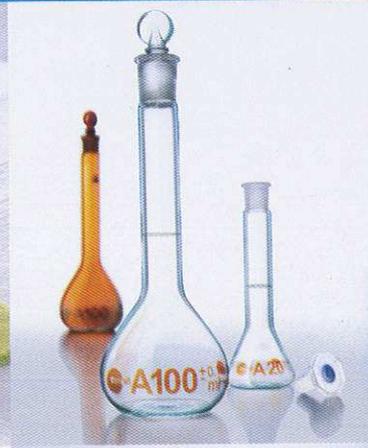
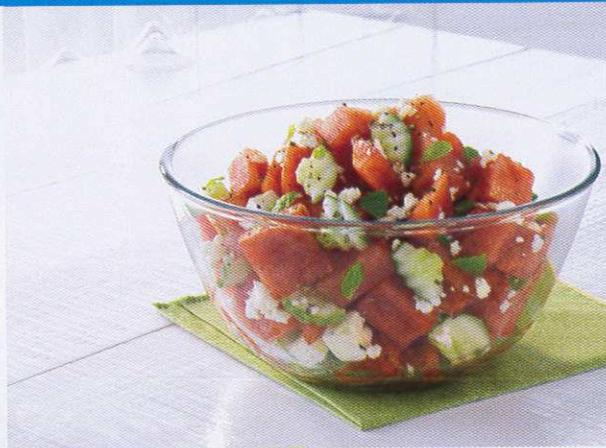


51st

Annual Report |
2013 - 2014



BOROSIL®

BOROSIL GLASS WORKS LTD.

Since 1962

BOARD OF DIRECTORS

| | |
|------------------------|--|
| B. L. Kheruka | - Executive Chairman |
| P. K. Kheruka | - Vice Chairman |
| Shreevar Kheruka | - Managing Director |
| V. Ramaswami | - Whole-time Director |
| S. Bagai | |
| U. K. Mukhopadhyay | |
| Dinesh N. Vaswani | - (ceased w.e.f. 31 st January, 2014) |
| Naveen Kumar Kshatriya | |
| Dhanendra Kumar | - (Additional Director from 11 th November, 2013 to 10 th May, 2014) |
| Anupa R. Sahney (Mrs.) | - (Additional Director w.e.f. 30 th May, 2014) |

CHIEF FINANCIAL OFFICER

Rajesh Chaudhary

COMPANY SECRETARY

Lovelina Faroz (Ms.)

REGISTERED OFFICE

Khanna Construction House,
44, Dr. R. G. Thadani Marg,
Worli, Mumbai - 400 018.

CORPORATE OFFICE

1101 Crescenzo, G-Block,
Opp. MCA Club,
Bandra Kurla Complex,
Bandra (E), Mumbai-400 051.
☎ : 67406300

ZONAL SALES OFFICES

- 403/404, Kaliandas Udyog Bhavan Premises,
Near Century Bazar, Worli, Mumbai - 400 025.
- Dabriwala House, 10-C, Middleton Row,
Kolkata - 700 071.
- 1st floor, New No.20, Old No.9 Brahadammal Road,
Nungambakkam, Chennai – 600 034.
- 19/90, Connaught Circus, Madras Hotel Block, New Delhi - 110 001.

AUDITORS

Chaturvedi & Shah
Chartered Accountants

REGISTRAR & TRANSFER AGENTS

Universal Capital Securities Pvt. Ltd.
Unit: Borosil Glass Works Ltd.
21, Shakil Niwas, Mahakali Caves Road,
Andheri (East), Mumbai - 400 093.
☎ : 2820 7203 / 2820 7204 / 2820 7205

The Shareholders are requested to fill up and send back **EMAIL REGISTRATION FORM** as provided in page No. 99 of this Annual Report.

BOROSIL

NOTICE

NOTICE is hereby given that the Fifty First Annual General Meeting of the Members of **Borosil Glass Works Limited** will be held at Textile Committee Auditorium, Textile Committee Building, P. Balu Road, near Tata Press, Prabhadevi Chowk, Mumbai - 400025 on Wednesday, 13th day of August, 2014 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt :
 - (a) the audited financial statement of the Company for the financial year ended 31st March, 2014, the reports of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated financial statement of the Company for the financial year ended 31st March, 2014.
2. To declare dividend on the Equity Shares for the year ended 31st March, 2014.
3. To appoint a Director in place of Mr. B.L. Kheruka, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED that M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration No. 101720W), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Utpal Kumar Mukhopadhyay, (holding DIN 02766045), Director of the Company whose office is liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Naveen Kumar Kshatriya, (holding DIN 00046813), Director of the Company whose office is liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019."
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Sukhinder Bagai, (holding DIN 00011176), Director of the Company who retires by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019."
8. To consider and, if thought fit, to pass the following resolution, as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Section 161(1) of the Companies Act, 2013, Mrs. Anupa R. Sahney, (holding DIN 00341721) who was appointed as an Additional Director at the meeting of the Board of Directors of the Company held on 30th May, 2014 and who holds office up to the date of ensuing Annual General Meeting of the Company and in respect of whom the Company has received notice from a member under Section 160 of the Companies Act, 2013, proposing her candidature as a Director, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 to hold office for five consecutive years for a term up to 31st March, 2019."
9. To approve the payment of remuneration to non-executive directors and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:
"RESOLVED THAT in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the non-executive directors of the Company (i.e. directors other than the Managing Director and / or the Whole-time Directors) be paid, remuneration, in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof, as the Board of Directors may from time to time determine, not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company (including Nomination and Remuneration Committee) be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of Resolution passed at the Annual General Meeting held on August 22, 2009, consent of the Company be and is hereby accorded under Section 180 (1) (c) of Companies Act, 2013 and other applicable provisions, if any, to the Board of Directors of the Company, to borrow any sum or sums of money, from time to time for the purpose of the Company, upon such terms and conditions and with/without security, as the Board of Directors may, in its absolute discretion, think fit and proper, notwithstanding the fact that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid up capital of the Company and its free reserves, (that is to say, reserved not set apart for any specific purpose), provided that the total amount of such borrowings shall not exceed, at any time, a sum of ₹ 100 Crores (Rupees One hundred Crores) over and above the paid up capital and free reserves of the Company and the Board of Directors be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest repayment, security or otherwise howsoever as it may think fit.

RESOLVED FURTHER THAT the Board of Directors be and is hereby further authorised to create mortgages and/or charges on such properties of the Company as it may think fit and for that purpose to execute such documents, papers, deeds and writings containing such conditions and covenants as the Board may think fit and to take all such steps as may be necessary or desirable to give effect to this Resolution."

By Order of the Board
For **Borosil Glass Works Limited**

Place : Bharuch
Date : May 30, 2014

Lovelina Faroz
Company Secretary

Registered Office:

Khanna Construction House,
44, Dr. R.G. Thadani Marg,
Worli, Mumbai 400 018.
CIN:L99999MH1962PLC012538
e-mail: borosil@borosil.com.

NOTES

- (1) The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
- (2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (3) Members / Proxies should bring the duly filled Attendance Slip at the Annual General Meeting. Corporate Members are requested to send a duly certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.
- (4) The Register of Members and Share Transfer Books of the Company will remain closed from 6th August, 2014 to 13th August, 2014 (both days inclusive).
- (5) Members are requested to note that the Company's shares are under compulsory electronic trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience. Members whose shares are in electronic mode are requested to inform change of address and updates of bank account(s) to their respective Depository Participants.
- (6) Members wishing to claim dividends, which remain unclaimed are requested to correspond with Universal Capital Securities Private Limited, Registrar & Share Transfer Agent. Members are requested to note that dividends not claimed within seven years from the date of the transfer to the Company's Unpaid Dividend Account, will as per Section 124 of the

BOROSIL

Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956) be transferred to the Investor Education Protection Fund.

The last date for claiming the unpaid dividend amount for the financial year 2006-07 is on or before 21st September, 2014.

- (7) Members who have not registered their e-mail address so far are requested to register their e-mail address, by sending an email stating clearly your name, folio no. if you are holding shares in physical form / DP Id & Client Id if you are holding shares in dematerialized form to:- investor.relations@borosil.com.

The Annual Report for the year 2013-14 of the Company circulated to the members of the Company will be made available on the Company's website at www.borosil.com and also on the website of the stock exchange at www.bseindia.com.

- (8) **The details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement) are furnished below:-**

| Name of Director | Mr. B.L. Kheruka | Mr. S. Bagai | Mr. U.K. Mukhopadhyay | Mr. Naveen Kumar Kshatriya | Mrs. Anupa R. Sahney |
|---|---|---|--|---|---|
| Date of birth | 07.11.1930 | 07.03.1956 | 26.01.1944 | 02.02.1949 | 19.10.1967 |
| Date of appointment | 24.11.1988 | 29.06.2002 | 24.08.2009 | 09.05.2013 | 30.05.2014 |
| Expertise in specific Professional areas | Industrialist having 61 years of experience in various functional areas of business/ industry | Over 33 years of experience in legal and taxation matters | He is a retired IAS Officer. Has rich experience in administrative as well as in Corporate Sector. After holding various positions in Government of Maharashtra, he retired as Additional Chief Secretary -Home. Later, he was also Managing Director of Tata Housing Development Company Ltd. | Has 41 years of varied experience in Industry which included position of MD & CEO in reputed Multinational Company. | Has vast experience in various fields Has worked with. Investors to manage investments, has experience in Owner representation and Asset management |
| Qualifications | B.Com | B.Com, L.L.B | Ph.D. (Economics) | IIT Graduate | Associate CA, Institute of England & Wales, Bachelors Degree (Double Honours) in Economics, Finance & Accounting |
| List of other Indian Public Limited Companies in which Directorship held | - Borosil International Ltd. - Borosil Glass Ltd. - Gujarat Borosil Ltd. - Window Glass Ltd. | Nil | - Surya Roshni Ltd. - WPIL Ltd. | Nil | Nil |
| Chairman/ Member of the Committee of Board other Public Limited Companies | Member of Share Transfer & Investor Grievance Committee | Nil | Nil | Nil | Nil |
| Number of Shares held in the Company | 76415 | Nil | Nil | Nil | Nil |

- (9) **Voting through electronic means**

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 and 21 of Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide members

facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

Procedure / Instructions for e-voting are as under:

In case of members receiving e-mail:

- (i) If you are holding shares in Demat form and had logged on to <https://www.evotingindia.co.in> and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.
- (ii) Log on to the e-voting website <https://www.evotingindia.co.in>
- (iii) Click on "Shareholders" tab to cast your vote
- (iv) Now, select the Electronic Voting Sequence Number-"EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (v) Now, fill up the following details in the appropriate boxes:

| | For Members holding shares in Demat Form | For Members holding shares in Physical Form |
|------------------------|---|--|
| User ID | For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID | Folio Number registered with the Company |
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by the Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders) | |
| DOB# | Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format. | |
| Dividend Bank Details# | Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. | |

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the <BRSIL2014R> in the PAN field.

Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the <13082014> in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly to the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@ # \$ % & *). 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) Click on the relevant EVSN on which you choose to vote.
- (ix) 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.
- (x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xi) 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.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution/Authority letter in PDF format in the

system for the scrutinizer to verify the same. Further, they are requested to send the scanned copy of the Board Resolution/ Authority letter to the email id of Scrutinizer (bhattvirendra1945@yahoo.co.in), RTA (ravi@unisecon.in) and Company (investor.relations@borosil.com).

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xiii) above to cast vote.
- (B) The voting period begins on 07th August, 2014 (9.00 a.m.) and ends on 09th August, 2014 (6.00 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 4th July, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at <https://www.evotingindia.co.in> under help section or write an email to helpdesk.evoting@cdslindia.com.

Mr. Virandra G Bhatt, Practicing Company Secretary (C.P. No. 124) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The results of the e-voting along with the scrutinizer's report shall be placed on the Company's website www.borosil.com and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the Stock Exchange where the shares of the Company are listed.

ANNEXURE TO THE NOTICE

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 5:

Mr. Utpal Kumar Mukhopadhyay is a Non- Executive Independent Director of the Company. He joined the Board of Directors of the Company on 24th August, 2009.

Mr. Mukhopadhyay's period of office as a director is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Clause 49 (as amended) of the Listing Agreement, Mr. Mukhopadhyay being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice under Section 160 of the Companies Act, 2013 has been received from a member proposing Mr. Utpal Kumar Mukhopadhyay as a candidate for the office of Director of the Company.

Mr. Mukhopadhyay is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director. The Company has also received a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of Companies Act, 2013.

In the opinion of the Board, Mr. Mukhopadhyay fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder and Clause 49 of the Listing Agreement for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Utpal Kumar Mukhopadhyay as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Mr. Mukhopadhyay has vast experience in administrative as well as in Corporate Sector. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Utpal Kumar Mukhopadhyay as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Utpal Kumar Mukhopadhyay as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Mukhopadhyay being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.5.

ITEM NO. 6:

Mr. Naveen Kumar Kshatriya is a Non- Executive Independent Director of the Company. He joined the Board of Directors of the Company on 9th May, 2013.

Mr. Kshatriya's period of office as a Director is liable to determination by retirement of directors by rotation under the erstwhile

applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Clause 49 (as amended) of the Listing Agreement, Mr. Kshatriya being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice under Section 160 of the Companies Act, 2013 has been received from a member proposing Mr. Kshatriya as a candidate for the office of Director of the Company.

Mr. Kshatriya is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director. The Company has also received a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of Companies Act, 2013.

In the opinion of the Board, Mr. Kshatriya fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder and Clause 49 (as amended) of the Listing Agreement for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Kshatriya as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Mr. Kshatriya has varied experience in Industry which includes holding position of MD & CEO in reputed Multinational Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Kshatriya as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Naveen Kumar Kshatriya.

Except Mr. Kshatriya being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6.

ITEM NO. 7:

Mr. Sukhinder Bagai is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 29th June, 2002.

Mr. Sukhinder Bagai's period of office as a Director is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. S. Bagai being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice under Section 160 of the Companies Act, 2013 has been received from a member proposing Mr. S. Bagai as a candidate for the office of Director of the Company.

Mr. Sukhinder Bagai is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director. The Company has also received a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of Companies Act, 2013.

In the opinion of the Board, Mr. S. Bagai fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder and Clause 49 (as amended) of the Listing Agreement for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. S. Bagai as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Mr. S. Bagai has experience in law, taxation and related fields. The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mr. S. Bagai as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. S. Bagai as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. S. Bagai, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.7.

ITEM NO. 8:

Mrs. Anupa R. Sahney who has been appointed as an Additional Director of the Company pursuant to the provision of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company effective May 30, 2014 holds office upto the date of this Annual General Meeting, and is eligible for appointment as a Director. Mrs. Anupa R. Sahney is a Non-Executive Independent Director of the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Clause 49 (as amended) of the Listing Agreement, Mrs. Anupa R. Sahney is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019.

Mrs. Anupa R. Sahney is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given her consent to act as Director. The Company has also received a declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of Companies Act, 2013.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member proposing the candidature

BOROSIL

of Mrs. Anupa R. Sahney for the office of Independent Director of the Company.

Mrs. Anupa R. Sahney has vast experience in various fields. She has worked with Investors to manage investments and has experience in Owner representation and Asset management. The Board considers that her continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mrs. Anupa R. Sahney as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Anupa R. Sahney as an Independent Director, for the approval by the shareholders of the Company.

Except Mrs. Anupa R. Sahney being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.8.

Brief resume of Mr. Uptal Kumar Mukhopadhyay, Mr. Naveen Kumar Kshatriya, Mr. S. Bagai and Mrs. Anupa R. Sahney, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with Stock Exchange, are provided above.

ITEM NO. 9:

Section 197 of Companies Act, 2013 provides for payment of remuneration to non- executive directors (i.e. directors other than Managing and Whole-time Directors) not exceeding in the aggregate one percent (1%) of the net profits of the Company for each financial year, as computed in the manner as laid down in Section 198 of the Act, in addition to the sitting fee payable to them for attending meetings of the Board and Committees thereof.

The Board of Directors of the Company proposes to pass enabling resolution in this connection.

Save and except all the non-executive directors of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

ITEM NO. 10:

As per the provisions of Section 180 (1) (c) of Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the Company in General Meeting, borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and the free reserve of the Company, that is to say, reserve not set apart for any specific purpose.

Ministry of Corporate Affairs had issued a clarification with regards to Section 180 of the Companies Act, 2013 vide General Circular no. 04/2014 dated March 25, 2014, stating that the resolution passed under Section 293(1)(d) of the Companies Act, 1956 prior to 12.09.2013 with reference to borrowing powers of the Company will be valid for a period of one year from the date of notification of Section 180 of the Act. Hence, a fresh resolution is required to be passed in the matter under the Companies Act, 2013.

The Resolution set out at item no. 10 of the notice is put forth for consideration of the members pursuant to the provisions of Section 180 (1) (c) of Companies Act, 2013 to enable the Directors to borrow up to a sum of ₹ 100 crores (Rupees One hundred crores) over and above the paid up capital and free reserves of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or in any way interested in this resolution.

The Board of Directors recommends this enabling resolution for approval of the members.

By Order of the Board
For **Borosil Glass Works Limited**

Place : Bharuch
Date : May 30, 2014

Lovelina Faroz
Company Secretary

Registered Office:
Khanna Construction House,
44, Dr. R.G. Thadani Marg,
Worli, Mumbai 400 018.
CIN:L99999MH1962PLC012538
e-mail: borosil@borosil.com.

FIVE YEAR FINANCIAL HIGHLIGHTS

| | 2013-2014 | 2012-2013 | 2011-2012 | 2010-2011 | 2009-2010 |
|--|-----------|-----------|-----------|-------------|------------|
| Revenue From Operations | 15,595.00 | 13,447.16 | 12,602.35 | 11,913.84 | 8,788.83 |
| Profit/(Loss) Before Extra ordinary Item & Tax | 4,166.30 | 2,604.26 | 4,042.77 | 1,465.11 | (735.90) |
| Profit/(Loss) Before Extra ordinary Item & Tax as % on Revenue From Operations | 26.72 | 19.37 | 32.08 | 12.30 | (8.37) |
| Extra Ordinary Item [(Income)/Expenditure] | — | — | — | (78,422.28) | 1,869.98 |
| Profit/(Loss) Before Tax | 4,166.30 | 2,604.26 | 4,042.77 | 79,887.39 | (2,605.88) |
| Tax expenses | 451.74 | 620.59 | 789.97 | 15,107.04 | (126.74) |
| Profit/(Loss) After Tax | 3,714.56 | 1,983.67 | 3,252.80 | 64,780.35 | (2,479.14) |
| Dividend | 200.00 | 150.00 | 150.00 | 400.00 | — |
| Net Earnings per Share | 123.57 | 64.81 | 85.58 | 1,634.24 | (62.54) |
| Shareholders' Funds | 65,734.37 | 62,723.18 | 62,365.73 | 66,692.88 | 3,759.13 |
| Book Value per Share | 2,186.77 | 2,086.60 | 1,989.11 | 1,682.49 | 94.83 |
| Return on Investment | 5.73 | 3.20 | 5.25 | 97.51 | (21.99) |

BOROSIL

DIRECTORS' REPORT

To
The Members of
BOROSIL GLASS WORKS LIMITED

Your Directors present their Fifty First Annual Report and the Audited Financial Statement for the year ended March 31, 2014.

FINANCIAL RESULTS

| | Year ended 31.03.2014 | Year ended 31.03.2013 |
|---|--------------------------|--------------------------|
| Revenue from Operations | 15,595 | 13,447 |
| Other Income | 4,076 | 2,513 |
| Profit for the year before Finance cost and Depreciation | 5,023 | 2,836 |
| Less: Finance Cost | 50 | 27 |
| Less: Depreciation & Amortisation Expenses | 372 | 205 |
| Profit before Exceptional Item | 4,601 | 2,604 |
| Less: Exceptional Item | 435 | — |
| Profit Before Tax | 4,167 | 2,604 |
| Less: Provision for Income Tax | 602 | 452 |
| Less: Deferred Tax | 206 | 334 |
| Less: MAT Credit entitlement | (232) | (171) |
| Less: Provision / (Written back) of Income Tax of earlier years | (124) | 5 |
| Profit for the year | 3,715 | 1,984 |
| Add: Balance as per last year | 61,696 | 60,439 |
| Amount available for Appropriation | 65,411 | 62,423 |
| <u>Appropriations</u> | | |
| Amount Transferred to General Reserve | 400 | 200 |
| Dividend on Equity Shares | 601 | 451 |
| Tax on above Dividend | 102 | 77 |
| Proposed Dividend & Tax thereon of earlier year written back | — | (1) |
| Balance carried to Balance Sheet | 64,307 | 61,696 |

DIVIDEND

The Board of Directors recommends a dividend of ₹ 20/- per equity share for the year ended March 31, 2014.

PERFORMANCE

Your Company has generated a business profit of ₹ 46.01 crores, during the year under review as compared to ₹ 26.04 crores (before tax and exceptional items) in the previous year.

During the course of the year, the Company has grown by 16% on a consolidated basis. This increase has come in the midst of a tough economic environment and can be credited to a combination of new product introductions, price increases as well as small volume improvements. The Company has been able to pass on much of the increase of input costs to its

customers and thereby managed to protect and even improve its bottom line.

The Company's efforts for organic as well as inorganic expansion both in India and abroad continues.

The Company has invested its investible funds of around ₹ 409 crores as on March 31, 2014 in a mixture of Debt markets, Equity/Equity Linked Instruments, Bonds/Debentures, Convertible Preference Shares, Non-Convertible Redeemable Preference Shares, Commodities, Real Estate, Opportunity based Funds, Real Estate Funds and Mutual Funds.

Scientific & Industrial Products Division (SIP)

The last year has been a tough one for the SIP division owing to very limited funding for government funded laboratories. In spite of this, the SIP division has seen a growth of 12%. Market reports suggest that sales made by our main competitors in this segment have shrunk or stayed flat during the year.

The Company has introduced two new product categories in this year :

- Chromatography vials mainly used in pharmaceutical quality control (QC)/Research & Development (R&D) labs.
- Disposable plastic tips used for liquid handling systems

The Company expects good growth in both these business segments in the coming years.

In addition to the domestic market, the Company has also focused on the international market and has grown substantially its laboratory glassware sales from ₹ 1.4 crores in the previous year to ₹ 4.3 crores. Exports of this product category has a large potential in the years to come.

Consumer Products Division

The consumer products division has seen a growth of 20% over the last financial year.

The various product categories introduced by the Company includes:

- Melamine range of Products comprising of dinner sets, trays and bowls.
- Appliances i.e. Various products such as Induction cookers, Mixer grinders, Sandwich maker, etc.
- Plastic items namely lunch boxes and Food storage containers.
- In the Home Décor items, new items such as tea lights and serving platters.

These category additions have a potential to add top line increases to the Company in the coming years. However, the market for these products is very competitive and the Company needs to do a lot of promotion in order to establish itself in these new categories.

The Company has also started selling consumerware products by means of e-commerce, through its own website and other websites like Amazon, Snap deal, Fab Furnish etc are few of them. The initial response is positive and the Company expects e-commerce to be a larger contributor of sales in the future.

Exports of consumerware division during the year almost remained flat at ₹ 3.20 crores as compared to ₹ 3.28 crores in the previous year. The Company feels that further improvement can be made in exports of this product category. The Company is already in touch with a number of potential large customers for its products in the international market.

Exports

The overall exports of the Company during the year was ₹ 7.50 crores as compared to ₹ 4.68 crores during the previous year.

Other Actions

Firstly, as reported last year, the Company has set up a modern warehouse at Village: Dumala Boridra in Bharuch District of Gujarat for its own use and a portion of which has been leased out .

Further, the Company has leased out on long term lease basis a major portion of its factory premises it acquired last year at MIDC Tarapur, Boisar, Dist: Thane, to its supplier company Vylene Glass Works Ltd for carrying out manufacturing activities there and for supply of such manufactured products to the Company. The Company has also set up a warehouse there for its own use to supply products to the western region of India.

BOROSIL

Investments

The Company has investments in various debt, equity and real estate instruments as per the Investment policy mandate approved by the Board. With the spurt in the equity market, the equity components of the investment have shown good return during the year. The trend continues even in the first quarter of the current financial year.

SUBSIDIARY

During the year, the Company has incorporated a wholly owned Free Zone Enterprise (FZE) viz. Borosil Afrasia FZE in Jebel Ali Free Zone situated in Dubai in United Arab Emirates (UAE) with an initial paid up capital of one million dirhams. (equivalent to ₹ 1.65 Crores). The objective of the FZE is to market the Company's products in the Middle East and African markets.

In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary company are not being attached with the Balance Sheet of the Company. However, the financial information of the subsidiary company is disclosed in the Annual Report in compliance with the said circular. The Company will provide a copy of separate annual accounts in respect of its subsidiary to any shareholder of the Company who asks for it and the said annual accounts will also be kept open for inspection at the Registered Office of the Company and that of the Subsidiary company.

FIXED DEPOSITS

The Company has stopped accepting fresh fixed deposits since July 2006. The total amount of unclaimed deposits as on March 31, 2014 was ₹ 2.39 lacs. Out of these, deposit for ₹ 0.10 lac has since been claimed.

DIRECTORS

Mr. Dhanendra Kumar, a retired IAS officer, had been appointed as an Additional Director of the Company with effect from 11th November, 2013. However, in view of his pre-occupation with Government affairs, he resigned with effect from 10th May, 2014.

Mr. Dinesh Vaswani, an Independent Director, resigned from the Board w.e.f. January 31, 2014, as he took up investment advisory assignment with the Company.

Mrs. Anupa R. Sahney was appointed as an Additional Director on 30th May, 2014 in the category of Independent Director, to fill up the vacancy caused by the resignation of Mr. Dhanendra Kumar. The Company has received notice from a member of the Company under Section 160 of the Companies Act, 2013 in respect of her appointment as Director at the ensuing Annual General Meeting of the Company, alongwith deposit as prescribed thereunder.

Apart from Mrs. Sahney, the Company has three independent Directors, appointed under the Listing Agreement, namely Mr. S. Bagai, Mr. U.K. Mukhopadhyay and Mr. Naveen Kumar Kshatriya, who have diverse business/administrative experience and are making significant contribution to the Company. At present, they are liable to retire by rotation. It is proposed to appoint them as Independent Directors, with a fixed tenure of upto five years each at the ensuing Annual General Meeting of the Company, subject to approval of the shareholders, in terms of Section 149 of Companies Act, 2013 (the Act). The Company has received separate notices under Section 160 of the Act from members signifying their Candidature as Directors along with requisite deposit as prescribed thereunder. All abovementioned Independent Directors have also given declarations that they meet the criteria of independence as provided in sub-section 6 of Section 149 of the Act.

Their profile along with statement that in the opinion of the Board they fulfill the conditions as required in the Act for such appointments are furnished in the statement pursuant to Section 102(1) of the Companies Act, 2013 annexed with the Notice for the forthcoming Annual General Meeting.

Mr. B.L.Kheruka retires by rotation and, being eligible, offers himself for reappointment.

Brief resumes of all the Directors being appointed/re-appointed have been incorporated in the Notice for the forthcoming Annual General Meeting.

AUDITORS

M/s. Chaturvedi & Shah, Chartered Accountants, will retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and being eligible have expressed their willingness for re-appointment. A written consent from the Auditor has been received along with a certificate that their appointment if made, shall be in accordance with the prescribed conditions and the said Auditors satisfy the criteria provided in Section 141 of the Act.

COST RECORDS AND AUDIT

As per Section 148 of the Companies Act, 2013, the Central Government may direct the audit of cost records of companies engaged in the production of such goods or providing such services as may be prescribed. The Central Government has not yet prescribed any Rules in this respect. Considering the previous Rules, as per clarification issued by the Central Government vide Circular No. 67/2011 dated 30th November, 2011, the Cost Audit Rules do not apply to Wholesale or retail trading activities and ancillary products which constitute less than 2% of the total turnover of the Company or ₹ 20 Crores, whichever is lower provided required details of the same are maintained and disclosed. Since the Company is engaged in trading activities as also in business of some ancillary products having turnover less than the limit prescribed above, the said Rules regarding maintenance of cost records do not apply to the Company and as a consequence, Cost Audit is also not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Subject to disclosures in the Annual accounts and also on the basis of the discussion with the Statutory Auditors of the Company from time to time, the Board of Directors state as under:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed and there were no material departures.
- ii) that we have selected such accounting policies and applied them consistently and made judgments 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 the financial year and of the Profit of the Company for that period.
- iii) that we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) that we have prepared the annual accounts on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Structure and Developments

The Company has traditionally been engaged in the business of low expansion borosilicate glassware including a wide variety of scientific, industrial, lighting, pharmaceutical and Consumerware glass items, sourced both from international and domestic markets. However, as mentioned above, the company has introduced Melamine items, appliances, plastic items and new range of home décor items. These are commonly used domestic items having a large scope. However, the markets for these products are very competitive and the Company has to gradually penetrate the market for these product categories.

The entire Pharmaceutical industry, Research and Development, Education and Health segments of the market are major users of Scientific and Industrial Products, whereas Consumerware items cater to the need of the household sector.

B. Opportunities and Threats

- Opportunities:

- * With its strong distribution channel and brand, the Company has an opportunity to grow beyond glassware in both the SIP and Consumer Products Division.
- * With adequate reserves at its disposal, the Company has an opportunity to expand by inorganic expansion in the areas deemed fit.

- Threats:

- * Availability of significant quantities of spurious goods bearing Company's brand name.
- * Usage of plastics and instruments in laboratories as substitute for glassware.
- * In view of volatile nature of equity and debt markets, the result of the investment activities of the Company may impact the profit of the Company.

C. Segment wise or Product wise Performance

Scientific and Industrial Products Division:

As reported above, the SIP division has seen a growth of 12% over the last financial year.

Consumerware Division:

As reported above, the consumer products division has seen a growth of 20% over the last financial year.

Investments:

The Company made a net profit of ₹ 28.24 crores (pre-tax & net of expenses) from its various investments during the year ended 31st March, 2014, as compared to net profit of ₹ 16.33 crores during the previous financial year. This was mainly owing to realisation of large unrealised income of the previous year, which was not accounted as per generally accepted accounting principles in India. The Company has entered into trading of commodities through National Spot Exchange Limited (NSEL), which defaulted in timely repayment and as a result, the Company is yet to realize a sum of ₹ 8.60 crores, which has become overdue. The Company has made a provision of ₹ 4.35 crores in this respect. The Company is taking all necessary steps in association with other investors, against NSEL and its Promoters.

D. Outlook

Scientific and Industrial Products:

The last year has been a tough one for the SIP division owing to very limited funding for government funded laboratories. However, with a stable government at the centre and with steady growth in the pharmaceutical industry, we expect a good demand for our laboratory products.

The focus on international business has resulted into a growth from ₹ 1.40 crores to ₹ 4.30 crores for the financial year 2013-14. We expect a continued enhancement in exports for this division.

The Company has expanded its exports to total 25 countries for the FY 2013-14. It expects to add 10 more countries to its list in the year 2014-15.

Consumerware Products:

In fiscal year 2013-14, the Indian economy experienced an economic slowdown with high inflation. The consumer products industry had to face the heat of high consumer price inflation with a decrease in consumer demand. The weak demand and rise in input prices due to currency fluctuation affected both sales and profitability.

However, with the change of Indian political scenario and market sentiments, the economy in general is likely to improve which will positively impact performance of consumer division. The division will also continue its growth by expanding its distribution channel through domestic appliances, melamine tableware and plastic storage range of products.

Investments:

While the investments in debt based instruments are likely to yield steady returns, the return from equity component is dependent on stock market scenario.

E. Risks and Concerns

- (a) Rupee depreciation and other inflationary pressures leading to dramatic increase in cost base.
- (b) Uncertainties in Government policies and delay in further economic reforms.
- (c) Increased usage of other scientific products e.g. plastics and instruments.
- (d) Competition from organised sector in trading of scientific and microwave glassware.
- (e) Spurious activities.
- (f) Competition from imported goods mostly from the grey market.

Investments:

In view of high volatility in the stock market(s), while the long term outlook remains attractive, there is uncertainty of return on the equity component of the Company's investment .

F. Internal Control Systems and their Adequacy

The Company has adequate Internal Control System commensurate with its size and nature of business. Internal Audit is periodically conducted by an external firm of Chartered Accountants and Internal Audit reports are reviewed by the Audit Committee. The Company has appointed a Practicing Chartered Accountant for close monitoring and adequate internal control of the Company's investments.

G Discussion on Financial Performance with respect to operational performance

Since the Company is debt free, the overall financial performance was in line with the operational performance, except that, the Company has income from its investible fund.

H. Material Development in Human Resources, Industrial Relations and number of people employed

In view to achieve growth aspirations of the organization, the Human Resources department of the Company has taken special initiatives to enhance the functional skills sets of the employees e.g. series of training for key account management of science & industrial products division and training of financial aspects of selling for consumer product division. Apart from this, a training calendar was implemented to address various training needs of the other employees too.

Human Resources department has also taken few other initiatives towards employee engagement of retention of good talents.

The Company had 185 office staff / managerial personnel employed as on 31st March, 2014 in various offices /locations.

CORPORATE GOVERNANCE REPORT

A Report on Corporate Governance along with the Compliance Certificate from the Auditors is annexed hereto and forms part of this Report.

The Board of Directors of the Company has evolved and adopted a Code of Conduct and posted the same on the Company's website, 'www.borosil.com'. The Directors and Senior Management Personnel have affirmed their compliance with the Code for the year ended 31st March, 2014.

EMPLOYEES' SAFETY

The Company is continuously endeavoring to ensure safe working conditions for all its employees.

INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has constituted an Internal Complaint Committee under Section 4 of the captioned Act. No complaint has been filed before the said committee till date.

PARTICULARS OF EMPLOYEES

Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 are annexed hereto and form part of this report.

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

The Company is engaged in trading activity and it did not carry out any Research & Development activities nor introduced any new technology during the year. Hence, the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable with respect to those details.

Particulars with regard to foreign exchange earnings and outgo are furnished under note no. 34 to 37 of 'Notes to the financial statements'.

ACKNOWLEDGEMENT

Your Directors record their appreciation for the co-operation received from the Employees, Customers and last but not the least the shareholders for their unstinted support, during the year under review.

For and on behalf of the Board of Directors

Place : Bharuch
Date : 30th May, 2014

B. L. Kheruka
Chairman

BOROSIL

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014 AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956:

- A. Name of the Employee(s) employed throughout the year ended 31st March, 2014 who were in receipt of remuneration of not less than ₹ 60,00,000/- per annum in terms of Section 217(2A)(a)(i):

| Name, Age & Qualification | Designation / Nature of Duties | Remuneration (₹) | Date of Joining and experience | Particulars of last Employment |
|---|--|------------------|---|--|
| B. L. Kheruka Age: 83 years Qualification: B. Com. | Executive Chairman Overall guidance in respect of all activities of the Company | 1,19,23,702 | As Director: 24 th November, 1988 As Executive Chairman: 16 th December, 2010 Over 52 years in industry | Gujarat Borosil Limited – Chairman & Managing Director |
| Shreevar Kheruka Age: 32 years Qualification: Dual Degree in Economics & International Relations from University of Pennsylvania, USA | Managing Director Overall in-charge of glass trading business and part of investment team | 1,15,08,867 | As Director: 24 th August, 2009 As Whole-time Director: 16 th December, 2010 9 years in industry | Vyline Glass Works Limited – Whole-time Director |

- B. Name of the Employee(s) employed for part of the year ended on 31st March, 2014 who were in receipt of remuneration of not less than ₹ 5,00,000/- per month in terms of Section 217(2A)(a)(ii)

None

NOTES:

1. Remuneration includes Salary, Commission, Medical Expenses, Club Fees, Contribution to Provident Fund and the monetary value of perquisites calculated as per the Income Tax Act, 1961 and the Rules made therein, as applicable.
2. Mr. B. L. Kheruka is father of Mr. P. K. Kheruka and grandfather of Mr. Shreevar Kheruka. In this way, they are related to each other.
3. Employment is on contractual basis, which can be terminated by either party by giving three months' notice in writing.

For and on behalf of the Board of Directors

Place : Bharuch
Date : 30th May, 2014

B. L. Kheruka
Chairman

Corporate Governance Report

Company's philosophy on Code of Governance

The Company has adopted and complied with the principles of Corporate Governance as enumerated in Clause 49 of the Listing Agreement as amended from time to time entered into by the Company with the Stock Exchange, which envisages enhancement of long term shareholder value while protecting interests of all other stakeholders. The Company lays emphasis on responsible accounting and transparency across all aspects of the business.

I. BOARD OF DIRECTORS

(A) Composition of Board

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors. The Company had eight Directors as on March 31, 2014 comprising of three Executive Directors holding offices of Executive Chairman, Managing Director & Whole-time Director respectively and five Non-Executive Directors, including Vice Chairman.

Since, the Company has an Executive Chairman, hence, half of its Board was comprised of independent directors in terms of Clause 49(A)(ii) of the Listing Agreement as on March 31, 2014.

Further, Mr. Dhanendra Kumar, Additional Director has resigned from the Board of Directors of the Company. Mrs. Anupa Sahney has been appointed as an Additional and Independent Director of the Company w.e.f. May 30, 2014.

(B) Non-Executive Directors' compensation and disclosures

The remuneration of Non-Executive Directors (NEDs) for attending Board and its Committees meetings of the Company has been decided by the Board of Directors of the Company which is within the limits prescribed under the Companies Act, 1956. Approval of the shareholders is obtained wherever required. The Company has not granted stock options to the Directors.

(C) Board and Committee Meetings, etc.

(i) Number of Board Meetings

The Board met four times during the financial year 2013-2014 on May 9, 2013, August 7, 2013, November 11, 2013 and January 31, 2014.

Directors' attendance record and Directorship held, etc.

| Name | Category of Directors | No. of Board Meetings attended | Whether attended last AGM held on August 7, 2013 | No. of Directorships held in other Indian Public Limited Companies | No. of Committee* Positions held in other Indian Public Limited Companies | |
|--|--|--------------------------------|--|--|---|--------|
| | | | | | Chairman | Member |
| As prescribed in the explanation under Clause 49(1)(C) of the Listing Agreement | | | | | | |
| Mr. B. L. Kheruka | Executive Chairman Promoter Executive | 4 | Yes | 5 | — | 1 |
| Mr. P. K. Kheruka | Vice Chairman Promoter Non-Executive | 4 | Yes | 5 | 1 | 1 |
| Mr. S. Bagai | Independent Non-Executive | 4 | Yes | — | — | — |
| Mr. V. Ramaswami | Whole-time Director Executive | 3 | Yes | — | — | — |
| Mr. U. K. Mukhopadhyay | Independent Non-Executive | 4 | Yes | 2 | — | — |
| Mr. Shreevar Kheruka | Managing Director Promoter Executive | 4 | Yes | 2 | — | — |
| Mr. Dinesh N. Vaswani (Resigned on 31.01.2014) | Independent Non-Executive | 3 | Yes | — | — | — |
| Mr. N. K. Kshatriya | Independent Non-Executive | 4 | Yes | — | 1 | 1 |
| Mr. Dhanendra Kumar (Appointed as Additional Director w.e.f. 11.11.2013 & Resigned on 10.05.2014) | Independent Non-Executive | 2 | N.A. | 1 | — | — |

* For this purpose, only Audit Committee and Stakeholders Relationship Committee previously known as Shareholders'/Investors' Grievance Committee have been considered.

- (ii) Mr. B. L. Kheruka is father of Mr. P. K. Kheruka and grandfather of Mr. Shreevar Kheruka. In this way, they are related to each other.
- (iii) None of the Directors of the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as per Clause 49 (I) (C) (ii) of the Listing Agreement across all the companies in which they are Directors. All the Directors have made requisite disclosures regarding committee positions occupied by them in other companies.
- (iv) Compliance reports of laws applicable to the Company are periodically placed before the Board of Directors of the Company as per Clause 49 I (C) (iii). There has been no instance of material non-compliance.
- (v) None of the Independent Directors has any material pecuniary relationship/transaction with the Company.

(D) Code of Conduct:

All the Directors and Senior Management personnel have affirmed compliance with the Conduct as approved and adopted by the Board of Directors. The said Code is posted on the website of the Company. A declaration to this effect signed by the Managing Director of the Company is given elsewhere in the Annual Report.

II. AUDIT COMMITTEE

(A) Composition, name of Members and Chairman:

Your Company has an Audit Committee at the Board level, which acts as a link between the Management, the Statutory and Internal Auditors and the Board of Directors and it oversees the financial reporting process.

The Audit Committee of the Company comprised of three members as on March 31, 2014, two of them being independent, the composition of which is furnished hereunder:

| | | |
|------------------------|---|----------|
| Mr. S. Bagai | - | Chairman |
| Mr. P. K. Kheruka | - | Member |
| Mr. U. K. Mukhopadhyay | - | Member |

All members of the Audit Committee are capable of understanding financial statements and one member possesses financial management expertise in accordance with Clause 49.

The Chairman of the Audit Committee, Mr. S. Bagai an Independent Director was present at the Annual General Meeting of the Company held on August 7, 2013.

Apart from the members of Audit Committee, generally, meetings are also attended by Chief Financial Officer and Company Secretary. Representatives of Internal Auditors and Statutory Auditors are invited to the meetings.

The Company Secretary acts as the Secretary to the Committee.

(B) Meetings and attendance during the year:

The Committee met four times during the financial year 2013-2014 on May 9, 2013; August 7, 2013; November 11, 2013 and January 31, 2014.

All the Committee members, were present at all the meetings on the relevant dates.

(C) Powers of Audit Committee:

The Audit Committee has the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

(D) Role and Terms of reference of Audit Committee:

The Role and Terms of reference of Audit Committee includes the following:

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. To recommend to the Board, the appointment, re-appointment, remuneration and terms of appointment of statutory auditor.
3. To approve payment to statutory auditors for any other services rendered by the statutory auditors.
4. To review with the management, the annual financial statements, auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. To review with the management, the quarterly financial statements before submission to the Board for approval.
6. To review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
7. To review and monitor the auditor's independence and performance, and effectiveness of audit process.
8. To approve or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. To review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. To discuss with internal auditors any significant findings and follow up thereon.
15. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

18. To review the functioning of the Whistle Blower Mechanism.
19. Approval of appointment of CFO (i.e. the whole time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

(E) Review of information by Audit Committee:

The Audit Committee mandatorily reviews the following information:

1. Managing discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

It may be clarified that the power, role and review of the Audit Committee includes matters specified under Clause 49 of the Listing Agreement as amended from time to time entered into between the Company and BSE Ltd. on which the shares of the Company are listed.

III. SUBSIDIARY COMPANIES

The Company does not have any unlisted Indian subsidiary company.

However, a Wholly Owned Subsidiary viz. Borosil Afrasia FZE was formed on January 9, 2014 in the Jebel Ali Free Zone in Dubai, UAE. The Company will comply with the requirement of 'Subsidiary' as per the Listing Agreement.

IV. DISCLOSURES

(A) Basis of Related Party Transactions

The details of all transactions with related parties are placed before the Audit Committee periodically, with justification wherever required.

Details of related party transactions entered into, are given in Note 32 forming part of the Financial Statement.

All details of transactions where directors may have a potential interest are provided to the Board.

The interested directors neither participated in the discussion nor voted on any such matters.

(B) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

(C) Board Disclosures – Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimisation procedures, which are subject to review by the Management and placed before the Board on an annual basis. An investment policy has been framed for review and control of the risks related to investments made by the Company. Investments are made within the framework set out in the Policy.

The Company will constitute a Risk Management Committee as provided in the amended Clause 49 of the Listing Agreement.

(D) Issue of shares

The Company has not made any issue of shares during the year under consideration.

(E) Remuneration of Directors

The Board of Directors has re-constituted the Remuneration Committee as Nomination and Remuneration Committee pursuant to Section 178 of the Companies Act, 2013 on May 30, 2014 comprising of independent directors, the composition of which is furnished hereunder:

| | | |
|---|---|----------|
| Mr. S. Bagai | - | Chairman |
| Mr. U.K. Mukhopadhyay | - | Member |
| Mr. Dinesh N. Vaswani (till 31.01.2014) | - | Member |
| Mr. P. K. Kheruka (w.e.f. 30.05.2014) | - | Member |

The broad terms of reference of Nomination and Remuneration Committee are to determined on behalf of Board and on behalf of shareholders with agreed terms of reference, the Company's policy on specific remuneration package(s) for executive director(s) including pension and any compensation payment.

Meeting of this Committee was held on May 2, 2013 during the financial year 2013-2014.

(i) Details of sitting fees/commission to Non - Executive Directors

| Name of the Directors | Sitting fee for Board / Committee Meetings | Commission | Total |
|------------------------|---|------------------|-------------------|
| Mr. S. Bagai | 2,20,000 | 3,00,000 | 5,20,000 |
| Mr. U. K. Mukhopadhyay | 2,20,000 | 3,00,000 | 5,20,000 |
| Mr. Dinesh Vaswani | 70,000 | 2,51,507 | 3,21,507 |
| Mr. P.K. Kheruka | 1,80,000 | 3,00,000 | 4,80,000 |
| Mr. N. K. Kshatriya | 80,000 | 2,68,767 | 3,48,767 |
| Mr. Dhanendra Kumar | 40,000 | 1,15,890 | 1,55,890 |
| (I) Total | 8,10,000 | 15,36,164 | 23,46,164* |

* Excluding Service Tax

(ii) Details of remuneration/commission to Executive Directors

| Name of the Directors | Remuneration |
|---|------------------------|
| a) Mr. B. L. Kheruka, Executive Chairman | |
| Salary (including HRA) | 31,03,226 |
| Perquisites | 49,476 |
| Commission | 87,71,000 |
| | (A) 1,19,23,702 |
| b) Mr. Shreevar Kheruka, Managing Director | |
| Salary | 24,00,000 |
| Perquisites | 49,867 |
| Contribution to P.F. | 2,88,000 |
| Commission | 87,71,000 |
| | (B) 1,15,08,867 |

c) Mr. V. Ramaswami, Whole-time Director

| | |
|------------------------|----------------------|
| Salary (including HRA) | 32,83,100 |
| Perquisites | 2,95,446 |
| Leave Encashment | 64,880 |
| Contribution to P.F. | 3,36,372 |
| Commission | 11,09,500 |
| | (C) 50,89,298 |

(II) Total (A + B + C)

2,85,21,867

GRAND TOTAL (I) + (II)

3,08,68,031

Notes:

(a) The Non-Executive Directors are paid sitting fees of ₹ 20,000/- per meeting for attending the Board and Audit Committee meetings and ₹ 10,000/- per meeting for attending other Committee meetings.

(b) The Board has decided to pay Commission to all Non-Executive Directors who were on the Board during the year 2013 - 2014, in equal proportion, but on pro-rata basis.

Commission is payable to the Executive Chairman, Managing Director & Whole-time Director as decided by the Board within the limits set out in their respective terms of appointment.

(c) The Company has not granted any stock option to the Executive Directors. However, Mr. B. L. Kheruka, Executive Chairman holds 76,415 Equity Shares and Mr. Shreevar Kheruka, Managing Director holds 25,050 Equity Shares of the Company.

(d) The term of office of the Executive Chairman & Managing Director is for 5 years and Whole-time Director is for 3 years and Notice period is 3 months from either side.

(iii) Number of shares and convertible instruments held by Non-Executive Directors

Mr. P. K. Kheruka, Non Executive Vice Chairman holds 76,415 Equity Shares. None of the other Non-Executive Directors hold any Shares or convertible instruments of the Company as on March 31, 2014.

(F) Management

Management Discussion and Analysis Report containing discussion on the matters specified under above head in Clause 49 IV (F) forms part of Annual Report.

(G) Shareholders

(i) Relevant details of the Directors proposed to be appointed/re-appointed are furnished in the Notice convening the Annual General Meeting to be held on August 13, 2014 being sent along with the Annual Report.

(ii) Quarterly results, Shareholding Pattern and other reports as stipulated in Clause 54 of the Listing Agreement are regularly uploaded on the Company's website: 'www.borosil.com'.

(iii) Share Transfer and Shareholder's/Investors' Grievance Committee/Stakeholders Relationship Committee

The Board of Directors has re-named Share Transfer and Shareholders' / Investors' Grievance Committee as Stakeholders Relationship Committee pursuant to the provisions of Section 178 of the Companies Act, 2013, the composition of which is furnished hereunder:

| | | |
|------------------------|---|----------|
| Mr. U. K. Mukhopadhyay | - | Chairman |
| Mr. B. L. Kheruka | - | Member |
| Mr. S. Bagai | - | Member |
| Mr. P. K. Kheruka | - | Member |

During the year 2013-2014, the Share Transfer and Shareholders'/Investors' Grievance Committee met 3 times i.e. on April 1, 2013, August 19, 2013, January 10, 2014. Mr. P. K. Kheruka attended two meetings of the said Committee, while other members attended all the meeting. The Stakeholders Relationship Committee met 2 times i.e. March 3, 2014 and March 31, 2014. All the Committee members, except Mr. P. K. Kheruka, were present at both the meetings on the relevant dates.

The Committee used to approve and monitor transfers, transmission, splitting and consolidation of shares issued by the Company. The Committee also monitors redressal/replies to investors' complaints, queries and requests relating to transfer of shares, non-receipt of annual report, etc. Transfers are approved fortnightly or as required. All share transfer requests received upto March 31, 2014 were processed in time.

During the year ended on March 31, 2014, the Company received 1 complaint and 151 other correspondence from the shareholders and erstwhile debenture holders, which were suitably replied. No investor grievances were pending at the end of the year.

(iv) Name & Designation of the Compliance Officer: Ms. Lovelina Faroz, Company Secretary.

V. CEO/CFO CERTIFICATION

A certificate from Chief Executive Officer and Chief Financial Officer of the Company, on the financial statements of the Company was placed before the Board.

VI. REPORT ON CORPORATE GOVERNANCE

The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement. The Company has also submitted the quarterly compliance report to the stock exchange.

VII. COMPLIANCE

A Certificate from the Auditors of the Company regarding compliance of conditions of this Clause 49 is annexed hereto.

VIII. GENERAL BODY MEETINGS

Location, date and time of General Meetings held during the last 3 years:

| Year | Location | AGM/EGM | Day and Date | Time | No. of Special Resolution(s) passed |
|---------|---|---------|---------------------------|-------------|-------------------------------------|
| 2012-13 | Textile Committee Auditorium, Textile Committee Building, P. Balu Road, Near Tata Press, Prabhadevi Chowk, Mumbai - 400 025 | AGM | Wednesday, August 7, 2013 | 03.00 p.m. | 2 |
| 2011-12 | Sasmira Auditorium, 3rd Floor, Sasmira Marg, Dr. Annie Besant Road, Worli, Mumbai-400 030. | AGM | Thursday, August 9, 2012 | 03.00 p.m. | 5 |
| 2010-11 | Orchid Hall, 2nd Floor, Sunville, 9, Dr. Annie , Beasant Road, Worli, Mumbai-400 018 | AGM | Friday, August 12, 2011 | 02.00 p.m.. | 2 |

Postal Ballots

None of the Resolutions were put through postal ballot during the financial year.

No resolution is proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting.

IX. MEANS OF COMMUNICATION

The quarterly and half yearly unaudited and annual audited financial results were published in 'The Economic Times' in English and 'Maharashtra Times' in Marathi (regional language). The quarterly financial results, shareholding pattern, reports on compliance with corporate governance, annual reports, etc. are regularly uploaded on the Company's website - 'www.borosil.com', in compliance with Clause 54 of the Listing Agreement.

The Company has not made any presentation to institutional investors or analysts. As per the requirement under Clause 47 of the Listing Agreement, an exclusive email ID has been created namely, 'bgw.grievances@borosil.com', on which the investors can register their complaints. The said email ID is also displayed on Company's website.

X. General Shareholder Information

Annual General Meeting

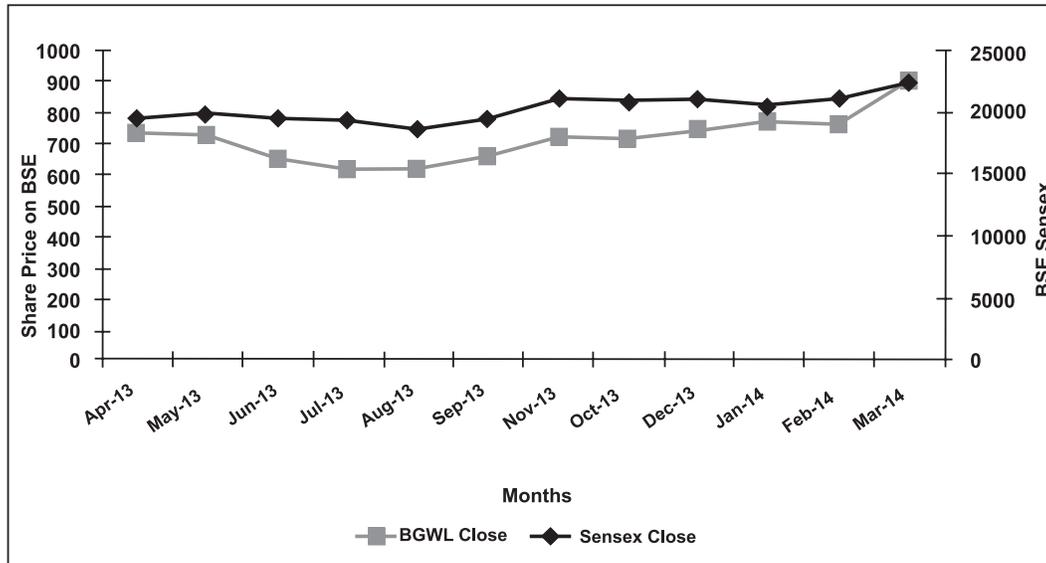
| | | |
|---------------------------|---|---|
| Date and time | : | August 13, 2014 at 3.00 pm |
| Venue | : | Textile Committee Auditorium, Textile Committee Building, P. Balu Road, Near Tata Press, Prabhadevi Chowk, Mumbai – 400 025 |
| Financial Year | : | 1 st April to 31 st March |
| Financial Calendar | : | Year ending – 31 st March, 2015 |
| Quarterly Results | : | First quarter – 2 nd week of August, 2014 Second quarter – 2 nd week of November, 2014 Third quarter – 2 nd week of February, 2015 Fourth quarter – 4 th week of May, 2015 |
| Date of book closure | : | August 6, 2014 to August 13, 2014 (both days inclusive) |
| Dividend Payment Date | : | September 2, 2014 |
| Listing on Stock Exchange | : | BSE Ltd. Annual listing fees to the Stock Exchange for the financial year 2014-2015 has been paid. |
| Stock Code | : | 502219 |
| ISIN No. | : | INE666D01014 |
| Corporate Identity No. | : | L99999MH1962PLC012538 |

Market price data

The monthly high and low quotation and the volume of shares traded on BSE are as under:

| Month | Highest (₹) | Lowest (₹) | Volume of Shares traded |
|-----------------|-------------|------------|-------------------------|
| April, 2013 | 789.50 | 637.00 | 688 |
| May, 2013 | 821.00 | 658.10 | 1488 |
| June, 2013 | 669.00 | 611.00 | 874 |
| July, 2013 | 675.05 | 600.00 | 1423 |
| August, 2013 | 635.00 | 575.00 | 1013 |
| September, 2013 | 687.45 | 589.05 | 1524 |
| October, 2013 | 718.90 | 657.10 | 2197 |
| November, 2013 | 765.00 | 695.00 | 2091 |
| December, 2013 | 750.00 | 700.00 | 148241 |
| January, 2014 | 780.00 | 717.60 | 5288 |
| February, 2014 | 804.00 | 743.00 | 9040 |
| March, 2014 | 904.00 | 752.00 | 30065 |

The Performance of the Company's scrip on the BSE compared to the BSE Sensex:



Registrars and Transfer Agents & Share Transfer System:

Universal Capital Securities Pvt. Ltd. having its office at 21, Shakil Niwas, Mahakali Caves Road, Andheri (E), Mumbai 400 093 act as the Registrar and Transfer Agents of the Company. They process, inter-alia, the share transfer requests received in physical and electronic mode and confirm dematerialisation requests and extinguishment of shares and other share registry work.

The transfers are normally processed within 10-12 days from the date of receipt if the documents are complete in all respects.

Distribution of shareholding as at March 31, 2014

| No. of equity shares held | Shareholders | | Shares | |
|---------------------------|--------------|---------------|----------------|---------------|
| | Nos. | Percentage | Nos. | Percentage |
| Upto 500 | 3235 | 96.194 | 276676 | 9.204 |
| 501 to 1000 | 76 | 2.260 | 55336 | 1.841 |
| 1001 to 2000 | 24 | 0.713 | 31613 | 1.052 |
| 2001 to 3000 | 8 | 0.238 | 21273 | 0.708 |
| 3001 to 4000 | 3 | 0.089 | 10362 | 0.345 |
| 4001 to 5000 | 1 | 0.030 | 5000 | 0.166 |
| 5001 to 10000 | 1 | 0.030 | 8700 | 0.289 |
| 10001 & above | 15 | 0.446 | 2597040 | 86.395 |
| Total | 3363 | 100.00 | 3006000 | 100.00 |

BOROSIL

Categories of shareholders as on March 31, 2014

| | No. of folios | No. of shares | Percentage |
|--|---------------|----------------|---------------|
| Individuals | 3202 | 510542 | 16.98 |
| Mutual Funds | 3 | 550 | 0.02 |
| Promoters | 9 | 2227837 | 74.11 |
| Banks, Financial Institutions, Insurance Companies, Central / State Govt. Institutions / Non-Govt. Institutions | 6 | 462 | 0.02 |
| Private Corporate Bodies | 82 | 200945 | 6.68 |
| Non Resident Individuals | 32 | 5354 | 0.18 |
| Foreign Institutional Investors & Foreign Companies | 1 | 57947 | 1.93 |
| Any other - Shares in transit | 25 | 1388 | 0.05 |
| Foreign Nationals | 3 | 975 | 0.03 |
| Total | 3363 | 3006000 | 100.00 |

Dematerialisation of shares and liquidity

As on March 31, 2014, 28,28,027 shares of the Company representing 94.08% of the Company's total paid up share capital had been dematerialised and 1,77,973 shares representing 5.92% were in physical form.

The Company's shares are regularly traded on the BSE Ltd. as is indicated in the table containing market information.

Address for Correspondence

Any communication by the Shareholders may be addressed to either of the following:

Borosil Glass Works Limited
11th floor, 1101 Crescenzo, G Block,
Opposite MCA Club, Bandra
Kurla Complex, Bandra (E),
Mumbai – 400051.

Universal Capital Securities Pvt. Ltd.
Unit: Borosil Glass Works Ltd.
21, Shakil Niwas, Mahakali Caves Road,
Andheri (E), Mumbai 400 093.

Complaints/grievances may also be addressed to 'bgw.grievances@borosil.com'.

Outstanding GDRs/ADRs/Warrants or any convertible instruments

The Company has not issued any GDRs/ADRs and has no outstanding convertible instruments.

Plant Locations

The Company doesn't have any manufacturing facility of its own and it operates from its various warehouses /offices in India.

XI. Compliance with Non-Mandatory Requirements:

(1) The Board

The Company has not yet adopted the concept of limiting tenure of independent directors to an aggregate period of nine years.

All independent directors have the requisite qualification and experience to enable them to contribute effectively to the Company in their capacity as independent directors.

(2) Nomination and Remuneration Committee

The Company already has a Nomination and Remuneration Committee with terms of reference mentioned above. It comprises of two Independent Directors and one Non Executive Promoter Director.

(3) Shareholders Rights

The Company's results have been made available on Company's website 'www.borosil.com'. A half-yearly declaration of financial performance including summary of the significant events is presently not being sent to each household of shareholders. However, the Company's quarterly results are published in the 'Economic Times' and 'Maharashtra Times', both newspapers having wide circulation.

(4) Audit qualifications

There are no audit qualifications on Company's financial statements.

(5) Training of Board Members

Presently the Company does not have such a training programme. However, the Company will provide suitable training to Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

(6) Mechanism for evaluating Non-Executive Board Members

The Company is setting up a mechanism for evaluation of all Directors including non-executive Directors as per the Companies Act, 2013.

(7) Whistle Blower Policy

The Company has adopted a Whistle Blower policy settling out mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. This also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

Declaration on Compliance of the Company's Code of Conduct

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct as applicable to them for the year ended March 31, 2014.

For **Borosil Glass Works Limited**

Place : Bharuch
Date : May 30, 2014

Shreevar Kheruka
Managing Director

CERTIFICATE OF CORPORATE GOVERNANCE

To

The Members,

BOROSIL GLASS WORKS LIMITED.

We have examined the compliance of conditions of Corporate Governance by **Borosil Glass Works Limited** ("the Company"), for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For CHATURVEDI & SHAH

Chartered accountants
(Firm Registration Number - 101720W)

Place : Mumbai.

Date : 30th May, 2014

R. Koria

Partner

Membership No.35629

INDEPENDENT AUDITORS' REPORT

To

**The Members of
BOROSIL GLASS WORKS LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of '**BOROSIL GLASS WORKS LIMITED**' ("the Company") which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 18.1 of the notes to the financial statements, regarding the investment in commodities amounting to ₹ 860.08 lacs by the Company through National Spot Exchange Limited (NSEL), in respect of which Company has initiated

legal proceedings and a provision of ₹ 435.00 lacs has been considered sufficient against the same. Our opinion is not qualified in respect of above matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have 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 appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with, by this report are in agreement with the books of account;
 - d) In our opinion the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act 1956.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Reg. No.- 101720W

Place : Mumbai.
Date : 30th May, 2014

R. Koria
Partner
Membership No.35629

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in paragraph 1 under the heading of “report on other Legal and Regulatory Requirements” of our report of even date to the members of Borosil Glass Works Limited on the accounts for the year ended 31st March 2014)

- i. In respect of its fixed assets:
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, all the fixed assets have been physically verified by the management. No material discrepancies were noticed on such verification as compared with the available records.
 - c. In our opinion and according to the information and explanation given to us, the Company has not disposed off substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
- ii. In respect of its inventories:
 - a. Inventories have been physically verified by the management during the year. In our opinion, the program of verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures of the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. On the basis of our examination of inventory records, we are of the opinion that the Company is maintaining proper records of inventory. As explained to us, no material discrepancies were noticed on physical verification of the inventories, as compared to book records maintained.
- iii. In respect of Loans, secured or unsecured, granted or taken by the Company to/ from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - a. The Company has given unsecured loans to two companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding at any time during the year was ₹ 3,243.04 lacs and the year-end balance was ₹ 2,276.09 lacs.
 - b. In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of loans given by the company, are not prima facie prejudicial to the interest of the Company.
 - c. The loans given were not due for repayment at the year end. In respect of payment of interest, the parties are generally regular in payment.
 - d. The loans given were not due for repayment; therefore the question of overdue amounts does not arise.
 - e. The Company has not taken any loan during the year from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of sub clauses (e), (f) and (g) of clause (iii) of paragraph 4 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods. The Company has not sold any services during the year. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- v. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
 - a. In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b. In our opinion, and according to the information and explanations given to us, the transactions made during the year in pursuance of such contracts and arrangements, exceeding the value of Rupees Five lakhs for each party, have been made at prices, which are prima facie reasonable having regard to the prevailing market price at the relevant time except for transaction for purchase and sale of goods for which alternative quotations are not available and hence upon which we are unable to comment.

BOROSIL

- vi. The Company has not accepted any deposits during the year. Only unclaimed deposits, out of the deposits matured in earlier years were outstanding as on the balance sheet date. Therefore, the provisions of clause (vi) of paragraph 4 of the Order are not applicable to the Company.
- vii. In our opinion the Company has an internal audit system commensurate with the size and nature of the business.
- viii. As per information and explanations given to us, the Company is mainly engaged in the trading activities & the revenue from ancillary products is less than 2% of its total revenue, the maintenance of Cost Records under section 209 (1) (d) of the Companies Act, 1956 are not applicable, in view of clarification issued by Ministry of Corporate Affairs vide its General Circular No. 67/2011 dated 30th November, 2011.
- ix. In respect of statutory and other dues:
- According to the records of the Company, the Company has been generally regular during the year in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Cess and any other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.
 - The disputed statutory dues aggregating to ₹ 2,562.82 Lacs that have not been deposited on account of matters pending before appropriate authorities are as under:

| Sr. No. | Name of the Statute | Nature of the Dues | Amount ₹in Lacs | Period | Forum where dispute is pending |
|---------|---|--------------------|--------------------|------------------------------------|--|
| 1 | Central Sales Tax Act and Sales Tax Act of various states | Sales Tax | 6.52 | 1997-98 | Tribunal |
| | | | 2,503.51* | 2002-03 to 2005-06 & 2008-09 | JT. Commissioner Sales Tax (Appeal) |
| | | | 0.61 | 2000-01, 2002-03 & 2009-10 | Asst. Commissioner Sales |
| | | | 1.64 | 2010-11 | Dy. Commissioners Trade Tax |
| 2 | Central Excise Act, 1944 | Cenvat Credit | 19.26 | 2003-04 to 2005-06 | Appellate Tribunal |
| 3 | Income Tax Act, 1961 | Income Tax | 31.28* | A.Y. 2011-12 | Commissioner of Income Tax - Appeals |
| | Grand Total | | 2,562.82 | | |

* Net amount of ₹ 78.36 Lacs deposited under protest.

- x. The Company does not have any accumulated losses at the end of financial year. It has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- xi. Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to the bank and financial institutions or by way of debentures. The Company has no outstanding loans as at 31st March, 2014.
- xii. In our opinion and according to the information and explanations given to us and based on the information available, the Company has maintained adequate documents and records in respect of loans and advances granted by it on the security by way of pledge of shares.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.

- xiv. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debenture & other investments. The Company has maintained proper records of the transactions and contracts in respect of shares, securities, debentures and other investments and timely entries have been made therein. The investments are held by the Company in its own name except certain investment which are made through portfolio manager and held by them in fiduciary capacity on behalf of the Company.
- xv. According to the information and explanations given by the management, the Company has given guarantees for loans taken by others from banks as mentioned in note 29 to the financial statements, which according to the information and explanations given to us, are not prima facie prejudicial to the interest of the Company.
- xvi. To the best of our knowledge and belief and according to the information and explanations given to us, no term loan has been raised during the year and therefore, the provisions of (xvi) of paragraph 4 the Order are not applicable to the Company.
- xvii. On review of utilization of funds on overall examination of the Balance Sheet of the Company as at 31st March 2014, we report that prima facie, funds raised on short term basis have not been utilized for long term investments.
- xviii. During the year, the Company has not made any preferential allotment of shares to parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. The Company has not issued any debentures during the year. Therefore, the provisions of clause (xix) of paragraph 4 the Order are not applicable to the Company.
- xx. The Company has not raised any money by way of public issue during the year.
- xxi. Based upon the audit procedures performed for the purposes of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit except for exposure of ₹ 860.08 lacs with National Spot Exchange Limited (NSEL) in respect of commodities purchased on the said Exchange as disclosed in the note 18.1 to the financial statements.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Reg. No. - 101720W

Place : Mumbai
Date : 30th May, 2014

R. KORIA
Partner
Membership No. - 35629

BOROSIL

BOROSIL GLASS WORKS LIMITED BALANCE SHEET AS AT 31ST MARCH, 2014

(₹ In Lacs)

| Particulars | Note | As at | |
|--|---------|------------------------------|---------------------------------------|
| | | 31 st March, 2014 | As at 31 st March, 2013 |
| I EQUITY AND LIABILITIES | | | |
| 1 Shareholders' Funds | | | |
| (a) Share Capital | 2 | 300.60 | 300.60 |
| (b) Reserves and Surplus | 3 | 65,433.77 | 62,422.58 |
| | | 65,734.37 | 62,723.18 |
| 2 Non-Current Liabilities | | | |
| (a) Long Term Borrowings | 4 | 68.59 | — |
| (b) Deferred Tax Liabilities (Net) | 5 | 339.12 | 132.80 |
| | | 407.71 | 132.80 |
| 3 Current Liabilities | | | |
| (a) Short Term borrowings | 6 | — | 178.82 |
| (b) Trade Payables | 7 | 561.63 | 944.85 |
| (c) Other Current Liabilities | 8 | 1,567.61 | 1,252.97 |
| (d) Short Term Provisions | 9 | 828.21 | 654.54 |
| | | 2,957.45 | 3,031.18 |
| TOTAL | | 69,099.53 | 65,887.16 |
| II. ASSETS | | | |
| 1 Non-Current Assets | | | |
| (a) Fixed Assets | 10 | | |
| (i) Tangible Assets | | 17,176.64 | 7,906.97 |
| (ii) Intangible Assets | | 96.16 | 127.71 |
| (iii) Capital Work-in-Progress | | 604.14 | 1,414.87 |
| (iv) Intangible Assets Under Development | | — | 9.90 |
| | | 17,876.94 | 9,459.45 |
| (b) Non-Current Investments | 11 | 26,375.33 | 18,400.47 |
| (c) Long Term Loans and Advances | 12 | 3,873.81 | 4,056.70 |
| (d) Other Non-Current Assets | 13 | 82.11 | 54.77 |
| | | 48,208.19 | 31,971.39 |
| 2 Current Assets | | | |
| (a) Current Investments | 14 | 11,648.62 | 22,508.65 |
| (b) Inventories | 15 | 3,036.48 | 2,995.95 |
| (c) Trade Receivables | 16 | 2,910.21 | 2,865.98 |
| (d) Cash and Bank Balances | 17 | 498.23 | 750.74 |
| (e) Short Term Loans and Advances | 18 | 2,177.71 | 4,421.73 |
| (f) Other Current Assets | 19 | 620.09 | 372.72 |
| | | 20,891.34 | 33,915.77 |
| TOTAL | | 69,099.53 | 65,887.16 |
| Significant Accounting Policies | 1 | | |
| Notes to the financial statements | 2 to 39 | | |

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH
Chartered Accountants

B. L. Kheruka
Executive Chairman

R. Koria
Partner

Rajesh Chaudhary
Chief Financial Officer

Shreevar Kheruka
Managing Director & CEO

Lovelina Faroz
Company Secretary

V. Ramaswami
Whole-time Director

Place : Mumbai
Date : 30.05.2014

Place : Bharuch
Date : 30.05.2014

BOROSIL GLASS WORKS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ In Lacs)

| Particulars | Note | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|---|---------|--|--|
| I. Revenue From Operations | 20 | 15,595.00 | 13,447.16 |
| II. Other Income | 21 | 4,076.32 | 2,513.04 |
| III. Total Revenue (I + II) | | 19,671.32 | 15,960.20 |
| IV. Expenses: | | | |
| Cost of Materials Consumed | 22 | — | 112.10 |
| Purchases of Stock-in-Trade | 23 | 9,058.68 | 8,079.03 |
| Changes in Inventories of Work-in-Progress and Stock-in-Trade | 24 | (33.73) | (713.58) |
| Employee Benefits Expense | 25 | 1,741.83 | 1,466.24 |
| Finance Costs | 26 | 49.75 | 26.64 |
| Depreciation and Amortization Expense | 10 | 372.12 | 204.67 |
| Other Expenses | 27 | 3,881.37 | 4,180.84 |
| Total Expenses | | 15,070.02 | 13,355.94 |
| V. Profit Before Exceptional Items and Tax (III-IV) | | 4,601.30 | 2,604.26 |
| VI. Exceptional Items | 18.1 | 435.00 | — |
| VII. Profit Before Tax (V- VI) | | 4,166.30 | 2,604.26 |
| VIII. Tax Expense: | | | |
| (1) Current Tax | | 601.53 | 452.46 |
| Less : MAT Credit Entitlement | | (231.79) | (170.95) |
| Net Current Tax | | 369.74 | 281.51 |
| (2) Deferred Tax | | 206.32 | 333.60 |
| (3) Income Tax of earlier years | | (124.32) | 5.48 |
| IX. Profit For The Year (VII-VIII) | | 3,714.56 | 1,983.67 |
| X. Earnings per Equity Share of Rs.10 each (Basic and Diluted) | 28 | 123.57 | 64.81 |
| Significant Accounting Policies | 1 | | |
| Notes to the financial statements | 2 to 39 | | |

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH
Chartered Accountants

B. L. Kheruka
Executive Chairman

Rajesh Chaudhary
Chief Financial Officer

Shreevar Kheruka
Managing Director & CEO

R. Koria
Partner

Lovelina Faroz
Company Secretary

V. Ramaswami
Whole-time Director

Place : Mumbai
Date : 30.05.2014

Place : Bharuch
Date : 30.05.2014

BOROSIL

BOROSIL GLASS WORKS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in Lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|---|--|--|
| A. Cash Flow from Operating Activities | | |
| Net Profit before tax as per Statement of Profit and Loss | 4,166.30 | 2,604.26 |
| Adjusted for : | | |
| Depreciation and Amortization Expense | 372.12 | 204.67 |
| Profit on foreign currency transactions (Net) | (1.26) | (4.82) |
| Dividend Income | (1,069.13) | (540.05) |
| Income/Interest on Investment | (1,170.62) | (1,247.70) |
| Profit on sale of Investments(Net) | (980.62) | (457.03) |
| Profit from Commodity trading(Net) | (41.92) | (174.77) |
| Provision / (Reversal) for diminution in the value of Investments | (629.33) | 103.61 |
| Loss / (Profit) on sale/discarding of fixed assets(Net) | (0.26) | 0.29 |
| Investment Advisory Charges | 88.05 | 105.51 |
| Finance costs | 49.75 | 26.64 |
| Buyback Expenses | — | 6.72 |
| Sundry balances written back (Net) | (4.72) | (0.44) |
| Bad Debts | 29.22 | 0.92 |
| Provision / (Reversal) for Doubtful Debts | (10.85) | (0.72) |
| Provision for Doubtful Loans & Advances | 435.00 | — |
| | (2,934.57) | (1,977.17) |
| Operating Profit before Working Capital Changes | 1,231.73 | 627.09 |
| Adjusted for : | | |
| Trade & Other Receivables | (494.42) | 146.05 |
| Inventories | (40.53) | (718.48) |
| Trade Payables & other payables | (74.22) | 108.13 |
| | (609.17) | (464.30) |
| Cash generated from operations | 622.56 | 162.79 |
| Direct taxes paid | (543.06) | (309.80) |
| | (79.50) | (147.01) |
| Net Cash from/(used in) Operating Activities | | |
| B Cash Flow from Investing Activities | | |
| Purchase of Fixed Assets | (7,178.75) | (3,193.91) |
| Sale of Fixed Assets | 13.76 | 16.57 |
| Purchase of Investment | (38,594.45) | (34,683.81) |
| Sale of Investment | 44,293.92 | 35,900.54 |
| Movements in Commodity Trading | (405.10) | 2,236.07 |
| Movement in Loans & advances | 215.11 | (305.30) |
| Fixed Deposit with Bank having maturity of more than three months(Placed) | (1.50) | (204.52) |
| Fixed Deposit with Bank having maturity of more than three months(Matured) | 204.52 | 303.88 |
| Investment Advisory Charges Paid | (113.01) | (141.19) |
| Income/Interest on Investment/Loans | 1,119.52 | 1,127.57 |
| Dividend Received | 1,069.13 | 540.05 |
| | 623.15 | 1,595.95 |
| Net Cash from Investing Activities | | |

BOROSIL GLASS WORKS LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014****(₹ in Lacs)**

| Particulars | For the Year Ended 31st March, 2014 | For the Year Ended 31st March, 2013 |
|---|---|---|
| C. Cash Flow from Financing Activities | | |
| Buyback of Equity Shares | — | (1,106.15) |
| Movement in short term Borrowings | (178.82) | 182.43 |
| Margin Money (Net) | 7.31 | 79.73 |
| Dividends Paid including tax thereon | (527.53) | (542.75) |
| Unclaimed Matured Deposit Paid | (6.93) | (0.25) |
| Interest paid | (47.83) | (26.11) |
| Net Cash used in Financing Activities | (753.80) | (1,413.10) |
| Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) | (51.15) | 35.84 |
| Opening Balance of Cash and Cash Equivalents | 404.60 | 368.76 |
| Closing Balance of Cash and Cash Equivalents | 353.45 | 404.60 |

Notes :

1. Bracket indicates cash outflow.
2. Previous year figures have been regrouped, reclassified and rearranged wherever necessary.
3. The above Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS-3) on Cash Flow Statement.

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH
*Chartered Accountants***B. L. Kheruka**
*Executive Chairman***R. Koria**
*Partner***Rajesh Chaudhary**
*Chief Financial Officer***Shreevar Kheruka**
*Managing Director & CEO***Lovelina Faroz**
*Company Secretary***V. Ramaswami**
*Whole-time Director*Place : Mumbai
Date : 30.05.2014Place : Bharuch
Date : 30.05.2014

Notes to the Financial Statement for the year ended 31st March, 2014

Note 1 - Significant Accounting Policies

1.1 BASIS OF ACCOUNTING:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/ 2013 dated 13th September 2013 of the Ministry of Corporate Affairs). The financial statements have been prepared on the going concern basis under the historical cost convention.

1.2 REVENUE RECOGNITION:

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods have passed to the buyer. Revenue from operations includes sales of goods, services, scrap, excise duty and service tax but excludes sales tax/ value added tax, rebate and discount. Dividend Income is recognised when right to receive the payment is established by the balance sheet date. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. Commission is recognised on an accrual basis in accordance with the terms of relevant agreement.

1.3 USE OF ESTIMATES:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

1.4 FIXED ASSETS:

Fixed Assets are stated at cost of acquisition or construction net of cenvat and value added tax credits and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including finance cost till commencement of commercial production are capitalized.

1.5 DEPRECIATION:

Depreciation on fixed assets has been provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. The revised carrying amount of the fixed assets identified as impaired, is amortized over the estimated residual life of the respective fixed assets. Computer software is amortized over the useful life or period of three years whichever is less. The lease hold land has been amortised over the lease period.

1.6 INVESTMENTS:

Current investments are carried at lower of cost and market value/NAV, computed individually. Long term investments are carried at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary in the opinion of the management. Investments in long term redeemable securities, to the extent due for redemption in next financial year, are reclassified from non current investments to current investments.

1.7 INVENTORIES:

In general, all inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Cullet is valued at net realisable value. Stores, spares and Loose tools are valued at cost reduced for obsolete and slow moving items. Cost is calculated on the weighted average method. Cost of work in progress and finished goods is determined on absorption costing method.

1.8 EMPLOYEE BENEFITS:

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the statement of profit and loss.
- iii) Compensated absences are accounted similar to the short term employee benefits.
- iv) Retirement benefits in the form of Provident Fund and Superannuation Fund are defined contribution scheme and the contributions are charged to the Statement of Profit and Loss for the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

1.9 FOREIGN CURRENCY TRANSACTIONS:

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the date of transaction.

Notes to the Financial Statement for the year ended 31st March, 2014

- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of any items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and the premium paid on forward contracts has been recognised over the life of the contract.
- iii) Non monetary foreign currency items are carried at cost.
- iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss.

1.10 EXPORT INCENTIVES:

Export incentives other than advance license are recognised at the time of exports and the benefit in respect of advance license received by the Company against exports made by it are recognised as and when goods are imported against them.

1.11 IMPAIRMENT OF ASSETS:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of recoverable amount.

1.12 DERIVATIVE TRANSACTIONS:

In respect of derivative contract, premium paid, provision for losses on re-statement and gains/losses on settlement are recognized along with underlying transaction and charged to the statement of profit and loss.

1.13 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the financial statements. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.14 PROVISION FOR CURRENT AND DEFERRED TAX:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future. In the case of unabsorbed depreciation and carry forward tax losses, all deferred tax asset are recognised only if there is virtual/reasonable certainty supported by convincing evidence that they can be realized against future taxable profits. The carrying amount of deferred tax assets are reviewed at each balance sheet date for their appropriateness.

Deferred Tax Assets and Deferred Tax Liabilities are off set if legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Minimum Alternative Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by The Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

1.15 EXCISE DUTY:

Excise Duty has been accounted on the basis of both payments made in respect of goods cleared as also provision made for goods lying in bonded warehouses.

1.16 BORROWING COST:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

1.17 LEASES:

Lease rentals are expensed with reference to lease terms and other considerations.

Note 2 - Share Capital

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|--|---------------------------------------|---------------------------------------|
| Authorised | | |
| 12,000,000 (Previous Year 12,000,000) Equity Shares of ₹ 10/- each | 1,200.00 | 1,200.00 |
| Issued, Subscribed & Fully Paid up | | |
| 3,006,000 (Previous Year 3,006,000) Equity Shares of ₹ 10/- each fully paid up | 300.60 | 300.60 |
| Total | 300.60 | 300.60 |

2.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

| Particulars | 2013-14 | | 2012-13 | |
|---|-----------|-------------|-----------|-------------|
| | (in Nos.) | (₹ in lacs) | (in Nos.) | (₹ in lacs) |
| Shares outstanding at the beginning of the year | 3,006,000 | 300.60 | 3,135,351 | 313.54 |
| Less : Buy back and Extinguishment of Equity Shares | — | — | 129,351 | 12.94 |
| Shares outstanding at the end of the year | 3,006,000 | 300.60 | 3,006,000 | 300.60 |

2.2 Terms/Rights attached to Equity Shares :

The Company has only one class of shares referred to as equity shares having a par value of ₹10/- per share. Holders of equity shares are entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.

2.3 Details of Shareholder holding more than 5% of Equity Share Capital :

| Name of Shareholder | As at 31 st March, 2014 | | As at 31 st March, 2013 | |
|---------------------------|------------------------------------|--------------|------------------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Gujarat Fusion Glass Ltd. | 1,492,936 | 49.67 | 1,492,936 | 49.67 |
| Croton Trading Pvt. Ltd. | 250,798 | 8.34 | 226,498 | 7.53 |
| Mavi Investment Fund Ltd. | * | * | 192,947 | 6.42 |

* Holding is less than 5%.

2.4 957,928 (Previous Year 957,928) Equity shares were bought back and extinguished in the last five years.

Notes to the Financial Statement for the year ended 31st March, 2014

Note 3 - Reserves and Surplus

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|---|---------------------------------------|---------------------------------------|
| Capital Reserve | | |
| As per Last Balance Sheet | 15.00 | 15.00 |
| Capital Redemption Reserve | | |
| As per Last Balance Sheet | 95.79 | 82.85 |
| Add: Transferred from General Reserve | — | 12.94 |
| | <u>95.79</u> | <u>95.79</u> |
| General Reserve | | |
| As per Last Balance Sheet | 615.73 | 1,515.16 |
| Add : Transferred from Surplus | 400.00 | 200.00 |
| Less : Transfer to Capital Redemption Reserve | — | 12.94 |
| Less : Utilised for buy back of Equity Shares | — | 1,086.49 |
| | <u>1,015.73</u> | <u>615.73</u> |
| Surplus in the Statement of Profit and Loss | | |
| As per Last Balance Sheet | 61,696.06 | 60,439.18 |
| Add: Profit for the year | 3,714.56 | 1,983.67 |
| | <u>65,410.62</u> | <u>62,422.85</u> |
| Amount available for appropriation | | |
| Appropriations: | | |
| Transferred to General Reserve | 400.00 | 200.00 |
| Proposed Dividend (Dividend per share ₹ 20/- (Previous Year ₹ 15/-)) | 601.20 | 450.90 |
| Tax on Proposed Dividend | 102.17 | 76.63 |
| Proposed Dividend & tax thereon of earlier year written back | — | (0.74) |
| | <u>64,307.25</u> | <u>61,696.06</u> |
| Surplus - Closing Balance | <u>64,307.25</u> | <u>61,696.06</u> |
| Total | <u><u>65,433.77</u></u> | <u><u>62,422.58</u></u> |

Note 4 - Long Term Borrowings

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|----------------------------|---------------------------------------|---------------------------------------|
| (Unsecured) : | | |
| Deferred Payment Liability | 68.59 | — |
| Total | <u>68.59</u> | <u>—</u> |

4.1 Deferred Payment Liability is repayable in 12 half yearly installment of ₹ 5.72 lacs each starting from June, 2015 and ending on December, 2020, which carries no interest.

Note 5 - Deferred Tax Liabilities (Net)

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|-------------------------|---------------------------------------|---------------------------------------|
| Liabilities | | |
| Related to Fixed Assets | 516.50 | 306.43 |
| Total | <u>516.50</u> | <u>306.43</u> |

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|--|---------------------------------------|---------------------------------------|
| Assets | | |
| Disallowance Under Section 43B of the Income Tax Act, 1961 | 19.73 | 22.66 |
| Voluntary Retirement Scheme | 4.31 | 135.75 |
| Provision for Doubtful Loans & Advances | 147.86 | — |
| Others | 5.48 | 15.22 |
| Total | 177.38 | 173.63 |
| Deferred Tax Liabilities (Net) | 339.12 | 132.80 |

Note 6 - Short Term borrowings

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|---------------------------|---------------------------------------|---------------------------------------|
| (Secured Loan) | | |
| Buyers Credit from a bank | — | 178.82 |
| Total | — | 178.82 |

6.1 Buyers' credit from a bank in the previous year was secured by way of lien on 5,500,000 units of Kotak FMP Series 67 - Growth and carries Interest @ EURIBOR plus 1.00% to 1.15%.

Note 7 - Trade Payables

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|-------------------------------------|---------------------------------------|---------------------------------------|
| Micro, Small and Medium Enterprises | — | — |
| Others | 561.63 | 944.85 |
| Total | 561.63 | 944.85 |

7.1 The Company has not received any information from the supplier regarding their status under Micro, Small and Medium Enterprise Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest paid/payable under this act have not been given.

Note 8 - Other Current Liabilities

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|---|---------------------------------------|---------------------------------------|
| Current maturity of long term borrowings - Deferred Payment Liability | 17.14 | — |
| Interest accrued but not due on borrowing | — | 0.41 |
| Interest accrued but not due on Dealer Deposits | 21.38 | 19.14 |
| Dealer Deposits/Advance from Customers | 205.98 | 204.98 |
| Unpaid Dividends* | 54.91 | 45.43 |
| Unclaimed Matured Deposits* | 2.39 | 9.32 |
| Unclaimed Interest on Matured Deposits* | 0.26 | 0.68 |
| Creditors for Capital Expenditure | 94.24 | 72.93 |
| Statutory liabilities | 160.72 | 130.94 |
| Other Payables** | 1,010.59 | 769.14 |
| Total | 1,567.61 | 1,252.97 |

* These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

** Other Payables includes mainly outstanding liabilities for expenses, Commission to Directors, discount, rebates etc.

Notes to the Financial Statement for the year ended 31st March, 2014

Note 9- Short - Term Provisions

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|---|---------------------------------------|---------------------------------------|
| Provisions for Employee Benefits | | |
| Superannuation | — | 16.98 |
| Gratuity (Funded) (Refer Note 25.1) | 23.56 | 16.57 |
| Leave Encashment | 78.04 | 63.52 |
| Others | | |
| Provisions for Tax (Net) | 23.24 | 29.94 |
| Proposed Dividend | 601.20 | 450.90 |
| Tax on Proposed Dividend | 102.17 | 76.63 |
| Total | 828.21 | 654.54 |

Note 10 - FIXED ASSETS

(₹ in lacs)

| Description | GROSS BLOCK | | | | DEPRECIATION AND AMORTIZATION | | | | NET BLOCK | |
|--------------------------------------|---|-----------------|----------------------------|--|---|-----------------|----------------------------|---|--|--|
| | As at 1 st April, 2013 | Additions | Deductions/ Adjustments | As at 31 st March, 2014 | Upto 31 st March, 2013 | For the Year | Deductions/ Adjustments | Upto 31 st March, 2014 | As at 31 st March, 2014 | As at 31 st March, 2013 |
| Leased Tangible Assets | | | | | | | | | | |
| Land- Leasehold | — | 373.78 | — | 373.78 | — | 3.36 | — | 3.36 | 370.42 | — |
| Owned Tangible Assets | | | | | | | | | | |
| Land- Freehold | 612.24 | — | — | 612.24 | — | — | — | — | 612.24 | 612.24 |
| Buildings | 6,769.22 | 8,789.13 | — | 15,558.35 | 127.31 | 221.44 | — | 348.75 | 15,209.60 | 6,641.91 |
| Plant and Equipment | 67.57 | 12.43 | — | 80.00 | 6.36 | 3.98 | — | 10.34 | 69.66 | 61.21 |
| Furniture and Fixtures | 305.18 | 294.76 | 1.68 | 598.26 | 55.49 | 29.54 | 1.67 | 83.36 | 514.90 | 249.69 |
| Vehicles | 160.63 | 53.29 | 3.45 | 210.47 | 39.06 | 18.70 | 3.45 | 54.31 | 156.16 | 121.57 |
| Office Equipment | 400.93 | 53.11 | 1.11 | 452.93 | 180.58 | 29.40 | 0.71 | 209.27 | 243.66 | 220.35 |
| TOTAL (A) | 8,315.77 | 9,576.50 | 6.24 | 17,886.03 | 408.80 | 306.42 | 5.83 | 709.39 | 17,176.64 | 7,906.97 |
| Owned Intangible Assets * | | | | | | | | | | |
| Computer Software | 310.43 | 34.15 | — | 344.58 | 182.72 | 65.70 | — | 248.42 | 96.16 | 127.71 |
| TOTAL (B) | 310.43 | 34.15 | — | 344.58 | 182.72 | 65.70 | — | 248.42 | 96.16 | 127.71 |
| GRAND TOTAL (A)+(B) | 8,626.20 | 9,610.65 | 6.24 | 18,230.61 | 591.52 | 372.12 | 5.83 | 957.81 | 17,272.80 | 8,034.68 |
| PREVIOUS YEAR | 3,798.15 | 4,828.52 | 0.47 | 8,626.20 | 386.98 | 204.67 | 0.13 | 591.52 | 8,034.68 | — |
| Capital Work-in Progress | | | | | | | | | 604.14 | 1,414.87 |
| Intangible Assets Under Development* | | | | | | | | | — | 9.90 |

10.1 Buildings include cost of shares in Co-operative Societies ₹ 0.03 lacs (Previous year ₹ 0.02 lacs)

10.2 In accordance with the Accounting Standard (AS -28) on "Impairment of Assets" as notified by Companies (Accounting Standards) Rules, 2006, the management during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard. On the basis of this review carried out by the management, there was no impairment loss on Fixed Assets during the year ended 31st March, 2014.

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

10.3 Capital Work-in-Progress includes amount of ₹ Nil (Previous Year ₹ 2.04 lacs) on account of pre-operative expenses.

Pre-operative Expenses :

(₹ in lacs)

| Particulars | 2013-14 | 2012-13 |
|-------------------------------------|--------------|-------------|
| Balance as per last year | 2.04 | — |
| Addition : | | |
| Rent paid | 0.68 | 2.04 |
| Legal & Professional Fees | 6.07 | — |
| Security Charges | 4.98 | — |
| Rates and Taxes | 1.19 | — |
| Total | 14.96 | 2.04 |
| Less :- Capitalized during the year | 14.96 | — |
| Balance as at end of the Year | — | 2.04 |

* Represents Software other than self generated

Note 11- Non-Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | As at 31 st March, 2013 Quantity (Nos) | Face Value (₹) (unless otherwise stated) | As at 31 st March, 2014 (₹ in lacs) | As at 31 st March, 2013 (₹ in lacs) |
|--|---|---|---|---|---|
| Long Term Investments | | | | | |
| A Trade Investments | | | | | |
| (a) Equity Instruments: | | | | | |
| Unquoted Fully Paid-Up Subsidiary Company | | | | | |
| Borosil Afrasia FZE | 1 | — | AED 1,000,000 | 164.98 | — |
| Quoted Fully Paid-Up Associate Company | | | | | |
| Gujarat Borosil Ltd. | 17,222,376 | 17,222,376 | 5 | 1,527.95 | 1,527.95 |
| Unquoted Fully Paid-Up Associate Company | | | | | |
| Fennel Investment & Finance Private Ltd. | 4,148,967 | 4,150,000 | 10 | 414.90 | 415.00 |
| Others | | | | | |
| Zoroastrian Co-operative Bank Ltd. | 4,000 | 4,000 | 25 | 1.00 | 1.00 |
| Total Equity Instruments (a) | | | | 2,108.83 | 1,943.95 |
| (b) In Preference Shares: | | | | | |
| Unquoted Fully Paid-Up Associate Company | | | | | |
| 9% Cumulative Non-Convertible Redeemable Preference Shares of Gujarat Borosil Ltd. | 9,000,000 | 9,000,000 | 100 | 9,000.00 | 9,000.00 |
| Total Preference Shares (b) | | | | 9,000.00 | 9,000.00 |
| Total Trade Investments (i) = (a) + (b) | | | | 11,108.83 | 10,943.95 |

Notes to the Financial Statement for the year ended 31st March, 2014

| Particulars | As at 31 st March, 2014 Quantity (Nos) | As at 31 st March, 2013 Quantity (Nos) | Face Value (₹) (unless otherwise stated) | As at 31 st March, 2014 (₹ in lacs) | As at 31 st March, 2013 (₹ in lacs) |
|--|---|---|---|---|---|
| B Other Than Trade Investments | | | | | |
| (a) Investment in Property (Refer note 11.5) | | | | 518.08 | 422.69 |
| Total Property (a) | | | | 518.08 | 422.69 |
| (b) In Equity Instruments: | | | | | |
| Unquoted Fully Paid-Up | | | | | |
| Arch Pharamalabs Ltd. | — | 56,000 | 10 | — | 252.00 |
| Total Equity Instruments (b) | | | | — | 252.00 |
| (c) In Preference Shares: | | | | | |
| Unquoted Fully Paid-Up | | | | | |
| Other | | | | | |
| Compulsorily Convertible Preference Shares of Ravindranath GE Medical Associates Pvt. Ltd. | 10,000,000 | — | 10 | 1,000.00 | — |
| Total Preference Shares (c) | | | | 1,000.00 | — |
| (d) In Debentures: | | | | | |
| Quoted Fully Paid-Up | | | | | |
| 11.6% Secured Non Convertible Redeemable Debentures of Shriram City Union Finance Ltd. | 41,871 | 41,871 | 1,000 | 418.71 | 418.71 |
| 11.7% Secured Non Convertible Redeemable Debentures of India Infoline Investment Services Ltd. | 100,000 | 100,000 | 1,000 | 1,000.00 | 1,000.00 |
| 11.9% Secured Non Convertible Redeemable Debentures of India Infoline Investment Services Ltd. | 10,000 | 10,000 | 1,000 | 95.34 | 93.37 |
| 12.25% Secured Non Convertible Redeemable Debentures of Muthoot Finance Ltd. | 50,000 | 50,000 | 1,000 | 500.00 | 500.00 |
| Secured Non Convertible Redeemable Debentures of India Infoline Finance Ltd.-Series I-025 | 370 | 370 | 100,000 | 370.00 | 370.00 |
| Unquoted Fully Paid-Up | | | | | |
| 19% Secured Non Convertible Redeemable Debentures of Sheth Buildwell Pvt. Ltd. # | 100 | 100 | 50,000 (90,000) | 50.00 | 90.00 |
| 3% Optionally Convertible Debentures of Jade Stone Development and Holding Pvt. Ltd.* | 61,995 | 61,995 | 100 | 62.00 | 62.00 |
| 3% Optionally Convertible Debentures of Marwar Consultancy Pvt. Ltd.* | 61,687 | 61,687 | 100 | 61.69 | 61.69 |
| 3% Optionally Convertible Debentures of Prabal Traders and Advisors Pvt. Ltd.* | 73,205 | 73,205 | 100 | 73.21 | 73.21 |
| 3% Optionally Convertible Debentures of Suryanagri Trading and Consultancy Pvt. Ltd.* | 207,384 | 207,384 | 100 | 207.38 | 207.38 |

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

| Particulars | As at 31 st March, 2014 Quantity (Nos) | As at 31 st March, 2013 Quantity (Nos) | Face Value (₹) (unless otherwise stated) | As at 31 st March, 2014 (₹ in lacs) | As at 31 st March, 2013 (₹ in lacs) |
|---|---|---|---|---|---|
| 3% Optionally Convertible Debentures of Swarg Advisors and Traders Pvt. Ltd.* | 217,287 | 217,287 | 100 | 217.29 | 217.29 |
| 3% Optionally Convertible Debentures of Vahin Advisors and Traders Pvt. Ltd.* | 62,607 | 62,607 | 100 | 62.61 | 62.61 |
| 8.25% Optionally Convertible Debentures of Sherin Advisors and Traders Pvt. Ltd.* | 146,195 | 146,195 | 100 | 146.20 | 146.20 |
| 8.5% Optionally Convertible Debentures of Zwenzi Traders and Advisors Pvt. Ltd.* | 145,782 | 145,782 | 100 | 145.78 | 145.78 |
| Redeemable Non Convertible Debentures of Barclays Investments & Loans (India) Ltd. Series DS-201 | — | 7 | 4,000,000 | — | 280.00 |
| Redeemable Non Convertible Debentures of ECL Finance Ltd. Series A4A001 | — | 250 | 100,000 | — | 250.00 |
| Redeemable Non Convertible Debentures of ECL Finance Ltd. -Series - A4A003 | — | 250 | 100,000 | — | 250.00 |
| # Exclude reclassified as current investments | | | | | |
| * Held by Portfolio Manager on behalf of the Company | | | | | |
| Total Debentures (d) | | | | 3,410.21 | 4,228.24 |
| (e) In Corporate Bonds: | | | | | |
| Quoted Fully Paid-Up | | | | | |
| 8 % Secured Non Convertible Redeemable Tax Free Bonds of Indian Railway Finance Corporation Ltd. 23-February-2022 | 5,400 | 10,875 | 1,000 | 54.00 | 108.75 |
| 8.2% Secured Non Convertible Redeemable Tax Free Bonds of National Highways Authority of India 25-January-2022 | — | 12,362 | 1,000 | — | 123.62 |
| 8.2% Secured Non Convertible Redeemable Tax Free Bonds of Power Finance Corporation Ltd. 1-February-2022 | 4,000 | 14,239 | 1,000 | 40.00 | 142.39 |
| 8.48% Secured Redeemable Non Convertible Tax Free Bonds of National Highway Authority of India. Series 1B 22-November-2028 | 100 | — | 1,000,000 | 1,000.29 | — |
| 8.66% Secured Redeemable Non Convertible Tax Free Bonds of National Thermal Power Corporation Ltd. Series 3A 16-December-2033 | 23,749 | — | 1,000 | 237.49 | — |
| 8.76% Secured Redeemable Non Convertible Tax Free Bonds of National Housing Bank Tranche I Series 3A 13-January 2034 | 14,439 | — | 5,000 | 721.95 | — |
| 8.66% Secured Redeemable Non Convertible Tax Free Bonds of India Infrastructure Finance Co. Ltd. Tranche II Series 3A 22-January-2034 | 50,000 | — | 1,000 | 500.00 | — |

Notes to the Financial Statement for the year ended 31st March, 2014

| Particulars | As at 31 st March, 2014 Quantity (Nos) | As at 31 st March, 2013 Quantity (Nos) | Face Value (₹) (unless otherwise stated) | As at 31 st March, 2014 (₹ in lacs) | As at 31 st March, 2013 (₹ in lacs) |
|--|---|---|---|---|---|
| 8.54% Secured Redeemable Non Convertible Tax Free Bonds of Power Finance Corporation Ltd. Series 2A 16-November-2028 | 201,400 | — | 1,000 | 2,036.27 | — |
| 8.48% Secured Redeemable Non Convertible Tax Free Bonds of Indian Railway Finance Corporation Ltd. Series 89A 21-November-2028 | 100 | — | 1,000,000 | 1,010.73 | — |
| 8.46% Secured Non Convertible Redeemable Tax Free Bonds of Rural Electrification Corporation Ltd. Series 2A 24-September-2028 | 45,000 | — | 1,000 | 450.00 | — |
| Total Corporate Bonds (e) | | | | 6,050.73 | 374.76 |
| (f) In Others: | | | | | |
| 1. Venture Capital Fund Unquoted Fully Paid-Up | | | | | |
| NV India Real Estate Fund | 750,000 | 500,000 | 100 | 750.00 | 500.00 |
| India Infoline Real Estate Fund (Domestic) - Series 1 (Previous year partly paid up of ₹ 50) | 2,000,000 | 2,000,000 | 98.78 (100) | 1,975.50 | 1,000.00 |
| 2. Alternative Investment Fund Unquoted Fully Paid-Up | | | | | |
| IIFL Income Opportunities Fund (A Category II) | 9,852,360 | 4,920,646 | 10 | 1,001.00 | 500.50 |
| IIFL Income Opportunities Fund Series-Special Situations (A Category II) | 2,250,000 | — | 10 | 225.00 | — |
| Edelweiss Stressed and Troubled Assets Revival Fund-1 | 1,500 | — | 10,000 | 150.00 | — |
| 3. Investment in Art | | | | 185.98 | 178.33 |
| Total Others (f) | | | | 4,287.48 | 2,178.83 |
| Total Non Trade Investments (ii) = (a) + (b) + (c) + (d) + (e) + (f) | | | | 15,266.50 | 7,456.52 |
| Total Non Current Investments (i) + (ii) | | | | 26,375.33 | 18,400.47 |

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

11.1 Aggregate amount of Investments and market value thereof.

| Particulars | As at 31 st March, 2014 | | As at 31 st March, 2013 | |
|----------------------|------------------------------------|-----------------------------|------------------------------------|-----------------------------|
| | Book Value (₹ in lacs) | Market Value (₹ in lacs) | Book Value (₹ in lacs) | Market Value (₹ in lacs) |
| Quoted Investments | 9,962.73 | 9,533.93 | 4,284.79 | 3,569.90 |
| Unquoted Investments | 16,412.60 | | 14,115.68 | |
| | <u>26,375.33</u> | | <u>18,400.47</u> | |

11.2 Refer Note 1.6 for basis of valuation of Non Current Investments.

11.3 Refer Note 30 in respect of Investment through Portfolio Management Services.

11.4 In the opinion of the management, diminution in the value of long term investment is temporary in nature and hence no provision has been considered necessary.

11.5 Jointly owned property, representing 50% share of the company.

11.6 Figures in bracket represent previous year figures.

Note 12 - Long - Term Loans and Advances

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|---|---------------------------------------|---------------------------------------|
| (Unsecured, Considered Good) : | | |
| Capital Advances | 61.63 | 1,651.59 |
| Advances for Investment in Properties | 290.00 | 261.00 |
| Loans and Advances to Related Parties (Refer Note 32) | 2,276.09 | 1,091.95 |
| Security Deposits | 12.41 | 210.60 |
| Advance Tax (Net) | 54.82 | 17.38 |
| MAT Credit Entitlement | 1,136.89 | 788.83 |
| Prepaid Expenses | 41.97 | 35.35 |
| Total | <u>3,873.81</u> | <u>4,056.70</u> |

12.1 Presently the Company is liable to pay MAT under Section 115JB of the Income Tax Act, 1961 (The Act) and the amount paid as MAT is allowed to be carried forward for being set off against the future tax liabilities computed in accordance with the provisions of the Act, other than Section 115JB, in next Ten years. Based on the future projection of the performances, the Company will be liable to pay the income tax computed as per provisions, other than under section 115JB, of the Act. Accordingly as advised in Guidance note on "Accounting for Credit available in respect of Minimum Alternate Tax under the Income Tax Act 1961" issued by the Institute of Chartered Accountants of India, ₹ 231.79 lacs (Previous year ₹ 170.95 lacs) being the excess of tax payable under Section 115JB of the Act over tax payable as per the provisions other than Section 115JB of the Act has been considered as MAT credit entitlement and credited to statement of profit and loss.

Note 13 - Other Non - Current Assets

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|---------------------------------------|---------------------------------------|---------------------------------------|
| (Unsecured, Considered Good) : | | |
| Long Term Trade Receivables | — | 44.99 |
| Interest Accrued on Investment | 82.11 | 9.78 |
| Total | <u>82.11</u> | <u>54.77</u> |

Notes to the Financial Statement for the year ended 31st March, 2014

Note 14 - Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | As at 31 st March, 2013 Quantity (Nos) | Face Value (₹) | As at 31 st March, 2014 (₹ in lacs) | As at 31 st March, 2013 (₹ in lacs) |
|--|---|---|----------------------|---|---|
| Current Investments | | | | | |
| (a) In Equity Instruments: | | | | | |
| Quoted Fully Paid Up | | | | | |
| Allcargo Logistics Ltd. | — | 9,358 | 2 | — | 10.81 |
| Asian Paints Ltd. | 5,921 | — | 1 | 29.42 | — |
| Bajaj Auto Ltd. | 792 | 725 | 10 | 12.02 | 10.78 |
| Bajaj Finance Ltd. | 3,457 | 3,498 | 10 | 24.82 | 25.11 |
| Bata India Ltd. | 1,833 | 1,833 | 10 | 14.35 | 13.17 |
| Bosch Ltd. | 450 | 450 | 10 | 29.07 | 29.07 |
| Cadila Healthcare Ltd. | 1,735 | 2,589 | 5 | 14.56 | 19.23 |
| Cairn India Ltd. | 7,464 | 7,464 | 10 | 23.34 | 20.34 |
| Divi's Laboratories Ltd. | 2,615 | 2,615 | 2 | 30.81 | 25.82 |
| Eicher Motors Ltd. | 1,059 | 1,059 | 10 | 23.58 | 23.58 |
| Emami Ltd. | 4,361 | 2,356 | 1 | 12.19 | 8.33 |
| Exide Industries Ltd. | 8,768 | 8,768 | 1 | 10.62 | 11.35 |
| Financial Technologies (India) Ltd. | — | 2,312 | 2 | — | 16.47 |
| Glaxosmithkline Pharmaceuticals Ltd. | — | 1,690 | 10 | — | 36.61 |
| HCL Technologies Ltd. | 2,366 | — | 2 | 19.45 | — |
| HDFC Bank Ltd. | 13,135 | 10,015 | 2 | 66.27 | 45.36 |
| Hero Motocorp Ltd. | 1,417 | 1,417 | 2 | 27.85 | 21.85 |
| Hindustan Petroleum Corporation Ltd. | — | 7,200 | 10 | — | 20.53 |
| Housing Development Finance Corporation Ltd. | 5,385 | 5,385 | 2 | 35.87 | 35.87 |
| IndusInd Bank Ltd. | 5,961 | 5,961 | 10 | 13.94 | 13.94 |
| Infosys Ltd. | 1,488 | 1,488 | 5 | 46.59 | 43.00 |
| ING Vysya Bank Ltd. | 4,751 | 5,655 | 10 | 16.97 | 20.20 |
| IPCA Laboratories Ltd. | 7,307 | 7,775 | 2 | 21.48 | 22.85 |
| Jain Irrigation Systems Ltd. | — | 9,779 | 2 | — | 6.02 |
| KPIT Technologies Ltd. | 16,453 | 16,453 | 2 | 13.74 | 13.74 |
| Larsen & Toubro Ltd. | 3,177 | 2,118 | 2 | 36.43 | 28.94 |
| Lupin Ltd. | 1,760 | — | 2 | 15.16 | — |
| Mahindra and Mahindra Financial Services Ltd. | — | 11,170 | 2 | — | 15.86 |
| Mahindra Holidays & Resorts India Ltd. | — | 7,026 | 10 | — | 18.06 |
| MRF Ltd. | 236 | 184 | 10 | 27.75 | 21.39 |
| Nestle India Ltd. | 975 | 1,077 | 10 | 35.46 | 39.17 |
| Opto Circuits India Ltd. | — | 10,422 | 10 | — | 6.28 |
| Oracle Financial Services Software Ltd. | 1,141 | 808 | 5 | 34.24 | 20.69 |
| State Bank of India | 2,142 | 2,142 | 10 | 41.09 | 44.40 |
| SUN TV Network Ltd. | 6,263 | 5,718 | 5 | 19.09 | 16.98 |
| Talwalkars Better Value Fitness Ltd | 9,244 | — | 10 | 13.36 | — |
| Tech Mahindra Ltd. | 2,874 | — | 10 | 45.61 | — |
| Torrent Pharmaceuticals Ltd. | 4,274 | — | 5 | 17.78 | — |
| UPL Ltd. | 16,555 | 16,555 | 2 | 23.57 | 19.44 |
| Zee Entertainment Enterprises Ltd. | — | 6,613 | 1 | — | 8.66 |
| Unquoted Fully Paid Up | | | | | |
| Jade Stone Development and Holding Pvt. Ltd. * | 74,898 | 74,898 | 1 | 0.75 | 0.75 |
| Marwar Consultancy Pvt. Ltd. * | 74,916 | 74,916 | 1 | 0.75 | 0.75 |
| Prabal Traders and Advisors Pvt. Ltd. * | 74,876 | 74,876 | 1 | 0.75 | 0.75 |

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

Note 14 - Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | As at 31 st March, 2013 Quantity (Nos) | Face Value (₹) | As at 31 st March, 2014 (₹ in lacs) | As at 31 st March, 2013 (₹ in lacs) |
|--|---|---|----------------------|---|---|
| Sherin Advisors and Traders Pvt. Ltd. * | 74,594 | 74,594 | 1 | 0.75 | 0.75 |
| Suryanagri Trading and Consultancy Pvt. Ltd. * | 77,709 | 77,709 | 1 | 0.78 | 0.78 |
| Swarg Advisors and Traders Pvt. Ltd. * | 77,749 | 77,749 | 1 | 0.78 | 0.78 |
| Vahin Advisors and Traders Pvt. Ltd. * | 74,852 | 74,852 | 1 | 0.75 | 0.75 |
| Zwenzi Traders and Advisors Pvt. Ltd. * | 74,641 | 74,641 | 1 | 0.75 | 0.75 |
| * Held by Portfolio Manager on behalf of the Company | | | | | |
| Total Equity Instruments (a) | | | | 802.54 | 739.96 |
| (b) In Debentures: | | | | | |
| Quoted Fully Paid Up | | | | | |
| Redeemable Non Convertible Debentures of Deutsche Investment India Pvt. Ltd. -Series -GE0106 | — | 500 | 100,000 | — | 500.00 |
| Unquoted Fully Paid Up | | | | | |
| Zero Coupon Secured Non Convertible Debentures of Tata Housing Development Company Ltd. | — | 55 | 1,000,000 | — | 550.00 |
| 18 % Secured Non Convertible Redeemable Debentures of Galleria Mall Developers Pvt. Ltd. | — | 256 | 44,450 | — | 114.45 |
| 19% Secured Non Convertible Redeemable Debentures of Sheth Buildwell Pvt. Ltd. \$ | 100 | 100 | 50,000 (10,000) | 50.00 | 10.00 |
| 19% Secured Redeemable Non Convertible Debentures of Arch Agro Industries Pvt. Ltd. | 2,784 | — | 10,000 | 278.40 | — |
| Redeemable Non Convertible Debentures of Barclays Investments & Loans (India) Ltd. Series DS-201 | 7 | — | 4,000,000 | 280.00 | — |
| Redeemable Non Convertible Debentures of ECL Finance Ltd. Series A4A001 | 250 | — | 100,000 | 250.00 | — |
| Redeemable Non Convertible Debentures of ECL Finance Ltd. -Series - A4A003 | 250 | — | 100,000 | 250.00 | — |
| 20 % Secured Non Convertible Redeemable Debentures of Prince Foundations Ltd. \$ | 256 | 256 | 25,000 (62,500) | 64.24 | 162.43 |
| \$ Represents current maturity of long term investments. | | | | | |
| Total Debentures (b) | | | | 1,172.64 | 1,336.88 |

Notes to the Financial Statement for the year ended 31st March, 2014

Note 14 - Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | As at 31 st March, 2013 Quantity (Nos) | Face Value (₹) | As at 31 st March, 2014 (₹ in lacs) | As at 31 st March, 2013 (₹ in lacs) |
|--|---|---|----------------------|---|---|
| (c) Mutual Funds: | | | | | |
| Quoted Fully Paid Up | | | | | |
| DSP Blackrock Top 100 Equity Fund Regular Plan Dividend Reinvestment | — | 2,449,150 | 10 | — | 491.62 |
| DWS Fixed Term Fund - Series - 93 - Growth Plan | — | 5,000,000 | 10 | — | 500.00 |
| Franklin India Blue Chip Fund Dividend Reinvestment | — | 711,510 | 10 | — | 236.64 |
| ICICI Prudential FMP Series 58 - 19 Months Plan F Cumulative | — | 10,000,000 | 10 | — | 1,000.00 |
| ICICI Prudential FMP Series 60 - 18 Months Plan B Cumulative | — | 15,000,000 | 10 | — | 1,500.00 |
| IDFC Sterling Equity Fund Dividend Regular Plan Reinvestment | 2,881,491 | 1,610,492 | 10 | 400.00 | 213.58 |
| Kotak FMP Series 63 - Growth | — | 10,000,000 | 10 | — | 1,000.00 |
| Kotak FMP Series 64 - Growth | — | 15,000,000 | 10 | — | 1,500.00 |
| Kotak FMP Series 67 - Growth | — | 15,000,000 | 10 | — | 1,500.00 |
| Kotak Mahindra Mutual Fund -Kotak NIFTY ETF | 80,000 | — | 10 | 531.04 | — |
| Reliance Equity Opportunities Fund-Retail Plan-Dividend Plan-Reinvestment | 3,179,615 | 4,285,278 | 10 | 734.35 | 961.24 |
| Reliance Equity Opportunities Fund Retail Plan Growth Plan | 764,720 | 764,720 | 10 | 250.00 | 250.00 |
| Religare FMP Series X Plan D - 18 Months - Growth Plan | — | 5,000,000 | 10 | — | 500.00 |
| TATA Fixed Maturity Plan Series 38 Scheme E - Growth | — | 15,000,000 | 10 | — | 1,500.00 |
| TATA Fixed Maturity Plan Series 38 Scheme F - Growth | — | 5,000,000 | 10 | — | 500.00 |
| Unquoted Fully Paid Up | | | | | |
| Birla Sun Life Savings Fund Institutional Growth | 107,307 | 42,076 | 100 | 261.99 | 92.00 |
| Birla Sun Life Frontline Equity Fund Dividend Regular Plan Reinvestment | 2,211,411 | — | 10 | 500.00 | — |
| HDFC Cash Management Fund Treasury Advantage Retail Weekly Dividend Reinvestment * | 52,435 | 462,450 | 10 | 5.27 | 46.42 |
| HDFC Equity Fund Dividend Reinvestment | — | 2,791,906 | 10 | — | 1,049.45 |

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

Note 14 - Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | As at 31 st March, 2013 Quantity (Nos) | Face Value (₹) | As at 31 st March, 2014 (₹ in lacs) | As at 31 st March, 2013 (₹ in lacs) |
|--|---|---|----------------------|---|---|
| HDFC Infrastructure Fund Dividend Reinvestment | 2,980,330 | — | 10 | 300.00 | — |
| HDFC Midcap Opportunities Fund Dividend Reinvestment | 5,459,012 | 6,713,314 | 10 | 782.43 | 951.84 |
| HDFC Top 200 Fund Dividend Reinvestment | 991,424 | — | 10 | 400.00 | — |
| ICICI Prudential Discovery Fund Regular Plan Dividend Reinvestment | 1,971,414 | — | 10 | 400.00 | — |
| ICICI Prudential Dynamic Plan Dividend Reinvestment | 2,513,532 | 5,406,819 | 10 | 441.40 | 871.75 |
| ICICI Prudential Flexible Income - Regular Plan - Weekly Dividend Reinvestment * | 11,296 | — | 100 | 11.92 | — |
| ICICI Prudential Flexible Income Regular Plan Growth | 16 | — | 100 | 0.04 | — |
| ICICI Prudential Focused Bluechip Equity Fund Retail Dividend Payout | 4,667,078 | 4,667,078 | 10 | 750.00 | 742.53 |
| ICICI Prudential Focused Bluechip Equity Fund Regular Plan Dividend Reinvestment | 2,885,170 | — | 10 | 500.00 | — |
| ICICI Prudential Gilt Fund Investment Plan PF Option | — | 2,299,369 | 10 | — | 500.00 |
| JPMorgan India Active Bond Fund Institutional Growth # | 24,808,182 | 24,808,182 | 10 | 2,500.00 | 2,500.00 |
| Kotak Bond Scheme Plan A Growth | — | 1,516,535 | 10 | — | 500.00 |
| Reliance Liquid Fund-Treasury Plan-Weekly Dividend Reinvestment * | — | 776 | 1,000 | — | 11.88 |
| SBI Magnum Income Fund Growth | — | 1,784,930 | 10 | — | 500.00 |
| TATA Floater Fund Plan A - Growth | 34,038 | 3,988 | 1,000 | 655.00 | 70.00 |
| Tata Income Fund Plan A - Appreciation Growth | — | 1,498,177 | 10 | — | 500.00 |
| UTI Opportunities Fund Dividend Reinvestment | 1,764,092 | — | 10 | 250.00 | — |
| UTI Treasury Advantage Fund Institutional Plan (Bonus) Payout | — | 11,598 | 1,000 | — | 142.86 |
| * Held by Portfolio Manager on behalf of the Company | | | | | |
| # Includes 12,230,400 Units pledged with a bank against the credit facility availed by related parties and 11,060,600 Units pledged with a bank to avail credit facility by the Company. | | | | | |
| Total Mutual Funds (c) | | | | 9,673.44 | 20,131.81 |

Notes to the Financial Statement for the year ended 31st March, 2014

Note 14 - Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | As at 31 st March, 2013 Quantity (Nos) | Face Value (₹) | As at 31 st March, 2014 (₹ in lacs) | As at 31 st March, 2013 (₹ in lacs) |
|--|---|---|----------------------|---|---|
| (d) Other Current Investments: | | | | | |
| 1. Pass Through Certificate | | | | | |
| Pass Through Certificate - Series-A of Gold Loan Receivable Trust-II | — | 300 | 100,000 | — | 300.00 |
| Total Others (d) | | | | — | 300.00 |
| Total Current Investments = (a) + (b) + (c) + (d) | | | | 11,648.62 | 22,508.65 |

14.1 Aggregate amount of Current Investments and Market value thereof

| Particulars | As at 31 st March, 2014 | | As at 31 st March, 2013 | |
|----------------------|------------------------------------|-----------------------------|------------------------------------|-----------------------------|
| | Book Value (₹ in lacs) | Market Value (₹ in lacs) | Book Value (₹ in lacs) | Market Value (₹ in lacs) |
| Quoted Investments | 2,711.87 | 3,254.75 | 12,386.98 | 14,329.40 |
| Unquoted Investments | 8,936.75 | | 10,121.67 | |
| | 11,648.62 | | 22,508.65 | |

14.2 Aggregate amount of provision for diminution in value of Current Investments of ₹15.40 lacs (₹ 644.73 lacs)

14.3 Refer Note 1.6 for basis of valuation of Current Investments

14.4 Refer Note 30 in respect of Investment through Portfolio Management Services

14.5 Figures in bracket represent previous year figures

Note 15 - Inventories

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | | As at 31 st March, 2013 | |
|--------------------------------|---------------------------------------|-----------------|---------------------------------------|----------|
| Raw Materials | | — | | 1.71 |
| Work-in-Progress | | 3.12 | | 10.60 |
| Stock-in-Trade: | | | | |
| Goods-in-Transit | 21.53 | | 212.07 | |
| Others | 2,925.30 | 2,946.83 | 2,674.55 | 2,886.62 |
| Stores, Spares and Consumables | | 6.69 | | 8.13 |
| Packing Material | | 61.34 | | 51.39 |
| Scrap(Cullet) | | 18.50 | | 37.50 |
| Total | | 3,036.48 | | 2,995.95 |

15.1 For Mode of Valuation Refer Note 1.7

15.2 Work-in-Progress under Broad heads:

| | | |
|--------------|-------------|-------|
| Glass Tubing | 2.48 | 9.96 |
| Others | 0.64 | 0.64 |
| Total | 3.12 | 10.60 |

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

15.3 Stock-in-Trade under Broad heads:

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|--|---------------------------------------|---------------------------------------|
| Scientific Apparatus & Laboratory ware | 1,050.20 | 1,391.24 |
| Consumer ware | 1,893.64 | 1,490.38 |
| Others | 2.99 | 5.00 |
| Total | 2,946.83 | 2,886.62 |

Note 16 - Trade Receivable

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|--|---------------------------------------|---------------------------------------|
| (Unsecured) : | | |
| Due for a Period Exceeding Six Months from the due date | | |
| Considered Good | 17.38 | 13.35 |
| Considered Doubtful | 14.21 | 26.97 |
| | 31.59 | 40.32 |
| Less : Provision for Doubtful Debts | 14.21 | 26.97 |
| | 17.38 | 13.35 |
| Other Debts | | |
| Considered Good | 2,892.83 | 2,852.63 |
| Total | 2,910.21 | 2,865.98 |

Note 17 - Cash and Bank Balances

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|---|---------------------------------------|---------------------------------------|
| Cash and Cash Equivalents | | |
| Balances with Banks in current accounts | 113.38 | 264.12 |
| Fixed deposit with Banks - Having maturity less than 3 months | 162.75 | 99.00 |
| Cheques, Drafts on Hand | 72.93 | 36.37 |
| Cash on Hand | 4.39 | 5.11 |
| Total | 353.45 | 404.60 |
| Other Bank Balances | | |
| Fixed deposit with Banks - Having maturity 3 to 12 months | — | 3.02 |
| Earmarked Balances with bank : | | |
| For Unpaid Dividend Accounts | 54.91 | 45.43 |
| For Unpaid Interest on Matured Deposit Accounts | 0.41 | 0.92 |
| Fixed deposit with Bank for Unclaimed Public deposits | 1.50 | 1.50 |
| Fixed deposit pledged with the Banks | 87.96 | 295.27 |
| Total | 498.23 | 750.74 |

17.1 Fixed deposits are pledged with bank as margin money, which includes ₹ Nil (Previous Year ₹ 200 lacs) in respect of letter of credit facilities availed by related party.

Notes to the Financial Statement for the year ended 31st March, 2014

Note 18 - Short - Term Loans and Advances

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|--|---------------------------------------|---------------------------------------|
| (Unsecured, Considered Good, unless otherwise stated) | | |
| Loans and Advances to Related Parties (Refer Note 32) | | |
| Inter Corporate Deposit | — | 1,799.25 |
| Interest receivables | 58.54 | 196.58 |
| Advances against supplies | 716.61 | 3.29 |
| Others | 7.62 | 5.23 |
| Loans and Advances to Others : | | |
| Secured Inter Corporate Deposit | 500.00 | — |
| Inter Corporate Deposit | — | 100.00 |
| Deposits - Considered Good | 84.13 | 76.15 |
| Deposits - Considered Doubtful | 1.91 | — |
| | 86.04 | 76.15 |
| Less : Provision for Doubtful Debts | 1.91 | — |
| | 84.13 | 76.15 |
| Interest receivables | 50.66 | 40.35 |
| Advances against supplies | 57.89 | 169.22 |
| Commodity Trading receivables | 860.08 | 413.06 |
| Less : Provision for Doubtful Debts (Refer Note 18.1) | 435.00 | — |
| | 425.08 | 413.06 |
| Balance with Excise Authorities | 0.03 | 6.10 |
| Others | 277.15 | 1,612.50 |
| Total | 2,177.71 | 4,421.73 |

18.1 As on 31st March, 2014 the Company has exposure of ₹ 860.08 lacs with National Spot Exchange Limited (NSEL) in respect of commodities purchased on the said Exchange, which had defaulted in meeting its payment obligations. The Company had joined as a Complainant in the Criminal complaint filed with Economic Offences Wing (EOW) which had attached several properties of defaulters. The Company has also filed an intervention petition in the High Court of Bombay in a representative suit filed by another party seeking remedy against NSEL and its Promoters. Pending final outcome, as a matter of prudence and based on best estimates above provision of ₹ 435.00 lacs has been made, which has been considered sufficient by the management and disclosed as exceptional items in the statement of profit and loss.

18.2 Others includes mainly Security application money, amount receivable from Portfolio Managers (Refer Note 30), duty receivable etc.

Note 19 - Other Current Assets

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|--|---------------------------------------|---------------------------------------|
| Interest Accrued on Investments | 363.70 | 357.48 |
| Receivable against Sale of Investments | 242.58 | — |
| Export Incentives Receivable | 12.65 | 0.99 |
| Fixed Assets held for disposal | 1.16 | 14.25 |
| Total | 620.09 | 372.72 |

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

Note 20 - Revenues from Operations

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|------------------------------------|--|--|
| Sale of Products | 15,543.77 | 13,440.33 |
| Other Operating Revenue | 51.23 | 6.83 |
| Net Revenue from Operations | 15,595.00 | 13,447.16 |

20.1 Sale of Products under Broad Head

| | | |
|--|------------------|------------------|
| Scientific Apparatus & Laboratory ware | 8,677.72 | 7,762.98 |
| Consumer ware | 6,612.68 | 5,547.39 |
| Others | 253.37 | 129.96 |
| Total | 15,543.77 | 13,440.33 |

Note 21 - Other Income

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|--|--|--|
| Interest Income on | | |
| - Long Term Investments | 846.85 | 669.16 |
| - Current Investments | 8.96 | 162.66 |
| - Inter Corporate Deposits | 272.86 | 370.33 |
| - Fixed Deposits with banks | 23.83 | 41.29 |
| - Customers | 60.60 | 57.34 |
| - Others | 18.40 | 4.26 |
| Dividend Income from | | |
| - Long Term Investments | 1,052.78 | 24.64 |
| - Current Investments | 16.35 | 515.41 |
| Profit on Sale of Investments (Net) | | |
| - Long Term Investments | 773.03 | 0.62 |
| - Current Investments | 207.59 | 456.41 |
| Profit on Commodity Trading (Net) | 41.92 | 174.77 |
| Reversal of provision for diminution in the value of Current Investments | 629.33 | — |
| Profit on sale of Fixed assets | 0.26 | — |
| Rent Income | 94.60 | 14.74 |
| Sundry Credit Balance Written Back (Net) | 4.72 | 0.44 |
| Miscellaneous Income | 24.24 | 20.97 |
| Total | 4,076.32 | 2,513.04 |

Notes to the Financial Statement for the year ended 31st March, 2014

Note 22 - Cost of Material consumed

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|---|--|--|
| Cost of Material consumed under Broad Head | | |
| Tubing | — | 81.34 |
| Unprocessed glass articles | — | 29.56 |
| Accessories | — | 1.20 |
| Total | — | 112.10 |

22.1 Value of Material Consumed

| Particulars | For the Year Ended 31 st March, 2014 | | For the Year Ended 31 st March, 2013 | |
|--------------------------|--|------------------|--|------------------|
| | (₹ in lacs) | % of Consumption | (₹ in lacs) | % of Consumption |
| Material Consumed | | | | |
| Imported | — | — | 82.19 | 73% |
| Indigenous | — | — | 29.91 | 27% |
| Total | — | — | 112.10 | 100% |

Note 23 - Purchase of Stock - in - Trade

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|--|--|--|
| Purchase of Stock-in-Trade under Broad Head | | |
| Scientific Apparatus & Laboratory ware | 4,279.48 | 4,653.60 |
| Consumer ware | 4,325.25 | 3,333.45 |
| Others | 453.95 | 91.98 |
| Total | 9,058.68 | 8,079.03 |

Note 24 - Changes in Inventories of Work-in-Progress and Stock-in-Trade

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|-------------------------------------|--|--|
| At the end of the Year | | |
| Work-in-Progress | 3.12 | 10.60 |
| Stock-in-Trade | 2,946.83 | 2,886.62 |
| Scrap (Cullet) | 18.50 | 37.50 |
| | 2,968.45 | 2,934.72 |
| At the beginning of the Year | | |
| Work-in-Progress | 10.60 | 20.26 |
| Stock-in-Trade | 2,886.62 | 2,160.91 |
| Scrap (Cullet) | 37.50 | 39.97 |
| | 2,934.72 | 2,221.14 |
| Total | (33.73) | (713.58) |

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

Note 25 - Employee Benefits Expense

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|---|--|--|
| Salaries, Wages & allowances | 1,553.05 | 1,267.35 |
| Contribution to Provident and Other Funds | 78.12 | 63.31 |
| Staff Welfare Expenses | 110.66 | 135.58 |
| Total | 1,741.83 | 1,466.24 |

25.1 As per Accounting Standard-15 'Employee Benefits', the disclosure of Employee benefits as defined in the Accounting Standard are given below:

(a) Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

(₹ In lacs)

| Particulars | 2013-2014 | 2012-2013 |
|---|-----------|-----------|
| Employer's Contribution to Provident Fund | 42.40 | 34.70 |
| Employer's Contribution to Pension Scheme | 11.56 | 10.95 |
| Employer's Contribution to ESIC | 0.60 | 1.08 |

The contribution to Provident Fund is made to Employees' Provident Fund managed by Provident Fund Commissioner. Employees' Superannuation Fund is managed by Life Insurance Corporation of India.

(b) Defined Benefit Plan:

The employees' Gratuity Fund is managed by the Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(₹ In lacs)

| Particulars | Gratuity (Funded) | |
|--|--|--------------|
| | 2013-2014 | 2012-2013 |
| Actuarial assumptions | | |
| Mortality Table | Indian Assured Lives Mortality (2006-08) Ult | LIC(1994-96) |
| Salary growth | 7.00% | 6.00% |
| Discount rate | 9.10% | 8.10% |
| Expected returns on plan assets | 8.50% | 8.50% |
| Movement in present value of defined benefit obligation | | |
| Obligation at the beginning of the year | 81.14 | 64.81 |
| Current service cost | 14.64 | 12.31 |
| Interest cost | 6.16 | 4.97 |
| Actuarial gains/(loss) on obligation | 8.25 | 4.35 |
| Benefits paid | (10.19) | (5.30) |
| Obligation at the end of the year | 100.00 | 81.14 |

Notes to the Financial Statement for the year ended 31st March, 2014

(₹ In lacs)

| Particulars | 2013-2014 | Gratuity (Funded) | 2012-2013 |
|---|--------------|-------------------|--------------|
| <u>Movement in present value of plan assets</u> | | | |
| Fair value at the beginning of the year | 64.57 | | 56.53 |
| Expected Return on Plan Assets | 5.76 | | 4.93 |
| Contribution | 16.57 | | 8.29 |
| Actuarial gains/(losses) | (0.27) | | 0.12 |
| Benefits paid | (10.19) | | (5.30) |
| Fair value at the end of the year | 76.44 | | 64.57 |
| <u>Amount recognised in the income statement</u> | | | |
| Current service cost | 14.64 | | 12.31 |
| Interest cost | 6.16 | | 4.97 |
| Expected Return on Plan Assets | (5.76) | | (4.93) |
| Net actuarial (gains)/losses recognized in the year | 8.52 | | 4.22 |
| Total | 23.56 | | 16.57 |

(c) Fair Value of assets

(₹ In lacs)

| Class of Assets | 2013-2014 | Fair Value of Asset | 2012-2013 |
|-----------------------|--------------|---------------------|--------------|
| Insurance Corporation | 75.39 | | 63.60 |
| Bank Balance | 1.05 | | 0.97 |
| Total | 76.44 | | 64.57 |

(d) Net Liability / (Assets) Recognised in the balance sheet

(₹ In lacs)

| <u>Amount recognised in the balance sheet</u> | 2013-2014 | 2012-2013 |
|---|------------------|------------------|
| Present value of obligations at the end of the year | 100.00 | 81.14 |
| Less: Fair value of plan assets at the end of the year | 76.44 | 64.57 |
| Net liability/(Assets) recognized in the balance sheet | 23.56 | 16.57 |

(e) Amounts for current and previous four periods are as follows :

(₹ In lacs)

| Gratuity (Funded) | 2013-14 | 2012-13 | 2011-12 | 2010-11 | 2009-10 |
|--|---------|---------|---------|---------|---------|
| Defined Benefit Obligation | 100.00 | 81.14 | 64.81 | 68.78 | 75.08 |
| Plan Assets | 76.44 | 64.57 | 56.53 | 62.83 | 86.89 |
| Surplus/(deficit) | (23.56) | (16.57) | (8.28) | (5.95) | 11.81 |
| Experience adjustment on plan Assets | 0.27 | (0.12) | (0.07) | (0.20) | (0.04) |
| Actuarial Loss/(Gain) due to change in assumptions | (1.76) | — | — | — | — |
| Experience adjustment on plan Liabilities | 10.01 | 4.35 | (3.81) | 1.26 | 11.12 |

f) The estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply & demand in the employment market. The above information is certified by the actuary.

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

Note 26 - Finance Cost

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|--|--|--|
| Interest Expenses | 28.58 | 26.64 |
| Applicable Net Loss on Foreign Currency Transactions and Translation | 21.17 | — |
| Total | 49.75 | 26.64 |

Note 27 - Other Expenses

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|--|--|--|
| Trading and Manufacturing Expenses | | |
| Stores and Spares | — | 1.87 |
| Processing Charges | — | 69.66 |
| Packing Materials Consumed | 350.25 | 344.10 |
| Repairs to Buildings | — | 40.99 |
| Selling and Distribution Expenses | | |
| Sales Promotion and Advertisement Expenses | 569.24 | 739.42 |
| Brokerage, Discount and Commission | 216.55 | 169.05 |
| Freight Outward / Octroi | 518.29 | 437.05 |
| Warehousing Expenses | 244.05 | 225.48 |
| Additional Tax & Turnover tax | 20.66 | 6.11 |
| Other Selling and Distribution Expenses | 42.24 | 11.21 |
| Administrative and General Expenses | | |
| Rent | 174.29 | 246.46 |
| Rates and Taxes | 51.60 | 55.35 |
| Other Repairs | 107.82 | 93.30 |
| Insurance | 23.30 | 24.68 |
| Legal & Professional Fees | 317.00 | 557.95 |
| Travelling | 654.30 | 585.08 |
| Loss on foreign currency transactions (Net) | 43.37 | 11.24 |
| Bad Debts | 29.22 | 0.92 |
| Less: Provision for Doubtful Debts | (10.85) | (0.72) |
| Provision for diminution in the value of Current Investments | — | 103.61 |
| Loss on sale of Fixed assets | — | 0.29 |
| Investment Advisory Charges | 88.05 | 105.51 |
| Buyback Expenses | — | 6.72 |
| Commission to Directors | 19.21 | 15.00 |
| Directors Sitting Fees | 9.10 | 9.83 |
| Payment to Auditors | 27.58 | 25.25 |
| Donation | 34.61 | 13.68 |
| Miscellaneous Expenses | 351.49 | 281.75 |
| Total | 3,881.37 | 4,180.84 |

Notes to the Financial Statement for the year ended 31st March, 2014

27.1 Stores and Spares

| Particulars | For the Year Ended 31 st March, 2014 | | For the Year Ended 31 st March, 2013 | |
|--------------|--|------------------|--|------------------|
| | (₹ in lacs) | % of Consumption | (₹ in lacs) | % of Consumption |
| Imported | — | — | — | — |
| Indigenous | — | — | 1.87 | 100% |
| Total | — | — | 1.87 | 100% |

27.2 Details of Payment to Auditors

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|------------------------|--|--|
| Audit Fees | 18.54 | 17.06 |
| Tax Audit Fees | 4.49 | 4.26 |
| Certification charges* | 4.55 | 4.72 |
| Total | 27.58 | 26.04 |

* Includes ₹ Nil (Previous Year ₹ 0.79 lacs) related to Buy back of Equity shares

Note 28 - Earnings Per Equity share

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|---|--|--|
| Net Profit After Tax Attributable to Equity Shareholders for Basic EPS and Diluted EPS (₹ in lacs) | 3,714.56 | 1,983.67 |
| Weighted Average Number of Equity Shares Outstanding During the Year for Basic EPS and Diluted EPS (in Nos.) | 3,006,000 | 3,060,683 |
| Basic and Diluted Earning per share of ₹ 10/- each (in ₹) | 123.57 | 64.81 |
| Face Value per Equity Share (in ₹) | 10.00 | 10.00 |

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

Note 29 - Contingent Liabilities and Commitments (To the extent not provided for)

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|--|---------------------------------------|---------------------------------------|
| Contingent Liabilities | | |
| Claims against the Company not acknowledged as debts | | |
| Disputed Liabilities in Appeal (No Cash outflow is expected in the near future) | | |
| - Sales Tax | 2,550.14 | 116.49 |
| - Income Tax | 71.78 | — |
| - Cenvat Credit/Service Tax | 19.26 | 19.26 |
| - Others | 32.57 | 32.57 |
| Guarantees | | |
| - Bank Guarantees | 75.49 | 79.15 |
| Others | | |
| 1. Fixed Deposit and Investments Pledged with a Bank against Credit facility to third parties | 1,232.50 | 1,300.00 |
| 2. Letter of Credits- Foreign | 55.61 | 26.70 |
| Total | 4,037.35 | 1,574.17 |
| Commitments | | |
| Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts) | 25.81 | 274.10 |
| Commitments towards Investments | 2,706.80 | 2,072.30 |
| Uncalled Liability on partly paid up Investments | — | 1,000.00 |

Note 30 - Portfolio Management Services

As at 31st March, 2014, the company has invested ₹ 2,839.64 lacs (Previous year ₹ 3,296.14 lacs) through Portfolio Managers who provide Portfolio Management Services which are in the nature of investment administrative management services and include the responsibility to manage, invest and operate the fund as per the agreement(s) entered with them. As on the said date, the outstanding balance of securities amounting to ₹ 2,795.89 lacs (Previous year ₹ 2,274.41 lacs) has been accounted as investment in Note 11 and 14 and the balance amount of ₹ 43.75 lacs (Previous year ₹ 1,021.73 lacs) has been shown under the head "Short-term Loans and Advances" in Note 18.

Note 31 - Financial and Derivative Instruments:

a The Company has not entered into any derivative contract during the year and hence no derivative contract is outstanding.

b **Unhedged Foreign Currency exposure as on 31st March, 2014 are as under:**

(₹ In lacs)

| Particulars | As at 31 st March, 2014 | As at 31 st March, 2013 |
|----------------------------------|---------------------------------------|---------------------------------------|
| Receivables | 24.68 | 3.10 |
| Payables | 100.05 | 399.91 |
| Investment in foreign subsidiary | 164.98 | — |

Notes to the Financial Statement for the year ended 31st March, 2014

Note 32 - Related Party Disclosure

Information on Related Parties Disclosures as per Accounting Standard (AS-18) - "Related Party Disclosures" are given below:

(A) List of Related Parties :

(a) Subsidiary Company

Borosil Afrasia FZE

(b) Associate Companies

Fennel Investment & Finance Pvt. Ltd.

Gujarat Borosil Ltd.

Gujarat Fusion Glass Ltd.

(c) Key Management Personnel

Mr. B.L.Kheruka – Executive Chairman.

Mr. Shreevar Kheruka – Managing Director.

Mr. V.Ramaswami - Whole-time Director.

(d) Relative of Key Management Personnel

Mr. P.K.Kheruka - Relative of Mr. B. L. Kheruka & Mr. Shreevar Kheruka.

Mrs. Rekha Kheruka - Relative of Mr. B. L. Kheruka & Mr. Shreevar Kheruka.

Mrs. Kiran Kheruka - Relative of Mr. B. L. Kheruka & Mr. Shreevar Kheruka.

Mrs. Priyanka Kheruka - Relative of Mr. B. L. Kheruka & Mr. Shreevar Kheruka.

Mr. A.K.Roongta - Relative of Mr. B. L. Kheruka.

(e) Enterprises over which persons described in (c) & (d) above are able to exercise significant influence (Other Related Parties) with whom transactions have taken place:-

Vyline Glass Works Ltd.

Borosil International Ltd.

Sonargaon Properties LLP

Roongta Cine Corporation Pvt. Ltd.

Croton Trading Pvt. Ltd.

Kheruka Charity Trust

(B) Transactions with Related Parties :

(₹ In lacs)

| Name of Transactions | Name of the Related Party | 2013-14 | 2012-13 |
|-----------------------------|------------------------------------|----------|----------|
| Sale of Goods | Gujarat Borosil Ltd. | 1.76 | 3.28 |
| | Vyline Glass Works Ltd. | 21.03 | 95.90 |
| Sale of Fixed Assets | Gujarat Borosil Ltd. | 6.14 | — |
| | Rent Received | 16.18 | 15.77 |
| Interest Income | Gujarat Borosil Ltd. | 74.29 | — |
| | Vyline Glass Works Ltd. | 191.20 | 195.85 |
| Guarantee Commission Income | Gujarat Borosil Ltd. | 45.86 | 140.86 |
| | Vyline Glass Works Ltd. | 6.68 | 4.96 |
| Purchase of Goods | Gujarat Borosil Ltd. | 5.96 | 5.95 |
| | Vyline Glass Works Ltd. | 4,937.19 | 5,347.74 |
| Purchase of Capital Goods | Borosil International Ltd. | — | 45.00 |
| Purchase of Property | Roongta Cine Corporation Pvt. Ltd. | — | 330.00 |
| Warehousing Charges | Vyline Glass Works Ltd. | — | 1.80 |
| Processing Charges | Vyline Glass Works Ltd. | — | 64.32 |

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

(₹ In lacs)

| Name of Transactions | Name of the Related Party | 2013-14 | 2012-13 |
|--|---------------------------------------|----------|----------|
| Rent Paid | Mrs. Rekha Kheruka | 7.20 | 7.20 |
| | Sonargaon Properties LLP | 2.04 | 2.04 |
| Professional Fees | Mrs. Priyanka Kheruka | — | 14.00 |
| Remuneration | Mrs. Priyanka Kheruka | 23.98 | 7.89 |
| Directors Sitting Fees | Mr. P. K. Kheruka | 2.02 | 2.19 |
| Commission Paid | Mr. P. K. Kheruka | 3.37 | 3.10 |
| Donation | Kheruka Charity Trust | 6.00 | — |
| Managerial Remuneration | Mr. V. Ramaswami | 50.90 | 46.47 |
| | Mr. B. L. Kheruka | 119.24 | 101.80 |
| | Mr. Shreevar Kheruka | 115.09 | 104.43 |
| Dividend paid | Mr. B. L. Kheruka | 11.46 | 11.46 |
| | Mr. P. K. Kheruka | 11.46 | 11.46 |
| | Mr. Shreevar Kheruka | 3.76 | 7.52 |
| | Mrs. Kiran Kheruka | 15.22 | 11.46 |
| | Mrs. Rekha Kheruka | 11.46 | 11.46 |
| | Fennel Investment & Finance Pvt. Ltd. | 18.61 | 18.61 |
| | Croton Trading Pvt. Ltd. | 33.97 | 33.97 |
| | Gujarat Fusion Glass Ltd. | 223.94 | 223.94 |
| Reimbursement of expenses to | Gujarat Borosil Ltd. | 3.86 | 10.36 |
| | Vyline Glass Works Ltd. | 1.08 | — |
| Reimbursement of expenses from | Gujarat Borosil Ltd. | 10.58 | 21.54 |
| | Vyline Glass Works Ltd. | 4.26 | 0.86 |
| | Borosil Afrasia FZE | 13.81 | — |
| Sale of Shares of Fennel Investment & Finance Pvt. Ltd. to | Vyline Glass Works Ltd. | 0.03 | — |
| | Gujarat Fusion Glass Ltd. | 0.07 | — |
| Investments as on balance sheet date: | | | |
| Preference Shares | Gujarat Borosil Ltd. | 9,000.00 | 9,000.00 |
| Equity Shares | Gujarat Borosil Ltd. | 1,527.95 | 1,527.95 |
| Equity Shares | Fennel Investment & Finance Pvt. Ltd | 414.90 | 415.00 |
| Equity Shares | Borosil Afrasia FZE | 164.98 | — |
| Trade Receivable | Vyline Glass Works Ltd. | — | 244.99 |
| | Gujarat Borosil Ltd. | — | 2.17 |
| Unsecured Loan Given | Gujarat Borosil Ltd. | 50.00 | 690.00 |
| | Vyline Glass Works Ltd. | 951.84 | 301.30 |
| Unsecured Loan refunded by | Gujarat Borosil Ltd. | 1,016.95 | 170.00 |
| | Vyline Glass Works Ltd. | 600.00 | 216.00 |
| Short Term Loans and Advances - Interest receivable | Gujarat Borosil Ltd. | 5.80 | 68.88 |
| | Vyline Glass Works Ltd. | 52.74 | 127.70 |
| Unsecured Loan & Advances: Non-Current | Gujarat Borosil Ltd. | 125.00 | 1,091.95 |
| | Vyline Glass Works Ltd. | 2,151.09 | — |
| Unsecured Loan & Advances : Current | Vyline Glass Works Ltd. | — | 1,799.25 |
| Security Deposit | Mrs. Rekha Kheruka | — | 200.00 |
| Trade Payables | Vyline Glass Works Ltd. | — | 259.06 |
| Short Term Loans and Advances - Others | Gujarat Borosil Ltd. | 7.62 | 5.23 |
| - Advance Against Supplies | Vyline Glass Works Ltd. | 716.61 | — |
| - Advance Against Supplies | Borosil International Ltd. | — | 3.29 |
| Fixed deposit and Investments pledged with a Bank to grant Credit facility for | Vyline Glass Works Ltd. | 577.47 | 750.00 |
| | Gujarat Borosil Ltd. | 655.03 | 550.00 |

Notes to the Financial Statement for the year ended 31st March, 2014**(C) In accordance with the Clause 32 of Listing Agreement, advance in the nature of loan is/are as under:**

- (a) The Company has given advances in the nature of Loan as defined in clause 32 of the listing agreement as under;

(₹ In lacs)

| Name of Company | Outstanding as at 31 st March, 2014 | Outstanding as at 31 st March, 2013 | Maximum amount outstanding during the year |
|-------------------------|---|---|--|
| Gujarat Borosil Ltd. | 125.00 | 1,091.95 | 1,091.95 |
| Vyline Glass Works Ltd. | 2,151.09 | 1,799.25 | 2,151.09 |

- (b) None of the Loanees have invested in the shares of the Company.
(c) Loans to employees as per Company's Policy are not considered for this purpose.

Note 33- Segment Information

Segment information as per Accounting Standard 17 on Segment Reporting for the year ended 31st March, 2014.

The Company has identified three reportable segments viz. Scientificware, Consumerware & Others. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting:

- a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Notes to the Financial Statement for the year ended 31st March, 2014
Information about Primary Business Segments :

| Particulars | ₹ in Lacs | | | | | | | | | |
|--------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | Scientificware | | Consumerware | | Others | | Unallocated | | Grand Total | |
| | 31 st March, 2014 | 31 st March, 2013 | 31 st March, 2014 | 31 st March, 2013 | 31 st March, 2014 | 31 st March, 2013 | 31 st March, 2014 | 31 st March, 2013 | 31 st March, 2014 | 31 st March, 2013 |
| REVENUE | | | | | | | | | | |
| Revenue From Operations | 8,683.95 | 7,762.98 | 6,642.05 | 5,547.39 | 269.00 | 136.79 | — | — | 15,595.00 | 13,447.16 |
| Total Revenue | 8,683.95 | 7,762.98 | 6,642.05 | 5,547.39 | 269.00 | 136.79 | — | — | 15,595.00 | 13,447.16 |
| Segment Results | 2,315.43 | 2,171.34 | 771.88 | 368.75 | (178.85) | 44.20 | — | — | 2,908.46 | 2,584.29 |
| Unallocated Corporate Expenses (Net) | — | — | — | — | — | — | 558.04 | 1,798.48 | 558.04 | 1,798.48 |
| Profit / (Loss) | 2,315.43 | 2,171.34 | 771.88 | 368.75 | (178.85) | 44.20 | (558.04) | (1,798.48) | 2,350.42 | 785.81 |
| Finance Costs | — | — | — | — | — | — | 49.75 | 26.64 | 49.75 | 26.64 |
| Exceptional Item | — | — | — | — | — | — | 435.00 | — | 435.00 | — |
| Interest/Dividend Income | — | — | — | — | — | — | 2,300.63 | 1,845.09 | 2,300.63 | 1,845.09 |
| Income Tax/Deferred Tax | — | — | — | — | — | — | 451.74 | 620.59 | 451.74 | 620.59 |
| Net Profit / (Loss) | 2,315.43 | 2,171.34 | 771.88 | 368.75 | (178.85) | 44.20 | 806.10 | (600.62) | 3,714.56 | 1,983.67 |
| Segment Assets | 3,788.82 | 3,503.24 | 3,110.03 | 2,449.48 | 3.08 | 19.03 | — | — | 6,901.93 | 5,971.75 |
| Unallocated Corporate Assets | — | — | — | — | — | — | 62,197.60 | 59,915.41 | 62,197.60 | 59,915.41 |
| Total Assets | 3,788.82 | 3,503.24 | 3,110.03 | 2,449.48 | 3.08 | 19.03 | 62,197.60 | 59,915.41 | 69,099.53 | 65,887.16 |
| Segment Liabilities | 683.37 | 577.84 | 540.07 | 578.94 | 2.51 | 5.48 | — | — | 1,225.95 | 1,162.26 |
| Unallocated Corporate Liabilities | — | — | — | — | — | — | 2,139.21 | 2,001.72 | 2,139.21 | 2,001.72 |
| Total Liabilities | 683.37 | 577.84 | 540.07 | 578.94 | 2.51 | 5.48 | 2,139.21 | 2,001.72 | 3,365.16 | 3,163.98 |
| Capital Expenditure | — | — | 12.43 | 6.45 | — | — | 8,777.59 | 1,506.92 | 8,790.02 | 1,513.37 |
| Depreciation | — | — | 1.03 | 0.46 | — | — | 371.09 | 204.21 | 372.12 | 204.67 |
| Non-cash Expenditure | — | — | — | — | — | — | — | — | — | — |

a. The reportable Segments are further described as follows:

Scientificware : Comprising of items used in Laboratories and Scientificware.

Consumerware : Comprising of items for Domestic use.

Others : Comprising of items for industrial use, Miscellaneous Trading items and solar water heating system.

Unallocated : Consists of Income including income from Investments, expenses, assets and liabilities which cannot be directly identified to any of the above segments.

b. **Secondary Segment:**

Since the operation of the Company are predominantly conducted within India, as such there is no reportable Geographical Segment.

Notes to the Financial Statement for the year ended 31st March, 2014

Note 34 - CIF Value of Imports

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|------------------------|--|--|
| In Respect of : | | |
| Raw Material | — | 65.49 |
| Capital Goods | — | 45.78 |
| Art work | — | 23.58 |
| Traded Goods | 2,049.25 | 1,600.94 |

Note 35 - Expenditure in Foreign Currency

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|--|--|--|
| Travelling | 125.79 | 117.83 |
| Professional Fees | 31.59 | 263.08 |
| Sales Promotion and Advertisement Expenses | 49.98 | 68.05 |
| Interest | 4.64 | 2.79 |
| Others | 31.66 | 29.21 |

Note 36 - Remittance in Foreign Currency on Account of Dividend

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|---|--|--|
| Amount of Dividend Remitted (Gross) (₹ In lacs) | 0.15 | 0.15 |
| Number of Non Resident Shareholders | 3 | 3 |
| Number of Equity Shares held by them | 975 | 975 |
| Year to which dividend relates | 2012-13 (Final Dividend) | 2011-12 (Final Dividend) |

Note 37 - Earnings in Foreign Currency

(₹ In lacs)

| Particulars | For the Year Ended 31 st March, 2014 | For the Year Ended 31 st March, 2013 |
|----------------------|--|--|
| FOB Value of exports | 749.37 | 466.08 |
| Ocean Freight | 37.95 | — |
| Others | 11.15 | — |

37.1 Excludes export in Indian currency

BOROSIL

Notes to the Financial Statement for the year ended 31st March, 2014

Note 38

The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively read with General Circular No. 08/2014 dated 4th April 2014 has granted a general exemption from compliance with Section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

Note 39

Previous year's figures have been re-grouped, reworked, reclassified and re-arranged wherever necessary.

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH
Chartered Accountants

B. L. Kheruka
Executive Chairman

R. Koria
Partner

Rajesh Chaudhary
Chief Financial Officer

Shreevar Kheruka
Managing Director & CEO

Place : Mumbai
Date : 30.05.2014

Lovelina Faroz
Company Secretary

V. Ramaswami
Whole-time Director

Place : Bharuch
Date : 30.05.2014

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

**The Board of Directors
Borosil Glass Works Limited****Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of '**Borosil Glass Works Limited**' ("the Company") and its subsidiary Company and associates (collectively referred to as 'the Group') which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with Accounting Principles Generally Accepted in India including Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor on the financial statements of a subsidiary as noted below, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (ii) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to note 19.1 of the notes to the consolidated financial statements, regarding the investment in commodities amounting to ₹ 860.08 lacs by the Company through National Spot Exchange Limited (NSE), in respect of which Company has initiated legal proceedings and a provision of ₹ 435.00 lacs has been considered sufficient against the same. Our opinion is not qualified in the above matter.

Other Matter

We did not audit the financial statement of a subsidiary company, whose financial statements reflect total assets of ₹ 156.37 lacs as at March 31, 2014, total revenue of ₹ NIL and net cash inflows of ₹ 148.75 lacs for the year then ended and financial statements of two associates in which the share of profit of the Group is ₹ 231.09 lacs. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on their reports. Our opinion is not qualified in respect of above matters.

For CHATURVEDI & SHAH
Chartered Accountants
Firm Registration No.: 101720W

Place : Mumbai
Date : 30th May, 2014

R. KORIA
Partner
Membership No.: 35629

BOROSIL

BOROSIL GLASS WORKS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

(₹ In Lacs)

| Particulars | Note | As at 31 st March, 2014 | |
|--|---------|---------------------------------------|------------------|
| I EQUITY AND LIABILITIES | | | |
| 1 Shareholders' Funds | | | |
| (a) Share Capital | 4 | 300.60 | |
| (b) Reserves and Surplus | 5 | 65,646.04 | 65,946.64 |
| 2 Non-Current Liabilities | | | |
| (a) Long Term Borrowings | 6 | 68.59 | |
| (b) Deferred Tax Liabilities (Net) | 7 | 339.12 | 407.71 |
| 3 Current Liabilities | | | |
| (a) Trade Payables | 8 | 561.63 | |
| (b) Other Current Liabilities | 9 | 1,577.82 | |
| (c) Short Term Provisions | 10 | 828.21 | 2,967.66 |
| TOTAL | | | 69,322.01 |
| II. ASSETS | | | |
| 1 Non-Current Assets | | | |
| (a) Fixed Assets | 11 | | |
| (i) Tangible Assets | | 17,176.64 | |
| (ii) Intangible Assets | | 96.16 | |
| (iii) Capital Work-in-Progress | | 604.14 | |
| | | 17,876.94 | |
| (b) Non-Current Investments | 12 | 26,441.44 | |
| (c) Long Term Loans and Advances | 13 | 3,873.81 | |
| (d) Other Non-Current Assets | 14 | 82.11 | 48,274.30 |
| 2 Current Assets | | | |
| (a) Current Investments | 15 | 11,648.62 | |
| (b) Inventories | 16 | 3,036.48 | |
| (c) Trade Receivables | 17 | 2,910.21 | |
| (d) Cash and Bank Balances | 18 | 646.98 | |
| (e) Short Term Loans and Advances | 19 | 2,185.33 | |
| (f) Other Current Assets | 20 | 620.09 | 21,047.71 |
| TOTAL | | | 69,322.01 |
| Significant Accounting Policies | 1 | | |
| Notes to the Consolidated Financial Statements | 2 to 33 | | |

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH
Chartered Accountants

B. L. Kheruka
Executive Chairman

Rajesh Chaudhary
Chief Financial Officer

Shreevar Kheruka
Managing Director & CEO

R. Koria
Partner

Lovelina Faroz
Company Secretary

V. Ramaswami
Whole-time Director

Place : Mumbai
Date : 30.05.2014

Place : Bharuch
Date : 30.05.2014

BOROSIL GLASS WORKS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ In Lacs)

| Particulars | Note | For the Year Ended 31 st March, 2014 |
|---|---------|--|
| I. Revenue From Operations | 21 | 15,595.00 |
| II. Other Income | 22 | 4,076.32 |
| III. Total Revenue (I + II) | | 19,671.32 |
| IV. Expenses: | | |
| Purchases of Stock-in-Trade | 23 | 9,058.68 |
| Changes in Inventories of Work-in-Progress and Stock-in-Trade | 24 | (33.73) |
| Employee Benefits Expense | 25 | 1,750.39 |
| Finance Costs | 26 | 49.75 |
| Depreciation and Amortization Expense | 11 | 372.12 |
| Other Expenses | 27 | 3,889.84 |
| Total Expenses | | 15,087.05 |
| V. Profit Before Exceptional Item and Tax (III - IV) | | 4,584.27 |
| VI. Exceptional Items | 19.1 | 435.00 |
| VII. Profit Before Tax (V - VI) | | 4,149.27 |
| VIII. Tax Expense: | | |
| (1) Current Tax | | 601.53 |
| Less : MAT Credit Entitlement | | (231.79) |
| Net Current Tax | | 369.74 |
| (2) Deferred Tax | | 206.32 |
| (3) Income Tax of earlier years | | (124.32) |
| IX. Profit After Tax (VII-VIII) | | 3,697.53 |
| X. Share in Profit of Associates | | 231.09 |
| XI. Minority Interest | | — |
| XII. Net Profit for the Year (IX + X + XI) | | 3,928.62 |
| XIII. Earnings per Equity Share of ₹ 10/- each (Basic and Diluted) | 28 | 130.69 |
| Significant Accounting Policies | 1 | |
| Notes to the Consolidated Financial Statements | 2 to 33 | |

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH
Chartered Accountants

B. L. Kheruka
Executive Chairman

Rajesh Chaudhary
Chief Financial Officer

Shreevar Kheruka
Managing Director & CEO

R. Koria
Partner

Lovelina Faroz
Company Secretary

V. Ramaswami
Whole-time Director

Place : Mumbai
Date : 30.05.2014

Place : Bharuch
Date : 30.05.2014

BOROSIL

BOROSIL GLASS WORKS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in Lacs)

| Particulars | For the Year Ended 31 st March 2014 | |
|--|---|---------------|
| A. Cash Flow from Operating Activities | | |
| Net Profit before tax as per Statement of Profit and Loss | | 4,149.27 |
| Adjusted for : | | |
| Depreciation and Amortization Expense | 372.12 | |
| Profit on foreign currency transactions and translation (Net)* | (3.05) | |
| Dividend Income | (1,069.13) | |
| Income/Interest on Investment | (1,170.62) | |
| Profit on sale of Investments(Net) | (980.62) | |
| Profit from Commodity trading(Net) | (41.92) | |
| Provision for diminution in the value of Investments | (629.33) | |
| Profit on sale of fixed assets(Net) | (0.26) | |
| Investment Advisory Charges | 88.05 | |
| Finance costs | 49.75 | |
| Sundry balances written back (Net) | (4.72) | |
| Bad Debts | 29.22 | |
| Reversal for Bad & Doubtful Debts | (10.85) | |
| Provision for Doubtful Loans & Advances | 435.00 | (2,936.36) |
| Operating Profit before Working Capital Changes | | 1,212.91 |
| Adjusted for : | | |
| Trade & Other Receivables | (502.04) | |
| Inventories | (40.53) | |
| Trade Payables & other payables | (64.01) | (606.58) |
| Cash generated from operations | | 606.33 |
| Direct taxes paid | | (543.06) |
| Net Cash from Operating Activities | | 63.27 |
| B Cash Flow from Investing Activities | | |
| Purchase of Fixed Assets | | (7,178.75) |
| Sale of Fixed Assets | | 13.76 |
| Purchase of Investment | | (38,429.47) |
| Sale of Investment | | 44,293.92 |
| Movements in Commodity Trading | | (405.10) |
| Movement in Loans & advances | | 215.11 |
| Fixed Deposit with Bank having maturity of more than three months(Placed) | | (1.50) |
| Fixed Deposit with Bank having maturity of more than three months(Matured) | | 204.52 |
| Investment Advisory Charges Paid | | (113.01) |
| Income/Interest on Investment/Loans | | 1,119.52 |
| Dividend Received | | 1,069.13 |
| Net Cash from Investing Activities | | 788.13 |

BOROSIL GLASS WORKS LIMITED**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

(₹ in Lacs)

| Particulars | For the Year Ended 31 st March 2014 |
|--|---|
| C. Cash Flow from Financing Activities | |
| Movement in short term Borrowings | (178.82) |
| Margin Money (Net) | 7.31 |
| Dividends Paid including tax thereon | (527.53) |
| Unclaimed Matured Deposit Paid | (6.93) |
| Interest paid | (47.83) |
| Net Cash used in Financing Activities | (753.80) |
| Net Increase in Cash and Cash Equivalents (A+B+C) | 97.60 |
| Opening Balance of Cash and Cash Equivalents | 404.60 |
| Closing Balance of Cash and Cash Equivalents | 502.20 |

* Includes exchange difference on account of translation of foreign subsidiary company's financial statements.

Notes :

1. Bracket indicates cash outflow.
2. Being the first year of Consolidation, previous year figures are not disclosed
3. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS-3) on Cash Flow Statement.

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH
Chartered Accountants

B. L. Kheruka
Executive Chairman

R. Koria
Partner

Rajesh Chaudhary
Chief Financial Officer

Shreevar Kheruka
Managing Director & CEO

Lovelina Faroz
Company Secretary

V. Ramaswami
Whole-time Director

Place : Mumbai
Date : 30.05.2014

Place : Bharuch
Date : 30.05.2014

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 1 - Significant Accounting Policies

1 PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to Borosil Glass Works Limited ('the Company'), its Subsidiary Company and Associate Companies. The Consolidated Financial Statements have been prepared on the following basis:

- 1.1 The Audited Financial Statements of foreign subsidiary, Borosil Afrasia FZE, as at 31st March, 2014 have been prepared in accordance with generally accepted accounting standards in the country of incorporation.
- 1.2 The Financial Statements of the Company and its Subsidiary Company have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS) 21 on "Consolidated Financial Statements" as notified.
- 1.3 In case of foreign subsidiary, being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the foreign exchange translation reserve.
- 1.4 The difference between the cost of investments in the subsidiary, over the net assets at the time of acquisition of shares in subsidiary, or on the date of the financial statement immediately preceding the date of acquisition in the subsidiary, is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.

The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the Consolidated Statement of Profit and Loss as the profit or loss on disposal of investment in subsidiary.

- 1.5 Minority Interest in the share of net profit of Consolidated Financial Statements for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
- 1.6 Minority Interest in the share of net assets of Consolidated Subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.
- 1.7 In case of Associates, where the Company directly or indirectly through subsidiaries holds more than 20% of equity investments, accounting is done based on equity method in accordance with Accounting Standard (AS) 23 on "Accounting for Investments in Associates in Consolidated Financial Statements".
- 1.8 The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealised profits and losses resulting from transaction between the Company and its associates to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance, based on available information.
- 1.9 The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified and separately disclosed in the Financial Statements as Goodwill or Capital Reserve as the case may be.
- 1.10 The Consolidated Financial Statements have been prepared using Uniform Accounting Policies for like transactions and other events in similar circumstances except mentioned in the Note No.1.1 of Notes to the Consolidated Financial Statements and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- 1.11 Investments other than in the subsidiary and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting For Investments".

1.12 SIGNIFICANT ACCOUNTING POLICIES

1.12.1 BASIS OF ACCOUNTING:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/ 2013 dated 13th September 2013 of the Ministry of Corporate Affairs). The financial statements have been prepared on the going concern basis under the historical cost convention.

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014**1.12.2 REVENUE RECOGNITION:**

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods have passed to the buyer. Revenue from operations includes sale of goods, services, scrap, excise duty and service tax but excludes sales tax/ value added tax, rebate and discount. Dividend Income is recognised when right to receive the payment is established by the balance sheet date. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. Commission is recognised on an accrual basis in accordance with the terms of relevant agreement.

1.12.3 USE OF ESTIMATES:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.12.4 FIXED ASSETS:

Fixed Assets are stated at cost of acquisition or construction net of cenvat and value added tax credits and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including finance cost till commencement of commercial production are capitalized.

1.12.5 DEPRECIATION:

Depreciation on fixed assets has been provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. The revised carrying amount of the fixed assets identified as impaired, is amortized over the estimated residual life of the respective fixed assets. Computer software is amortized over the useful life or period of three years whichever is less. The lease hold land has been amortised over the lease period.

1.12.6 INVESTMENTS:

Current investments are carried at lower of cost and market value/NAV, computed individually. Long term investments are carried at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary in the opinion of the management. Investments in long term redeemable securities, to the extent due for redemption in next financial year, are reclassified from non current investments to current investments.

1.12.7 INVENTORIES:

In general, all inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Cullet is valued at net realisable value. Stores, spares and Loose tools are valued at cost reduced for obsolete and slow moving items. Cost is calculated on the weighted average method. Cost of work-in-progress and finished goods is determined on absorption costing method.

1.12.8 EMPLOYEE BENEFITS:

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the statement of profit and loss.
- iii) Compensated absences are accounted similar to the short term employee benefits.
- iv) Retirement benefits in the form of Provident Fund and Superannuation Fund are defined contribution schemes and the contributions are charged to the Statement of Profit and Loss for the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

1.12.9 FOREIGN CURRENCY TRANSACTIONS:

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the date of transaction.

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of any items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and the premium paid on forward contracts has been recognised over the life of the contract.
- iii) Non monetary foreign currency items are carried at cost.
- iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss.

1.12.10 EXPORT INCENTIVES:

Export incentives other than advance license are recognised at the time of exports and the benefit in respect of advance license received by the Company against exports made by it are recognised as and when goods are imported against them.

1.12.11 IMPAIRMENT OF ASSETS:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of recoverable amount.

1.12.12 DERIVATIVE TRANSACTIONS:

In respect of derivative contract, premium paid, provision for losses on re-statement and gains/losses on settlement are recognized along with underlying transaction and charged to the statement of profit and loss.

1.12.13 PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the financial statements. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.12.14 PROVISION FOR CURRENT AND DEFERRED TAX:

Provision for current tax is made after taking into consideration benefits admissible in each of the entity in the group, in accordance with the provision of applicable tax laws of the respective jurisdiction where the entity is located. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future. In the case of unabsorbed depreciation and carry forward tax losses, all deferred tax asset are recognised only if there is virtual/reasonable certainty supported by convincing evidence that they can be realized against future taxable profits. The carrying amount of deferred tax assets are reviewed at each balance sheet date for their appropriateness.

Deferred Tax Assets and Deferred Tax Liabilities are off set if legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Minimum Alternative Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by The Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

1.12.15 EXCISE DUTY:

Excise Duty has been accounted on the basis of both payments made in respect of goods cleared as also provision made for goods lying in bonded warehouses.

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

1.12.16 BORROWING COST:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.12.17 LEASES:

Lease rentals are expensed with reference to lease terms and other considerations.

Note 2

The audited financial statements of the following Subsidiary Company and Associate Companies as on 31st March, 2014 have been considered in the preparation of Consolidated Financial Statements.

| Name of the Company | Nature of Interest | Country of Incorporation | Proportion of Ownership Interest |
|------------------------------------|--------------------|--------------------------|----------------------------------|
| Borosil Afrasia FZE | Subsidiary | United Arab Emirates | 100.00% |
| Gujarat Borosil Limited | Associate | India | 25.25% |
| Fennel Investments Private Limited | Associate | India | 45.85% |

Note 3

The Company has prepared Consolidated Financial Statements for the first time as per the Accounting Standard (AS) 21 on Consolidated Financial Statements and Accounting Standard (AS) 23 Accounting for Investments in Associates in Consolidated Financial Statements notified in the Companies (Accounting Standards) Rules, 2006. As Consolidated Financial Statements for the year ended 31st March, 2013 was not prepared, figures of the previous year are not applicable.

Note 4 - Share Capital

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 |
|--|------------------------------------|
| Authorised | |
| 12,000,000 Equity Shares of ₹ 10/- each | 1,200.00 |
| Issued, Subscribed & Fully Paid up | |
| 3,006,000 Equity Shares of ₹ 10/- each fully paid up | 300.60 |
| Total | 300.60 |

4.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

| Particulars | 2013-14 | |
|---|-----------|-------------|
| | (in Nos.) | (₹ in Lacs) |
| Shares outstanding at the beginning of the year | 3,006,000 | 300.60 |
| Shares outstanding at the end of the year | 3,006,000 | 300.60 |

4.2 Terms/Rights attached to Equity Shares :

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Holders of equity shares are entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.

BOROSIL

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

4.3 Details of Shareholder holding more than 5% of Equity Share Capital :

| Name of the Shareholder | As at 31 st March, 2014 | |
|---------------------------|------------------------------------|--------------|
| | No. of Shares held | % of Holding |
| Gujarat Fusion Glass Ltd. | 1,492,936 | 49.67 |
| Croton Trading Pvt. Ltd. | 250,798 | 8.34 |

4.4 957,928 Equity shares were bought back and extinguished in the last five years.

Note 5 - Reserves and Surplus

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 | |
|--|------------------------------------|------------------|
| Capital Reserve | | |
| As per Last Balance Sheet | | 15.00 |
| Capital Redemption Reserve | | |
| As per Last Balance Sheet | | 95.79 |
| General Reserve | | |
| As per Last Balance Sheet | 615.73 | |
| Add : Transferred from Surplus | 400.00 | 1,015.73 |
| Foreign Currency Translation Reserve | | |
| Balance as at the beginning of the year | — | |
| Add : Foreign Currency Translation during the year | (1.79) | (1.79) |
| Surplus in the Statement of Profit and Loss | | |
| As per Last Balance Sheet | 61,696.06 | |
| Add: Profit for the year | 3,928.62 | |
| Amount available for appropriation | 65,624.68 | |
| Appropriations: | | |
| Transferred to General Reserve | 400.00 | |
| Proposed Dividend (Dividend per share ₹ 20/-) | 601.20 | |
| Tax on Proposed Dividend | 102.17 | |
| Surplus-Closing Balance | | 64,521.31 |
| Total | | 65,646.04 |

Note 6 - Long Term Borrowings

(₹ in Lacs)

| Particulars | As at 31 st March 2014 |
|----------------------------|-----------------------------------|
| (Unsecured) : | |
| Deferred Payment Liability | 68.59 |
| Total | 68.59 |

6.1 Deferred Payment Liability is repayable in 12 half yearly installment of ₹ 5.72 lacs each starting from June, 2015 and ending on December, 2020, which carries no interest.

Note 7 - Deferred Tax Liabilities (Net)

(₹ in Lacs)

| Particulars | As at 31 st March 2014 |
|-------------------------|-----------------------------------|
| Liabilities | |
| Related to Fixed Assets | 516.50 |
| Total | 516.50 |

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 |
|--|------------------------------------|
| Asset | |
| Disallowance Under Section 43B of the Income Tax Act, 1961 | 19.73 |
| Voluntary Retirement Scheme | 4.31 |
| Provision for Doubtful Loans & Advances | 147.86 |
| Others | 5.48 |
| Total | 177.38 |
| Deferred Tax Liabilities (Net) | 339.12 |

Note 8 - Trade Payables

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 |
|-------------------------------------|------------------------------------|
| Micro, Small and Medium Enterprises | — |
| Others | 561.63 |
| Total | 561.63 |

8.1 The company has not received any information from the supplier regarding their status under Micro, Small and Medium Enterprise Development Act, 2006 and hence disclosure relating to amount unpaid as at the year end together with interest paid/payable under this act have not been given.

Note 9 - Other Current Liabilities

(₹ in Lacs)

| Particulars | As at 31 st March 2014 |
|---|-----------------------------------|
| Current maturity of long term borrowings - Deferred Payment Liability | 17.14 |
| Interest accrued but not due on Dealer Deposits | 21.38 |
| Dealer Deposits/Advance from Customers | 205.98 |
| Unpaid Dividends* | 54.91 |
| Unclaimed Matured Deposits* | 2.39 |
| Unclaimed Interest on Matured Deposits* | 0.26 |
| Creditors for Capital Expenditure | 94.24 |
| Statutory liabilities | 160.72 |
| Other Payables** | 1,020.80 |
| Total | 1,577.82 |

* These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

** Other Payables includes mainly outstanding liabilities for expenses, Commission to Directors, discount, rebates etc.

Note 10 - Short - Term Provisions

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 |
|---|------------------------------------|
| Provisions for Employee Benefits | |
| Gratuity (Funded) | 23.56 |
| Leave Encashment | 78.04 |
| Others | |
| Provisions for Tax (Net) | 23.24 |
| Proposed Dividend | 601.20 |
| Tax on Proposed Dividend | 102.17 |
| Total | 828.21 |

BOROSIL

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 11 - FIXED ASSETS

(₹ in Lacs)

| Description | ←----- GROSS BLOCK -----→ | | | | ←- DEPRECIATION AND AMORTIZATIONS -→ | | | | NET BLOCK |
|----------------------------------|-----------------------------------|-----------------|-------------------------|------------------------------------|--------------------------------------|---------------|-------------------------|-----------------------------------|------------------------------------|
| | As at 1 st April, 2013 | Additions | Deductions/ Adjustments | As at 31 st March, 2014 | As at 1 st April, 2013 | For the Year | Deductions/ Adjustments | Upto 31 st March, 2014 | As at 31 st March, 2014 |
| Leased Tangible Assets | | | | | | | | | |
| Land- Leasehold | — | 373.78 | — | 373.78 | — | 3.36 | — | 3.36 | 370.42 |
| Owned Tangible Assets | | | | | | | | | |
| Land- Freehold | 612.24 | — | — | 612.24 | — | — | — | — | 612.24 |
| Buildings | 6,769.22 | 8,789.13 | — | 15,558.35 | 127.31 | 221.44 | — | 348.75 | 15,209.60 |
| Plant and Equipment | 67.57 | 12.43 | — | 80.00 | 6.36 | 3.98 | — | 10.34 | 69.66 |
| Furniture and Fixtures | 305.18 | 294.76 | 1.68 | 598.26 | 55.49 | 29.54 | 1.67 | 83.36 | 514.90 |
| Vehicles | 160.63 | 53.29 | 3.45 | 210.47 | 39.06 | 18.70 | 3.45 | 54.31 | 156.16 |
| Office Equipment | 400.93 | 53.11 | 1.11 | 452.93 | 180.58 | 29.40 | 0.71 | 209.27 | 243.66 |
| TOTAL (A) | 8,315.77 | 9,576.50 | 6.24 | 17,886.03 | 408.80 | 306.42 | 5.83 | 709.39 | 17,176.64 |
| Owned Intangible Assets * | | | | | | | | | |
| Computer Software | 310.43 | 34.15 | — | 344.58 | 182.72 | 65.70 | — | 248.42 | 96.16 |
| TOTAL (B) | 310.43 | 34.15 | — | 344.58 | 182.72 | 65.70 | — | 248.42 | 96.16 |
| GRAND TOTAL (A)+(B) | 8,626.20 | 9,610.65 | 6.24 | 18,230.61 | 591.52 | 372.12 | 5.83 | 957.81 | 17,272.80 |
| PREVIOUS YEAR | 3,798.15 | 4,828.52 | 0.47 | 8,626.20 | 386.98 | 204.67 | 0.13 | 591.52 | 8,034.68 |
| Capital Work-in-Progress | | | | | | | | | 604.14 |

11.1 Buildings include cost of shares in Co-operative Societies ₹ 0.03 Lacs.

11.2 In accordance with the Accounting Standard (AS-28) on "Impairment of Assets" as notified by Companies (Accounting Standards) Rules, 2006, the management during the year carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard. On the basis of this review carried out by the management, there was no impairment loss on Fixed Assets during the year ended 31st March, 2014.

11.3 Capital Work-in-Progress includes amount of ₹ Nil on account of pre-operative expenses.

Pre-operative Expenses:

(₹ in Lacs)

| Particulars | 2013-14 |
|-------------------------------------|--------------|
| Balance as per last year | 2.04 |
| Addition : | |
| Rent paid | 0.68 |
| Legal & Professional Fees | 6.07 |
| Security Charges | 4.98 |
| Rates and Taxes | 1.19 |
| Total | 14.96 |
| Less :- Capitalized during the year | 14.96 |
| Balance as at end of the Year | — |

* Represents Software other than self generated.

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 12- Non-Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | Face Value (₹) (unless otherwise stated) | As at 31 st March, 2014 (₹ in Lacs) |
|--|---|---|---|
| Long Term Investments | | | |
| A. Trade Investments | | | |
| (a) Equity Instruments: | | | |
| Quoted Fully Paid-Up Associate Company | | | |
| Gujarat Borosil Ltd. | 17,222,376 | 5 | 1,737.18 |
| Unquoted Fully Paid-Up Associate Company | | | |
| Fennel Investment & Finance Private Ltd. | 4,148,967 | 10 | 436.76 |
| Others | | | |
| Zoroastrian Co-operative Bank Ltd. | 4,000 | 25 | 1.00 |
| Total Equity Instruments (a) | | | 2,174.94 |
| (b) In Preference Shares: | | | |
| Unquoted Fully Paid-Up Associate Company | | | |
| 9% Cumulative Non-Convertible Redeemable Preference Shares of Gujarat Borosil Ltd. | 9,000,000 | 100 | 9,000.00 |
| Total Preference Shares (b) | | | 9,000.00 |
| Total Trade Investments (i) = (a) + (b) | | | 11,174.94 |
| B. Other Than Trade Investments | | | |
| (a) Investment in Property (Refer note 12.5) | | | |
| Total Property (a) | | | 518.08 |
| (b) In Preference Shares: | | | |
| Unquoted Fully Paid-Up Other | | | |
| Compulsorily Convertible Preference Shares of Ravindranath GE Medical Associates Pvt. Ltd. | 10,000,000 | 10 | 1,000.00 |
| Total Preference Shares (b) | | | 1,000.00 |

BOROSIL

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 12- Non-Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | Face Value (₹) (unless otherwise stated) | As at 31 st March, 2014 (₹ in Lacs) |
|---|---|---|---|
| (c) In Debentures: | | | |
| Quoted Fully Paid-Up | | | |
| 11.6 % Secured Non Convertible Redeemable Debentures of Shriram City Union Finance Ltd. | 41,871 | 1,000 | 418.71 |
| 11.7 % Secured Non Convertible Redeemable Debentures of India Infoline Investment Services Ltd. | 100,000 | 1,000 | 1,000.00 |
| 11.9 % Secured Non Convertible Redeemable Debentures of India Infoline Investment Services Ltd. | 10,000 | 1,000 | 95.34 |
| 12.25 % Secured Non Convertible Redeemable Debentures of Muthoot Finance Ltd. | 50,000 | 1,000 | 500.00 |
| Secured Non Convertible Redeemable Debentures of India Infoline Finance Ltd.-Series I-025 | 370 | 100,000 | 370.00 |
| Unquoted Fully Paid-Up | | | |
| 19% Secured Non Convertible Redeemable Debentures of Sheth Buildwell Pvt. Ltd. # | 100 | 50,000 | 50.00 |
| 3 % Optionally Convertible Debentures of Jade Stone Development and Holding Pvt. Ltd.* | 61,995 | 100 | 62.00 |
| 3 % Optionally Convertible Debentures of Marwar Consultancy Pvt. Ltd.* | 61,687 | 100 | 61.69 |
| 3 % Optionally Convertible Debentures of Prabal Traders and Advisors Pvt. Ltd.* | 73,205 | 100 | 73.21 |
| 3 % Optionally Convertible Debentures of Suryanagri Trading and Consultancy Pvt. Ltd.* | 207,384 | 100 | 207.38 |
| 3 % Optionally Convertible Debentures of Swarg Advisors and Traders Pvt. Ltd.* | 217,287 | 100 | 217.29 |
| 3 % Optionally Convertible Debentures of Vahin Advisors and Traders Pvt. Ltd.* | 62,607 | 100 | 62.61 |
| 8.25 % Optionally Convertible Debentures of Sherin Advisors and Traders Pvt. Ltd.* | 146,195 | 100 | 146.20 |
| 8.5 % Optionally Convertible Debentures of Zwenzi Traders and Advisors Pvt. Ltd.* | 145,782 | 100 | 145.78 |
| # excludes reclassified as current investments | | | |
| * Held by Portfolio Manager on behalf of the Company | | | |
| Total Debentures (c) | | | 3,410.21 |

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 12- Non-Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | Face Value (₹) (unless otherwise stated) | As at 31 st March, 2014 (₹ in Lacs) |
|---|---|---|---|
| (d) In Corporate Bonds: | | | |
| Quoted Fully Paid-Up | | | |
| 8% Secured Non Convertible Redeemable Tax Free Bonds of Indian Railway Finance Corporation Ltd. 23-February-2022 | 5,400 | 1,000 | 54.00 |
| 8.2% Secured Non Convertible Redeemable Tax Free Bonds of Power Finance Corporation Ltd. 1-February-2022 | 4,000 | 1,000 | 40.00 |
| 8.48% Secured Redeemable Non Convertible Tax Free Bonds of National Highway Authority of India. Series 1B 22-November-2028 | 100 | 1,000,000 | 1,000.29 |
| 8.66% Secured Redeemable Non Convertible Tax Free Bonds of National Thermal Power Corporation Ltd. Series 3A 16-December-2033 | 23,749 | 1,000 | 237.49 |
| 8.76% Secured Redeemable Non Convertible Tax Free Bonds of National Housing Bank Tranche I Series 3A 13-January-2034 | 14,439 | 5,000 | 721.95 |
| 8.66% Secured Redeemable Non Convertible Tax Free Bonds of India Infrastructure Finance Co. Ltd. Tranche II Series 3A 22-January-2034 | 50,000 | 1,000 | 500.00 |
| 8.54% Secured Redeemable Non Convertible Tax Free Bonds of Power Finance Corporation Ltd. Series 2A 16-November-2028 | 201,400 | 1,000 | 2,036.27 |
| 8.48% Secured Redeemable Non Convertible Tax Free Bonds of Indian Railway Finance Corporation Ltd. Series 89A 21-November-2028 | 100 | 1,000,000 | 1,010.73 |
| 8.46% Secured Non Convertible Redeemable Tax Free Bonds of Rural Electrification Corporation Ltd. Series 2A 24-September-2028 | 45,000 | 1,000 | 450.00 |
| Total Corporate Bonds (d) | | | 6,050.73 |
| (e) In Others: | | | |
| 1. Venture Capital Fund | | | |
| Unquoted Fully Paid-Up | | | |
| NV India Real Estate Fund | 750,000 | 100 | 750.00 |
| India Infoline Real Estate Fund (Domestic) - Series 1 | 2,000,000 | 98.78 | 1,975.50 |
| 2. Alternative Investment Fund | | | |
| Unquoted Fully Paid-Up | | | |
| IIFL Income Opportunities Fund (A Category II) | 9,852,360 | 10 | 1,001.00 |
| IIFL Income Opportunities Fund Series-Special Situations (A Category II) | 2,250,000 | 10 | 225.00 |
| Edelweiss Stressed and Troubled Assets Revival Fund-1 | 1,500 | 10,000 | 150.00 |

BOROSIL

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 12- Non-Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | Face Value (₹) (unless otherwise stated) | As at 31 st March, 2014 (₹ in Lacs) |
|--|---|---|---|
| 3. Investment in Art | | | 185.98 |
| Total Others (e) | | | 4,287.48 |
| Total Non Trade Investments (ii) = (a) + (b) + (c) + (d) + (e) | | | 15,266.50 |
| Total Non Current Investments (i) + (ii) | | | 26,441.44 |

12.1 Aggregate amount of Investments and Market value thereof

| Particulars | As at 31 st March, 2014 | |
|----------------------|------------------------------------|-----------------------------|
| | Book Value (₹ in Lacs) | Market Value (₹ in Lacs) |
| Quoted Investments | 10,171.96 | 9,533.93 |
| Unquoted Investments | 16,269.48 | |
| | 26,441.44 | |

12.2 Refer Note 1.12.6 for basis of valuation of Non Current Investments.

12.3 Refer Note 30 in respect of Investment through Portfolio Management Services.

12.4 In the opinion of the management, diminution in the value of long term investment is temporary in nature and hence no provision has been considered necessary.

12.5 Jointly owned property, representing 50% share of the company.

| | |
|------------------------------|-----------|
| 12.6 Non current Investments | ₹ In lacs |
| -- in Associates | 11,173.94 |
| -- in Others | 15,267.50 |

26,441.44

12.7 The carrying amount of Investment in Associate Companies includes ₹ 172.65 Lacs as Capital Reserve arise on the date of acquisition of shares in its associates.

Note 13 - Long - Term Loans and Advances

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 |
|---|------------------------------------|
| (Unsecured, Considered Good) : | |
| Capital Advances | 61.63 |
| Advances for Investment in Properties | 290.00 |
| Loans and Advances to Related Parties (Refer Note 33) | 2,276.09 |
| Security Deposits | 12.41 |
| Advance Tax (Net) | 54.82 |
| MAT Credit Entitlement | 1,136.89 |
| Prepaid Expenses | 41.97 |
| Total | 3,873.81 |

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

13.1 Presently the Company is liable to pay MAT under Section 115JB of the Income Tax Act, 1961 (The Act) and the amount paid as MAT is allowed to be carried forward for being set off against the future tax liabilities computed in accordance with the provisions of the Act, other than Section 115JB, in next Ten years. Based on the future projection of the performances, the Company will be liable to pay the income tax computed as per provisions, other than under Section 115JB, of the Act. Accordingly as advised in Guidance note on "Accounting for Credit available in respect of Minimum Alternate Tax under the Income Tax Act 1961" issued by the Institute of Chartered Accountants of India, ₹ 231.79 Lacs being the excess of tax payable under Section 115JB of the Act over tax payable as per the provisions other than Section 115JB of the Act has been considered as MAT credit entitlement and credited to statement of profit and loss.

Note 14 - Other Non - Current Assets

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 |
|---------------------------------------|------------------------------------|
| (Unsecured, Considered Good) : | |
| Interest Accrued on Investment | 82.11 |
| Total | 82.11 |

Note 15- Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | Face Value (₹) | As at 31 st March, 2014 (₹ in Lacs) |
|--|---|----------------------|---|
| Current Investments | | | |
| (a) In Equity Instruments: | | | |
| Quoted Fully Paid Up | | | |
| Asian Paints Ltd. | 5,921 | 1 | 29.42 |
| Bajaj Auto Ltd. | 792 | 10 | 12.02 |
| Bajaj Finance Ltd. | 3,457 | 10 | 24.82 |
| Bata India Ltd. | 1,833 | 10 | 14.35 |
| Bosch Ltd. | 450 | 10 | 29.07 |
| Cadila Healthcare Ltd. | 1,735 | 5 | 14.56 |
| Cairn India Ltd. | 7,464 | 10 | 23.34 |
| Divi's Laboratories Ltd. | 2,615 | 2 | 30.81 |
| Eicher Motors Ltd. | 1,059 | 10 | 23.58 |
| Emami Ltd. | 4,361 | 1 | 12.19 |
| Exide Industries Ltd. | 8,768 | 1 | 10.62 |
| HCL Technologies Ltd. | 2,366 | 2 | 19.45 |
| HDFC Bank Ltd. | 13,135 | 2 | 66.27 |
| Hero Motocorp Ltd. | 1,417 | 2 | 27.85 |
| Housing Development Finance Corporation Ltd. | 5,385 | 2 | 35.87 |
| IndusInd Bank Ltd. | 5,961 | 10 | 13.94 |
| Infosys Ltd. | 1,488 | 5 | 46.59 |
| ING Vysya Bank Ltd. | 4,751 | 10 | 16.97 |
| IPCA Laboratories Ltd. | 7,307 | 2 | 21.48 |
| KPIT Technologies Ltd. | 16,453 | 2 | 13.74 |
| Larsen & Toubro Ltd. | 3,177 | 2 | 36.43 |
| Lupin Ltd. | 1,760 | 2 | 15.16 |
| MRF Ltd. | 236 | 10 | 27.75 |
| Nestle India Ltd. | 975 | 10 | 35.46 |
| Oracle Financial Services Software Ltd. | 1,141 | 5 | 34.24 |
| State Bank of India | 2,142 | 10 | 41.09 |
| SUN TV Network Ltd. | 6,263 | 5 | 19.09 |
| Talwalkars Better Value Fitness Ltd | 9,244 | 10 | 13.36 |
| Tech Mahindra Ltd. | 2,874 | 10 | 45.61 |
| Torrent Pharmaceuticals Ltd. | 4,274 | 5 | 17.78 |
| UPL Ltd. | 16,555 | 2 | 23.57 |

BOROSIL

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 15- Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | Face Value (₹) | As at 31 st March, 2014 (₹ in Lacs) |
|--|---|----------------------|---|
| Unquoted Fully Paid Up | | | |
| Jade Stone Development and Holding Pvt. Ltd. * | 74,898 | 1 | 0.75 |
| Marwar Consultancy Pvt. Ltd. * | 74,916 | 1 | 0.75 |
| Prabal Traders and Advisors Pvt. Ltd. * | 74,876 | 1 | 0.75 |
| Sherin Advisors and Traders Pvt. Ltd. * | 74,594 | 1 | 0.75 |
| Suryanagri Trading and Consultancy Pvt. Ltd. * | 77,709 | 1 | 0.78 |
| Swarg Advisors and Traders Pvt. Ltd. * | 77,749 | 1 | 0.78 |
| Vahin Advisors and Traders Pvt. Ltd. * | 74,852 | 1 | 0.75 |
| Zwenzi Traders and Advisors Pvt. Ltd. * | 74,641 | 1 | 0.75 |
| * Held by Portfolio Manager on behalf of the Company | | | |
| Total Equity Instruments (a) | | | 802.54 |
| (b) In Debentures: | | | |
| Unquoted Fully Paid Up | | | |
| 19% Secured Non Convertible Redeemable Debentures of Sheth Buildwell Pvt. Ltd. \$ | 100 | 50,000 | 50.00 |
| 19% Secured Redeemable Non Convertible Debentures of Arch Agro Industries Pvt. Ltd. | 2,784 | 10,000 | 278.40 |
| Redeemable Non Convertible Debentures of Barclays Investments & Loans (India) Ltd. Series DS-201 | 7 | 4,000,000 | 280.00 |
| Redeemable Non Convertible Debentures of ECL Finance Ltd. Series A4A001 | 250 | 100,000 | 250.00 |
| Redeemable Non Convertible Debentures of ECL Finance Ltd.-Series - A4A003 | 250 | 100,000 | 250.00 |
| 20 % Secured Non Convertible Redeemable Debentures of Prince Foundations Ltd. | 256 | 25,000 | 64.24 |
| \$ Represents current maturity of long term investment. | | | |
| Total Debentures (b) | | | 1,172.64 |
| (c) Mutual Funds: | | | |
| Quoted Fully Paid Up | | | |
| IDFC Sterling Equity Fund Dividend Regular Plan Reinvestment | 2,881,491 | 10 | 400.00 |
| Kotak Mahindra Mutual Fund-Kotak NIFTY ETF | 80,000 | 10 | 531.04 |
| Reliance Equity Opportunities Fund-Retail Plan-Dividend Plan-Reinvestment | 3,179,615 | 10 | 734.35 |
| Reliance Equity Opportunities Fund Retail Plan Growth Plan | 764,720 | 10 | 250.00 |

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 15- Current Investments

| Particulars | As at 31 st March, 2014 Quantity (Nos) | Face Value (₹) | As at 31 st March, 2014 (₹ in Lacs) |
|--|---|----------------------|---|
| Unquoted Fully Paid Up | | | |
| Birla Sun Life Savings Fund Institutional Growth | 107,307 | 100 | 261.99 |
| Birla Sun Life Frontline Equity Fund Dividend Regular Plan Reinvestment | 2,211,411 | 10 | 500.00 |
| HDFC Cash Management Fund Treasury Advantage Retail Weekly Dividend Reinvestment * | 52,435 | 10 | 5.27 |
| HDFC Infrastructure Fund Dividend Reinvestment | 2,980,330 | 10 | 300.00 |
| HDFC Midcap Opportunities Fund Dividend Reinvestment | 5,459,012 | 10 | 782.43 |
| HDFC Top 200 Fund Dividend Reinvestment | 991,424 | 10 | 400.00 |
| ICICI Prudential Discovery Fund Regular Plan Dividend Reinvestment | 1,971,414 | 10 | 400.00 |
| ICICI Prudential Dynamic Plan Dividend Reinvestment | 2,513,532 | 10 | 441.40 |
| ICICI Prudential Flexible Income - Regular Plan - Weekly Dividend Reinvestment * | 11,296 | 100 | 11.92 |
| ICICI Prudential Flexible Income Regular Plan Growth | 16 | 100 | 0.04 |
| ICICI Prudential Focused Bluechip Equity Fund Retail Dividend Payout | 4,667,078 | 10 | 750.00 |
| ICICI Prudential Focused Bluechip Equity Fund Regular Plan Dividend Reinvestment | 2,885,170 | 10 | 500.00 |
| JP Morgan India Active Bond Fund Institutional Growth # | 24,808,182 | 10 | 2,500.00 |
| TATA Floater Fund Plan A - Growth | 34,038 | 1,000 | 655.00 |
| UTI Opportunities Fund Dividend Reinvestment | 1,764,092 | 10 | 250.00 |
| * Held by Portfolio Manager on behalf of the Company | | | |
| # Includes 12,230,400 Units pledged with a bank against the credit facility availed by related parties and 11,060,600 Units pledged with a bank to avail credit facility by the Company. | | | |
| Total Mutual Funds (c) | | | 9,673.44 |
| Total Current Investments = (a) + (b) + (c) | | | 11,648.62 |

BOROSIL

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 15- Current Investments

15.1 Aggregate amount of Current Investments and Market value thereof

| Particulars | As at 31 st March, 2014 | |
|----------------------|------------------------------------|-----------------------------|
| | Book Value (₹ in Lacs) | Market Value (₹ in Lacs) |
| Quoted Investments | 2,711.87 | 3,254.75 |
| Unquoted Investments | 8,936.75 | |
| | 11,648.62 | |

15.2 Aggregate amount of provision for diminution in value of Current Investments of ₹ 15.40 lacs.

15.3 Refer Note 1.12.6 for basis of valuation of Current Investments

15.4 Refer Note 30 in respect of Investment through Portfolio Management Services

Note 16 - Inventories

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 | |
|--------------------------------|------------------------------------|-----------------|
| | | |
| Work-in-Progress | | 3.12 |
| Stock-in-Trade: | | |
| Goods-in-Transit | 21.53 | |
| Others | 2,925.30 | 2,946.83 |
| Stores, Spares and Consumables | | 6.69 |
| Packing Material | | 61.34 |
| Scrap(Cullet) | | 18.50 |
| Total | | 3,036.48 |

16.1 For Mode of Valuation Refer Note 1.12.7

Note 17 - Trade Receivable

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 | |
|--|------------------------------------|-----------------|
| | | |
| (Unsecured) : | | |
| Due for a Period Exceeding Six Months from the due date | | |
| Considered Good | 17.38 | |
| Considered Doubtful | 14.21 | |
| | 31.59 | |
| Less : Provision for Doubtful Debts | 14.21 | 17.38 |
| Other Debts | | |
| Considered Good | | 2,892.83 |
| Total | | 2,910.21 |

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 18 - Cash and Bank Balances

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 |
|---|------------------------------------|
| Cash and Cash Equivalents | |
| Balances with Banks in current accounts | 262.13 |
| Fixed deposit with Banks - Having maturity less than 3 months | 162.75 |
| Cheques, Drafts on Hand | 72.93 |
| Cash on Hand | 4.39 |
| Total | 502.20 |
| Earmarked Balances with bank : | |
| For Unpaid Dividend Accounts | 54.91 |
| For Unpaid Interest on Matured Deposit Accounts | 0.41 |
| Fixed deposit with Bank for Unclaimed Public deposits | 1.50 |
| Fixed deposit pledged with the Banks | 87.96 |
| Total | 646.98 |

Note 19 - Short - Term Loans and Advances

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 | |
|--|------------------------------------|-----------------|
| (Unsecured, Considered Good, unless otherwise stated) | | |
| Loans and Advances to Related Parties (Refer Note 33) | | |
| Interest receivables | | 58.54 |
| Advances against supplies | | 716.61 |
| Others | | 7.62 |
| Loans and Advances to Others : | | |
| Secured Inter Corporate Deposit | | 500.00 |
| Deposits - Considered Good | 85.05 | |
| Deposits - Considered Doubtful | 1.91 | |
| | 86.96 | |
| Less : Provision for Doubtful Debts | 1.91 | 85.05 |
| Interest receivables | | 50.66 |
| Advances against supplies | | 57.89 |
| Commodity Trading receivables | 860.08 | |
| Less : Provision for Doubtful Debts (Refer Note 19.1) | 435.00 | 425.08 |
| Balance with Excise Authorities | | 0.03 |
| Others | | 283.85 |
| Total | | 2,185.33 |

19.1 As on 31st March, 2014 the Company has exposure of ₹ 860.08 lacs with National Spot Exchange Limited (NSEL) in respect of commodities purchased on the said Exchange, which had defaulted in meeting its payment obligations. The Company had joined as a Complainant in the Criminal complaint filed with Economic Offences Wing (EOW) which had attached several properties of defaulters. The Company has also filed an intervention petition in the High Court of Bombay in a representative suit filed by another party seeking remedy against NSEL and its Promoters. Pending final outcome, as a matter of prudence and based on best estimates above provision of ₹ 435.00 lacs has been made, which has been considered sufficient by the management and disclosed as exceptional items in the statement of profit and loss.

19.2 Others includes mainly amount receivable from Portfolio Managers (Refer Note 30), duty receivable etc.

BOROSIL

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 20 - Other Current Assets

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 |
|--|------------------------------------|
| Interest accrued on Investments | 363.70 |
| Receivable against Sale of Investments | 242.58 |
| Export Incentives Receivable | 12.65 |
| Fixed Assets held for disposal | 1.16 |
| Total | 620.09 |

Note 21 - Revenues from Operations

(₹ in Lacs)

| Particulars | For the year Ended 31 st March, 2014 |
|------------------------------------|--|
| Sale of Products | 15,543.77 |
| Other Operating Revenue | 51.23 |
| Net Revenue from Operations | 15,595.00 |

Note 22 - Other Income

(₹ in Lacs)

| Particulars | For the year Ended 31 st March, 2014 |
|--|--|
| Interest Income on | |
| - Long Term Investments | 846.85 |
| - Current Investments | 8.96 |
| - Inter Corporate Deposits | 272.86 |
| - Fixed Deposits with banks | 23.83 |
| - Customers | 60.60 |
| - Others | 18.40 |
| Dividend Income from | |
| - Long Term Investments | 1,052.78 |
| - Current Investments | 16.35 |
| Profit on Sale of Investments (Net) | |
| - Long Term Investments | 773.03 |
| - Current Investments | 207.59 |
| Profit on Commodity Trading (Net) | 41.92 |
| Reversal of provision for diminution in the value of Current Investments | 629.33 |
| Profit on sale of Fixed assets | 0.26 |
| Rent Income | 94.60 |
| Sundry Credit Balance Written Back (Net) | 4.72 |
| Miscellaneous Income | 24.24 |
| Total | 4,076.32 |

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 23 - Purchase of Stock - in - Trade

(₹ in Lacs)

| Particulars | For the year Ended 31 st March, 2014 |
|--|--|
| Purchase of Stock-in-Trade under Broad Head | |
| Scientific Apparatus & Laboratory ware | 4,279.48 |
| Consumer ware | 4,325.25 |
| Others | 453.95 |
| Total | 9,058.68 |

Note 24 - Changes in Inventories of Work-in-Progress and Stock-in-Trade

(₹ in Lacs)

| Particulars | For the year Ended 31 st March, 2014 |
|-------------------------------------|--|
| At the end of the Year | |
| Work-in-Progress | 3.12 |
| Stock-in-Trade | 2,946.83 |
| Scrap (Cullet) | 18.50 |
| | 2,968.45 |
| At the beginning of the Year | |
| Work-in-Progress | 10.60 |
| Stock-in-Trade | 2,886.62 |
| Scrap (Cullet) | 37.50 |
| | 2,934.72 |
| Total | (33.73) |

Note 25 - Employee Benefits Expense

(₹ in Lacs)

| Particulars | For the year Ended 31 st March, 2014 |
|---|--|
| Salaries, Wages & allowances | 1,561.61 |
| Contribution to Provident and Other Funds | 78.12 |
| Staff Welfare Expenses | 110.66 |
| Total | 1,750.39 |

BOROSIL

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 26 - Finance Cost

(₹ in Lacs)

| Particulars | For the year Ended 31 st March, 2014 |
|--|--|
| Interest Expenses | 28.58 |
| Applicable Net Loss on Foreign Currency Transactions and Translation | 21.17 |
| Total | 49.75 |

Note 27 - Other Expenses

(₹ in Lacs)

| Particulars | For the year Ended 31 st March, 2014 |
|---|--|
| Trading and Manufacturing Expenses | |
| Packing Materials Consumed | 350.25 |
| Selling and Distribution Expenses | |
| Sales Promotion and Advertisement Expenses | 569.24 |
| Brokerage, Discount and Commission | 216.55 |
| Freight Outward / Octroi | 518.29 |
| Warehousing Expenses | 244.05 |
| Additional Tax & Turnover tax | 20.66 |
| Other Selling and Distribution Expenses | 42.24 |
| Administrative and General Expenses | |
| Rent | 176.42 |
| Rates and Taxes | 51.60 |
| Other Repairs | 107.82 |
| Insurance | 23.30 |
| Legal & Professional Fees | 317.06 |
| Travelling | 654.30 |
| Loss on foreign currency transactions (Net) | 43.37 |
| Bad Debts | 29.22 |
| Less: Provision for Doubtful Debts | (10.85) |
| Investment Advisory Charges | 88.05 |
| Commission to Directors | 19.21 |
| Directors Sitting Fees | 9.10 |
| Payment to Auditors | 28.84 |
| Donation | 34.61 |
| Miscellaneous Expenses | 356.51 |
| Total | 3,889.84 |

27.1 Details of Payment to Auditors

(₹ in Lacs)

| Particulars | For the year Ended 31 st March, 2014 |
|-----------------------|--|
| Audit Fees | 19.80 |
| Tax Audit Fees | 4.49 |
| Certification charges | 4.55 |
| Total | 28.84 |

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 28 - Earnings Per Equity share

| Particulars | For the year Ended 31 st March, 2014 |
|--|--|
| Net Profit After Tax Attributable to Equity Shareholders for Basic EPS and Diluted EPS (₹ In Lacs) | 3,928.62 |
| Weighted Average Number of Equity Shares Outstanding During the Year for Basic EPS and Diluted EPS (in Nos.) | 3,006,000 |
| Basic and Diluted Earning per share of ₹ 10/- each (in ₹) | 130.69 |
| Face Value per Equity Share (in ₹) | 10.00 |

Note 29 - Contingent Liabilities and Commitments (To the extent not provided for)

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 |
|--|------------------------------------|
| Contingent Liabilities | |
| Claims against the Company not acknowledged as debts | |
| Disputed Liabilities in Appeal (No Cash outflow is expected in the near future) | |
| - Sales Tax | 2,550.14 |
| - Income Tax | 71.78 |
| - Cenvat Credit/Service Tax | 19.26 |
| - Others | 32.57 |
| Guarantees | |
| - Bank Guarantees | 75.49 |
| Others | |
| 1. Fixed Deposit and Investments Pledged with a Bank against Credit facility to third parties | 1,232.50 |
| 2. Letter of Credits-Foreign | 55.61 |
| Total | 4,037.35 |
| Commitments | |
| Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts) | 25.81 |
| Commitments towards Investments | 2,706.80 |

Note 30 - Portfolio Management Services

As at 31st March 2014, the Company has invested ₹ 2,839.64 Lacs through Portfolio Managers who provide Portfolio Management Services which are in the nature of investment administrative management services and include the responsibility to manage, invest and operate the fund as per the agreement(s) entered with them. As on the said date, the outstanding balance of securities amounting to ₹ 2,795.89 Lacs has been accounted as investment in Note 12 and 15 and the balance amount of ₹ 43.75 lacs has been shown under the head "Short-term Loans and Advances" in Note 19.

Note 31 - Financial and Derivative Instruments:

- a. The Company has not entered into any derivative contract during the year and hence no derivative contract is outstanding.
- b. **Unhedged Foreign Currency exposure as on 31st March, 2014 are as under:**

(₹ in Lacs)

| Particulars | As at 31 st March, 2014 |
|-------------|------------------------------------|
| Receivables | 24.68 |
| Payables | 100.05 |

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 32- Segment Information

Segment information as per Accounting Standard 17 on Segment Reporting for the year ended 31st March, 2014.

The Company has identified three reportable segments viz. Scientificware, Consumerware & Others. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting:

- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Information about Primary Business Segments :

(₹ in Lacs)

| Particulars | Scientificware | Consumerware | Others | Unallocated | Grand Total |
|--------------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | 31 st March, 2014 |
| REVENUE | | | | | |
| Revenue From Operations | 8,683.95 | 6,642.05 | 269.00 | — | 15,595.00 |
| Total Revenue | 8,683.95 | 6,642.05 | 269.00 | — | 15,595.00 |
| Segment Results | 2,315.43 | 771.88 | (178.85) | — | 2,908.46 |
| Unallocated Corporate Expenses (Net) | — | — | — | 575.07 | 575.07 |
| Profit / (Loss) | 2,315.43 | 771.88 | (178.85) | (575.07) | 2,333.39 |
| Finance Costs | — | — | — | 49.75 | 49.75 |
| Exceptional Item | — | — | — | 435.00 | 435.00 |
| Interest/Dividend Income | — | — | — | 2,300.63 | 2,300.63 |
| Income Tax/Deferred Tax | — | — | — | 451.74 | 451.74 |
| Net Profit / (Loss) | 2,315.43 | 771.88 | (178.85) | 789.07 | 3,697.53 |
| Segment Assets | 3,788.82 | 3,110.03 | 3.08 | — | 6,901.93 |
| Unallocated Corporate Assets | — | — | — | 62,420.08 | 62,420.08 |
| Total Assets | 3,788.82 | 3,110.03 | 3.08 | 62,420.08 | 69,322.01 |
| Segment Liabilities | 683.37 | 540.07 | 2.51 | — | 1,225.95 |
| Unallocated Corporate Liabilities | — | — | — | 2,149.42 | 2,149.42 |
| Total Liabilities | 683.37 | 540.07 | 2.51 | 2,149.42 | 3,375.37 |
| Capital Expenditure | — | 12.43 | — | 8,777.59 | 8,790.02 |
| Depreciation | — | 1.03 | — | 371.09 | 372.12 |
| Non-cash Expenditure | — | — | — | — | — |

- The reportable Segments are further described as follows:
 - Scientificware** : Comprising of items used in Laboratories and Scientificware.
 - Consumerware** : Comprising of items for Domestic use.
 - Others** : Comprising of items for industrial use, Miscellaneous Trading items and solar water heating system.
 - Unallocated** : Consists of Income including income from Investments, expenses, assets and liabilities which cannot be directly identified to any of the above segments.
- Secondary Segment:** Since the operation of the Company are predominantly conducted within India, as such there is no reportable Geographical Segment.

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

Note 33 - Related Party Disclosure

Information on Related Parties Disclosures as per Accounting Standard (AS-18) - "Related Party Disclosures" are given below:

(A) List of Related Parties :

(a) Associate Companies

Fennel Investment & Finance Pvt. Ltd.
Gujarat Borosil Ltd.
Gujarat Fusion Glass Ltd.

(b) Key Management Personnel

Mr. B. L. Kheruka – Executive Chairman.
Mr. Shreevar Kheruka – Managing Director.
Mr. V. Ramaswami - Whole-time Director.

(c) Relative of Key Management Personnel

Mr. P.K.Kheruka - Relative of Mr. B. L. Kheruka & Mr. Shreevar Kheruka.
Mrs. Rekha Kheruka - Relative of Mr. B. L. Kheruka & Mr. Shreevar Kheruka.
Mrs. Kiran Kheruka - Relative of Mr. B. L. Kheruka & Mr. Shreevar Kheruka.
Mrs. Priyanka Kheruka - Relative of Mr. B. L. Kheruka & Mr. Shreevar Kheruka.

(d) Enterprises over which persons described in (b) & (c) above are able to exercise significant influence (Other Related Parties) with whom transactions have taken place:-

Vyline Glass Works Ltd.
Sonargaon Properties LLP
Croton Trading Pvt. Ltd.
Kheruka Charity Trust

(B) Transactions with Related Parties :

(₹ in Lacs)

| Name of Transactions | 2013-2014 |
|------------------------------|-----------|
| Sale of Goods | 1.76 |
| | 21.03 |
| Sale of Fixed Assets | 6.14 |
| Rent Received | 16.18 |
| | 74.29 |
| Interest Income | 191.20 |
| | 45.86 |
| Guarantee Commission Income | 6.68 |
| | 5.96 |
| Purchase of Goods | 4,937.19 |
| Rent Paid | 7.20 |
| | 2.04 |
| Remuneration | 23.98 |
| Directors Sitting Fees | 2.02 |
| Commission Paid | 3.37 |
| Donation | 6.00 |
| Managerial Remuneration | 50.90 |
| | 119.24 |
| | 115.09 |
| Dividend paid | 11.46 |
| | 11.46 |
| | 3.76 |
| | 15.22 |
| | 11.46 |
| | 18.61 |
| | 33.97 |
| | 223.94 |
| Reimbursement of expenses to | 3.86 |
| | 1.08 |

BOROSIL

Notes to the Consolidated Financial Statement for the year ended 31st March, 2014

(₹ in Lacs)

| Name of Transactions | | 2013-2014 |
|--|--------------------------------------|-----------|
| Reimbursement of expenses from | Gujarat Borosil Ltd. | 10.58 |
| | Vyline Glass Works Ltd. | 4.26 |
| Sale of Shares of Fennel Investment & Finance Pvt. Ltd to | Vyline Glass Works Ltd. | 0.03 |
| | Gujarat Fusion Glass Ltd. | 0.07 |
| Investments as on balance sheet date: | | |
| Preference Shares | Gujarat Borosil Ltd. | 9,000.00 |
| Equity Shares | Gujarat Borosil Ltd. | 1,737.18 |
| Equity Shares | Fennel Investment & Finance Pvt. Ltd | 436.76 |
| Unsecured Loan Given | Gujarat Borosil Ltd. | 50.00 |
| | Vyline Glass Works Ltd. | 951.84 |
| Unsecured Loan refunded by | Gujarat Borosil Ltd. | 1,016.95 |
| | Vyline Glass Works Ltd. | 600.00 |
| Short Term Loans and Advances - Interest receivable | Gujarat Borosil Ltd. | 5.80 |
| | Vyline Glass Works Ltd. | 52.74 |
| Unsecured Loan & Advances: Non-Current | Gujarat Borosil Ltd. | 125.00 |
| | Vyline Glass Works Ltd. | 2,151.09 |
| Short Term Loans and Advances | | |
| - Others | Gujarat Borosil Ltd. | 7.62 |
| - Advance Against Supplies | Vyline Glass Works Ltd. | 716.61 |
| Fixed deposit and Investments pledged with a Bank to grant Credit facility for | Vyline Glass Works Ltd. | 577.47 |
| | Gujarat Borosil Ltd. | 655.03 |

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH
Chartered Accountants

B. L. Kheruka
Executive Chairman

R. Koria
Partner

Rajesh Chaudhary
Chief Financial Officer

Shreevar Kheruka
Managing Director & CEO

Lovelina Faroz
Company Secretary

V. Ramaswami
Whole-time Director

Place : Mumbai
Date : 30.05.2014

Place : Bharuch
Date : 30.05.2014

Financial Information of Subsidiary :

(₹ In Lacs)

| | | |
|----|-------------------------|----------------------|
| 1 | Name of Subsidiary | Borosil Afrasia FZE |
| 2 | Reporting Currency | AED |
| 3 | Capital | 162.65 |
| 4 | Reserves | (16.49) |
| 5 | Total Assets | 156.37 |
| 6 | Total Liabilities | 10.21 |
| 7 | Investments | — |
| 8 | Turnover / Total Income | — |
| 9 | Profit Before Taxation | (17.03) |
| 10 | Provision for Taxation | — |
| 11 | Profit After Taxation | (17.03) |
| 12 | Proposed Dividend | — |
| 13 | Country | United Arab Emirates |

ATTENDANCE SLIP

BOROSIL GLASS WORKS LTD.

CIN: L99999MH1962PLC012538
Registered Office: Khanna Construction House, 44, R.G. Thadani Marg,
Worli, Mumbai- 400 018
Tel.No. (022) 67406300 Fax No. (022) 67406514
Website: www.borosil.com Email: borosil@borosil.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id *

Folio No.

Client Id *

No. of shares

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **51st ANNUAL GENERAL MEETING** of the Company held on Wednesday, August 13, 2014 at 3.00 p.m. at the Textile Committee Auditorium, Textile Committee Building, P. Balu Road, Near Tata Press, Prabhadevi Chowk, Mumbai - 400 025.

*Applicable for investors holding shares in electronic form.

Signature of Shareholder/proxy

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

BOROSIL GLASS WORKS LTD.

CIN: L99999MH1962PLC012538
Registered Office: Khanna Construction House, 44, R.G. Thadani Marg,
Worli, Mumbai- 400 018
Tel.No. (022) 67406300 Fax No. (022) 67406514
Website: www.borosil.com Email: borosil@borosil.com

| | |
|------------------------|----------------------|
| Name of the member(s): | e-mail Id: |
| Registered address: | Folio No/*Client Id: |
| | *DP Id: |

I/We, being the member(s) ofshares of Borosil Glass Works Limited, hereby appoint:

- 1) _____ of _____ having e-mail id _____ or failing him
- 2) _____ of _____ having e-mail id _____ or failing him
- 3) _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 51st Annual General Meeting of the Company, to be held on Wednesday, August 13, 2014 at 3.00 p.m at Textile Committee Auditorium, Textile Committee Building, P. Balu Road, Near Tata Press, Prabhadevi Chowk, Mumbai - 400 025

and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

| Resolutions | For | Against |
|--|-----|---------|
| 1. Receive, consider, approve and adopt : (a) the audited financial Statement of the Company for the financial year ended 31 st March, 2014, the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended 31 st March, 2014. | | |
| 2. Declaration of dividend on the Equity Shares for the year ended 31 st March, 2014. | | |
| 3. Appointment of Director in place of Mr. B.L. Kheruka, who retires by rotation and being eligible, offers himself for re-appointment. | | |
| 4. Appointment of Auditors and fixing their remuneration. | | |
| 5. Appointment of Mr. Utpal Kumar Mukhopadhyay as an Independent Director for a term up to 31 st March 2019. | | |
| 6. Appointment of Mr. Naveen Kumar Kshatriya as an Independent Director for a term up to 31 st March 2019. | | |
| 7. Appointment of Mr. Sukhinder Bagai as an Independent Director for a term up to 31 st March 2019. | | |
| 8. Appointment of Mrs. Anupa Rajiv Sahney as an Independent Director, for a term up to 31 st March 2019. | | |
| 9. Payment of Commission to Non - Executive Directors. | | |
| 10. Authority to borrow money upto a sum of ₹ 100 crores over and above the paid up capital and free reserves of the Company. | | |

* Applicable for investors holding shares in electronic form.

Signed this.....day of2014

Signature of shareholder

Affix
Revenue
Stamp

Signature of First Proxy holder

Signature of Second Proxy holder

Signature of Third Proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the Commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. A Person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- ** 4. This is only optional, please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
6. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

E-MAIL REGISTRATION FORM

FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

To

Universal Capital Securities Pvt. Ltd.

Unit: Borosil Glass Works Limited,
21, Shakil Nivas,
Mahakali Caves Road,
Andheri (East), Mumbai-400 093.
Tel No.022-28207203/ 28207204/ 28207205

Dear Sir/s,

Re: Registration of e-mail ID for receiving communications in electronic form

I/We am/are a shareholder of the Company. I/We want to receive all communication from the Company including AGM and other General Meeting notices and Statement(s) thereto, Balance Sheets, Director's reports, Auditor's Reports etc. through email. Please register my e-mail ID, setout below, in your records for sending communication through e-mail :

Folio No. :

Name of 1st Registered Holder :

Name of Joint Holder(s) :

Address :

Pin code :

E-mail ID (to be registered) :

Contact Tel. Nos. : Mobile :

Land Line :

PAN NO. :

Date:

Signature :

Important Notes:

- 1) On registration, all the communication will be sent to the e-mail ID registered in the folio.
- 2) The form is also available on the website of the company www.borosil.com.
- 3) Any change in email ID, from time to time, may please be registered in the records of the Company.

FOR SHAREHOLDERS HOLDING SHARES IN DEMAT FORM

Members holding shares in demat form may register the e-mails with their respective depository participant.

BY SPEED POST / COURIER

To

BOROSIL[®]
BOROSIL GLASS WORKS LTD.

If undelivered, please return to :
BOROSIL GLASS WORKS LTD.
Khanna Construction House,
44, Dr. R G Thadani Marg,
Worli, Mumbai - 400 018.

Borosil Glass Works Ltd.

an ISO 9001:2008 certified company
CIN: L99999MH1962PLC012538

Registered Office : Khanna Construction House, 44, Dr. R.G. Thadani Marg, Worli, Mumbai - 400 018

Corporate Office : 1101, Crescenzo, G-Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051, India