

INDEPENDENT AUDITOR'S REPORT - AUDIT

To	MSKA & Associates
From	Dinesh Heda, Chartered Accountant
Date	May 20, 2022.
Subject	Audit of the Standalone Financial Statements of Lensco - The Lens Company.

To MSKA & Associates, Panaji Goa.

Opinion

As requested in your group audit engagement instructions dated 31 March 2022, we have audited, for purposes of your audit of the consolidated financial statements of GKB Ophthalmic Ltd., the special purpose financial information of Lensco-The Lens Company as of 31 March 2022 and for the year then ended. This Financial Statements has been prepared by management of Lensco -The Lens Company solely to enable GKB Ophthalmic Ltd. to prepare its consolidated financial statements.

In our opinion, the financial statements of Lensco -The Lens Company (the Component) as of 31 March 2022 and for the year then ended was prepared in all material respects, in accordance with the instructions issued by GKB Ophthalmic Ltd.'s management on 31 March 2022 and with the disclosed accounting policies.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Information* section of our report. We are independent of the Component in accordance with the ethical requirements that are relevant to our audit of the financial statements and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management and Those Charged with Governance for the Financial statements

Management is responsible for the preparation and presentation of the financial statements in accordance with the instructions issued by GKB Ophthalmics Ltd.'s management on 31 March 2022 and with the disclosed accounting policies, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. This financial statements has been prepared solely to enable GKB Ophthalmics Ltd. to prepare its consolidated financial statements.

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

Those charged with governance are responsible for overseeing the Component's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Information

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole is 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 ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. As requested, our audit procedures also include the additional procedures identified in your instructions. As requested by you, we plan and perform our audit using the component materiality level specified in your instructions, which is different than the materiality level that we would have used had we been designing the audit to express an opinion on the financial information of the Component alone. We also:

- Identify and assess the risks of material misstatement of the 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, but not for the





purpose of expressing an opinion on the effectiveness of the Component's internal control.

- Evaluate the appropriateness of accounting policies in accordance with the instructions issued by GKB Ophthalmics Ltd.'s management on 31 March 2022 and with the disclosed accounting policies 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 evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Component'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 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 Component to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of Lensco - The Lens Company 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 of Lensco - The Lens Company 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.

The conclusions reached in forming our opinion are based on the component materiality level specified by you in the context of the audit of the consolidated financial statements of the group.

Component engagement auditor's name	Dinesh Heda
Component engagement auditor's signature	 
Date	20 May 2022

Lensco-The Lens Company
Balance Sheet as at 31 Mar 2022

	Notes	As at 31 Mar 2022	As at 31 Mar 2021
ASSETS			
Non-current assets			
Property, plant and equipment	6	8,732,019	4,485,035
Other non-current assets	7	1,138,506	98,774
Total non-current assets		9,870,525	4,583,809
Current assets			
Inventories	8	152,528,046	118,529,377
Financial assets			
Trade receivables	9	29,051,475	30,885,061
Cash and cash equivalents	10	3,557,213	3,737,348
Other current assets	11	2,830,788	1,495,967
Total current assets		187,967,522	154,647,759
Total assets		197,838,047	159,231,562
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	637,564	614,595
Other equity	13	80,747,169	67,768,850
Total equity		81,384,733	68,383,445
Liabilities			
Non-current liabilities			
Employee benefit obligations	13	644,969	407,880
Total non-current liabilities		644,969	407,880
Current liabilities			
Financial liabilities			
Trade payables	14		
i)total outstanding dues of micro enterprises and small enterprises		115,516,222	90,265,308
ii)total outstanding dues of creditors other than micro enterprise and small enterprise		292,123	174,929
Other current liabilities	15	292,123	174,929
Total current liabilities		115,808,345	90,440,237
Total liabilities		116,453,308	90,848,117
Total equity and liabilities		197,838,047	159,231,562



Dinesh Heda
Partner *Pragati*
Membership No. 48860

Place : Mapusa - Goa
Date : *20 May 2022*

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Lensco-The Lens Company

Statement of changes in equity for the quarter ended 31 Mar 2022

(A) Equity share capital

Equity shares of [Face value] each issued, subscribed and fully paid
 Opening
 Add: issue during the year
 Closing

	As at 31 Mar 2022		As at 31 Mar 2021	
	Amount	No. of shares	Amount	
Opening	637,564	100	614,595	
Add: issue during the year	-	248,765	248,765	
Closing	637,564	248,865	863,360	

(B) Other equity

	Reserve and surplus		Items of OCI			Total
	Securities premium	Retained earnings	Reserve	Reserve on equity	FCTR	
Balance as at 1st April 2020	49,501,974	9,488,777	-	-	-	58,990,751
profit /Loss for the year	-	5,492,056	-	-	-	5,492,056
Other comprehensive income	-	-	-	-	-	-
Foreign currency translation reserve	-	3,286,043	-	-	-	3,286,043
Total other comprehensive income for the year	49,501,974	18,266,876	-	-	-	67,768,850
Balance as at 31 Mar 2021	49,501,974	18,266,876	-	-	-	67,768,850

	Reserve and surplus		Items of OCI			Total
	Securities premium	Retained earnings	Reserve	Reserve on equity	FCTR	
Balance as at 1 April 2021	49,501,974	18,266,876	-	-	-	67,768,850
Profit for the period	-	15,229,502	-	-	-	15,229,502
Other comprehensive income	-	-	-	-	-	-
Foreign currency translation reserve	1,850,014	682,680	-	-	(4,783,876)	(2,251,182)
Total other comprehensive income for period	51,351,988	34,179,058	-	-	-	80,747,170
Balance as at 31 Mar 2022	51,351,988	34,179,058	-	-	-	80,747,170

Dinesh Heda
 Partner
 Membership No. 48860



Place : Mapusa - Goa
 Date : 20 May 2022

(Signature)
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Lensco-The Lens Company
Statement of Profit and Loss for the quarter ended 31 Mar 2022

	Notes	Year ended 31 Mar 2022	Year ended 31 Mar 2021
Income			
Revenue from operations	16	160,371,609	119,224,728
Other income	17	1,862,373	968,701
Total income		162,233,982	120,193,429
Expenses			
Cost of material consumed	18	-	-
Purchase of Stock-in-trade		141,621,197	69,373,798
Changes in inventories of finished goods, stock-in-trade and work-in-progress	19	(33,998,669)	12,999,697
Employee benefits expense	20	9,423,562	7,768,074
Finance costs	21	1,041,845	6,329,458
Depreciation and amortization expense	22	523,258	331,397
Other expenses	23	28,393,287	17,898,949
Total expenses		147,004,480	114,701,373
Profit /(Loss) before exceptional items and tax		15,229,502	5,492,056
Exceptional items	24	-	-
Profit /(Loss) before tax		15,229,502	5,492,056
Tax expense			
Current tax	25	-	-
Deferred tax	25	-	-
Total income tax expense		-	-
Profit for the period		15,229,502	5,492,056
Other comprehensive income			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Net (loss)/gain on FVTOCI debt securities		-	-
Income tax effect		-	-
Exchange differences on translation of foreign operations		-	-
Income tax effect		-	-
<i>Items that will not be reclassified to profit or loss</i>			
Net (loss)/gain on FVTOCI equity Securities		-	-
Remeasurement of net defined benefit liability		-	-
Income tax effect		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		15,229,502	5,492,056

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Dinesh Heda
Partner Proprietor
Membership No. 48860



Place : Mapusa - Goa
Date : 30 Mar 2022

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Notes forming part of the Financial Statements for the quarter ended 31 March 2022
(Amount in INR thousands, unless otherwise stated)

6 Property, plant and equipment

	Gross block			Depreciation				Net block		
	As at 1 April 2021	Additions/ Adjustments	Deductions/ Adjustments	As at 31 Mar 2022	As at 1 April 2021	For the year	Deductions/ Adjustments	As at 31 Mar 2022	As at 31 Mar 2022	As at 31 Mar 2021
Owned assets										
Leasehold Improvement	3,562,603	-	(133,144)	3,695,747	1,253,317	87,830	(48,496)	1,389,642	2,306,105	2,309,286
Plant & Machinery	1,243,924	-	(16,502)	1,260,426	506,830	-	(16,502)	523,332	737,094	737,094
Furniture and Fixtures	5,034,531	-	(218,140)	5,252,671	4,552,653	272,642	(177,728)	5,003,023	249,648	481,878
Motor Vehicle	6,389,960	4,612,497	(238,809)	11,241,265	5,433,183	162,787	(206,123)	5,802,093	5,439,172	956,777
Total	16,231,017	4,612,497	(606,595)	21,450,109	11,745,983	523,258	(448,849)	12,718,090	8,732,019	4,485,035

	Gross block			Depreciation				Net block		
	1st April 2020	Additions/ Adjustments	Deductions/ Adjustments	As at 31 Mar 2021	1st April 2020	For the year	Deductions/ Adjustments	As at 31 Mar 2021	As at 31 Mar 2021	As at 31 Mar 2020
Owned assets										
Leasehold Improvement	3,669,796	-	107,193	3,562,603	1,202,169	87,583	36,435	1,253,317	2,309,286	2,467,627
Plant & Machinery	5,047,817	-	13,286	5,034,531	4,565,939	-	13,286	4,552,653	481,878	481,877
Furniture and Fixtures	454,843	936,526	147,445	1,243,924	454,843	188,192	136,205	506,830	737,094	-
Motor Vehicle	6,582,224	-	192,264	6,389,960	5,540,227	55,622	162,666	5,433,183	956,777	1,041,997
Total	15,754,679	936,526	460,188	16,231,017	11,763,178	331,397	348,592	11,745,983	4,485,035	3,991,502



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Lensco-The Lens Company

Notes forming part of the Financial Statements for the quarter ended 31 March 2022
(Amount in INR thousands, unless otherwise stated)

	31 Mar 2022		31 Mar 2021	
7 Other non-current assets				
Security Deposits		284,626		98,774
Capital Advances		853,880		-
Total other non-current other assets		1,138,506		98,774
8 Inventories*				
		31 Mar 2022		31 Mar 2021
Raw material in stock (At cost)		-		-
Raw material in transit		-		-
Work in progress in stock (At cost)		-		-
Finished goods in stock (At lower of cost and net realizable value)		152,528,046		118,529,377
Finished goods in transit (At lower of cost and net realizable value)		-		-
Store and spares parts including packing material (At cost)		-		-
		152,528,046		118,529,377
9 Trade receivable				
		Non-Current		Current
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
Secured, considered good	-	-	-	-
Unsecured	-	-	-	-
-Considered good	-	-	29,051,475	30,885,061
-Considered doubtful	-	-	-	-
Less-Allowance for bad and doubtful debts	-	-	-	-
	-	-	29,051,475	30,885,061
10 Cash and cash equivalents				
Balances with banks:			31 Mar 2022	31 Mar 2021
On current accounts			3,557,213	3,737,345
			3,557,213	3,737,345
11 Other current assets				
Advance recoverable in kind			779,416	-
Balance with service tax authorities			-	-
Prepaid expense			2,051,372	1,495,967
Balance with tax authorities			-	-
Total			2,830,788	1,495,967



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Notes forming part of the Financial Statements for the quarter ended 31 March 2022
(Amount in INR thousands, unless otherwise stated)

12 Share capital

(a) Equity shares

	31 Mar 2022	31 Mar 2021
<u>Authorized</u>		
100 equity shares	637,564	614,595
	637,564	614,595
<u>Issued, subscribed and paid up</u>		
100 equity shares of Rs.30,045 each	637,564	614,595
Total	637,564	614,595

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

	31 Mar 2022		31 Mar 2021	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	168	614,595	100	376,838
Add: Issued during the year	-	-	68	248,765
Add/Less: Foreign currency translation adjustment	-	22,969	-	(11,007)
Outstanding at the end of the year	168	637,564	168	614,595

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of [Face value] per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable 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	31 Mar 2022		31 Mar 2021	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
GKB Ophthalmics. Ltd	100	60%	100	60%
K.G Gupta	17	10%	17	10%
Veena Gupta	17	10%	17	10%
Gaurav Gupta	17	10%	17	10%
Vikram Gupta	17	10%	17	10%

(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.

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

13 Other equity

(B) Securities premium (SP)*

Opening balance	49,501,974	49,501,974
Add : Securities premium credited on share issue		
Add/(Less): Foreign currency translation adjustment	1,850,014	-
Closing balance	51,351,988	49,501,974

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

	31 Mar 2022	31 Mar 2021
Opening balance	18,266,876	9,488,777
Add: Net loss/profit for the current year	15,229,502	5,492,056
Add/(Less): Foreign currency translation adjustment	682,680	3,286,043
Closing balance	34,179,058	18,266,876

(B) (iv) Foreign Currency Translation Reserve

	31 Mar 2022	31 Mar 2021
-As at beginning of year	-	-
-Addition/(deletion) during the period	(4,783,876)	-
Closing balance	(4,783,876)	-

Total other equity

80,747,170 **67,768,850**



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13 Employee benefit obligations

	Long term		Short term	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
Provision for employee benefits	644,963	407,880	-	-
Provision for gratuity (unfunded)	-	-	-	-
Total Provisions	644,963	407,880	-	-

14 Trade payables

	Non - Current		Current	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises*	-	-	115,516,222	90,265,308
Total trade payables (II)	-	-	115,516,222	90,265,308

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

Particulars	Current		
	31 Mar 2022	31 Mar 2021	-
(a) Amount remaining unpaid to any supplier at the end of each accounting year:			
Principal	-	-	-
Interest	-	-	-
Total	-	-	-
(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.	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
(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.	-	-	-

15 Other current liabilities

	31 Mar 2022	31 Mar 2021
Revenue received in advance	-	-
Statutory due payable	202,087	154,454
Advance from customer	90,036	20,475
Employee benefits payable	-	-
Dividend payable	-	-
Total other current liabilities	292,123	174,929



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Notes forming part of the Financial Statements for the quarter ended 31 March 2022
(Amount in INR thousands, unless otherwise stated)

	31 Mar 2022	31 Mar 2021
16 Revenue from operations		
Sale of goods (inclusive of excise duty)	160,371,609	119,224,728
Sale of services	-	-
Total revenue from operations	160,371,609	119,224,728
17 Other Income		
Commission on sale	-	599,566
Liabilities written back	-	369,135
Miscellaneous income	-	-
Total other Income	-	968,701
18 Cost of revenue		
Inventory at the beginning of the year	-	-
Add: Purchases	-	-
Less: Inventory at the end of the year	-	-
	-	-
19 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	118,529,377	131,529,074
	118,529,377	131,529,074
Less: Inventories at the end of the year		
- Finished goods	-	-
- Work-in-progress	-	-
- Stock-in-trade	152,528,046	118,529,377
	152,528,046	118,529,377
Net decrease/ (Increase)	-33,998,669	12,999,697
Add: Increase decrease in excise duty on closing stock	271,057,423	250,058,451
	237,058,754	263,058,148
20 Employee benefits expense		
Salaries, wages, bonus and other allowances	9,294,732	7,674,101
Contribution to Provident Fund and ESI	-	-
Gratuity and compensated absences expenses (Refer note 44)	-	-
Employee stock option scheme compensation (Refer note 45)	-	-
Staff welfare expenses	128,830	93,973
Total employee benefits expense	9,423,562	7,768,074
21 Finance costs		
Interest on borrowing	-	-
Interest on delay in payment of taxes	-	-
Finance charges payable under finance leases	1,041,845	6,329,458
Interest Expense on lease liability	-	-
Total finance costs	1,041,845	6,329,458
22 Depreciation and amortization expense		
Depreciation (Refer note X)	523,258	331,397
Amortization (Refer note Y)	-	-
Depreciation on investment property (Refer Note XX)	-	-
Total depreciation and amortization expense	523,258	331,397
23 Other expenses		
Electricity and water	331,394	223,971
Recruitment and training	-	-
Rent	9,412,858	7,297,404
Repairs and maintenance - others	1,098,980	477,220
Rates and taxes	6,216,454	3,805,525
Travel and conveyance	931,398	29,722
Freight & Forwarding	2,264,637	1,171,187
Packing Material	319,799	36,200
Printing & Stationery	103,393	29,392
Communication, broadband and internet expenses	257,883	540,741
Legal and professional charges	1,675,382	967,934
Audit fees	-	-
Advertisement	1,072,162	426,326
Commission	1,927,594	1,073,206
Miscellaneous expenses	1,478,891	753,830
Bad debts	-	-
Insurance	1,002,460	1,066,291
Total other expenses	28,393,287	17,898,949
*Note : The following is the break-up of Auditors remuneration		
As auditor:		
Statutory audit	-	-
In other capacity:	-	-
Tax audit	-	-
Other matters	-	-
Reimbursement of expenses	-	-
Total	-	-



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