

GUJARAT BOROSIL

GUJARAT BOROSIL LIMITED

TWENTY-FIFTH ANNUAL REPORT
2013-2014

BOARD OF DIRECTORS

B. L. Kheruka - Chairman
P. K. Kheruka - Vice Chairman
Shashi Kumar Mehra
Jagdish M. Joshi
Ashok Kumar Doda - Additional Director
Ashok Jain - Whole-time Director

CHIEF FINANCIAL OFFICER

Sunil Kumar Roongta

COMPANY SECRETARY

Kishor Talreja

REGISTERED OFFICE & PLANT

Village - Govali, Taluka - Jhagadia,
District - Bharuch - 393 001 (Gujarat).
☎: 02645-258100

CORPORATE OFFICE

1101, Crescenzo, G Block,
Opp. MCA Club, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051.
☎: 022-67406300

AUDITORS

M/s. Singhi & Co.
Chartered Accountants

BANKERS

Bank of Baroda

REGISTRAR & TRANSFER AGENTS

Universal Capital Securities Pvt. Ltd.
Unit : Gujarat Borosil Limited
21, Shakil Niwas,
Mahakali Caves Road,
Andheri (East), Mumbai - 400 093.
☎: 022-28207203/28207204/28207205

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The Shareholders are requested to fill up and send back **EMAIL REGISTRATION FORM** as provided in the inner back page of this Annual Report.

GUJARAT BOROSIL LIMITED

Registered Office: Village - Govali, Taluka - Jhagadia, District - Bharuch 393 001, Gujarat
Email: gborosil@borosil.com, Website: www.gujaratborosil.com, Ph: 02645-258100, Fax: 02645-220163
CIN: L26100GJ1988PLC011663

NOTICE

Notice is hereby given that the Twenty-Fifth Annual General Meeting of members of **Gujarat Borosil Limited** will be held at the Registered Office of the Company at Village - Govali, Taluka - Jhagadia, District - Bharuch 393 001, Gujarat State on Friday, the 08th August, 2014 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2014 including audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and the Auditors thereon
2. To appoint a Director in place of Mr. B L Kheruka (holding DIN 00016861), who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that M/s. Singhi & Co., Chartered Accountants (Firm Registration No. 110283W), 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 :

4. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015 and in this regard 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 Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Kailash Sankhlecha, Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration of Rs.1,20,000/- (Rupees One lac twenty thousand only) plus service tax as applicable

RESOLVED FURTHER that the Board of Directors of the Company 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."

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) thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Shashi Kumar Mehra (holding DIN 00032134), Director of the Company who retires by rotation at the Annual General Meeting 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. Jagdish M. Joshi (holding DIN 00276041), Director of the Company who

retires by rotation at the Annual General Meeting 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 Mr. Ashok Kumar Doda (holding DIN 00288563), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 23rd December, 2013, in terms of Section 161 (1) of the Companies Act, 2013 and Article 114(a) of the Articles of Association of the Company and who hold office upto the date of this Annual General Meeting 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, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 181 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 or rules made there-under, consent of the members of the Company be and is hereby granted to the Board of Directors of the Company ("the Board") to contribute an amount upto Rupees one crore, in one or more tranches, in any financial year, either directly or in any other way considered appropriate by the Board, to such bona fide charitable and other funds etc. as may be deemed fit and appropriate by the Board, notwithstanding the fact that said amount may exceed 5% of the Company's average net profit as determined in accordance with the provisions of Section 198 of the Companies Act, 2013 during the three financial years immediately preceding the current Financial Year."

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

"RESOLVED that pursuant to the provisions of Section 88, 94 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) for the time being in force), consent of the Company be and is hereby accorded to maintain and keep the Company's Register of Members, Index of Members, Register and Index of Debenture Holders, if any, Register of Security-holders and all other documents/records in relation thereto, be so kept at the office of the Registrar and Share Transfer Agents of the Company situated at Universal Capital Securities Private Limited, 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai - 400 093.

RESOLVED FURTHER that the Board of Directors or any Committee thereof of the Company be and are hereby authorised to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto."

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 September 25, 2000, 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 Rs. 200 Crores (Rupees Two hundred Crores) 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 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."

11. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) for the time being in force), read with Schedule V to the Companies Act, 2013 and consequent upon termination of Mr. Ashok Jain's earlier appointment as Whole Time Director effective 31st May, 2014, the consent of the Company be and is hereby accorded to the appointment of Mr. Ashok Jain, as Whole Time Director of the Company, for a period from 1st June, 2014 to 20th February, 2016 (date of his retirement) on the terms and conditions including remuneration as set out in the item no. 11 of the Statement, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the 'Nomination and Remuneration Committee' constituted by the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013, or otherwise as permissible at law for the time being in force.

RESOLVED FURTHER that in the event of loss or inadequacy of profits in any financial year during the tenure of his service as Whole Time Director, Mr. Ashok Jain shall be paid the remuneration as set out in the Statement as minimum remuneration subject to limits laid down in Schedule V of the Companies Act, 2013, or as may be approved by the Central Government.

RESOLVED FURTHER that the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board
For Gujarat Borosil Limited

Kishor Talreja
Company Secretary

Mumbai, May 26, 2014

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 hereto.
- (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. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
- (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 Friday, 01st August, 2014 to Friday, 08th 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 & Transfer Agent. Members are requested to

GUJARAT BOROSIL

note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956) be transferred to the Investor Education and Protection Fund.

The last date for claiming the unpaid dividend amount for the financial year 2006-07 is on or before August 19, 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:- gbl.grievances@borosil.com.

The Annual Report 2013-14 of the Company circulated to the members of the Company will be made available on the Company's website at www.gujaratborosil.com and also on the website of the BSE Limited at www.bseindia.com.

- (8) Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- (9) All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to date of the AGM.
- (10) 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. Ashok Jain |
|--|---|--|
| Date of birth | 7 th November, 1930 | 21 st February, 1958 |
| Date of appointment | 22 nd December, 1988 | 3 rd January, 2003 |
| Expertise in specific Professional areas | Industrialist having rich business experience of about 50 years particularly in glass industry | Chartered Accountant. 33 years in Corporate Sector |
| Qualifications | B.Com | B.Com. FCA and FCS |
| List of other Indian Public Limited Companies in which Directorship held | 1. Borosil Glass Works Limited 2. Borosil International Limited 3. Window Glass Limited 4. Borosil Glass Limited | Motilal Oswal Asset Management Company Limited |
| Chairman/Member of the Committee of Board other Public Limited Companies | Share Transfer & Investor Grievance Committee: Borosil Glass Works Limited -Member | NIL |
| Number of Shares held in the Company | NIL | NIL |

| Name of Director | Mr. Shashi Kumar Mehra | Mr. Jagdish M.Joshi | Mr. Ashok Kumar Doda |
|--|--|---|--|
| Date of birth | 19 th December, 1952 | 23 rd February, 1944 | 5 th November, 1946 |
| Date of appointment | 29 th June, 2002 | 25 th October, 2005 | 23 rd December, 2013 |
| Expertise in specific Professional areas | Vast experience in accounting, auditing & taxation | Mr. Jagdish Joshi, an I.A.S. Officer, retired as Additional Chief Secretary (Planning) Government of Maharashtra and vast experience in administration as well as good knowledge of industry. | Corporate Finance, Project Appraisal, Infrastructure Financing, Power Projects, venture Capital, Investment Corporate Management and Corporate M&A. |
| Qualifications | B.Com, FCA | B.A. (Hons.) Mumbai, Middle | B. Tech(Honors) from IIT, Management course from IIM, Ahmedabad |
| List of other Indian Public Limited Companies in which Directorship held | NIL | NIL | 1. IL&FS Renewable Energy Limited 2. Sakuma Exports Limited |
| Chairman/Member of the Committee of Board other Public Limited Companies | NIL | NIL | Investors Grievance Committee: Sakuma Exports Limited-Chairman Audit Committee: IL&FS Renewable Energy Limited-Chairman Sakuma Exports Limited-Member Remuneration Committee: IL&FS Renewable Energy Limited-Member |
| Number of Shares held in the Company | NIL | NIL | NIL |

11. 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 www.evotingindia.com 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 www.evotingindia.com
- (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 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 <GUJBR2014L> 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 <08082014> 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 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.

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- (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 (karlekar@unisec.in) and Company (investor.relations@gujaratborosil.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 02nd August, 2014 (9.00 a.m.) and ends on 04th 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 30th June, 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 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 in the Company's website www.gujaratborosil.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.

By Order of the Board
For Gujarat Borosil Limited

Mumbai, May 26, 2014

Kishor Talreja
Company Secretary

ANNEXURE TO THE NOTICE**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.****ITEM NO.4:**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Kailash Sankhlecha, Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the 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. 4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

ITEM NO.5:

Mr. Shashi Kumar Mehra is a Non- Executive Independent Director of the Company. He joined the Board of Directors of the Company on 29/06/2002.

Mr. Shashi Kumar Mehra'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 Listing Agreement, Mr. Shashi Kumar Mehra 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 has been received from a member proposing Mr. Shashi Kumar Mehra as a candidate for the office of Director of the Company.

Mr. Shashi Kumar Mehra 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 149(6) of Companies Act, 2013.

In the opinion of the Board, Mr. Shashi Kumar Mehra fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and Clause 49 of 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. Shashi Kumar Mehra 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. Shashi Kumar Mehra is a Chartered Accountant with vast experience in Accounting, auditing and taxation. 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. Shashi Kumar Mehra as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Shashi Mehra as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Shashi Kumar Mehra, being an appointee, none of the Directors and Key Managerial Personal 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. Jagdish M. Joshi is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 25/10/2005.

Mr. Jagdish M. Joshi 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. Jagdish M. Joshi 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 has been received from a member proposing Mr. Jagdish M. Joshi as a candidate for the office of Director of the Company.

Mr. Jagdish M. Joshi 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 149(6) of Companies Act, 2013.

In the opinion of the Board, Mr. Jagdish Joshi 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. Jagdish Joshi 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. Jagdish Joshi is an I.A.S. Officer, (retired) and has vast experience in planning ,administration 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. Jagdish M.Joshi as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Jagdish M.Joshi as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Jagdish M.Joshi, being an appointee, none of the Directors and Key Managerial Personal 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. Ashok Kumar Doda who has been appointed as an Additional Director of the Company under Section 161 of the Companies Act, 2013 effective December 23, 2013 holds office upto the date of this Annual General Meeting, and is eligible for appointment as Director as provided under Article 114(a) of the Articles of Association of the Company. Mr. Ashok Kumar Doda is a Non-Executive Independent Director of the Company. Mr. Doda had earlier also been an Independent Director of the Company from 09/11/2010 to 11/10/2013.

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

Mr. Ashok Kumar Doda 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 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 of Mr. Ashok Kumar Doda for the office of Independent Director of the Company.

In the opinion of the Board, Mr. Ashok Kumar Doda 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. Ashok Kumar Doda 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. Doda is an ex - IDBI Executive Director having vast experience in financial matters. 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. Ashok Kumar Doda as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Ashok Kumar Doda as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Ashok Kumar Doda, being an appointee, none of the Directors and Key Managerial Personal of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out

at Item No.7.

Brief resume of Mr. Shashi Kumar Mehra, Mr. Jagdish M. Joshi and Mr. Ashok Kumar Doda, their 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 the Stock Exchange, are provided above.

Item No. 8

It is proposed that the Board of Directors of the Company ("the Board") be authorized to contribute upto Rupees one crore in any financial year for charitable purposes, either directly or in any other way considered appropriate.

As per Section 181 of the Companies Act, 2013, the Board may contribute to bona fide charitable and other funds provided that prior permission of the Company in a general meeting is obtained for making contributions the aggregate of which, in any financial year, exceeds five percent of the average net profits of the Company for the three immediately preceding financial years.

Since there will be no average net profits during the last three years, the Company can make contributions only with prior permission of the Company in General Meeting. The Board may like to contribute to bona fide charitable and other funds during the financial year 2013-14 and in subsequent financial years, an amount exceeding five per cent of the average net profits of the Company for the three immediately preceding financial years, subject to the maximum of Rupees one crore in a financial year. Accordingly, it is proposed to obtain members' approval by way of an Ordinary Resolution for contributing upto Rupees one crore in any financial year to bona fide charitable and other funds.

Your Directors commend the resolution for approval as an Ordinary Resolution.

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

Item No. 9

In terms of the provisions of Section 94 of the Companies Act, 2013 (the Act), *inter alia*, register of members, the index of members, the register and index of debenture holders, if any maintained under Section 88 of the Act have to be kept at the registered office of the Company or at such other place in India, if approved by means of a special resolution passed by the company in a general meeting.

Keeping of the registers and returns at the new address requires approval of the shareholders of the company by way of a special resolution passed in a general meeting in terms of Section 94 of the Act.

An advance copy of the proposed special resolution is also being delivered to the Registrar of Companies, Gujarat, in terms of Section 94 of the Act for their information.

Your Directors recommend the resolution for approval as a Special Resolution.

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

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.

Presently, Company is permitted to borrow up to Rs. 150 crore (Rupees One hundred fifty crore) apart from temporary loans obtained/to be obtained from the bankers in the ordinary course of business, as approved by the shareholders in their Annual General Meeting held on 25th September, 2000. However, as per General Circular no 04/2014 issued by Ministry of Corporate Affairs, the said resolution is valid for one year from the date of notification. 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 Rs. 200 crores (Rupees Two hundred crores).

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.

Item No. 11

The Board of Directors had re-appointed Mr. Ashok Jain as Whole Time Director for a period of 3 years with effect from 3rd January 2012 (hereinafter referred to as "Mr. Jain") for a period of 3 years. The Board of Directors has at its meeting held on 26th May, 2014 decided to appoint Mr. Jain for a period from 1st June, 2014 to 20th February, 2016 (date of his retirement) on the terms and conditions set out below, after termination of existing appointment with effect from 31st May, 2014.

The appointment of Mr. Jain is subject to the provisions of Sections 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V of the Act.

The broad particulars of remuneration payable to and the terms of appointment of Mr. Jain, as approved by the Nomination & Remuneration Committee are as under:-

I. Remuneration

a) Salary:

Rs. 2,55,000/- p.m. in the scale of Rs. 2,50,000/- p.m. to Rs. 3,50,000/- p.m. with such increments as may be decided by the Board of Directors (which includes any Committee thereof) from time to time.

b) Perquisites & allowances:

- i) Housing - Provision for hired/leased furnished accommodation or House Rent Allowance (HRA) - subject to a ceiling of 60% of salary (starting HRA: Rs. 1,25,000/- p.m.).
 - ii) Medical Expenses Domiciliary Treatment - At actuals subject to a ceiling of Rs.15,000/- p.a. for Mr. Jain and his family.
Hospitalisation - Mr. Jain and his dependents will be covered by the Company's medical insurance scheme.
 - iii) Premium - Personal Accident Insurance, the premium of which shall not exceed Rs. 10,000/- p.a.
 - iv) Leave Travel Assistance - For Mr. Jain and his family, once in a year, incurred in accordance with the rules of the Company.
 - v) Mr. Jain will be provided with a Company maintained car with Driver for official purpose.
 - vi) Phone rental and call charges will be paid by the Company at actuals for telephone at the residence/mobile phone. Charges for personal STD/Trunk Calls would be borne by Mr. Jain.
 - vii) Company's contribution to Provident Fund, Gratuity and encashment of leave at the end of his tenure, payable as per rules of the Company. These shall not be included in the computation of limits for the remuneration or perquisites aforesaid.
 - viii) Leave
Leave with full pay or encashment thereof as per the Rules of the Company.
 - ix) Mr. Jain will further be entitled to reimbursement of actual entertainment and travelling expenses incurred by him for business purposes.
- II. In case of inadequacy or absence of profits in any financial year(s) during the tenure of Mr. Jain as a Whole Time Director, the remuneration payable to him in that financial year shall be calculated in a manner so that it does not exceed the limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013 or as may be approved by the Central Government.
- III. This appointment may be terminated by either party by giving three months' notice in writing.

Statement of Information as required under Schedule V of the Companies Act, 2013:**I. General Information**

- (1) Nature of industry : Manufacture and sale of low iron solar glass and Patterned Glass
- (2) Date of commencement of commercial production : Solar glass - 16th March, 2010
Sheet Glass - 1st August, 1994 (now continued)

(Rs. in lacs)

| (3) Financial Performance | 2011-12 | 2012-13 | 2013-14 |
|--|---------|---------|---------|
| Net Sales | 7910 | 9553 | 13283 |
| Profit/(Loss) before Tax | (3121) | (1213) | 1287* |
| Net Profit/(Loss) | (2112) | (799) | 829 |
| Foreign investments or Collaborators, if any | NIL | NIL | NIL |

*including exceptional income of Rs. 473 lacs

II. Information about the appointee

- (1) Background details : Mr. Jain is a Chartered Accountant and Company Secretary and has over 33 years experience in industry. He has relevant experience in Finance, Commercial and General Management.
- (2) Past remuneration : a) Salary: Rs. 2,15,000/- p.m. in the scale of Rs.1,50,000/- p.m. to Rs. 2,50,000/- p.m.
- b) Perquisites and Allowances:
- i) Housing
Provision for hired/leased furnished accommodation or House Rent- subject to a ceiling of 60% of salary(Last House Rent: Rs. 1,05,000/- per month)
- ii) Medical Expenses
Domiciliary Treatment - At actuals subject to a ceiling of Rs.15,000/- p.a. for Mr. Jain and his family.
Hospitalisation - Mr. Jain and his dependents covered by the Company's medical insurance scheme.
- iii) Premium - Personal Accident Insurance.
- iv) Leave Travel Assistance - For Mr. Jain and his family, once in a year, incurred in accordance with the rules of the Company.
- v) Mr. Jain to be provided with a Company maintained car with Driver.
- vi) Phone rental and call charges paid by the Company at actuals for telephone at the residence/mobile phone. Charges for personal STD/Trunk Calls borne by Mr. Jain.
- vii) Company's contribution to Provident Fund, Gratuity and encashment of leave at the end of his tenure, payable as per rules of the Company. These are not be included in the computation of limits for the remuneration or perquisites aforesaid.
- viii) Leave - Leave with full pay or encashment thereof as per the Rules of the Company.
- ix) Mr. Jain was further be entitled to reimbursement of actual entertainment and traveling expenses incurred by him for business purposes.
- (3) Recognition or awards : --
- (4) Profile and his suitability : Mr. Jain as a Whole-time Director is required to look after overall management of the Company subject to direction, superintendence and control of the Board of Directors.

- In the view of his extensive experience in the corporate sector, the Board of Directors of the Company feels that he is suitable for the position of Whole-time Director.
- (5) Remuneration proposed : As given above in the Statement to the Notice
- (6) Comparative : Our Company is the only manufacturer of low iron solar glass in India and as such is not comparable with others.
Remuneration profile with respect to industry, size of the Company, Profile of the position and person
- (7) Pecuniary relationship directly/indirectly with the Company or with the Managerial Personnel, if any. : None

III. Other Information

- (1) Reasons of loss or inadequate profits : - Sheet glass furnace completed its campaign and was giving lower output and generated losses. Although the Company has cooled down its sheet glass furnace w.e.f. 28th July, 2010, certain overheads connected with the said plant including depreciation are continuing.
- Teething problems faced in production of solar glass and tempering plant adversely affected the quality which resulted in large claims/rejections.
 - Under-utilisation of plant capacity from March 2010 to August 2012
 - Recessionary conditions in major market ie. Europe and USA leading to substantial fall in the selling prices
 - High interest burden due to new loans for solar glass project.
- (2) Steps taken or proposed to be taken for improvement : - The Company is taking measures to reduce surplus workmen and also cut down on expenses related to closed operations.
- The Company has sorted out all problems connected with the tempering plant and the quality has been fully accepted by large number of domestic & overseas buyer.
 - The Company has effected various improvements in production, in order to make world class products in all respects.
 - Not remaining totally dependent on international markets, the Company has started focusing on the domestic market and has established contracts with almost all the Indian customers of solar glass and started business with most of them.
- (3) Expected increase in the productivity and profit in measurable terms : - With the measures already taken, the Company does not expect further cash losses from financial year 2013-14 depending on market improvement in remaining part of the year expects to turn out better results.

The Directors recommend passing of the Resolution contained at item no. 11 of the accompanying Notice.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr. Ashok Jain, is in any way, interested or concerned in this resolution.

By Order of the Board
For Gujarat Borosil Limited

Mumbai, May 26, 2014

Kishor Talreja
Company Secretary

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the Twenty-Fifth Annual Report with the Audited Statements of Accounts of the Company for the financial year ended March 31, 2014.

Financial Highlights

The highlights of the financial results of the Company for the financial year 2013-14 are as follows:

(Rs. in Lacs)

| | Year Ended 31.03.2014 | Year Ended 31.03.2013 |
|---|--------------------------|--------------------------|
| Net revenue from operations | 13282.59 | 9553.19 |
| Profit/(Loss) before interest, depreciation and tax | 2724.03 | 617.31 |
| Interest | 292.05 | 343.71 |
| Depreciation | 1617.71 | 1486.94 |
| Net Profit/(loss) before tax and exceptional items | 814.27 | (1213.34) |
| Exceptional items(Income) | 472.92 | Nil |
| Provision for Taxation | 0.37 | 0.25 |
| Income Tax for earlier years (net) | 41.38 | Nil |
| Provision for deferred tax liability /(Asset) created | 416.80 | (414.56) |
| Profit/(loss) after tax | 828.64 | (799.03) |
| Add: Balance brought forward from last year | (2420.75) | (1621.72) |
| Balance carried to the Balance Sheet | (1592.11) | (2420.75) |

DIVIDEND

Your Directors do not recommend any dividend for the year ended March 31, 2014 on both Equity and 9% Cumulative Non-Convertible Redeemable Preference Shares, in view of insufficient profit during the year and accumulated losses.

PERFORMANCE

Net revenue from operations for the year grew by 39%. The selling prices rose by 17% compared to previous year and volume growth was 22%. Profit before interest, depreciation and tax as a percentage to Net revenue jumped to 20.51% as compared to 6.46% in the previous year. The working has shown a turnaround and the results show a Profit before tax of Rs 814.27 lacs compared to a loss of Rs. 1213.34 lacs in the previous year.

Sheet Glass plant

The furnace was cooled down on 28th July, 2010 and it was decided not to renew the same for making sheet glass. Finally it was decided to dismantle the furnace and production machines and dispose of the same. The foundation of furnace has been retained for any future use.

Solar Glass plant

The Company achieved record Net turnover of 13283 lacs. Production of both Solar glass and Patterned glass increased.

The Solar glass market worldwide is showing signs of improvement after a long period of sluggishness and the demand is growing. The prices of solar glass however continue to remain low as there is still overcapacity in international market and there is huge pressure to keep the capital cost of solar power low. Accordingly the module manufacturers are looking for extremely competitive prices of components.

While the Company has been catering to the domestic market with limited exports there has been surge in export inquiries after EU imposed Anti-Dumping Duty on import of solar glass from China. With both domestic and export sectors looking up, the Company is gradually curtailing production of normal designs in Patterned glass and focus on premium designs only.

Dispute with the major international customer continues and the Company has been successful in obtaining attachment order on personal properties of directors holding them personally liable. Matter is still under litigation. The amount due, net of the claims negotiated, continues to be shown as doubtful but recoverable.

DIRECTORS

As per the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. B L Kheruka Director of the Company retire by rotation and being eligible offer himself for re-appointment.

Mr. Ashok Doda resigned as a Director of the Company w.e.f October 11, 2013, due to personal reasons.

However, later on the Board of Directors appointed Mr. Ashok Doda as Additional Director of the Company with effect from December 23, 2013. He holds office upto the date of forthcoming Annual General Meeting of the Company and is eligible for re-appointment.

As per Section 149 and other and applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Mr. Shashi Kumar Mehra, Mr. Jagdish M Joshi and Mr. Ashok Kumar Doda as Independent Directors for five consecutive years for a term upto 31st March, 2019

The terms of Mr. Ashok Jain, as whole time director, which was for a period of 3 years from January 03, 2012 is to expire on January 02, 2015. The Directors are seeking appointment of Mr. Ashok Jain, as a whole time director wef. June 01, 2014 upto the date of his retirement ie. February 20, 2016, under the Companies Act, 2013. As a result, it has also been mutually decided to terminate existing agreement / arrangement wef May 31, 2014.

Brief details of the Directors being appointed / reappointed have been incorporated in the Notice for the forthcoming Annual General Meeting.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

A. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company is engaged in low iron solar glass production for application in solar power sector. Solar PV market internationally is facing tough times since 2011 in view of recession in European countries. In India, Solar power is gaining momentum in view of policy push by the Government of India and is expected to grow.

In view of uncertain demand for solar glass the Company has in September 2012 started to produce Patterned glass for Architectural applications and the product has been selling at a premium in the market compared to other patterned glass due to superior quality and technical edge. The Company has plans to continue to serve this segment and has been introducing newer and exclusive designs.

The Company had last year decided to discontinue production of sheet glass. The furnace has now been dismantled.

B. OPPORTUNITIES & THREATS

OPPORTUNITIES

- The Company is the only producer of solar glass in the country and the product is well accepted. The Company is in a position to seize the growing opportunity in the sector in domestic market. The Company will constantly watch the situation and enhance its capability to cater to growing market.
- With Patterned glass in new designs it has added capacity to serve Architectural glass segment and this market is expected to keep growing.

THREATS

- Frequent fluctuation in the international market due to Government policies and Oil prices affect the demand for PV modules and consequently the solar glass requirement. The selling prices also keep fluctuating on account of this.
- There is a considerable time lag in approval of proposals by respective state governments to set up solar power plants despite policy push provided by the Government which is resulting in slower than expected growth in implementation. This is causing delays in the growth of this sector. Moreover banks are still hesitant to finance setting up of solar power farms as this industry is relatively new.

C. SEGMENTWISE OR PRODUCTWISE PERFORMANCE

The Company's business activity falls within a single primary business segment viz. Manufacture of Flat glass. As such, there are no separate reportable segments as per Accounting Standard 17.

D. OUTLOOK

The growth of solar energy in the Country is expected to accelerate which will require huge quantity of low iron glass. The projects already announced by various state Governments and National Solar Mission of Government of India are much higher compared to last year. The solar energy produced will be more dependable by this non-conventional route and will reduce pressure on natural resources besides being non-polluting and environment friendly.

In the international markets also the demand is growing and the Company is expecting substantial growth in the near future.

E. RISK AND CONCERNS

The Company is exposed to normal industry risk factors of competition, economic cycle and uncertainties in the international and domestic markets.

The Government approval to the solar power projects should be expedited if the Country has to achieve

plans to produce solar energy. The continued pressure to quote lower prices for electricity in the biddings to get Government allocations is leading to lower prices for input/component manufacturers thereby making them vulnerable which will affect health of the Industry.

It is also necessary for commercial banks to extend finance for solar projects.

There are huge imports of Modules from China in view of overcapacity and lower international demand. This also reduces the demand for components as the ready modules are getting imported. This is hurting the solar glass industry even more than import of glass and is against the national interest from the angle of domestic industrialization, job creation and conservation of foreign exchange. Chinese glass producers resort to dumping which put added pressure on domestic prices. There is an urgent need to take measures to curb dumping. The Solar manufacturers association has been pursuing request for Anti-Dumping Duty on modules which will eventually help the components manufacturers also including glass.

Besides the industry related risks the other major challenge is to control costs. The eminent doubling of gas price will make huge dent in the profitability of the Company unless suitable increase is achieved in the selling prices. The gas price increase is likely to make many glass producers unviable and vulnerable in the foreseeable future.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate Internal Control System commensurate with its size and nature of business. All transactions are properly authorized, recorded and reported to the management. The internal control systems are designed to ensure that the financial statements are prepared based on reliable information. The Internal Audit is continuously conducted by in house Internal Audit department of the Company and Internal Audit Reports are reviewed by the Audit Committee of the Board periodically.

G. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The operational performance during the year improved considerably and production/sales were all time high. This coupled with better selling prices led to substantially improved overall financial performance. The major breakthrough was achieved on commencement of production of patterned glass from the same facilities from September 2012 on alternate basis which led to substantial jump in capacity utilization of the facilities. With this strategy the Company got additional production of patterned glass while the solar glass production also increased compared to previous year.

H. MATERIAL DEVELOPMENT IN HUMAN RESOURCES, INDUSTRIAL RELATION FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The industrial relations continued to be cordial.

Number of people employed as on 31st March, 2014 were as under:

| | |
|---------|------------------------------------|
| Staff | : 209 |
| Workers | : 195 (Excluding contract labours) |

The Company has introduced HR systems to make the performance appraisals and working more transparent. With a view to have a greater involvement and development of human resources, the managerial cadre is exposed to greater operational and financial details and provided with opportunity to have greater participation.

CORPORATE GOVERNANCE REPORT

A separate section on Corporate Governance is included in the Annual Report and the Certificate from Company's auditors confirming the compliance with the code of Corporate Governance as enumerated in Clause 49 of the listing agreement with the Stock Exchange is annexed hereto.

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.gujaratborosil.com. The Directors and Senior Management personnel have affirmed their compliance with the code for the year ended 31st March, 2014.

DEPOSITS

The Company has not accepted any deposits and as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

POLLUTION CONTROL

The Company's plants do not generate any effluent except flue gas, the chemical composition of which is within permissible limits.

AUDITORS:**STATUTORY AUDITORS**

M/s. Singhi & Company, Chartered Accountants, Statutory Auditors of the Company (FRN 110283W) will retire at the ensuing Annual General Meeting and are eligible for re-appointment. M/s. Singhi & Company, Chartered Accountants, have confirmed that their re-appointment, if made, shall be in accordance with the provisions of Section 139 and will satisfy the criteria as provided in Section 141 of the Companies Act, 2013. The Board recommends their re-appointment as Statutory Auditors and to fix their remuneration for the financial year 2014-15.

COST AUDITORS AND COST AUDIT REPORT

Pursuant to section 148 of the Companies Act, 2013, the Board of Directors on the recommendation of the Audit Committee appointed M/s. Kailash Sankhlecha & Associates, Cost Accountant, as the Cost Auditors of the Company for the Financial year 2014-15. M/s. Kailash Sankhlecha & Associates have confirmed that their appointment is within the limits of the Section 141 (3) (g) read with section 148 (3) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under section 148 (5) read with Section 141 sub section (3) of the Companies Act, 2013.

The Audit Committee has also received a Certificate from the Cost Auditor Certifying their independence and arm's length relationship with the Company. Pursuant to The Companies (Cost Audit Report) Rules, 2011, the Cost Audit Report for the financial year 2012-13 was filed on 30/09/2013 vide SRN No.S22672125 with the Ministry of Corporate Affairs.

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 judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss 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.

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 filled before the said committee till date.

PARTICULARS OF EMPLOYEES

Statement pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company as there was no employee drawing remuneration to the extent mentioned therein.

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

Information pursuant to Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure to the Directors' Report.

ACKNOWLEDGMENT

Your Directors would like to convey their deep appreciation for the co-operation received from employees, Company's bankers, Customers and Government Authorities during the year under review. Directors also place on record their appreciation for the confidence reposed by the shareholders.

For and on behalf of the Board of Directors

Place: Mumbai
Date : May 26, 2014

B. L. Kheruka
Chairman

INFORMATION UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2014**FORM A**

| | 01.4.2013 to 31.3.2014 | 01.4.2012 to 31.3.2013 |
|---|-----------------------------------|---------------------------|
| CONSERVATION OF ENERGY | | |
| Power and Fuel Consumption | | |
| 1. Electricity | | |
| a. Purchased | | |
| Unit (Kwh)-Gross | 5823220 | 3696058 |
| Less: Generated from Wind farm | -1700281 | -2314481 |
| Net purchased power | 4122939 | 1381577 |
| Total Amount (Rs. in lacs) | 481.55 | 275.34 |
| Rate/Unit | 8.27 | 7.45 |
| b. Own Generation | | |
| i. Through Diesel Generator | | |
| Unit (Kwh) | 12832 | 38080 |
| Kwh/Ltrs of Diesel Oil | 2.82 | 1.79 |
| Cost/Unit | 21.12 | 28.41 |
| ii Through Wind Turbine | | |
| Unit | 1700281 | 2314481 |
| Cost/Unit | 1.25 | 0.92 |
| iii Through Gas Genset | | |
| Unit | 12411040 | 10895760 |
| Cost/Unit | 3.55 | 2.93 |
| iv Through Gas Genset (Hired) | | |
| Unit | NIL | 1210932 |
| Cost/Unit | NA | 2.64 |
| 2. Furnace Oil/LSHS | | |
| Quantity (KL) | 34 | Nil |
| Total Cost (Rs. in lacs) | 8.32 | Nil |
| Average Rate/KL | 24458 | NA |
| 3. Natural Gas/RLNG | | |
| Quantity (SCM) | 13234764 | 11890427 |
| Total Cost (Rs. in lacs) | 1306.86 | 1081.34 |
| Average Rate/SCM | 9.87 | 9.09 |
| 4. Consumption per Sq.mtr. of Production of Company's Products on 2 mm basis | | |
| Natural Gas/RLNG (SCM) | 1.51 | 1.62 |
| L.P.G. (Gms) | Nil | Nil |
| Furnace Oil/LSHS(Ltrs.) | Nil | Nil |
| Electricity+ CPP (Kwh) | 2.08 | 1.99 |

FORM - B**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO R & D AND ABSORPTION OF TECHNOLOGY****A. Research and Development (R&D)**

The Company has not carried out any Research & Development activities during the year.

B. Technology Absorption, Adaptation and Innovation

The Company has successfully commissioned imported Benteler line for online cutting/grinding of the glass during the year and has also commissioned Anti -reflective coating line. In order to measure the light transmission more accurately, the Company has imported Aoptek machine which is giving consistent readings. The Company has also developed indigenous process controls for tempering plant and reduced frequency of break downs.

The Company has been able to reduce process rejections, provide more perfect grinding, offer value added product and more dependable transmission readings with the help of above .

FOREIGN EXCHANGE EARNINGS AND OUTGO

Regarding details of foreign exchange earnings and outgo, please refer Note Nos. 42 & 44 to the Financial Statements for the year ended 31st March, 2014.

For and on behalf of the Board of Directors

Place: Mumbai
Date : May 26, 2014

B. L. Kheruka
Chairman

Corporate Governance Report
(As per by Clause 49 of the Listing Agreement of the Stock Exchange)

Company's Philosophy on Corporate Governance:

Your Company has been practicing the principles of good corporate governance over the years. The Company has adopted best practices for corporate governance, disclosure standards and enhanced shareholder value while protecting the interests of all other stakeholders including clients, suppliers and its employees.

The Directors present below the Company's policies and practices on corporate governance.

I. Board of Directors**(A) Size and Composition of the Board:**

As on 31st March, 2014, the Company had six Directors on the Board out of which 5 were Non-executive Directors, which is much higher than the minimum requirement of 50% as per Listing Agreement. Out of these six directors, three were Independent Directors.

The Company's Board now comprises of one Whole-time Director and Five Non-Executive Directors (NEDs). None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

(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.

(C) Board and Committee Meetings etc.**(i). Number of Board Meetings:**

The Board met five times on the following dates during the financial year 2013-2014:

09th May, 2013, 07th August, 2013, 14th October, 2013, 11th November, 2013 and 31st January, 2014.

Composition of our Board and the number of Directorships held by each Director:

| Name | Category | No. of Board Meetings Attended | Attendance at Last AGM held on 10/08/13 | 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 | Chairman Non-Executive | 5 | Yes | 5 | - | 1 |
| Mr. P.K.Kheruka | Vice Chairman Non-Executive | 5 | Yes | 5 | - | 2 |
| Mr. Shashi Mehra | Independent Non-Executive | 5 | Yes | - | - | - |
| Mr. Jagdish Joshi | Independent Non-Executive | 5 | Yes | - | - | - |
| Mr. Ashok Jain | Whole-time Director Executive | 4 | Yes | 1 | - | 1 |
| Mr. Ashok Kumar Doda | Independent Non-Executive | 3 | Yes | 2 | 2 | 1 |

* For this purpose, only Audit Committee and Stakeholders Relationship Committee (earlier called Shareholders/Investors Grievance Committee) have been considered.

(ii) Mr. B. L. Kheruka is father of Mr. P. K. Kheruka.

(iii) None of the Directors on the Board is a Member on more than 10 Committees or Chairman

of more than 5 Committees [as per Clause 49 I D (2)] across all the companies in which he is a Director. 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 D (3)]. There has been no instance of non-compliance.

(D) Code of Conduct

The Code of Conduct is posted on the website of the Company. All the Directors and Senior Management personnel have affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors. A declaration to this effect signed by the Whole-time Director of the Company forms part of the Annual Report.

(E) Prevention of Insider Trading

As per SEBI (Prevention of Insider Trading) Regulation, 1992, the Company has adopted a Code of conduct for Prevention of Insider Trading. All Directors, employees at senior management level and other employees who could have access to the unpublished price sensitive information of the Company are governed by this Code. During the year under review, there has been due compliance with the said Code.

(F) Whistle Blower Policy

The Company is committed to provide an open, honest and transparent working environment and seeks to eliminate fraudulent activities in its operations. The Board of Directors of the Company at its meeting held on May 26, 2014 approved & adopted Whistle Blower Policy (Vigil Mechanism)

II. Audit Committee

(A) Composition, name of members and chairperson:

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 as on 31st March, 2014 comprised of three members all being Non-Executive Directors. Mr. P.K. Kheruka is a non-independent director and all other are independent directors.

Mr. Shashi Mehra - Chairman (upto April 06, 2014)
Mr. P.K. Kheruka
Mr. Jagdish Joshi
Mr. Ashok Doda**

** The Committee was reconstituted by the Board of Directors on April 07, 2014 and Mr. Ashok Doda was appointed as a member and Chairman wef. April 07, 2014.

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

Apart from the members of Audit Committee, generally, meetings are also attended by Chief Financial Officer (Whole-time Director) 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 ended on 31st March, 2014 on the following dates:

09th May, 2013, 07th August, 2013, 11th November, 2013 and 31st January, 2014.

All the members were present in all the four meetings

(C) Role and Terms of reference of Audit Committee:**Powers of Audit Committee**

The Audit Committee shall have powers, which should include the following:

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.

Role of Audit Committee

The role of the Audit Committee shall include 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. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of statutory auditors, including cost auditors, and fixation of audit fees and other terms of appointment;
3. Approving payment to statutory auditors, including cost auditors for any other services rendered by the them;
4. Reviewing, with the management, the annual financial statements and 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 clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - 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. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, 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. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval 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. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing 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. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing 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. Discussion 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 such other functions as may be specially referred to the Committee by the Company's Board of Directors and / or other Committees of Directors.
 21. Reviewing the following information:
 1. Management 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.
 22. To call for comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and to discuss any related issue with the internal and statutory auditors and the management of the company.
-

(D) Nomination and Remuneration Committee

The Board of Directors has constituted a Nomination and Remuneration Committee (earlier called Remuneration Committee). Committee comprises of three directors, all of whom are non-executive directors and at least half are independent directors. No meeting was held during the year under review.

Composition of Committee:

Mr. Jagdish Joshi - Chairman
Mr. Shashi Mehra
Mr. Ashok Kumar Doda (Upto October 11, 2013)
Mr. B L Kheruka**

** The Committee was renamed and reconstituted by the Board of Directors on April 07, 2014 and Mr. B L Kheruka was appointed as a member of the said Committee wef. April 07, 2014

The role of the committee shall, inter-alia, include the following:

- a) laying down criteria, to identify persons who are qualified to become directors & who can be appointed in senior management.
- b) Recommending to the Board, appointment & removal of directors & senior management
- c) Carrying out evaluation of every director's performance
- d) Formulating criteria for determining qualifications, positive attributes & independence of directors.
- e) Recommending to Board, a policy relating to remuneration of directors, KMP & other employees
- f) Devising a policy on Board diversity

III. Subsidiary Companies

The Company does not have any subsidiary Company.

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.

No material transaction has been entered into by the Company with related parties that may have a potential conflict with interest of the Company. The details of related party transactions have been given in the Notes to the Accounts forming part of the Balance Sheet.

(B) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 to the extent applicable to the Company.

(C) Remuneration of Directors

The Board of Directors has constituted a Nomination and Remuneration Committee (earlier called Remuneration Committee).

The broad terms of reference of Nomination and Remuneration Committee are to determine 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).

Details of sitting fees, remuneration, etc. paid to Directors.

| Name of Directors | Remuneration paid during 2013-2014 |
|--|--|
| | Sitting fees for attending Meetings of Board and/or Committee thereof Gross Amount (in Rs.) |
| (A) Mr. B.L. Kheruka | 90,000/- |
| Mr. P.K. Kheruka | 1,30,000/- |
| Mr. Shashi Mehra | 90,000/- |
| Mr. Jagdish Joshi | 1,30,000/- |
| Mr. Ashok Doda | 30,000/- |
| Sub Total | 4,70,000/- |
| (B) Mr Ashok Jain (Whole-time Director) | |
| Salary | 27,60,000/- |
| Perquisites | 15,32,000/- |
| Contribution to P.F | 3,31,200/- |
| Sub Total | 46,23,200/- |
| Total | 50,93,200/- |

Notes:

- i. The Non-Executive Directors are paid sitting fees of Rs.10,000/- for attending the Board and other Committee Meetings
- ii. The Company does not pay bonus, pension or any incentive to the Whole-time Director
- iii. For termination of employment, the company, Whole-time Director are required to give a notice of 3 months or salary of three months in lieu thereof.
- iv. The Company has so far not issued any stock option to the Whole-time Director or any other Director.

No. of shares held by Non-Executive Director:

None of the Non-Executive Directors hold any share in the Company.

(D) Management

A Management Discussion and Analysis Report containing discussion on the matters specified in clause 49 IV (D) forms part of the annual report.

(E) Shareholders

- i. Relevant details of Directors proposed to be appointed/ reappointed are being furnished in the Notice convening the Annual General Meeting to be held on 08th August, 2014 being sent along-with the Annual Report.
- ii. Quarterly results, Shareholding Pattern and other reports as directed by Clause 54 of the listing agreement are regularly made available on Company's website: www.gujaratborosil.com.
- iii. **Stakeholders Relationship Committee** (earlier called Share Transfer and Shareholders/ Investors Grievance 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. P. K. Kheruka - Chairman
Mr. B. L. Kheruka
Mr. Jagdish Joshi
Mr. Ashok Jain

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.

The Committee met four times during the financial year ended on 31st March, 2014 on the following dates:

01st April, 2013, 14th June, 2013, 13th August, 2013 and 10th January, 2014

All the members were present in four meetings.

All share transfer applications received upto 31st March, 2014 have been processed in time.

During the year ended on 31st March, 2014, the Company received 12 complaints and 135 other correspondence from the shareholders/investors, which were suitably resolved or replied.

iv. Name & Designation of the Compliance Officer: Mr. Kishor Talreja, Company Secretary

(F) Proceeds from Preferential issue

The Company had made an issue of 90,00,000 - 9% Cumulative Non-Convertible Redeemable Preference Shares of `Rs.100/- each at par, through private placement in the year 2012 and all related Compliances were made.

(G) Board Disclosures- Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures, which is subject to review by the Management and is required to be placed before the Board on an annual basis. The Company will constitute a Risk Management Committee as provided in the amended clause 49 of the Listing agreement

(H) Non-compliance /strictures/penalties imposed

No non-compliance / strictures / penalties have been imposed on the Company by Stock Exchange(s) or the SEBI or any statutory authority on any matters related to capital markets during the last three years.

V. CEO/CFO Certification

A certificate from Mr. Ashok Jain, Whole-time Director and Mr. Sunil Kumar Roongta, Chief Financial Officer (appointed as CFO w.e.f. 26/05/14), on the financial statements of the Company was placed before the Board. The Company is yet looking out for a new CEO.

VI. Report on Corporate Governance

The Company has complied with mandatory requirements of Clause 49. The Company has also submitted quarterly compliance report to the BSE Limited.

VII. Compliance

A Certificate from the Auditors of the Company regarding compliance of condition 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 | Date | Day | Time | No. of Special Resolutions passed |
|-----------|--|-------------|-------------------------------|----------|------------|--------------------------------------|
| 2012-2013 | Regd. Office – Village- Govali, Taluka- Jhagadia, Dist. Bharuch 393 001, Gujarat | AGM | 10 th August, 2013 | Saturday | 10.00 a.m. | Nil |
| 2011-2012 | -do- | AGM | 14 th August, 2012 | Tuesday | 10.00 a.m. | Nil |
| 2011-2012 | -do- | EGM | 12 th March, 2012 | Monday | 10.00 a.m. | 2 |
| 2010-2011 | -do- | AGM | 23 rd August, 2011 | Tuesday | 10.00 a.m. | 2 |

None of the Resolutions were put through postal ballot and no resolution is proposed to be conducted through Postal Ballot at the ensuing Annual General Meeting.

IX. Means of communications

The quarterly and half yearly unaudited financial results were published in Business Standard (English Newspaper) and Jansatta Loksatta (Gujarati Newspaper). The Company has also posted its quarterly results, shareholding pattern etc. on the Company's website i.e. www.gujaratborosil.com in terms of Clause 54 of the Listing Agreement.

The Annual Report is circulated to all members, and is also available on the Company's website.

X. General shareholder Information**Annual General Meeting**

| | | |
|--|---|--|
| Date and time | : | 8 th August, 2014 at 10.00 a.m |
| Venue | : | Regd. Office at Village – Govali, Taluka – Jhagadia, District – Bharuch – 393 001, Gujarat. |
| Financial Year | : | 1 st April to 31 st March |
| Financial Calendar | : | Year ending - March, 31 |
| 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 & Annual - 4 th week of May, 2015 |
| Date of book closure | : | 01 th August, 2014 to 08 th August, 2014(both days inclusive) |
| Listing on Stock Exchange & Stock Code | : | BSE Limited – 523768 |
| Note: Annual Listing fee for the year 2014-15 has been paid to BSE Limited | | |
| Demat ISIN in NSDL and CDSL | : | INE059C01022 |
| Corporate Identity Number (CIN) | : | L26100GJ1988PLC011663 |

GUJARAT BOROSIL

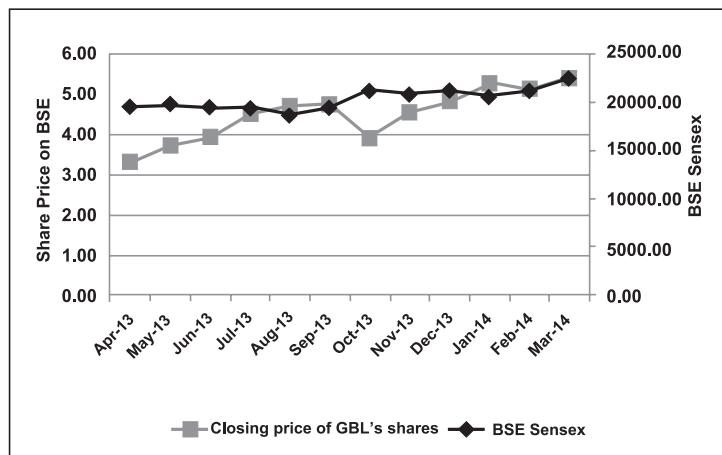
Market price data

The monthly high and low quotation and the volume of shares traded on Stock Exchange as on March 31, 2014 are as under:

| Month | Highest (Rs.) | Lowest (Rs.) | Volume of shares traded |
|-----------------|---------------|--------------|-------------------------|
| April, 2013 | 4.48 | 3.15 | 27375 |
| May, 2013 | 3.94 | 3.11 | 35975 |
| June, 2013 | 4.00 | 3.02 | 63074 |
| July, 2013 | 4.84 | 3.90 | 35853 |
| August, 2013 | 5.00 | 3.62 | 21140 |
| September, 2013 | 4.95 | 4.28 | 50400 |
| October, 2013 | 4.98 | 3.69 | 39817 |
| November, 2013 | 4.86 | 4.00 | 119605 |
| December, 2013 | 5.39 | 4.41 | 97361 |
| January, 2014 | 5.72 | 4.75 | 109052 |
| February, 2014 | 5.45 | 4.85 | 73603 |
| March, 2014 | 6.24 | 4.82 | 144567 |

The paid up value of equity shares of the Company is Rs. 5/- per share

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



Share Transfer System:

Share Transfers in physical form can be lodged with the Registrar and Transfer Agents of the Company - Universal Capital Securities Pvt. Ltd.

Unit: Gujarat Borosil Ltd.
 21, Shakil Niwas
 Mahakali Caves Road
 Andheri (East), Mumbai - 400 093.

The transfers are normally processed within 10-15 days from the date of receipt if the documents are complete in all respects.

Distribution of shareholding as at 31st March, 2014

| No. of equity shares held | No. of Shareholders | | Shares | |
|---------------------------|---------------------|---------------|-----------------|---------------|
| | Nos. | Percentage | Nos. | Percentage |
| Upto 500 | 44834 | 93.56 | 6187638 | 9.07 |
| 501 to 1000 | 1677 | 3.50 | 1467639 | 2.15 |
| 1001 to 2000 | 713 | 1.49 | 1146741 | 1.68 |
| 2001 to 3000 | 266 | 0.56 | 681512 | 0.99 |
| 3001 to 4000 | 92 | 0.19 | 332684 | 0.49 |
| 4001 to 5000 | 108 | 0.22 | 518917 | 0.76 |
| 5001 to 10000 | 128 | 0.27 | 961017 | 1.41 |
| 10001 & above | 104 | 0.21 | 56911352 | 83.45 |
| Total | 47922 | 100.00 | 68207500 | 100.00 |

Categories of shareholders

| | As on 31 st March, 2014 | | |
|--|------------------------------------|-----------------|---------------|
| | No. of folios | No. of shares | Percentage |
| - Resident Individuals | 47616 | 13969581 | 20.46 |
| - Promoters | | | |
| - Indian Promoters | 02 | 39822376 | 58.38 |
| - Foreign Promoters | 01 | 11300000 | 16.57 |
| - Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/Non-Govt. Institutions) | 04 | 49300 | 0.07 |
| - Private Corporate Bodies | 215 | 2823608 | 4.14 |
| - Non Resident Individuals | 54 | 183081 | 0.27 |
| - Others (Shares in transit) | 30 | 59554 | 0.09 |
| Total | 47922 | 68207500 | 100.00 |

Dematerialisation of shares and liquidity

As on 31st March, 2014, 6,36,15,651 equity shares representing 93.27 % of the Company's total paid-up equity capital had been dematerialized and the balance 45,91,849 equity shares representing 6.73% of the total equity capital of the Company were held in physical form. The Company's shares are regularly traded on BSE Limited.

The Company issued 90,00,000 preference shares on March 17, 2012 on private placement basis, which are not listed on any Stock Exchange and are held in physical form.

Plant Location

Village - Govali
Taluka - Jhagadia
District - Bharuch 393 001.
Gujarat.

Address for correspondence

Shareholders correspondence may be addressed either to the Corporate Office at 1101, Crescenzo, G Block, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. or at the office of Registrar and Transfer agents of the Company - Universal Capital Securities Pvt Ltd., Unit: Gujarat Borosil Ltd., 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai -400 093.

As per requirement of Listing Agreement, an exclusive email ID has been created namely, gbl.grievances@borosil.com, on which the investors can register their complaints. The said email ID has been displayed on Company's Website.

Outstanding GDRs/ADRs/Warrants or any convertible instruments:-

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

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 & Remuneration Committee

The Company has constituted a Nomination & 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.gujaratborosil.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 'Business Standard' and 'Jansatta Loksatta', 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., as per the proposed amendment in the listing agreement.

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 Code of Conduct as applicable to them for the year ended 31st March, 2014.

For Gujarat Borosil Limited

Place: Mumbai
Date: May 26, 2014

Ashok Jain
Whole-time Director

**AUDITORS' CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING
AGREEMENT(S)**

To The Members of **GUJARAT BOROSIL LIMITED**

We have examined the compliance of conditions of Corporate Governance by **GUJARAT BOROSIL LIMITED** (the Company) for the year ended 31st March, 2014, as stipulated in clause 49 of the listing agreement of the said company with the Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation there of, adopted by the Company for ensuring the compliance with the conditions of the 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 representation 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 further 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 SINGHI & COMPANY

CHARTERED ACCOUNTANTS
FRN 110283W

9TH FLOOR, TWIN TOWER,
LOKHANDWALA COMPLEX
ANDHERI(W), MUMBAI-400053
MAHARASHTRA, INDIA

Date: 26th DAY OF MAY, 2014.

(PRAVEEN KUMAR SINGHI)
PARTNER
(M. No. 051471)

INDEPENDENT AUDITOR'S REPORT

**To the Shareholders of
GUJRAT BOROSIL LIMITED**

Report on the financial statement

We have audited the accompanying financial statements of **GUJARAT BOROSIL LIMITED** ("The Company"), which comprises 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 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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. 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 Account, 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.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, 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:
- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - 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.
 - The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards issued by the institute of chartered Accountants of India, to the extent applicable to the company, as referred to in subsection (3C) of section 211 of the Companies Act, 1956, read with the General circular 15/2013 dt. 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - 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 March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - We draw the attention to:-

Note no. 34 regarding non-provision of sundry debtors Rs. 569.25 lacs (P.Y. Rs.565.25 lacs) considered doubtful but recoverable in the opinion of the management.

9TH FLOOR, TWIN TOWER,
LOKHANDWALA COMPLEX
ANDHERI(W), MUMBAI-400053
MAHARASHTRA, INDIA

For SINGHI & CO.
Chartered Accountants
FRN: 110283W

PRAVEEN KUMAR SINGHI
Partner
Membership No. : 051471

Dated : 26th day of May, 2014

THE ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF GUJARAT BOROSIL LIMITED ('THE COMPANY') ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2014

On the basis of the information and explanation furnished to us and the books and record examined by us in the normal course of audit and to the best of our knowledge and belief we report that,

- The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - According to the information and explanation given to us the fixed assets have been physically verified by the management at the end of the year and the discrepancies noticed on such verification have been properly dealt with in the books of accounts.
 - The company has disposed of its certain Fixed Assets at Bharuch in respect to sheet glass plant, as operations of this plant were closed since July 2010. The net income therefrom has been shown in the statement of profit and loss account under the head exceptional items.
- As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
 - According to the information and explanation given to us, the procedures of 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) In our opinion and according to the information and explanation given to us the Company is maintaining proper records of Inventory. The discrepancies noticed on verification between the physical stocks and the book records were stands adjusted in the books of accounts.
3. a) The Company has granted unsecured loan to one company in earlier year covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 3328 (in thousands) [P.Y. Rs. 10263 (in thousands)] and the year ended Balance of Loan granted to such Companies was Nil [P.Y. Rs. 3328 (in thousands)]
- b) In our opinion, the rate of interest and other terms and condition on which loans are given by the Company, are not prima facie, prejudicial to the interest of the company.
- c) The repayment of this loan/ICD granted has been received with interest and no loan other than aforesaid has been granted to company covered in register maintained under section 301 of the companies Act, 1956.
- d) The company has taken loan/ICD from a party listed in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year in such transaction is Rs. 119777 (in thousands). [(P.Y. Rs. 137784 (in thousands) and the year end balance of loan taken from such companies were Rs.13080. (in thousands) since paid [P.Y. Rs. 116082 (in thousands)].
- e) In our opinion, the rate of interest and other terms & conditions on which Loans have been taken from the companies and firms or other parties listed in the Register maintained u/s.301 of the Companies Act, 1956 are not, prima facie, prejudicial to interest of the Company. The Company is regular in repaying/renewing the principal amount as stipulated and has been regular in paying the interest.
4. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of Inventory, Fixed Assets, and sale of goods. During the course of our audit, no major instances of continuing failure to correct any weaknesses in internal controls have been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by management, the particular of contracts or arrangements referred to in u/s. 301 of the Companies Act, 1956 have been so entered in the register required to be maintained under that section.
- b) as per information and explanation given to us and in our opinion, the transactions, contracts and arrangements entered into by the company with parties covered u/s 301 of the companies act 1956 exceeds the value of Rupees Five Lacs in respect of any party in a financial year have been made at prices which are reasonable having regard to prevailing market prices/rate at the relevant time.
6. The Company has not accepted any deposit from the public covered u/s 58A and 58AA of the Companies Act, 1956.
7. As per information and explanation given by the management, the company has an Internal Audit System commensurate with its size and the nature of its business.
8. As per information and explanation given by the management, maintenance of cost records have been prescribed by the Central Government u/s. 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima-facie the prescribed accounts and records are being maintained.

9. a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Employee's State Insurance, Income Tax, Wealth Tax, Custom Duty, Excise Duty, Service tax, Sales Tax, Cess and other statutory dues applicable to it. We are informed that Employees State Insurance Act does not apply to the company.
- b) According to the information & explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Service tax, VAT, Customs Duty, Sales tax, Excise Duty and Cess were outstanding for the period of more than 6 month from the date they become payable as at 31st March 2014.
- c) According to the information & explanations given to us, the dues in respect of Income Tax, Wealth Tax, Service tax, VAT, Customs Duty, Sales tax, Excise Duty that have not been deposited with the appropriate authorities on account of dispute, and the form where the dispute are pending are as given below -

| S. N. | Name of the Status | Nature of Dues | Amount (Rs. In '000') | Period to which amount Relates | Forum where dispute is pending |
|-------|------------------------------------|--|---|--------------------------------|--|
| 1. | Income Tax Act 1961 | Disallowance made for Rs. 64418 | Rs. 21896 | A.Y.2010-11 | CIT(A) Vadodara |
| | | | | A.Y.2011-12 | |
| | | Penalty U/S 271(1)(C) | Rs. 4138 | A.Y.1997-98 | CIT(A) Vadodara |
| | | Reduction in Unabsorbed Depreciation Rs. 24678 | Rs. 8388 | A.Y. 2003-04 | Gujarat High Court |
| 2. | Gujarat Sales Tax Act | Sales Tax (Including Interest & Penalty) | Rs. 55084 | F.Y.2000-01, 2002-03, 2004-05 | Joint Commissioner of Commercial Tax, Vadodara |
| 3. | Central Excise Act, 1944 | Excise Duty (Including Interest & Penalty) | Rs. 125213 (Paid Under Protest Rs. 58933) | Feb.99 to June.2005 | SUPREME COURT OF INDIA |
| | | Cenvat Credit (Including Penalty) | Rs. 3866 | Aug.2009 to Jan. 2011 | Commissioner (Appeal) Surat-II |
| 4. | Service tax Under Finance Act 1994 | Service tax (Including Interest and Penalty) | Rs. 660 Paid Rs. 365 Rs. 295 | 2008-09 | Commissioner Surat-II |
| | | Cenvat Credit (Including penalty Rs. 348) | Rs. 975 | April 2007 to March 2013 | Commissioner (A), Surat-II |

10. The Company has accumulated losses at the end of the financial year which is not more than fifty percent of its Net Worth. The company has not incurred cash losses during the financial year or in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given by management, the Company has not defaulted in repayment of dues to any financial institution or bank.
12. According to the information and explanations given to us, the Company has not granted Loans and Advances on the basis of security by way of pledge of Shares, Debentures and other Securities.
13. In our opinion, the Company is not a Chit Fund or a Nidhi Mutual benefit Fund/ Society. Therefore, the provisions of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

14. According to the information and explanations given to us, the Company is not trading in Shares, mutual fund & other investments. However the company has entered into transaction of Investments in mutual fund of the surplus fund for short duration and maintained proper records of the transactions and contracts and timely entries have been made therein and further investments specified are held by the company in its own name.
15. According to the information and explanations given to us, the company has not given any guarantees for loan taken by others from bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March 2014, we report that the no funds raised on short term basis have been used for long term purposes, nor long term funds have been used to finance short term assets except permanent working capital.
18. Based on the audit procedures performed and the information and explanations given to us by management, we report that the Company has not made any Preferential Allotment of Shares during the year.
19. The Company has not issued any debentures.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of books and records of the Company, carried out in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

9TH FLOOR, TWIN TOWER,
LOKHANDWALA COMPLEX
ANDHERI(W), MUMBAI-400053
MAHARASHTRA, INDIA

Dated: 26th day of May, 2014

For SINGHI & CO
Chartered Accountants
FRN: 110283W

PRAVEEN KUMAR SINGHI
Partner
Membership No. : 051471

BALANCE SHEET AS AT 31ST MARCH, 2014

| | Notes | Rs. In Thousands As At 31 st March, 2014 | Rs. In Thousands As At 31 st March, 2013 |
|---------------------------------------|---------|---|---|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 1241038 | 1241038 |
| Reserves & Surplus | 3 | 49404 | -33460 |
| | | 1290442 | 1207578 |
| Non Current Liabilities | | | |
| Long Term Borrowings | 4 | 317194 | 457127 |
| Long Term Provisions | 6 | 2847 | 2261 |
| Total Non Current Liabilities | | 320041 | 459388 |
| Current Liabilities | | | |
| Short Term Borrowings | 7 | 79173 | 53566 |
| Trade Payables | 8 | 167657 | 159627 |
| Other Current Liabilities | 9 | 107915 | 95267 |
| Short Term Provisions | 10 | 14248 | 13258 |
| Total Current Liabilities | | 368993 | 321718 |
| Total Equity & Liabilities | | 1979476 | 1988684 |
| ASSETS | | | |
| Non Current Assets | | | |
| Fixed Assets | 11 | 1200847 | 1260889 |
| Tangible Assets | | 1179524 | 1227771 |
| Intangible Assets | | 1771 | 1260 |
| Capital Work in Progress | | 19552 | 31858 |
| Intangible Assets Under Development | | Nil | Nil |
| Non Current Investments - Long Term | 12 | 268 | 243 |
| Deferred Tax Assets (Net) | 5 | 95734 | 137414 |
| Long Term Loans & Advances | 13 | 71439 | 86556 |
| Other Non Current Assets | | | |
| Total Non Current Assets | | 1368288 | 1485102 |
| Current Assets | | | |
| Current Investments -Short Term | 14 | 5010 | 30233 |
| Inventories | 15 | 307973 | 233452 |
| Trade Receivables | 16 | 230406 | 171392 |
| Cash & Bank Balance | 17 | 23874 | 9224 |
| Short Term Loans & Advances | 18 | 22319 | 30158 |
| Other Current Assets | 19 | 21606 | 29123 |
| Total Current Assets | | 611188 | 503582 |
| Total Assets | | 1979476 | 1988684 |
| Significant Accounting Policies | | | |
| Notes on Financial Statements | 1 to 45 | | |

As per our report annexed
For Singhi & Company
Chartered Accountants

(Praveen Kr. Singhi)
Partner

Mumbai.
Dated: 26th May, 2014

Sunil Roongta
Chief Financial Officer

Kishor Talreja
Company Secretary

For and on behalf of the Board of Directors

B. L. Kheruka
Chairman

Ashok Jain
Whole time Director

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

| | Notes | Rs. In Thousands For The Year ended 31 st March, 2014 | Rs. In Thousands For The Year ended 31 st March, 2013 |
|---|-------|--|--|
| INCOME | | | |
| Revenue from Operations | 20 | 1328259 | 955319 |
| Other Income | 21 | 4110 | 13159 |
| Total Revenues | | 1332369 | 968478 |
| EXPENDITURE | | | |
| Cost of Materials Consumed | 22 | 341664 | 260662 |
| Purchase of Stock in Trade | | Nil | Nil |
| Changes in Inventories of Finished Goods, WIP & Stock in Trade | 23 | (46196) | 5982 |
| Employee Benefits Expenses | 24 | 141342 | 141626 |
| Finance Cost | 25 | 29205 | 34371 |
| Depreciation & Amortisation Expense | | 161771 | 148694 |
| Selling & Distribution Expenses | 26 | 185637 | 135473 |
| Other Expenses | 27 | 437519 | 363004 |
| | | 1250942 | 1089812 |
| Profit / (Loss) Before Exceptional Items and Tax | | 81427 | (121334) |
| Exceptional Items (Income)-Refer note no 37 | | 47292 | Nil |
| Profit / (Loss) Before Tax | | 128719 | (121334) |
| Tax Expense | | | |
| Short/ (Excess) provision for taxation -earlier years(Net) | | 4138 | Nil |
| Wealth tax | | 37 | 25 |
| Deferred Tax | | 41680 | (41456) |
| Profit / (Loss) For the Year from Continuing Operations | | 82864 | (79903) |
| Profit / (Loss) For the Year from Discontinuing Operations | | Nil | Nil |
| Profit (Loss) for the Year | | 82864 | (79903) |
| Basic and Diluted Earning per share - Refer Note No. 40 | | 0.03 | (2.36) |

Significant Accounting Policies
Notes on Financial Statements 1 to 45

As per our report annexed
For Singhi & Company
Chartered Accountants

For and on behalf of the Board of Directors

(Praveen Kr. Singhi)
Partner

Sunil Roongta
Chief Financial Officer

B. L. Kheruka
Chairman

Mumbai,
Dated: 26th May, 2014

Kishor Talreja
Company Secretary

Ashok Jain
Whole time Director

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

| | Rs. In thousands For the year ended 31.03.2014 | Rs. In thousands For the year ended 31.03.2013 |
|---|--|--|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit/(Loss) before tax as per statement of profit and loss | 128719 | (121334) |
| Adjustment for : | | |
| Depreciation | 161771 | 148694 |
| Finance charges | 29205 | 34371 |
| Interest received | (862) | (1756) |
| Dividend received | (300) | (233) |
| Profit on sale of Fixed Assets (Net) | (47292) | (6134) |
| Operating Profit/(Loss) before Working Capital Changes | 271241 | 53608 |
| Adjustment for : | | |
| Trade & other receivables (Excl ICD's) | (28540) | 63937 |
| Inventories | (74521) | (14518) |
| Trade Payables | 7484 | 54876 |
| Cash Generated from Operations | 175665 | 157903 |
| Direct taxes paid | (4175) | (25) |
| Cash Flow before Extraordinary Items | 171490 | 157878 |
| Extraordinary Items | | |
| Net Cash from Operating Activities | 171490 | 157878 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchases of Fixed Assets | (107649) | (205665) |
| Sale of Fixed Assets | 53211 | 8180 |
| Purchase of Investments | (5010) | (30245) |
| Sale of Investment | 30207 | Nil |
| Interest Received | 862 | 1756 |
| Profit on sale of Investments | Nil | Nil |
| Dividend Received | 300 | 233 |
| Net Cash used in Investing Activities | (28079) | (225741) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from Long Term Borrowings (net) | (13940) | 56189 |
| Proceeds from Unsecured loan (net) | (103002) | 57377 |
| Increase/(decrease) in Bank Borrowings | 17386 | (12666) |
| Dividend paid | Nil | Nil |
| Interest Paid | (29205) | (34371) |
| Net Cash from Financing Activities | (128761) | 66529 |
| Net increase/(decrease) in Cash and Cash Equivalents (A+B+C) | 14650 | (1334) |
| Cash & Cash Equivalents as at 01.04.2013 (Opening balance) | 9224 | 10558 |
| Cash & Cash Equivalents as at 31.03.2014 (Closing balance) | 23874 | 9224 |

Notes:

1. Previous year figures have been regrouped/rearranged wherever necessary.
2. Negative sign indicates cash outflow.
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 annexed
For Singhi & Company
Chartered Accountants

For and on behalf of the Board of Directors

(Praveen Kr. Singhi)
Partner

Sunil Roongta
Chief Financial Officer

B. L. Kheruka
Chairman

Mumbai.
Dated: 26th May, 2014

Kishor Talreja
Company Secretary

Ashok Jain
Whole time Director

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 have been prepared as a going concern under Historical Cost convention, in accordance with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

1.2 REVENUE RECOGNITION:

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. 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 financing costs 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. Depreciation on adjustments on account of foreign currency fluctuation is being calculated on residual life of respective fixed assets. Depreciation on rollers for the patterned glass production has been charged at SLM rate over useful running life.

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.

1.7 INVENTORIES:

Inventories of raw materials, work in progress and Finished goods are stated at the lower of cost or net realisable value. 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 are in defined contribution scheme and the contributions are charged to the statement of profit and loss of 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.
- 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 except that such difference relating to long term foreign currency monetary items, to the extent they are used for financing the acquisition of fixed assets are added to or subtracted from the cost of such fixed assets and amortized over the residual life of the respective fixed assets.

1.10 EXPORT INCENTIVES:

- i) The benefit in respect of credit in Duty Entitlement Pass Book scheme/Focus product scheme, is recognised as and when right to receive are established as per the terms of scheme.
- ii) The benefits in respect of Advance Licence taken by the Company are accounted for proportionate to the Exports made based on entitlement.

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 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.

1.17 LEASES:

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

Notes on Financial Statements for the year ended 31st March, 2014

| | Rs. In Thousands As At 31 st March, 2014 | Rs. In Thousands As At 31 st March, 2013 |
|---|---|---|
| 2: Share Capital | | |
| A) Authorised Share Capital | | |
| Equity Share Capital | | |
| 9,20,00,000 Equity shares of Rs. 5/-each * | 460000 | 460000 |
| Unclassified Share Capital | 40000 | 40000 |
| | 500000 | 500000 |
| Preference Share Capital | | |
| 90,00,000 - 9% Cummulative Non Convertible Redeemable Preference Shares of Rs. 100/- each | 900000 | 900000 |
| | 1400000 | 1400000 |
| B) Issued, Subscribed & Fully Paid Up Share Capital | | |
| Equity Share Capital | | |
| 6,82,07,500 Equity shares of Rs. 5/- each * (Previous year same) | 341038 | 341038 |
| Preference Share Capital | | |
| 90,00,000 - 9% Cummulative Non Convertible ** Redeemable Preference Shares of Rs. 100/- each (Previous year same) | 900000 | 900000 |
| | 1241038 | 1241038 |

* Face value reduced From Rs. 10/- to Rs 5/- per share as per approval of shareholders in the EGM held on 14th February,2003.

** The preference shares has the priority in case of payment of dividend and in case of winding up that of repayment of Capital and arrears of dividend.

Voting Rights attached to these shares are as per provisions of Sec. 87 of the Companies Act, 1956.

These shares are redeemable not later than 7 years from the date of issue i.e 17th March 2012 but the Company has option to redeem it any time by giving two months notice in writing.

| Shareholders holding More Than 5% Of Equity Shares | % | No. of Shares | % | No. of Shares |
|---|--------------|-----------------------|--------------|-----------------------|
| 1 Fennel Investment & Finance Pvt. Ltd. | 33.13 | 22600000 | 33.13 | 22600000 |
| 2 Borosil Glass Works Limited | 25.25 | 17222376 | 25.25 | 17222376 |
| 3 Broadfield Holdings Limited | 16.57 | 11300000 | 16.57 | 11300000 |
| | 74.95 | 51122376 | 74.95 | 51122376 |
| Shareholders holding More Than 5% of Preference Shares | % | No. of Shares Held | % | No. of Shares Held |
| 1 Borosil Glass Works Limited | 100.00 | 9000000 | 100.00 | 9000000 |

Rs. In Thousands
As At
31st March, 2014

Rs. In Thousands
As At
31st March, 2013

C) Reconciliation of the No of shares outstanding and the amount of share capital as at March 31, 2014 and March 31, 2013

| Particulars | 31.03.2014 | | 31.03.2013 | |
|-------------------------------------|-------------------|----------------|-------------------|----------------|
| | No of shares | Amount | No of shares | Amount |
| Equity Shares | | | | |
| Number of shares at the beginning | 68,207,500 | 341,038 | 68,207,500 | 341,038 |
| Add : Shares Issued during the Year | 0 | 0 | 0 | 0 |
| Number of shares at the end | 68,207,500 | 341,038 | 68,207,500 | 341,038 |
| Preference Shares | | | | |
| Number of shares at the beginning | 9,000,000 | 900,000 | 9,000,000 | 900,000 |
| Add : Shares Issued during the Year | 0 | 0 | 0 | 0 |
| Number of shares at the end | 9,000,000 | 900,000 | 9,000,000 | 900,000 |

3: RESERVES & SURPLUS

Capital Reserve

Credited on forfeiture of shares - unpaid allotment money

As Per Last Balance Sheet 473 473

Capital Reserve

As Per Last Balance Sheet 2730 2730

Securities Premium Reserve

As Per Last Balance Sheet 5771 5771

General Reserve

As Per Last Balance Sheet NIL Nil

Surplus Arising On Giving Effect to BIFR Order

As Per Last Balance Sheet 199641 199641

Surplus - Balance in Statement of Profit & Loss

As Per Last Balance Sheet -242075 -162172
Profit / (Loss) for the Year 82864 -79903

-159211 -242075

49404 -33460

| | Rs. In Thousands As At 31 st March, 2014 | Rs. In Thousands As At 31 st March, 2013 |
|--|---|---|
| 4: Long Term Borrowings | | |
| Secured Term Loans From Banks | | |
| Foreign Currency Term Loan - ECB | 304114 | 341045 |
| Loan from Related Parties | | |
| Unsecured Loans | | |
| Inter Corporate Deposit (Since repaid) | 13080 | 116082 |
| | <u>317194</u> | <u>457127</u> |
| Note : | | |
| 1. Note : 1. Foreign Currency Term Loan - ECB from Banks is secured by way of mortgage of all the fixed assets of the Company both present and future, ranking pari passu and by way of Hypothecation of all the moveables (save & except book debts) present & future, subject to prior charges created in favor of Company's bankers for working capital facilities. The same is further secured by personal guarantee of two directors. | | |
| 2. Repayment of Foreign Currency Term Loan - ECB due within one year is Rs 70718 Thousands shown under short term borrowings. | | |
| 3. Foreign Currency Term Loan - ECB is repayable in 10 half yearly structured instalments from October 2012 | | |
| 4. Interest rate of Foreign Currency Term Loan - ECB is 445 bps above Libor and Inter Corporate Deposit is 13%. | | |
| 5: Deferred Tax Assets (Net) | | |
| Deferred Tax Assets (Net) comprises of timing difference on account of : | | |
| i) Assets | | |
| Disallowance U/s. 35 DDA of Income Tax Act, 1961 | 145 | 904 |
| Disallowance U/s. 43(B) of Income Tax Act, 1961 | 2654 | 7400 |
| Unabsorbed Depreciation | 277845 | 424201 |
| | <u>280644</u> | <u>432505</u> |
| ii) Liabilities | | |
| Depreciation | 184910 | 271551 |
| Allowance U/s. 35 DDA on Payment Basis | Nil | 471 |
| Allowance U/s. 43(B) on Payment Basis | Nil | 23069 |
| Total | <u>184910</u> | <u>295091</u> |
| iii) Net Asset (i) - (ii) | <u>95734</u> | <u>137414</u> |
| 6: Long Term Provisions | | |
| Provision for Gratuity | Nil | Nil |
| Provision for Leave Encashment | 2847 | 2261 |
| | <u>2847</u> | <u>2261</u> |

| | Rs. In Thousands As At 31 st March, 2014 | Rs. In Thousands As At 31 st March, 2013 |
|---|---|---|
| 7: Short Term Borrowings | | |
| Loans Repayable on Demand | | |
| Loans and Advances from Related Parties | | |
| Unsecured Loans | | |
| Inter Corporate Deposits | Nil | Nil |
| Other Loans & Advances | | |
| Secured | | |
| From Banks | | |
| Buyer's Credit on capital equipment | 53066 | 44845 |
| Buyer's Credit on Raw Material | Nil | Nil |
| Working Capital Facility | 26107 | 8721 |
| | <u>79173</u> | <u>53566</u> |
| Note : | | |
| 1. Buyers credit from Indusind bank is secured by Units of Mutual Fund pledged by Borosil Glass Works Ltd. and carries Interest @ 127 bps above Euribor. | | |
| 2. Working Capital Facility from Banks is secured by Hypothecation on all stocks and book debts of the Company and additionally secured by way of a second charge on Fixed Assets of the Company. | | |
| The said facilities are further secured by personal guarantee of two Directors. | | |
| 8: Trade Payables | | |
| Sundry Creditors- Micro.Small and Medium Enterprises | Nil | 68 |
| -Others | 167657 | 159559 |
| | <u>167657</u> | <u>159627</u> |
| 9: Other Current Liabilities | | |
| Creditors for Project supplies/expenses | 4005 | 15653 |
| Current maturities of Long-term Debts (Foreign Currency Term Loan- ECB) | 70717 | 55949 |
| Other liabilities (incl security deposits of 8153 thousandds) | 8498 | 664 |
| Liability Towards Employees | 5497 | 5635 |
| Statutory Liabilities | 3094 | 4658 |
| Retention Money on Project | 593 | 525 |
| Unpaid Dividend * | 2983 | 4078 |
| Interest accrued but not due on Loans | 4081 | 3765 |
| Advances from Customers | 8447 | 4340 |
| | <u>107915</u> | <u>95267</u> |

* Does not include any amounts, due and outstanding, to be credited to investor protection fund

| | Rs. In Thousands As At 31 st March, 2014 | | Rs. In Thousands As At 31 st March, 2013 | |
|----------------------------------|---|--------------|---|--------------|
| 10: Short Term Provisions | | | | |
| i) For Employee Benefit | | | | |
| For Gratuity | | 5470 | | 5733 |
| For Leave Encashment | | 273 | | 352 |
| ii) For Others | | | | |
| For Income tax | 4138 | | 32078 | |
| Less: Advance tax / TDS | 3921 | 217 | 32078 | Nil |
| For Wealth tax | | 37 | | 25 |
| Excise duty on Uncleared Stock | | 8251 | | 7148 |
| | | 14248 | | 13258 |

11: Fixed Assets

Rs. in Thousands

| PARTICULARS | <----- GROSS BLOCK -----> | | | | <----- DEPRECIATION -----> | | | | <-- NET BLOCK --> | |
|--|---------------------------|--------------------|--------------------|---------------------|----------------------------|-----------------|-----------------------|--------------------|---------------------|---------------------|
| | Gross Block | Addition | Deduction | Gross Block | Dep Fund | Provided | Dep Fund of | Total | Net Block | Net Block |
| | As At 01.04.2013 | during the year | during the year | As At 31.03.2014 | As At 01.04.2013 | for the Year | Adjustments /Sales | upto 31.03.2014 | As At 31.03.2014 | As At 31.03.2013 |
| (i) Tangible Assets | | | | | | | | | | |
| Land (Free hold) & Site Development | 11813 | 0 | 0 | 11813 | 0 | 0 | 0 | 0 | 11813 | 11813 |
| Building | 203451 | 1739 | 669 | 204521 | 55097 | 5880 | 669 | 60308 | 144213 | 148354 |
| Plant & Machinery | 2105168 | 113413 | 579843 | 1638738 | 1044998 | 153249 | 574163 | 624084 | 1014654 | 1060170 |
| Furniture, Fixtures & Fittings | 8525 | 363 | 0 | 8888 | 7868 | 47 | 0 | 7915 | 973 | 657 |
| Motor Vehicles | 11013 | 3038 | 867 | 13184 | 6134 | 1734 | 627 | 7241 | 5943 | 4879 |
| Computers | 13324 | 386 | 0 | 13710 | 11426 | 356 | 0 | 11782 | 1928 | 1898 |
| Total | 2353294 | 118809 | 581379 | 1890654 | 1125523 | 161266 | 575469 | 711330 | 1179624 | 1227771 |
| (ii) Intangible Assets | | | | | | | | | | |
| Computers system software | 7990 | 1016 | 0 | 9006 | 6730 | 505 | 0 | 7235 | 1771 | 1260 |
| Total | 7990 | 1016 | 0 | 9006 | 6730 | 505 | 0 | 7235 | 1771 | 1260 |
| (iii) Capital work in progress | 31868 | 26614 | 37920 | 19552 | 0 | 0 | 0 | 0 | 19552 | 31868 |
| (iv) Total (i) to (iii) | 2393142 | 146539 | 619299 | 1919412 | 1132253 | 161771 | 575469 | 718565 | 1200847 | 1260889 |
| Previous Year | 2198300 | 205741 | 10899 | 2393142 | 992336 | 148694 | 8777 | 1132253 | 1260889 | 1205964 |

Note 1: Capital Work in Progress includes Capital goods inventory of Rs. 14386 thousands (Previous year Rs. 14835 thousands).

2: Additions include Rs. 47700 thousands capitalised on account of exchange rate difference on foreign currency loan used for financing fixed assets.

| | Rs. In Thousands As At 31 st March, 2014 | Rs. In Thousands As At 31 st March, 2013 |
|--|---|---|
| 12: Non Current Investments - Long Term | | |
| Investment in Associate | | |
| Capital Account in Swapan Properties LLP (Formerly Swapan Properties Pvt. Ltd) Nature of Investment - Partnership Share in Profit /(Loss) - 46% | 268 | 243 |
| | <u>268</u> | <u>243</u> |
| Partners in Swapan Properties LLP (% share of Profit/Loss): | | |
| 1 Mrs Kiran Kheruka (23%) | | |
| 2 Mrs Rekha Kheruka (23%) | | |
| 3 Gujarat Borosil Limited (46%) | | |
| 4 Cyclamen Trading Pvt Ltd. (4%) | | |
| 5 Borosil Holdings Ltd. (4%) | | |
| Total Capital of LLP firm is Rs 1065 thousands and General Reserve Rs. 483 thousands as on 31 st March, 2014 | | |
| 13: Long Term Loans & Advances | | |
| A Capital Advances | | |
| Unsecured and Considered Good | 245 | 852 |
| B Loans to Related Parties | | |
| Borosil International Limited | | |
| Unsecured and Considered Good | Nil | 3328 |
| C Security Deposits with Govt. & Others | | |
| Unsecured and Considered Good | 7848 | 19030 |
| D Amount paid under protest/appeal to Gail | 4413 | 4413 |
| E Excise duty/Interest paid under protest/appeal | 58933 | 58933 |
| | <u>71439</u> | <u>86556</u> |
| 14: Current Investments-Short Term | | |
| Unquoted Investment in Mutual Fund 20817.547 (previous year 138088.225) Units of ICICI Prudential flexible income plan growth option (Face value Rs 100) | 5010 | 30233 |
| | <u>5010</u> | <u>30233</u> |
| 15: Inventories | | |
| A Raw Material (Valued At Cost or NRV, whichever is Less) | 54024 | 55997 |
| B Work in Progress (Valued At Cost or NRV, whichever is Less) | 51258 | 12453 |
| C Finished Goods (Valued At Cost or NRV, whichever is Less) | 91567 | 84176 |
| D Stock - in - Trade (For Traded Goods) (Valued At Cost or NRV, whichever is Less) | Nil | Nil |
| E Stores & Spares | 71400 | 73012 |
| F Others - Cullet (Valued At Cost or NRV, whichever is Less) | 4452 | 7814 |
| G Scrap Value of Block Discarded (Valued at estimated NRV) | 35272 | Nil |
| | <u>307973</u> | <u>233452</u> |

Note: Inventories are net of provision made on slow moving items.

GUJARAT BOROSIL

| | Rs. In Thousands As At 31 st March, 2014 | Rs. In Thousands As At 31 st March, 2013 |
|--|---|---|
| 16: Trade Receivables | | |
| Outstanding For a Period Exceeding 6 Months * | | |
| Unsecured, Considered good | 239 | 3580 |
| Unsecured, Considered doubtful | 58258 | 60519 |
| Less: Provision made for doubtful debts | 1333 | 976 |
| | 57164 | 63123 |
| Outstanding For a Period Less than 6 Months ** | | |
| Unsecured, considered good | 173242 | 108269 |
| | 230406 | 171392 |
| *Including under litigation Rs. 57681 thousands.(Pr.Yr. Rs. 59543) | | |
| ** Including sale of block discarded Rs. 8470 thousands. | | |
| 17: Cash & Bank Balances | | |
| A Cash & Cash Equivalents | | |
| Cash on Hand | 654 | 709 |
| Balances with Banks | | |
| In Current Account | 16799 | 1012 |
| In Fixed Deposits | 500 | Nil |
| Earmarked Balances with Banks | | |
| | 17953 | 1721 |
| B Other Bank Balances | | |
| Balances with Banks for Unpaid Dividends | 2983 | 4078 |
| Margin Money Deposits | 2938 | 3425 |
| Bank Fixed Deposit with more than 12 Months Maturity | Nil | Nil |
| | 5921 | 7503 |
| Total | 23874 | 9224 |
| 18: Short Term Loans & Advances | | |
| Unsecured, Considered Good | | |
| Prepaid expenses | 6083 | 3726 |
| Cenvat credit receivable | 5341 | 7618 |
| Advance tax / TDS / MAT paid | | |
| Less:- Provision for Tax | Nil | 3990 |
| Other Advances Receivable in Cash / Kind | 10895 | 14824 |
| Unsecured, Considered Doubtful | 411 | 411 |
| Less: Provision made | 411 | Nil |
| | 22319 | 30158 |
| 19: Other Current Assets | | |
| Export benefits & other claims receivable | 1714 | 3664 |
| Balance with Excise / VAT Authorities | 2642 | 3533 |
| Other Receivable | 17250 | 21926 |
| | 21606 | 29123 |

| | Rs. In Thousands For the year ended 31 st March, 2014 | Rs. In Thousands For the year ended 31 st March, 2013 |
|---|--|--|
| 20: Revenue From Operations | | |
| A Sale of Products | 1439490 | 1023661 |
| B Other Operating Revenues | | |
| Scrap Sales | 5178 | 3912 |
| Export Incentive Income | 624 | 1833 |
| Unclaimed balances/ Excess provisions written back | 1782 | 2648 |
| | 1447074 | 1032054 |
| Less : Excise Duty | 118815 | 76735 |
| Net Revenue From Operations | 1328259 | 955319 |
| 21: Other Income | | |
| Interest (Gross) (TDS Rs. 61 Thousand) | 862 | 1756 |
| Profit on Sale of Assets | Nil | 6155 |
| Dividend | 300 | 233 |
| Share of Profit in LLP | 25 | 12 |
| Others | 2923 | 3739 |
| Foreign Currency Exchange Rate Fluctuation | Nil | 1264 |
| | 4110 | 13159 |
| 22: Cost of Material Consumed | | |
| A Quartz Sand | 85105 | 64164 |
| B Soda Ash | 165789 | 120270 |
| C Silica Sand | 13694 | 8851 |
| D Dolomite | 13420 | 9866 |
| E Cullet | 19689 | 13890 |
| F Semi Processed Finished Goods | 694 | Nil |
| G Others* | 43273 | 43710 |
| | 341664 | 260751 |
| Less : Cost of Raw Material Sold | Nil | 89 |
| Materials Consumed | 341664 | 260662 |
| *Including provision of Rs. 2400 thousands | | |
| 23: Changes in Finished Goods & Work in Progress | | |
| A Finished Goods | | |
| Opening Stock | 77029 | 44265 |
| Less: Closing Stock | 83317 6288 | 77029 32764 |
| B Work in Progress | | |
| Opening Stock | 12453 | 57024 |
| Less: Closing Stock | 51258 38805 | 12453 (44571) |
| C Excise Duty on Stock | | |
| Opening Stock | 7148 | 1323 |
| Less: Closing Stock | 8251 1103 | 7148 5825 |
| | 46196 | (5982) |

GUJARAT BOROSIL

| | Rs. In Thousands For the year ended 31 st March, 2014 | Rs. In Thousands For the year ended 31 st March, 2013 |
|---|--|--|
| 24: Employee Benefits Expenses | | |
| Salaries, Wages , Bonus etc. | 117949 | 118491 |
| Contribution to Provident , Gratuity Funds etc. | 11157 | 12539 |
| Staff Welfare Expenses | 12236 | 10596 |
| | 141342 | 141626 |
| 25: Finance Cost | | |
| Interest Expenses | 29205 | 34371 |
| | 29205 | 34371 |
| 26: Selling & Distribution Cost | | |
| Advertisement , Publicity & Sales promotion exps. | 1225 | 4661 |
| Carriage Outward | 143583 | 101690 |
| Commission | 2302 | 3133 |
| Cash Discount | 18865 | 16305 |
| Breakages / Rate Difference / Quality Claims | 19662 | 9684 |
| | 185637 | 135473 |
| 27: Other Expenses | | |
| Manufacturing expenses | | |
| Stores Consumed - Local | 29423 | 29775 |
| Stores Consumed - Imported | 11253 | 6417 |
| Packing Material Consumed | 118113 | 96232 |
| Power and Fuel | 182773 | 129229 |
| D.G.Set Hire charges | Nil | 6616 |
| Repairs & Maintenance | | |
| - Plant & Machinery | 15024 | 17982 |
| - Buildings | 503 | 284 |
| - Other Assets | 3786 | 3855 |
| Administrative and other expenses | | |
| Insurance | 3837 | 3276 |
| Rent | 2960 | 3026 |
| Rates & Taxes | 665 | 585 |
| Legal & Professional Charges | 14311 | 8241 |
| Director's Fees | 470 | 390 |
| Travelling and Conveyance Expenses (Incl. Directors' Travelling Rs.571 thousands, Pr. Yr. Rs 908 thousands) | 14632 | 18498 |
| Motor Car Expenses | 8368 | 8124 |
| Vehicle Hire Charges | 6841 | 6453 |
| Printing & Stationery | 1391 | 1025 |
| Postage, Telegrams, Telephones & Telex | 3169 | 3658 |
| Payment to the Auditors- Audit Fees | 1350 | 1180 |
| - Certification Fees | 330 | 233 |
| - Travelling & Out of Pocket Expenses | 199 | 210 |
| Tax Audit Fees | 51 | 51 |
| Cost Auditor's Fees | 120 | 100 |
| Security expenses | 2576 | 3237 |
| Other Expenses | 8048 | 7967 |
| Foreign Currency Exchange Rate Fluctuation | 405 | Nil |
| Loss on Sale of Inventories | 2023 | Nil |
| Loss on Sale /Discard of assets | Nil | 21 |
| Bank Charges | 4771 | 6339 |
| Unrecoverable Debt/Balances written off | 127 | Nil |
| | 437519 | 363004 |

Note :- Store consumption includes provision on slow moving items Rs. 1257 thousands (P. Y. Rs. 1543 thousands).

28. No provision for MAT has been made in view of set off permitted against brought forward book loss.

29.A Contingent liabilities not provided for:-

| | Rs. In Thousands | |
|--|-------------------------|----------------|
| | 2013-14 | 2012-13 |
| a) Letters of Credit outstanding | 13940 | 29972 |
| b) Claims against the Company not acknowledged as debt | 2317 | 1766 |
| c) i) Excise matters relating to valuation in appeal before Supreme Court | | |
| From February 1999 to June 2005 | 45507 | 45507 |
| Equivalent amount of penalty, interest | 79706 | 79706 |
| ii) Excise matters relating to valuation in appeal before Commissioner-Surat | | |
| From July 2005 to June 2006 | Nil | 20044 |
| Equivalent amount of penalty, interest & redemption fine. | Nil | 45043 |
| <p>The Company is legally advised that the disputed demands will not be sustained in view of a) the judgment by Supreme Court dismissing appeal of the department for the period July 2006 to June 2007 in its own case b) favorable decision of Commissioner(Appeal) for the period July 2005 to June 2006 and c) various legal pronouncements in similar other matters.</p> <p>A sum of Rs 58933 thousands paid under protest in respect of i) above disputed demand has been shown as advances recoverable.</p> | | |
| iii) Excise matters relating to denial of Cenvat Credit on certain inputs | | |
| in appeal before Commissioner-Surat From August 2009 to January 2011. | 1933 | Nil |
| Equivalent amount of penalty | 1933 | Nil |
| d) Income tax matters in Appeal filed by the Company before | | |
| i) CIT-Appeals in respect of assessment year 1997-98 on account | | |
| of penalty of Rs 4138 | 34422 | 1831 |
| ii) CIT-Appeal in respect of assessment year 2010-11 and 2011-12 | | |
| on account of disallowances/additions totaling to Rs 64418 | | |
| ii) Gujarat High Court in respect of assessment year 2003-04 | | |
| on account of carry forward of unabsorbed depreciation Rs 24678 | | |
| (previous year total disallowances/additions of Rs. 5387 thousands) | | |
| e) Income tax matters in Appeal filed by the department before | | |
| Tribunal in respect of assessment year 2005-06, 2008-09 and 2009-10 | 29052 | 29052 |
| f) Appeal filed by the Company before Jt Commissioner, Vadodara in | | |
| Sales tax matter relating to purchase of fuel and Additional Tax for financial | | |
| years 2000-01, 2002-03 and 2004-05 | 29187 | 29187 |
| Interest and penalty thereon. | 25897 | 25897 |
| No liability is expected in view of judicial pronouncement by High Court | | |
| in similar matter of other Companies. | | |
| g) Service tax matters in appeals before Commissioner (Appeals)/CESTAT | | |
| for 2007-08 to 2012-13. | 1833 | 295 |
| Interest and penalty | 1485 | 365 |
| h) Arrears of dividend on Preference Share Capital from 17.3.12 to 31.3.14 | 165320 | 84320 |
| i) Disputed amount of gas transportation charges including interest-matter | | |
| pending in appeal before High Court | 4413 | 4413 |
| j) Bills discounted with banks (since realized) | 19284 | Nil |

29. B. a) Re-opening notice for Income tax for assessment year 2008-09 was challenged by Company in Gujarat High Court by Special Civil Application and Stay was received by the Company. In similar matter for assessment year 2007-08 the High Court has admitted Review Petition of department as the matter was decided in favor of Company. Further hearings are pending.
- b) Appeal filed by Excise department before CESTAT in 2010 against excise refund given for March 1996 to Sept 1999 and the appeal filed before Commissioner (Appeal) in 2009 against interest thereon allowed to the Company are pending for hearing.
30. As per revised Accounting Standard-15 'Employee Benefits', the disclosure of Employee benefits as defined in the Accounting Standard are given below:

Defined Contribution plan:

Contribution to defined contribution Plan, recognized as expense for the year are as under;

Rs. In Thousands

| Particulars | 2013-14 | 2012-13 |
|---|---------|---------|
| Employer's Contribution to Provident Fund | 6238 | 6249 |

The contribution to provident fund is made to respective Regional Provident Fund Managed by Provident Fund Commissioner and Gujarat Borosil Employees Provident Fund. From March 2014 the contribution for all the employees is made with Regional Provident Fund Commissioner (RPFC). Company's request to RPFC to allow transfer of accumulated amounts in fund managed by them is under consideration of RPFC.

Defined Benefit Plan:

The Employees gratuity Fund Scheme is managed by Birla Sun Life Insurance Corporation. 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. The obligation for leave encashment is recognized in the same manner as the gratuity.

| Actuarial assumptions Particulars | Gratuity | |
|--|---------------|---------------|
| | 2013-2014 | 2012-2013 |
| Mortality Table | 2006-08 | 1994-96 |
| Salary growth | 5.00% | 5.00% |
| Discount rate | 9.15% | 8.05% |
| Amount recognised in the income statement | 2013-2014 | 2012-2013 |
| Current service cost | 1,824 | 1,932 |
| Interest cost | 1,302 | 1,357 |
| Expected Return on Plan Assets | (1,036) | (1,194) |
| Net actuarial (gains)/losses recognised in the period | (244) | 1,287 |
| Total | 1,846 | 3,382 |
| Movement in Present value of defined benefit obligation Particulars | | |
| Obligation at the beginning of the year | 18,649 | 17,153 |
| Current service cost | 1,824 | 1,932 |
| Interest cost | 1,302 | 1,357 |
| Actuarial (Gain)/loss on obligation | (389) | 584 |
| Benefits paid | (4,945) | (2,377) |
| Obligation at the end of the year | 16,441 | 18,649 |

Movement in Fair value of plan assets
Particulars

| | | |
|---|---------|--------|
| Fair value at the beginning of the year | 12,915 | 14,100 |
| Adjustment to opening Fair value of plan Assets | 18 | Nil |
| Expected/Actual Return on Plan Assets | 891 | 1,194 |
| Contribution | 2,092 | 701 |
| Actuarial gains/(losses) | Nil | (703) |
| Benefits paid | (4,945) | (2377) |

Fair value at the end of the year

| | |
|---------------|---------------|
| 10,971 | 12,915 |
|---------------|---------------|

Expected returns on plan assets

| | |
|------|------|
| 9.0% | 9.0% |
|------|------|

Class of assets
Fair Value of Asset
(Rs. In Thousands)

| | |
|------------------|------------------|
| 2013-2014 | 2012-2013 |
|------------------|------------------|

Insurer Managed Fund

| | | |
|--|--------|--------|
| Birla Sunlife Insurance Corporation Ltd. | 10,971 | 12,915 |
|--|--------|--------|

Total

| | |
|---------------|---------------|
| 10,971 | 12,915 |
|---------------|---------------|

Amount recognised in the balance sheet
(Rs. In Thousands)

| | |
|------------------|------------------|
| 2013-2014 | 2012-2013 |
|------------------|------------------|

| | | |
|--|--------|--------|
| Present value of obligations at the end of the year | 16,441 | 18,649 |
| Less: Fair value of plan assets at the end of the year | 10,971 | 12,915 |
| Funded status | 5,470 | 5,733 |

Net liability/(Asset) recognized in the balance sheet

| | |
|-------|-------|
| 5,470 | 5,733 |
|-------|-------|

Unclaimed Liabilities

| | |
|---|---|
| — | — |
|---|---|

Leave Encashment (Unfunded):

In accordance with revised AS-15 'Employee Benefits', the company has provided the liability on actuarial basis.

As per the actuarial certificate (on which auditors have relied), the details of the employees; benefits plan - Leave Encashment are:

| Particulars | Leave Encashment | |
|---|------------------|------------------|
| | 2013-2014 | 2012-2013 |
| Actuarial assumptions | | |
| Particulars | | |
| Mortality Table | 2006-08 | 1994-96 |
| Salary growth :- | 5.00% | 5.00% |
| Discount rate | 9.15% | 8.05% |
| | 2013-2014 | 2012-2013 |
| Amount recognised in the Profit & Loss statement | | |
| Current service cost | 1324 | 929 |
| Interest cost | 188 | 140 |
| Expected Return on Plan Assets | Nil | Nil |
| Net actuarial (gains)/losses recognized in the period | (442) | 541 |
| Total | 1070 | 1610 |

Movement in present value of defined benefit obligation
Particulars

| | | |
|---|-------|---------|
| Obligation at the beginning of the year | 2612 | 2,282 |
| Current service cost | 1324 | 929 |
| Interest cost | 188 | 140 |
| Actuarial (gains)/losses on obligation | (442) | 541 |
| Benefits paid | (562) | (1,280) |

Obligation at the end of the year

| | |
|------|-------|
| 3120 | 2,612 |
|------|-------|

Amount recognised in the balance sheet

| | | |
|--|------|-------|
| Present value of obligations at the end of the year | 3120 | 2,612 |
| Less: Fair value of plan assets at the end of the year | Nil | Nil |
| Un Funded liability | 3120 | 2,612 |

Un Funded liability recognized in the balance sheet

| | |
|------|-------|
| 3120 | 2,612 |
|------|-------|

31. The estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 2323 thousands (net of advances- Rs. 1728 thousands). Previous year Rs. 11355 thousands (Net).
32. An award was received in the arbitration matter with GAIL India Ltd. in an earlier year involving disputes regarding i) revision in Capital cost of pipe line by Rs. 2334 thousands and consequent higher transportation charges; and ii) additional transportation charges from January, 1997 under the supplementary agreement for additional quantity of Gas which was not recognized as income as the award was not accepted by GAIL. However as a part of revision in transportation/compression charges done by GAIL for various customers, a sum of Rs. 38546 thousand received by the Company in the F.Y 2007-08 was shown as exceptional income. The balance relief as per award has not been accounted. The appeal filed by GAIL in the District Court Bharuch against the majority Arbitration award has been decided against the Company and an appeal filed by Company before Gujarat High Court was admitted on 29/03/2012 and is pending hearing.
33. No dues and unpaid balance at the end of the year to falling within the definition of entities under the Micro, Small and Medium Enterprises Development Act, 2006. There were also no claims for Interest on dues payment.
34. The Company has filed legal case in Amsterdam District court against one of its export debtors and has been able to receive orders attaching personal properties of the Directors. The civil suit for recovery of the outstanding is going on in the court. The amount of Rs. 56925 thousands due, as per books, net of claims has been shown as doubtful but recoverable pending outcome of the recovery suit. The amount has been stated at the exchange rate prevailing on 31.3.2013.
35. The settlement with Worker's Union expired on 31st December, 2009. Company has signed new settlement with workers on 29/03/2013 w.e.f. January 2010. The lump sum and wage increase effective January 2013 payable to workers who have still not accepted the settlement amounting to Rs.6538 thousands is lying in accounts as on 31.3.2013. A further sum of Rs. 4457 thousands payable for this year on this account has been provided in the accounts.
36. The Company was making PF contribution for excluded employees to a Trust until February 2014. The Trust was recognized by Income tax authorities. In view of the deadline requiring the trust to obtain approval of Regional Provident Fund Commissioner (RPFC) nearing expiry and considering that the fund was catering to a small number of employees the Company has been advised that obtaining the approval was extremely unlikely and may result in withdrawal of recognition and the employees will be deprived of tax benefit, hence it was decided to wind up the Trust & to liquidate all investments of the Trust ie. Securities / Mutual Funds units / Special Deposits be sold in the Market and deposit the said amount with RPFC in the account of the respective employees and start making contribution of March 2014 salary with RPFC. In view of the depressed prices of Govt securities due to prevailing high interest rates, the sale amount realized on sale of securities was lower than the holding value. The shortfall amounting to Rs 2520 thousands has to be made good by the Company and has been provided in the accounts for the year and charged as contribution to PF.

37. The Company has sold/discarded certain plant and machinery of Sheet Glass plant and accounted profit of Rs. 47292 thousands arising therefrom as exceptional income. The remaining part of the fixed assets of sheet glass plant is in use and the value is higher than the book value. Hence no impairment loss has been provided for in terms of Accounting standard AS-28 of the ICAI.
38. The Company has applied for electricity duty exemption on generation of electricity from captive power plant which is used in the Solar glass plant. Under the policy the exemption is available for new units/undertakings. The application was rejected without giving sufficient hearing. Company approached Gujarat HC and the matter is now being re-examined by Government of Gujarat as per directions of HC.
39. Related party disclosures under accounting standard 18 :

(A) list of related parties:

Associate Companies

1. Borosil Glass Works Ltd.
2. Window Glass Ltd.
3. Swapan Properties LLP
4. Fennel Investment & Finance Pvt. Ltd.
5. Broadfield Holdings Ltd.
6. Sonargaon Properties LLP
7. Gujarat Fusion Glass LLP (w.e.f 3.4.2014)
8. Vylene Glass Works Ltd.
9. Borosil International Ltd.
10. Cycas Trading LLP

Key Managerial Personnel

Mr B.L.Kheruka
Mr. Ashok Jain, Whole-time Director

Other parties related to Key Personnel

Mrs Kiran Kheruka
Mrs Pratibha Jain

(B) Transactions with Related Parties:

Rs. In Thousands

| Sr. No. | Nature of Transaction | Party | 31.03.2014 | 31.03.2013 |
|---------|---|----------------------------|------------|------------|
| 1 | Reimbursement of expenses from | Borosil Glass Works Ltd. | 444 | 1036 |
| | | Vylene Glass Works Ltd. | 763 | 705 |
| | | Borosil International Ltd. | 4 | 4 |
| 2 | Amount receivable | Vylene Glass Works Ltd. | 1856 | 1318 |
| 3 | Purchase of goods / services from Payment of Guarantee Commission to Reimbursement of exps to | Borosil Glass Works Ltd. | 796 | 317 |
| | | Borosil Glass Works Ltd. | 530 | 596 |
| 4 | Amount Payable to | Borosil Glass Works Ltd. | 1058 | 2154 |
| | | Vylene Glass Works Ltd | 0 | 8 |
| 5 | Inter Corporate Loans repayment received from | Borosil Glass Works Ltd. | 283 | 668 |
| | | Borosil International Ltd. | 0 | 7000 |
| 6 | Inter Corporate Loans repayment Made to | Borosil Glass Works Ltd. | 116195 | 17000 |
| 7 | Inter Corporate Loans (Assets) Including Accrued Interest (Net of TDS) Outstanding From | Borosil International Ltd | 0 | 3328 |
| 8 | Inter Corporate Loans Taken From | Borosil Glass Works Ltd. | 15000 | 69000 |
| 9 | Inter Corporate Loans (Liability) Including Accrued Interest Outstanding To | Borosil Glass Works Ltd. | 13080 | 116082 |
| 10 | Sale of goods/services to | Vylene Glass Works Ltd | 5539 | 4848 |
| 11 | Office Rent/Maint. charges paid to | Window Glass Ltd. | 228 | 228 |
| 12 | Interest Income on loans | Borosil International Ltd | 11 | 1161 |

GUJARAT BOROSIL

| | | | | |
|----|-------------------------------------|--------------------------|-------|-------|
| 13 | Interest Expense on Loans | Borosil Glass Works Ltd. | 4158 | 14086 |
| 14 | Managerial Remuneration | Ashok Jain- WTD | 4623 | 3631 |
| 15 | Rent paid | Mrs Kiran Kheruka | 1348 | 1348 |
| | | Borosil Glass Works Ltd. | 1618 | 1577 |
| | | Cycas Trading LLP | 240 | 240 |
| 16 | Deposit given for accommodation | Mrs Kiran Kheruka | 0 | 13370 |
| 17 | Retainer ship Fees | Mrs Pratibha Jain | 114 | 114 |
| 18 | Guarantee Given in favour of GBL by | Borosil Glass Works Ltd. | 55000 | 55000 |

40. Basic earnings per share (Basic & Diluted)

| | 31.3.2014 | 31.3.2013 |
|--|------------------|------------------|
| Net Profit/(Loss) after Tax | 82864 | (79903) |
| Preference Dividend For The Year | (81000) | (81000) |
| Net Profit/(Loss) after Tax Attributable to Equity Shareholders (Rs. In Thousands) | 1864 | (160903) |
| Weighted average No. of Equity Shares outstanding | 68207500 | 68207500 |
| Basic & Diluted Earning per Share (Rs.) (Nominal value Rs. 5/- per share) | 0.03 | (2.36) |

41. The Company's business activity falls within a single primary business segment viz. Manufacture of Flat glass. As such, there are no separate reportable segments as per Accounting Standard 17.

42. Foreign Currency Transactions

| | Rs. In Thousands 2013-2014 | Rs. In Thousands 2012-2013 |
|--|---------------------------------------|---------------------------------------|
| i. Value of Imports on CIF basis in respect of : | | |
| a) Components & Spare Parts | 26077 | 26495 |
| b) Packing Material | 939 | 1510 |
| c) Raw Material | 40788 | 49900 |
| d) Capital Items | 14913 | 102147 |
| ii. Expenditure in Foreign Currency : | | |
| a) Travelling expenses | 867 | 1666 |
| b) Foreign Technician Fees & Expenses | 4991 | 353 |
| c) Foreign Legal & Professional Expenses | 6410 | 750 |
| d) Foreign Marketing Expenses | Nil | 61 |
| e) Exhibition Expenses | 239 | 1952 |
| f) Foreign Bank Charges | 1067 | 1876 |
| g) Repairs & Maintenance- Plant & Machinery | 18180 | 15457 |
| h) Interest on ECB Loan | 19488 | 20785 |
| iii. Export Quality Claims | 2638 | 3901 |
| iv. Repayment of instalment of ECB Loan | 61429 | 12595 |
| v. Earnings in Foreign Exchange | | |
| FOB Value of Exports * | 47093 | 73141 |
| *Net of Sales Returns | | |

43. Quantitative details of raw materials which individually account for 10% or more of the total value of raw materials consumed:

| | 2013-2014 | | 2012-2013 | |
|-------------------------------|-----------|------------------------|-----------|-----------------------|
| | Qty. M.T. | Value Rs. in thousands | Qty. M.T. | Value Rs.in thousands |
| Silica Sand | 10533 | 13694 | 6754 | 8851 |
| Quartz Sand | 19927 | 85105 | 16396 | 64164 |
| Soda Ash | 9330 | 165789 | 6836 | 120270 |
| Cullet | 2983 | 19689 | 2600 | 13890 |
| Dolomite | 6713 | 13420 | 5402 | 9866 |
| Semi Processed finished goods | | 694 | | Nil |
| Others | | 43273 | | 43710 |
| Total | | 341664 | | 260751 |
| Less : Sold | | 0 | | 89 |
| | | 341664 | | 260662 |

44. Value of Imported and Indigenous Raw Material and Components consumed percentage of each to total consumption

| | 2013-2014 | | 2012-2013 | |
|--------------------|-----------|------------------------|-----------|------------------------|
| | % age | Value Rs. In Thousands | % age | Value Rs. in Thousands |
| a. Raw Material | | | | |
| Imported | 13.36 | 45649 | 13.87 | 36164 |
| Indigenous | 86.64 | 296015 | 86.13 | 224498 |
| | 100.00 | 341664 | 100.00 | 260662 |
| b. Stores & Spares | | | | |
| Imported | 27.67 | 11253 | 17.73 | 6417 |
| Indigenous | 72.33 | 29423 | 82.27 | 29775 |
| | 100.00 | 40676 | 100.00 | 36192 |

45. Previous year figures have been regrouped and rearranged wherever necessary.

GUJARAT BOROSIL LIMITED

CIN:L26100GJ1988PLC011663
Regd. Office: Village- Govali, Taluka-Jhagadia,
District-Bharuch-393001, Gujarat

ATTENDANCE SLIP

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 **25th ANNUAL GENERAL MEETING** of the Company held on Friday, August 8, 2014 at 10.00 a.m. at the Village -Govali, Taluka-Jhagadia, District-Bharuch-39300, Gujarat.

*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]

GUJARAT BOROSIL LIMITED

CIN:L26100GJ1988PLC011663
Regd. Office: Village- Govali, Taluka-Jhagadia,
District-Bharuch-393001, Gujarat

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

I/We, being the member(s) ofshares of Gujarat Borosil 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 25th Annual General Meeting of the Company, to be held on Friday, August 8, 2014 at 10.00 a.m at Village -Govali, Taluka- Jhagadia, District-Bharuch-393001, Gujarat 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. Adoption of Audited Financial Statements for the year ended March 31, 2014 | | |
| 2. Re-appointment of Mr. B L Kheruka who retire by rotation | | |
| 3. Appointment of M/s. Singhi & Co. Chartered Accountants, as Auditors and fix their remuneration. | | |
| 4. Approval of Remuneration of the Cost Auditors | | |

P.T.O.



| Resolutions | For | Against |
|---|-----|---------|
| 5. Appointment of Mr. Shashi Kumar Mehra as an Independent Director. | | |
| 6. Appointment of Mr. Jagdish M. Joshi as an Independent Director. | | |
| 7. Appointment of Mr. Ashok Kumar Doda as an Independent Director. | | |
| 8. Approval of Contribution to bona fide and charitable funds, etc. upto Rs. 1 cr | | |
| 9. Approval of Place of keeping Register & Index of members | | |
| 10. Approval of Increase in borrowing powers upto Rs. 200 Cr | | |
| 11. Appointment & Remuneration of Mr. Ashok Jain, Whole Time Director | | |

* 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.**
- 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.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- 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: Gujarat Borosil 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 explanatory 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.gujaratborosil.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.

If undelivered, please return to :
Universal Capital Securities Pvt. Ltd.
Unit : Gujarat Borosil Limited
21, Shakil Niwas,
Mahakali Caves Road, Andheri (East)
Mumbai - 400 093.