupta

#### Total

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 480,000                              | 480,000                              |
| <b>480,000</b>                       | <b>480,000</b>                       |

### (C) Amount due to/from related party as on:

#### (i) Accounts Receivable and Other Receivables

#### Associate / Entities under common control

GKB Vision FZC

GKB Vision Pvt Limited

Prime Lenses Private Limited

#### Total

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 1,953,745               | 3,671,904               |
| 32,106,085              | -                       |
| -                       | 36,073,155              |
| <b>34,059,830</b>       | <b>39,745,059</b>       |

#### (ii) Accounts payable and other payables

#### Associate / Entities under common control

GKB Vision FZC

GKB Vision Private Limited

#### Relatives of the Key Management Personnel

Veena Gupta

#### Total

| As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|-------------------------|-------------------------|
| 39,516,704              | 17,917,072              |
| 30,722,599              | 38,312,303              |
| 293,860                 | 144,000                 |
| <b>70,533,163</b>       | <b>56,373,375</b>       |


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**40 Disclosure pursuant to Indian Accounting Standard (Ind AS) 108, Operating Segments**
**a) Operating segment**

The Group's operations predominantly relate to manufacturing and trading in unfinished ophthalmic lenses made up of Plastic. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

**b) Geographical segment**

|  | For the year ended March 31, 2021 |               |               | For the year ended March 31, 2020 |               |               |
|--|-----------------------------------|---------------|---------------|-----------------------------------|---------------|---------------|
|  | Within India                      | Outside India | Total         | Within India                      | Outside India | Total         |
| Revenue from external customers *<br>(excluding other operational revenue) | 178,686,160                       | 385,683,662   | 564,369,822   | 218,225,224                       | 364,376,323   | 582,601,547   |
| Carrying amount of segment assets  | 555,637,133                       | 512,548,335   | 1,068,185,468 | 529,952,520                       | 492,575,310   | 1,022,527,829 |
| Additions to fixed assets during the year                                  | 18,052,201                        | 1,374,296     | 19,426,498    | 41,174,192                        | 222,334       | 166,974,397   |

\* Revenue within India includes deemed export sales of Rs 1,35,99,617 (March 31, 2020: Rs 1,04,96,161) made to other EOU units in India.

**Major customers**

Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:

Customer A

Customer B

| For the Year ended<br>March 31, 2021 | For the Year ended<br>March 31, 2020 |
|--------------------------------------|--------------------------------------|
| 77,729,027                           | 147,010,716                          |
| 74,932,277                           | 60,692,631                           |
| <b>152,661,304</b>                   | <b>207,703,347</b>                   |

**41 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**
**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

**B. Measurement of fair value**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**The following methods and assumptions were used to estimate the fair values:**

1. The fair value of other current financial assets, cash and cash equivalents, bank balances other than cash and cash equivalents, loans and advances, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts largely due to short-term maturities of these instruments.
2. The fair value of non-current financial assets comprising of security deposits and non-current term deposits at amortised cost using Effective Interest Rate (EIR) are not significantly different from the carrying amount.

**Fair value hierarchy**

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

**Fair value measurement hierarchy of assets**
**(a) Financial Assets measured at fair value**

Investments in mutual funds at FVTPL

**Financial assets measured at amortized cost**

Trade receivables

Cash and cash equivalents

Bank balances other than cash and cash equivalent

Loans and advances

Other financial assets

**Financial liabilities measured at amortized cost**

Borrowings

Trade payables

Other financial liabilities

| Fair value hierarchy | As at<br>March 31, 2021 | As at<br>31 March 2020 |
|----------------------|-------------------------|------------------------|
| Level 2              | 3,203,638               | 120,204                |
| Level 3              | 194,756,240             | 249,165,041            |
| Level 3              | 60,153,880              | 131,662,361            |
| Level 3              | 112,677,937             | 7,021,541              |
| Level 3              | 3,261,534               | 27,207,970             |
| Level 3              | 2,422,615               | 436,153                |
| Level 3              | 113,171,755             | 151,162,532            |
| Level 3              | 237,838,588             | 237,700,943            |
| Level 3              | 8,885,646               | 2,027,709              |

There have been no transfers between Level 1 and Level 2 during the period

**42 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Group is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Group does not engage in trading of financial assets for speculative purposes.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

|      | Increase/ decrease<br>in basis points | Effect on profit /<br>(loss) before tax |
|------|---------------------------------------|---|
| 2021 |                                       |   |
| INR  | +100                                  | 1,197,209                               |
| INR  | -100                                  | (1,197,209)                             |
| 2020 |                                       |   |
| INR  | +100                                  | 1,516,459                               |
| INR  | -100                                  | (1,516,459)                             |

**(ii) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency). The risk is measured through monitoring the net exposure to various foreign currencies and the same is minimized to the extent possible.

**Foreign currency sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in the foreign currency rate, with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities).


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

| <b>Foreign currency exposure (in INR) as at 31 March 2021</b> |             |               |              |
|---|-------------|---------------|--------------|
| <b>Particulars</b>  | <b>USD</b>  | <b>Euro</b>   | <b>Total</b> |
| Trade receivables   | 21,353,010  | 103,049,737   | 10,964,163   |
| Trade payables  | (4,686,186) | (148,698,897) | (38,141,155) |
|   | 16,666,824  | (45,649,160)  | (27,176,992) |

| <b>Foreign currency exposure (in INR) as at 31 March 2020</b> |            |              |              |
|---|------------|--------------|--------------|
| <b>Particulars</b>  | <b>USD</b> | <b>Euro</b>  | <b>Total</b> |
| Trade receivables   | -          | 23,701,249   | 6,348,771    |
| Trade payables  | -          | (30,276,071) | (554,618)    |
|   | -          | (6,574,822)  | 5,794,153    |

| <b>Foreign currency sensitivity<br/>Particulars</b> | <b>As at March 31, 2021</b> |                     | <b>As at March 31, 2020</b> |                     |
|---|-----------------------------|---------------------|-----------------------------|---------------------|
|   | <b>1 % Increase</b>         | <b>1 % decrease</b> | <b>1 % Increase</b>         | <b>1 % decrease</b> |
| USD   | (456,492)                   | 456,492             | (65,748)                    | 65,748              |
| Euro  | (271,770)                   | 271,770             | 57,942                      | (57,942)            |
| AED   | 166,668                     | (166,668)           | 166,668                     | (166,668)           |
| <b>Increase \ (Decrease)<br/>in profit or loss</b>  | <b>(561,594)</b>            | <b>561,594</b>      | <b>158,862</b>              | <b>(158,862)</b>    |

**(B) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of credit losses in respect of trade and other receivables.

However, the credit risk arising on cash and cash equivalents is limited as the Company invest in deposits with banks and financial institution with credit ratings and strong repayment capacity. Investment in securities primarily include investment in liquid mutual funds units and equity shares.

**Trade receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

|                                 | <b>As at March 31, 2021</b> | <b>As at March 31, 2020</b> |
|---------------------------------|-----------------------------|-----------------------------|
| Not due                         | 55,091,787                  | 115,393,011                 |
| Past due 1-180 days             | 107,680,262                 | 79,007,971                  |
| Past due for more than 180 days | 39,309,474                  | 62,081,416                  |

**Expected credit loss assessment**

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

Movement of provision for doubtful debts:

Balance at the beginning of the year  
Amount provided during the year (net of reversal)  
Amounts written off

| As at March 31, 2021 | As at March 31, 2020 |
|----------------------|----------------------|
| 8,913,241            | 5,131,151            |
| -                    | 4,507,538            |
| (1,201,331)          | (725,448)            |
| <b>7,711,910</b>     | <b>8,913,241</b>     |

**Balance at the end of the year**

**Cash and cash equivalent**

As at the year end, the Company held cash and cash equivalents Rs 6,01,53,880/- [March 31, 2020 - Rs. 131,662,361/-] The cash and cash equivalents are held with banks with good credit rating.

**Other bank balances**

Other bank balances are held with banks with good credit rating.

**Other financial assets**

Other financial assets are neither past due nor impaired.

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Maturities of financial liabilities

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

**31 March 2021**

Term loan from banks  
Short term borrowings  
Trade payables  
Other financial liabilities

| On demand          | Less than 3 months | 3 to 12 months     | 1 to 5 years      | More than 5 years | Total              |
|--------------------|--------------------|--------------------|-------------------|-------------------|--------------------|
| -                  | 833,334            | 5,715,771          | 10,000,000        | -                 | 16,549,105         |
| 103,171,755        | -                  | -                  | -                 | -                 | 103,171,755        |
| 35,820,730         | 127,893,250        | 61,588,656         | 12,535,952        | -                 | 237,838,588        |
| -                  | 2,043,728          | 292,813            | -                 | -                 | 2,336,541          |
| <b>138,992,485</b> | <b>130,770,312</b> | <b>67,597,240</b>  | <b>22,535,952</b> | <b>-</b>          | <b>359,895,989</b> |
| -                  | 483,407            | -                  | -                 | -                 | 483,407            |
| 151,162,532        | -                  | -                  | -                 | -                 | 151,162,532        |
| -                  | 58,279,332         | 167,405,962        | 12,015,649        | -                 | 237,700,943        |
| -                  | 70,000             | 1,474,302          | -                 | -                 | 1,544,302          |
| <b>151,162,532</b> | <b>58,832,739</b>  | <b>168,880,264</b> | <b>12,015,649</b> | <b>-</b>          | <b>390,891,184</b> |

**31 March 2020**

Term loan from banks  
Short term borrowings  
Trade payables  
Other financial liabilities

**43 CAPITAL MANAGEMENT**

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of current borrowing. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

|                                   |           | As at March 31, 2021 | As at March 31, 2020 |
|-----------------------------------|-----------|----------------------|----------------------|
| Total equity                      | (i)       | 663,028,034          | 592,512,027          |
| Borrowings                        |           | 109,720,860          | 151,645,939          |
| Less: cash and cash equivalents   |           | (60,153,880)         | (131,662,361)        |
| Adjusted net debt                 | (ii)      | 49,566,980           | 19,983,578           |
| Adjusted Net Debt to Equity ratio | (ii)/ (i) | 7.48%                | 3.37%                |

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.


**Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2021**

(Amount in INR, unless otherwise stated)

- 44** The products manufactured and sold by the group do not have a warranty period, hence provision for warranty as specified in Indian Accounting Standard (Ind AS) 37 on "Provisions, Contingent Liabilities and Contingent Assets" is not required to be made.
- 45** During the year the Group has not capitalised any borrowing costs as per Ind AS 23 - "Borrowing costs".
- 46** The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus. This pandemic and response thereon have impacted most of the industries. Consequent to the nationwide lock down on March 24, 2020, the Group's operations were scaled down in compliance with applicable regulatory orders. Subsequently, during the year, the Group's operations have been scaled up in a phased manner taking into account directives from various Government authorities. The impact on future operations would, to a large extent, depend on how the pandemic further develops and its resultant impact on the operations of the Group. The Group continues to monitor the situation and take appropriate action, as considered necessary in due compliance with the applicable regulations. The management has made an assessment of the impact of COVID-19 on the Group's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that there is no impact which is required to be recognised in the consolidated financial results. Accordingly, no adjustments have been made to the consolidated financial results.

**47 DISCLOSURE REQUIRED UNDER SCHEDULE III OF COMPANIES ACT, 2013**

| Name of the Entity                                     | Year ending                | Net Asset, i.e. total asset minus total liabilities |                               | Share in Profit or (Loss)           |                              | Share in Total Comprehensive Income |                              |
|--|----------------------------|---|-------------------------------|-------------------------------------|------------------------------|-------------------------------------|------------------------------|
|  |                            | As % of consolidated net assets                     | Amount                        | As % of consolidated profit or loss | Amount                       | As % of consolidated profit or loss | Amount                       |
| GKB Ophthalmics Limited (Consolidated)                 | 31-Mar-2021<br>31-Mar-2020 | 100.00<br>100.00                                    | 663,028,034<br>592,512,027    | 100.00<br>100.00                    | (7,483,780)<br>(18,396,017)  | 100.00<br>100.00                    | (11,197,332)<br>(17,398,439) |
| <b>Parent</b><br>GKB Ophthalmics Limited               | 31-Mar-2021<br>31-Mar-2020 | 49.43<br>59.49                                      | 327,707,096<br>352,499,672    | 281.66<br>226.77                    | (21,079,023)<br>(41,716,421) | 221.42<br>234.04                    | (24,792,575)<br>(40,718,843) |
| <b>Subsidiaries</b><br>GKB Ophthalmics Products FZE    | 31-Mar-2021<br>31-Mar-2020 | 33.80<br>37.96                                      | 224,132,873<br>224,898,526    | (169.66)<br>(93.73)                 | 12,697,283<br>17,241,691     | (113.40)<br>(99.01)                 | 12,697,283<br>17,226,925     |
| GSV Ophthalmics Pvt. Ltd.                              | 31-Mar-2021<br>31-Mar-2020 | 21.68<br>4.65                                       | 143,734,842<br>27,547,808     | 10.86<br>11.16                      | (812,966)<br>(2,052,903)     | 7.26<br>11.80                       | (812,966)<br>(2,052,903)     |
| <b>Step down Subsidiary</b><br>Lensco The Lens Company | 31-Mar-2021<br>31-Mar-2020 | 10.31<br>1.67                                       | 68,383,448<br>9,865,614       | (73.39)<br>(45.63)                  | 5,492,064<br>8,393,382       | (49.05)<br>(48.24)                  | 5,492,064<br>8,393,382       |
| <b>Elimination and Adjustment due to Consolidation</b> | 31-Mar-2021<br>31-Mar-2020 | (15.22)<br>(3.76)                                   | (100,930,225)<br>(22,299,593) | 50.52<br>1.42                       | (3,781,138)<br>(261,766)     | 33.77<br>1.42                       | (3,781,138)<br>(247,000)     |
| <b>Total</b>   | 31-Mar-2021<br>31-Mar-2021 | 100.00<br>100.00                                    | 663,028,034<br>592,512,027    | 100.00<br>100.00                    | (7,483,780)<br>(18,396,017)  | 100.00<br>100.00                    | (11,197,332)<br>(17,398,439) |

- 48** Previous year figures have been regrouped/ reclassified to conform to the presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date  
For **MSKA & Associates**  
Chartered Accountants  
Firm Registration No. : 105047W

For and on behalf of the Board of Directors of  
**GKB Ophthalmics Limited**  
CIN : L26109GA1981PLC000469

**Darryl Frank**  
Partner  
Membership No. 104096

**K. G. Gupta**  
Managing Director  
DIN : 00051863

**Vikram Gupta**  
Director  
DIN : 00052019

**Gurudas Sawant**  
Chief Financial Officer

**Pooja Bicholkar**  
Company Secretary  
ICSI Membership No: 54716

Place : Panaji, Goa  
Date : June 10, 2021

Place : Mapusa, Goa  
Date : June 10, 2021




**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statements of subsidiaries / Associate Companies/Joint Ventures.

**Part "A" : Subsidiaries**
**In Rupees**

| 1  | Name of the Subsidiary   | GKB Ophthalmics<br>Products,FZE (UAE) | GSV Ophthalmics<br>Private Limited, India |
|----|--|---------------------------------------|---|
| 2  | Reporting period of the subsidiary concerned, if different from the holding company reporting                                |                                       |   |
| 3  | Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. | <b>AED 1=INR 19.92</b>                |   |
| 4  | Share Capital  | 29,88,404                             | 14,71,00,000                              |
| 5  | Reserve & Surplus  | 22,11,44,465                          | -33,65,158                                |
| 6  | Total Assets   | 35,90,29,578                          | 14,37,87,371                              |
| 7  | Total Liabilities  | 13,48,96,709                          | 52,529                                    |
| 8  | Investments  | 65,17,582                             | —   |
| 9  | Turnover   | 25,32,55,852                          | —   |
| 10 | Profit / (loss) before taxation  | 1,27,23,297                           | -8,12,966                                 |
| 11 | Provision for taxation   | —                                     | —   |
| 12 | Profit / (loss) after taxation   | 1,27,23,297                           | -8,12,966                                 |
| 13 | Proposed Dividend  | 1,06,95,712                           | —   |
| 14 | % of shareholding  | 100.00%                               | 79.54%                                    |

Notes : 1. Names of subsidiaries which are yet to commence operation – GSV Ophthalmics Private Limited

2. Names of subsidiaries which have been liquidated or sold during the year – Nil

**Part " B " : Association and Joint Ventures - Not Applicable**
**For and on behalf of the Board of Directors**

Place : Mapusa, Goa  
Date : June 10, 2021

**K. G. Gupta**  
Managing Director  
DIN : 00051863

**Vikram Gupta**  
Director  
DIN : 00052019

**Gurudas Sawant**  
Chief Financial Officer

**Pooja Bicholkar**  
Company Secretary  
ICSI Membership No : 54716