
INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
GUJARAT BOROSIL LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **GUJARAT BOROSIL LIMITED**, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The company's Board of Directors is responsible for the matters stated in section 134 of sub section 5 of the companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India ,including the Accounting Standards specified under section 133 of the Companies Act, 2013 , read with Rule 7 of the Companies (Account) Rules,2014. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the company's Directors, 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 on the financial statements.

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 31st March, 2015;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the notes to the financial statements:

- a) Note no. 33 regarding provision for depreciation as per Company's Act 2013, as prescribed in schedule II,

has been accounted for resulted in higher depreciation amounting to Rs. 72 lacs for the year as referred therein.

Our opinion is not modified in respect of this matter.

Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
2. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 29A contingent liability ,and 32 VETRAD matter ,to the financial statements;
 - ii. The company has made provision as required under the applicable law for accounting standard , for material foreseeable losses, if any , on long term contracts including derivative contracts,
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
3. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (1) of section 143 of the Act, we give in the Annexure statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Dated- 18th DAY OF MAY, 2015

For SINGHI & CO.
Chartered Accountants
FRN -110283W

PRAVEEN KUMAR SINGHI
Partner
Membership No -051471

ANNEXURE REFERRED TO IN OUR INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF GUJARAT BOROSIL LIMITED ('THE COMPANY') ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015

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,

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
b) 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.
2. a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
b) 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. The company has not granted any loans, secured or unsecured or unsecured to companies, firms or other parties covered in register maintained under section 189 of the Companies Act, 2013.
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 and services. During the course of our audit, no major instances of continuing failure to correct any weaknesses in internal controls have been noticed.
5. The Company has not accepted any deposit and directive issued by the Reserve bank of India and provisions of sections 73 to 76 or any other provisions of companies act 2013 and rules frames there under will not applicable on company.
6. As per information and explanation given by the management, maintenance of cost records have been prescribed by the Central Government sub section 1 of section 148 of the Companies Act, 2013 and we are of the opinion that prima-facie the prescribed accounts and records are being maintained.
7. 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, Employee's State Insurance, Income Tax, Wealth Tax, Custom Duty, Excise Duty, Service tax, Sales Tax, Value added tax, Cess and other statutory dues applicable to it. We are informed that Employees State Insurance Act does not apply to the company and According to the information & explanations given to us, there is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable as at 31st March 2015.
b) According to the information & explanations given to us, the amount dues payable 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 –

Name of the status	Nature of Dues	Amount (Rs. In 'Lacs')	Period to which Amount Relates	Forum where dispute is pending
Income Tax Act 1961	Disallowance made for Rs 638.51 Lacs	Rs 217.03	Assessment Year 12-13	CIT(A)Baroda
			Assessment Year 11-12	
	Penalty U/S 271(1)(c)	Rs 41.38	Assessment Year 97-98	CIT(A)Baroda
	Disallowance made for Rs. 15.76 Lacs	Rs. 5.36	Assessment Year 10-11	ITAT , Ahmedabad
	Reduction in Unabsorbed Depreciation Rs. 246.78 Lacs	Rs 83.88	Assessment Year 03-04	Gujarat High Court
Gujarat Sales Tax Act	Sales Tax (Including Interest & Penalty)	Rs 550.84	F.Y.00-01 F.Y. 02-03 F.Y. 04-05	Joint Commissioner of Commercial Tax ,Vadodara
Central Excise Act, 1944	Excise Duty (Including Interest & Penalty)	Rs1252.14 (Paid Under Protest Rs 589.33)	Feb.99 to June.2005	SUPREME COURT OF INDIA
Service tax Under Finance Act 1994	Denial of Cenvat Credit on Construction Services of colony/GH (Including Penalty Rs. 0.74 Lacs)	Rs1.47	April 2007 to March 2011	CESTAT Ahmedabad

c) According to the information & explanations given to us and on the basis of our examination of the books of accounts, the amount required to be transferred to investor education and protection fund is accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such within time.

8. 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 covered by our audit or in the immediately preceding financial year.
9. 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.
10. 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.
11. 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.
12. 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.

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For SINGHI & CO.
Chartered Accountants
FRN -110283W

PRAVEEN KUMAR SINGHI
Partner
Membership No -051471

Dated- 18th DAY OF MAY, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

	Notes	Rs. In Lacs As At 31st March, 2015	Rs. In Lacs As At 31st March, 2014
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
Share Capital	2	12410.38	12410.38
Reserves & Surplus	3	608.65	494.04
		13019.03	12904.42
2 Non Current Liabilities			
Long Term Borrowings	4	1907.06	3171.94
Long Term Provisions	6	32.35	28.47
Total Non Current Liabilities		1939.41	3200.41
3 Current Liabilities			
Short Term Borrowings	7	186.82	791.73
Trade Payables	8	1158.79	1389.29
Other Current Liabilities	9	1722.86	1366.43
Short Term Provisions	10	95.20	142.48
Total Current Liabilities		3163.67	3689.93
Total Equity & Liabilities		18122.11	19794.76
II ASSETS			
1 Non Current Assets			
Fixed Assets	11	11070.51	12008.47
Tangible Assets		10792.88	11795.24
Intangible Assets		12.36	17.71
Capital Work in Progress		265.27	195.52
Intangible Assets Under Development		Nil	Nil
Non Current Investments - Long Term	12	2.71	2.68
Deferred Tax Assets (Net)	5	905.50	957.34
Long Term Loans & Advances	13	714.42	714.39
Other Non Current Assets			
Total Non Current Assets		12693.14	13682.88
2 Current Assets			
Current Investments -Short Term	14	250.00	50.10
Inventories	15	2475.38	3079.73
Trade Receivables	16	2117.04	2304.06
Cash & Bank Balances	17	128.69	238.74
Short Term Loans & Advances	18	146.75	224.91
Other Current Assets	19	311.11	214.34
Total Current Assets		5428.97	6111.88
Total Assets		18122.11	19794.76

Significant Accounting Policies
Notes on Financial Statements

1 to 44

As per our report annexed

For Singhi & Company

Chartered Accountants

FRN-110283W

(Praveen Kr. Singhi)

Partner

Membership No.-051471

Mumbai. Dated: 18th May, 2015

Sunil Roongta
Chief Financial Officer

Kishor Talreja
Company Secretary
FCS:7064

For and on behalf of the Board of Directors

B. L. Kheruka
Chairman

DIN : 00016861

Ashok Jain
Whole time Director

DIN : 00025125

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st March, 2015

	Notes	Rs. In Lacs for the year ended 31st March, 2015	Rs. In Lacs for the year ended 31st March, 2014
INCOME			
Revenue from Operations			
Gross Revenue from Operations	20	16169.92	14470.74
Less:- Excise Duty		977.52	1188.15
Net Revenue from Operations		<u>15192.40</u>	<u>13282.59</u>
Other Income	21	85.22	41.10
Total Revenue		<u>15277.62</u>	<u>13323.69</u>
EXPENDITURE			
Cost of Materials Consumed	22	3750.33	3416.64
Purchase of Stock in Trade		Nil	Nil
Changes in Inventories of Finished Goods, WIP & Stock in Trade	23	471.37	(461.96)
Employee Benefits Expenses	24	1580.44	1413.42
Finance Cost	25	192.06	292.05
Depreciation & Amortisation Expense		1297.34	1617.71
Selling & Distribution Expenses	26	2052.56	1856.37
Other Expenses	27	5142.08	4375.19
		<u>14486.18</u>	<u>12509.42</u>
Profit / (Loss) Before Exceptional Items and Tax		791.44	814.27
Exceptional Items (Refer Note No. 32)		<u>(569.25)</u>	<u>472.92</u>
Profit / (Loss) Before Extraordinary Items and Tax		222.19	1287.19
Extraordinary Items		Nil	Nil
Profit / (Loss) Before Tax		222.19	1287.19
Tax Expense			
Short/ (Excess) provision for taxation -earlier years(Net)		Nil	41.38
Wealth tax		0.35	0.37
Deferred Tax		68.94	416.80
Profit / (Loss) For the Year from Continuing Operations		152.90	828.64
Profit / (Loss) For the Year from Discontinuing Operations		Nil	Nil
Profit (Loss) for the Year		<u>152.90</u>	<u>828.64</u>
Basic and Diluted Earning per share - Refer Note No. 39		(0.96)	0.03
Significant Accounting Policies Notes on Financial Statements	1 to 44		

As per our report annexed

For Singhi & Company

 Chartered Accountants
FRN-110283W

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Ashok Jain
Whole time Director
DIN : 00025125

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

	Rs. In Lacs For the year ended 31st March, 2015	Rs. In Lacs For the year ended 31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax as per statement of Profit and Loss	222.19	1287.19
Adjustment for :		
Depreciation	1297.34	1617.71
Finance charges	192.06	292.05
Profit on sale of Investments	(9.29)	Nil
Interest received	(13.42)	(8.62)
Dividend received	Nil	(3.00)
(Profit)/Loss on sale of Fixed Assets (Net)	Nil	(472.92)
Operating Profit/(Loss) before Working Capital Changes	1688.88	2712.41
Adjustment for :		
Trade & other receivables (Excl ICD's)	168.36	(285.40)
Inventories	604.36	(745.21)
Trade Payables	(310.55)	74.85
Cash Generated from Operations	2151.05	1756.65
Direct taxes paid	(0.35)	(41.75)
Cash Flow before Extraordinary Items	2150.70	1714.90
Extraordinary Items	Nil	Nil
Net Cash from Operating Activities	2150.70	1714.90
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Fixed Assets	(440.99)	(1076.49)
Sale of Fixed Assets	26.23	532.11
Purchase of Investments	(250.00)	(50.10)
Sale of Investment	50.08	302.07
Interest Received	13.42	8.62
Profit on sale of Investments	9.29	Nil
Dividend Received	Nil	3.00
Net Cash used in Investing Activities	(591.97)	(280.79)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings (net)	(1271.66)	(139.40)
Proceeds from Unsecured loan (net)	(130.80)	(1030.02)
Increase/(decrease) in Bank Borrowings	(74.25)	173.86
Interest Paid	(192.06)	(292.05)
Net Cash from Financing Activities	(1668.78)	(1287.61)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(110.05)	146.50
Cash & Cash Equivalents as at 01.04.2014 (Opening balance)	238.74	92.24
Cash & Cash Equivalents as at 31.03.2015 (Closing balance)	128.69	238.74

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

FRN-110283W

(Praveen Kr. Singhi)

Partner

Membership No.-051471

Mumbai. Dated: 18th May, 2015

For and on behalf of the Board of Directors

Sunil Roongta
Chief Financial Officer

B. L. Kheruka
Chairman

DIN : 00016861

Kishor Talreja
Company Secretary
FCS:7064

Ashok Jain
Whole time Director
DIN : 00025125

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, 2013 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 II to the Companies Act, 2013. 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.

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 License 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 recognised 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, 2015

	Rs. In Lacs As At 31st March, 2015	Rs. In Lacs As At 31st March, 2014
2 : SHARE CAPITAL		
A) Authorised Share Capital		
Equity Share Capital		
9,20,00,000 Equity shares of Rs 5/-each *	4600.00	4600.00
Unclassified Share Capital	400.00	400.00
	<u>5000.00</u>	<u>5000.00</u>
Preference Share Capital		
90,00,000 - 9% Cumulative Non Convertible Redeemable Preference Shares of Rs. 100/- each	9000.00	9000.00
Total Authorised Share Capital	<u>14000.00</u>	<u>14000.00</u>
B) Issued, Subscribed & Fully Paid Up Share Capital		
Equity Share Capital		
6,82,07,500 Equity shares of Rs. 5/- each * (Previous year same)	3410.38	3410.38
Preference Share Capital		
90,00,000 - 9% Cumulative Non Convertible ** Redeemable Preference Shares of Rs. 100/- each (Previous year same)	9000.00	9000.00
	<u>12410.38</u>	<u>12410.38</u>

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

- ** i) The preference shares have the priority in case of payment of dividend and in case of winding up that of repayment of Capital and arrears of dividend.
- ii) Dividend on Preference Share Capital is in arrear from 17.03.2012 to 31.03.2015 amounting to Rs. 2463.20 Lacs (Previous Year Rs. 1653.20 Lacs)
- iii) 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 P 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
	<u>74.95</u>	<u>51122376</u>	<u>74.95</u>	<u>51122376</u>

Shareholders holding more than 5% of Preference Shares	%	No. of Shares	%	No. of Shares
1 Borosil Glass Works Limited	100	9000000	100	9000000

Notes on Financial Statements for the year ended 31st March, 2015

Rs. In Lacs As At 31st March, 2015	Rs. In Lacs As At 31st March, 2014
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C) Reconciliation of the No of shares outstanding and the amount of share capital as at March 31, 2015 and March 31, 2014

Particulars	31.03.2015		31.03.2014	
	No of shares	Amount	No of shares	Amount
Equity Shares				
Number of shares at the beginning	68207500	3410.38	68,207,500	3410.38
Add : Shares Issued during the Year	NIL	NIL	NIL	NIL
Number of shares at the end	68,207,500	68,207,500	68,207,500	341,038
Preference Shares				
Number of shares at the beginning	9000000	9000.00	9,000,000	9000.00
Add : Shares Issued during the Year	NIL	NIL	NIL	NIL
Number of shares at the end	9000000	9000.00	9,000,000	900,000

D) In March 2012, the Company had issued 90,00,000 9% Cumulative Non-Convertible Redeemable Preference Shares of Rs.100/- each fully paid up.

Preference Shares carry a dividend of 9% , when declared by the company and redeemed at the end of seven years i.e.. on 16.03.2019.

The Preference shareholder has acquired voting rights due to non-payment of dividend for two years.

The holder of Preference Shares will have priority over Equity Shares in the payment of dividend and repayment of capital, in the event of liquidation of the company before redemption of Preference Shares,

3: RESERVES & SURPLUS

Capital Reserve		
Credited on forfeiture of shares - unpaid allotment money		
As Per Last Balance Sheet	4.73	4.73
Capital Reserve		
As Per Last Balance Sheet	27.30	27.30
Securities Premium Reserve		
As Per Last Balance Sheet	57.71	57.71
General Reserve		
As Per Last Balance Sheet	Nil	NIL
Surplus Arising on giving effect to BIFR Order		
As Per Last Balance Sheet	1996.41	1996.41
Surplus - Balance in Statement of Profit & Loss		
As Per Last Balance Sheet	-1592.11	-2420.75
Adjustment of depreciation (Refer Note No. 33)	-38.29	
Profit / (Loss) for the Year	152.90	828.64
	(1477.50)	(1592.11)
	608.65	494.04

Notes on Financial Statements for the year ended 31st March, 2015

	Rs. In Lacs As At 31st March, 2015	Rs. In Lacs As At 31st March, 2014
4: LONG TERM BORROWINGS		
SECURED		
Term Loans		
From Banks		
Foreign Currency Term Loan - ECB	1907.06	3041.14
Loan from Related Parties		
Unsecured Loans		
Inter Corporate Deposit	NIL	130.80
	<u>1907.06</u>	<u>3171.94</u>
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 1100.25 Lacs shown under Other Current Liabilities.		
3. Foreign Currency Term Loan - ECB is repayable in 10 half yearly structured installments from October 2012		
4. Interest rate of Foreign Currency Term Loan - ECB is 445 bps above Libor.		
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	1.45	1.45
Disallowance U/s. 43(B) of Income Tax Act, 1961	37.68	26.54
Adjustment of Depreciation (Refer Note No. 33)	17.11	NIL
Unabsorbed Depreciation	2940.45	2778.45
	<u>2996.69</u>	<u>2806.44</u>
ii) Liabilities		
Depreciation	2091.19	1849.10
Allowance U/s. 35 DDA on Payment Basis	Nil	Nil
Allowance U/s. 43(B) on Payment Basis	Nil	Nil
Total	<u>2091.19</u>	<u>1849.10</u>
iii) Net Asset (i) - (ii)	<u>905.50</u>	<u>957.34</u>
6: Long Term Provisions		
Provision for Gratuity	NIL	NIL
Provision for Leave Encashment	32.35	28.47
	<u>32.35</u>	<u>28.47</u>

Notes on Financial Statements for the year ended 31st March, 2015

	Rs. In Lacs As At 31st March, 2015	Rs. In Lacs As At 31st March, 2014
7: Short Term Borrowings		
Other Loans & Advances		
Secured		
From Banks		
Buyer's Credit on capital equipment	Nil	530.66
Working Capital Facility	186.82	261.07
	<u>186.82</u>	<u>791.73</u>
Note : 1. 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.		
2. Interest rate on Working Capital Facility is BOB Base Rate + 3% i.e.13.25%.		
8: Trade Payables		
Sundry Creditors- Micro, Small and Medium Enterprises	0.01	NIL
-Others	1158.78	1389.29
	<u>1158.79</u>	<u>1389.29</u>
9: Other Current Liabilities		
Creditors for Project supplies/expenses	84.12	40.05
Current maturities of Long-term Debts (Foreign Currency Term Loan- ECB)	1100.25	707.17
Other liabilities (incl security deposits of Rs. 53.40 Lacs)	355.47	378.19
Liability Towards Employees	61.32	54.97
Statutory Liabilities	28.67	30.94
Unpaid Dividend *	18.68	29.83
Interest accrued but not due on Loans	28.00	40.81
Advances from Customers	46.35	84.47
	<u>1722.86</u>	<u>1,366.43</u>
* Does not include any amounts, due and outstanding, to be credited to investor protection fund		
10: Short Term Provisions		
i) For Employee Benefits		
For Gratuity	25.99	54.70
For Leave Encashment	9.34	2.73
ii) For Others		
For Income tax	41.38	41.38
Less: Advance tax / TDS	<u>39.33</u>	<u>39.21</u>
	2.05	2.17
For Wealth tax	0.35	0.37
Excise duty on Uncleared Stock	57.47	82.51
	<u>95.20</u>	<u>142.48</u>

Notes on Financial Statements for the year ended 31st March, 2015
11: Fixed Assets

(Rs. in Lacs)

	Gross Block				Depreciation				Net Block	
	Gross Block As At 01.04.2014	Addition during the year	Deduction during the year	Gross Block As At 31.03.2015	Dep Fund As At 01.04.2014	Provided for the year	Dep Fund of Adjustment / Sales	Total upto 31.03.2015	Net Block As At 31.03.2015	Net Block As At 31.03.2014
(i) Tangible Assets										
Land (Free hold) & Site Development	118.13			118.13	0.00			0.00	118.13	118.13
Building	2045.21	6.63	0.00	2051.84	603.08	24.92	-50.79	678.79	1373.05	1442.13
Plant & Machinery	16387.38	356.06	35.04	16708.40	6240.84	1257.15	14.25	7483.74	9224.66	10146.54
Furniture, Fixtures & Fittings	88.88	0.00		88.88	79.15	1.08	0.00	80.23	8.65	9.73
Motor Vehicles	131.84	0.00	16.21	115.63	72.41	8.34	10.77	69.98	45.65	59.43
Computers	137.10	8.55		145.65	117.82	0.50	-4.59	122.91	22.74	19.28
Total	18908.54	371.24	51.25	19228.53	7113.30	1291.99	-30.36	8435.65	10792.88	11795.24
(ii) Intangible Assets										
Computer system software	90.06	0.00	0.00	90.06	72.35	5.35	0.00	77.70	12.36	17.71
Total	90.06	0.00	0.00	90.06	72.35	5.35	0.00	77.70	12.36	17.71
(iii) Capital work in progress	195.52	98.99	29.24	265.27					265.27	195.52
Total (i) to (iii)	19194.12	470.23	80.49	19583.86	7185.65	1297.34	-30.36	8513.35	11070.51	12008.47
Previous Year	23931.42	1455.69	6192.99	19194.12	11322.53	1617.71	5754.59	7185.65	12008.47	12608.89

Note 1: Capital Work in Progress includes Capital goods inventory of Rs. 139.35 Lacs (Previous year 143.86 lacs).

2: Additions include Rs. 49.05 Lacs capitalised on account of exchange rate difference (Net) on foreign currency loan used for financing fixed assets.

3: Depreciation for the year for previous year increased by Rs 55.38 lacs due to change in useful life -Refer note no 33.

12: Non Current Investments - Long Term Investment in Associate

Capital Account in Swapan Properties LLP (Formerly Swapan Properties Pvt. Ltd)	2.71	2.68
Nature of Investment - Partnership		
Share in Profit/(Loss) - 46%		
	2.71	2.68

Notes on Financial Statements for the year ended 31st March, 2015

	Rs. In Lacs As At 31st March, 2015	Rs. In Lacs As At 31st March, 2014
13: Long Term Loans & Advances		
A Capital Advances		
Unsecured and Considered Good	20.40	2.45
B Security Deposits with Govt. & Others		
Unsecured and Considered Good	60.49	78.48
C Amount paid under protest/appeal to Gail	44.13	44.13
D Excise duty/interest paid under protest/appeal	589.40	589.33
	<u>714.42</u>	<u>714.39</u>
14: Current Investments-Short Term		
Unquoted		
Investment in Mutual Fund	250.00	50.10
95440.178 (previous year 20817.547) Units of ICICI Prudential flexible income plan growth option (Face value Rs 100) (Net realisable value Rs 251.10 lacs, previous year Rs 50.10 lacs)		
	<u>250.00</u>	<u>50.10</u>
15: Inventories		
A Raw Material (Valued At Cost or NRV, whichever is Less)	535.96	540.24
B Work in Progress (Valued At Cost or NRV, whichever is Less)	274.73	512.58
C Finished Goods (Valued At Cost or NRV, whichever is Less)	682.20	915.67
D Stock - in - Trade (For Traded Goods) (Valued At Cost or NRV, whichever is Less)	NIL	NIL
E Stores & Spares	546.41	564.15
F Packing Materials	133.79	149.85
G Others - Cullet (Valued At Cost or NRV, whichever is Less)	153.80	44.52
H Scrap Value of Block Discarded (Valued at estimated NRV)	148.49	352.72
	<u>2475.38</u>	<u>3079.73</u>
Inventories are net of provisions made on slow moving items.		
16: Trade Receivables		
Outstanding for a period exceeding 6 Months from due date *		
Unsecured , Considered good	20.47	2.39
Unsecured , Considered doubtful	573.74	582.58
Less: Provision made for doubtful debts	573.74	13.33
	<u>20.47</u>	<u>571.64</u>
Outstanding for a period less than 6 Months **		
Unsecured, considered good	2096.57	1732.42
	<u>2117.04</u>	<u>2304.06</u>

*Including under litigation Rs. 569.25 Lacs.(Pr.Yr. 576.81 Lacs)

** Including sale of block discarded Rs. Nil Lacs (Pr. Yr. 84.70 Lacs)

Notes on Financial Statements for the year ended 31st March, 2015

	Rs. In Lacs As At 31st March, 2015	Rs. In Lacs As At 31st March, 2014
17: Cash & Bank Balances		
A Cash & Cash Equivalents		
Cash on Hand	13.28	6.54
Balances with Banks		
In Current Account	27.51	167.99
In Fixed Deposits	NIL	5.00
Earmarked Balances with Banks	<u>40.79</u>	<u>179.53</u>
B Other Bank Balances		
Balances with Banks for Unpaid Dividends	18.68	29.83
Margin Money Deposits	69.22	29.38
	<u>87.90</u>	<u>59.21</u>
Total	<u>128.69</u>	<u>238.74</u>
18: Short Term Loans & Advances Unsecured, Considered Good		
Balance With Excise Authority	53.11	53.42
Interest Receivables	7.30	1.71
Other Advances Receivable in Cash / Kind	86.34	169.78
	<u>146.75</u>	<u>224.91</u>
19: Other Current Assets		
Export benefits & other claims receivable	71.40	15.43
Other Receivables	239.71	198.91
	<u>311.11</u>	<u>214.34</u>
20: Revenue From Operations		
A Sale of Products	16069.31	14394.90
B Other Operating Revenues	100.61	75.84
Gross Revenue From Operations	<u>16169.92</u>	<u>14470.74</u>

Notes on Financial Statements for the year ended 31st March, 2015

	Rs. In Lacs For the year ended 31st March, 2015		Rs. In Lacs For the year ended 31st March, 2014	
21: Other Income				
Interest Income on Fixed Deposits & other		13.42		8.62
Dividend Income on current Investments		NIL		3.00
Profit on sale of Current Investment		9.29		Nil
Share of Profit in LLP		0.02		0.25
Others		62.49		29.23
		<u>85.22</u>		<u>41.10</u>
22: Cost of Material Consumed				
A Quartz Sand		912.39		851.05
B Soda Ash		1,612.33		1,657.89
C Silica Sand		247.26		136.94
D Dolomite		96.89		134.20
E Cullet		52.52		196.89
F Others*		902.36		439.67
		<u>3,823.75</u>		<u>3,416.64</u>
Less : Cost of Raw Material Sold	97.42			
Less: Provision made in earlier year	24.00	73.42		-
Materials Consumed		<u>3,750.33</u>		<u>3,416.64</u>
*Including provision of Rs Nil (Pr. Yr Rs 24.00 Lacs)				
23: Changes in Finished Goods & Work in Progress				
A Finished Goods				
Opening Stock	833.17		770.29	
Less: Closing Stock	624.73	208.44	833.17	(62.88)
B Work in Progress				
Opening Stock	512.58		124.53	
Less: Closing Stock	274.69	237.89	512.58	(388.05)
C Excise Duty on Stock				
Opening Stock	82.51		71.48	
Less: Closing Stock	57.47	25.04	82.51	(11.03)
		<u>471.37</u>		<u>(461.96)</u>
24: Employee Benefits Expenses				
Salaries, Wages , Bonus etc.		1349.52		1179.49
Contribution to Provident , Gratuity Funds etc.		91.14		111.57
Staff Welfare Expenses		139.78		122.36
		<u>1580.44</u>		<u>1413.42</u>
25: Finance Cost				
Interest Expenses		192.06		292.05
		<u>192.06</u>		<u>292.05</u>

Notes on Financial Statements for the year ended 31st March, 2015

	Rs. In Lacs For the year ended 31st March, 2015	Rs. In Lacs For the year ended 31st March, 2014
26 : Selling & Distribution Cost		
Advertisement , Publicity & Sales promotion exps.	97.64	12.25
Carriage Outward	1585.67	1435.83
Commission	38.41	23.02
Cash Discount	185.58	188.65
Breakages / Rate Difference / Quality Claims	145.26	196.62
	2052.56	1856.37
27 : Other Expenses		
Manufacturing expenses		
Stores Consumed - Local	335.79	294.23
Stores Consumed - Imported	155.87	112.53
Packing Material Consumed	1144.40	1181.13
Power and Fuel	2438.09	1827.73
Repairs & Maintenance		
- Plant & Machinery	82.30	150.24
- Buildings	42.06	5.03
- Other Assets	44.39	37.86
Cenvat Credit Reversal	79.48	NIL
Administrative and other expenses		
Insurance	54.31	38.37
Rent	29.89	29.60
Rates & Taxes	6.93	6.65
Legal & Professional Charges	99.90	143.11
Director's Fees	9.10	4.70
Travelling and Conveyance Expenses (Incl. Directors' Travelling Rs. 13.89 Lacs, Pr. Yr. Rs 5.71 Lacs)	159.66	146.32
Motor Car Expenses	78.22	83.68
Vehicle Hire Charges	68.26	68.41
Printing & Stationery	19.33	13.91
Postage, Telegrams, Telephones & Telex	37.46	31.69
Payment to the Auditors- Audit Fees	13.48	13.50
- Certification Fees	3.40	3.30
- Travelling & Out of Pocket Expenses	2.28	1.99
Tax Audit Fees	0.85	0.51
Cost Auditor's Fees	NIL	1.20
Security expenses	31.06	25.76
Other Expenses	103.04	80.48
Foreign Currency Exchange Rate Fluctuation	12.14	4.05
Loss on Sale of Inventories	NIL	20.23
Loss on Sale /Discard of assets	21.50	NIL
Bank Charges	65.75	47.71
Unrecoverable Debt/Balances written off	3.14	1.27
	5142.08	4375.19

* Store consumption includes stores items W/off of Rs. 147.07 lacs Less provided already Rs. 124.05 Lacs
Net Rs. 23.02 Lacs.

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

29. A. Contingent liabilities not provided for:-

S. No.	Particulars	Rs. In Lacs	
		2014-15	2013-14
a)	Letters of Credit outstanding		
	• Local	104.00	85.00
	• Foreign	270.53	54.40
b)	Claims against the Company not acknowledged as debt	32.67	23.17
c) i)	Excise matters relating to valuation in appeal before Supreme Court From February 1999 to June 2005	455.07	455.07
	Equivalent amount of penalty, interest	797.06	797.06
	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.		
	Asum of Rs. 589.33 Lacs paid under protest in respect of i) above dispute demand has been shown as advances recoverable.		
ii)	Excise matters relating to denial of Cenvat Credit on certain inputs in appeal before Commissioner-Surat From August 2009 to January 2011.	NIL	19.33
	Equivalent amount of penalty.	NIL	19.33
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 Rs.41.38. Lacs.	347.65	344.22
ii.	CIT-Appeal in respect of assessment year 2011-12 and 2012-13 On account of disallowances / additions totaling to Rs.638.51 Lacs.		
iii.	Gujarat High Court in respect of assessment year 2003-04 on account of carry forward of unabsorbed depreciation Rs.246.78.		
iv.	ITAT, Ahmedabad in respect of A.Y. 2010-11 on account of Disallowances totaling to Rs. 15.76 Lacs. (previous year total disallowances/additions of Rs. 932.34 Lacs)		
e)	Income tax matters in Appeal filed by the department before Tribunal in respect of assessment year 2005-06, 2008-09, 2009-10 and 2010-11.	296.35	290.52
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 Interest and penalty thereon. No liability is expected in view of judicial pronouncement by High Court in similar matter of other Companies.	291.87 258.97	291.87 258.97
g)	Service Tax matters in appeal before Comm. (Appeal)/CESTAT for the financial years 2007-08 to 2011-12. Interest & Penalty thereon.	0.74 0.74	18.33 14.85
h)	Disputed amount of gas transportation charges including interest – matter pending in appeal before High Court	44.13	44.13
i)	Bill discounted with banks (Since realized)	113.23	192.84
J)	Bank Guarantees	164.05	164.05

29. **B.** Appeal filed by Excise department before CESTAT in 2010 against excise refund given for March 1996 to September 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:-

Particulars	Rs. In Lacs	
	2014-15	2013-14
Employer's Contribution to Provident Fund	67.55	62.38

The contribution to provident fund is made to respective Regional Provident Fund Managed by Provident Fund Commissioner. From March 2014 the contribution for all the excluded employees also is made with Regional Provident Fund Commissioner (RPFC). Company's request to RPFC to allow transfer of accumulated amounts in fund managed by them has been allowed and the funds have been transferred to RPFC and credited to respective employees.

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	
	2014-2015	2013-2014
Mortality Table	2006-08	2006-08
Salary growth	5.00%	5.00%
Discount rate	7.90%	9.15%
Amount recognised in the income statement	2014-2015	2013-2014
Current service cost	19.78	18.24
Interest cost	14.38	13.02
Expected Return on Plan Assets	(11.47)	(10.36)
Net actuarial (gains)/losses recognized in the period	(1.40)	(2.44)
Total	21.29	18.46
Movement in Present value of defined benefit obligation		
Particulars		
Obligation at the beginning of the year	164.41	186.49
Current service cost	19.78	18.24
Interest cost	14.38	13.02
Actuarial (Gain)/loss on obligation	14.50	(3.89)
Benefits paid	(14.51)	(49.45)
Obligation at the end of the year	198.56	164.41

Movement in Fair value of plan assets
Particulars

Fair value at the beginning of the year	109.71	129.15
Adjustment to opening Fair value of plan Assets	Nil	0.18
Expected Return on Plan Assets	11.47	10.35
Contribution	50.00	20.92
Actuarial gains/(losses)	15.90	1.44
Benefits paid	(14.51)	(49.45)
Fair value at the end of the year	172.57	109.71
Expected returns on plan assets	9.0%	9.0%

Class of assets
Fair Value of Asset

(Rs. in Lacs)

2014-2015 **2013-2014**
Insurer Managed Fund

Birla Sun life Insurance Corporation Ltd.

172.57

109.71

Total
172.57
109.71
Amount recognised in the balance sheet

(Rs. in Lacs)

	2014-2015	2013-2014
Present value of obligations at the end of the year	198.56	164.41
Less: Fair value of plan assets at the end of the year	172.57	109.71
Funded status	25.99	54.70
Net liability/(Asset) recognized in the balance sheet	25.99	54.70
Unclaimed Liabilities	---	---

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Defined benefit obligation	198.56	164.41	186.49	171.53	154.92
Plan Assets	172.57	109.71	129.15	141.00	128.72
Surplus/(deficit)	-25.99	-54.70	-57.34	-30.53	-26.20
Experience adjustments on plan liabilities	14.50	1.45	7.03	11.09	Nil
Experience adjustments on plan Assets	-15.90	-3.89	-5.84	0.07	-13.84

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 employee benefits plan – Leave Encashment are:

Particulars	Leave Encashment	
	2014-2015	2013-2014
Actuarial assumptions		
Particulars		
Mortality Table	2006-08	2006-08
Salary growth :-	5.00%	5.00%
Discount rate	7.90%	9.15%
Amount recognized in the Profit & Loss statement	2014-2015	2013-2014
Current service cost	16.63	13.24
Interest cost	2.63	1.88
Expected Return on Plan Assets	Nil	Nil
Net actuarial (gain)/loss recognized in the period	(3.85)	(4.42)
Total	15.41	10.70
Movement in present value of defined benefit obligation		
Particulars		
Obligation at the beginning of the year	31.20	26.12
Current service cost	16.63	13.24
Interest cost	2.63	1.88
Actuarial (gain)/ loss on obligation	(3.85)	(4.42)
Benefits paid	(4.91)	(5.62)
Obligation at the end of the year	41.69	31.20
Amount recognized in the balance sheet		
Present value of obligations at the end of the year	41.69	31.20
Less: Fair value of plan assets at the end of the year	NIL	NIL
Un Funded liability	41.69	31.20
Un Funded liability recognized in the balance sheet	41.69	31.20

31. The estimated amount of contracts remaining to be executed on capital account and not provided for Rs.148.60 Lacs (net of advances- Rs125.97 lacs). Previous year Rs. 17.28 Lacs (Net).
32. The Company has filed legal case in Amsterdam District court against one of its export debtors. The decision of court in the case against directors for their personal liability which came in favor of the Company was reversed by the Appeal court in August 2014. The debtor has filed for bankruptcy and as per the information gathered from the office of liquidators the secured liability of bank is much more than the possible value of assets. In the simultaneous civil suit for recovery filed by the Company the court decided to hear only the personal liability matter in view of bankruptcy of the debtor and the decision of the hearing is awaited. Taking into account all the factors it has been decided to make a provision for the entire amount due as the same is doubtful of any recovery. The entire amount of Rs 569.25 Lacs outstanding, as per books, net of claims has been treated as doubtful and a provision of equal amount has been made in the accounts for the year after compliance of FEMA provisions the debt will be written off.
33. Effective from 1st April, 2014, the Company has provided depreciation with reference to the useful life of tangible assets as specified in Schedule II to the Companies Act, 2013. Accordingly, the carrying amount, net of residual value, as on that have been depreciated over the revised remaining useful life of the respective asset. As a result, the charge of depreciation is higher by Rs 72 lacs for the year. Further, an amount of Rs 38 lacs (net of deferred tax of Rs 17 lacs) on account of depreciation on assets whose useful life is already exhausted as on 1st April 2014 has been adjusted to the opening balance of Loss in the Profit & Loss account.
34. 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 not claim for Interest on dues payment

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 worker who has still not accepted the settlement amounting to Rs. 144.37 Lacs is lying in accounts as on 31.03.2015 (Including Rs 38.97 Lacs provided for the year).
36. The Company had in the previous year sold/discarded certain plant and machinery of Sheet Glass plant and accounted for the surplus as income. A portion of these fixed assets amounting to Rs148.49 Lacs not lifted by the buyer are carried in the accounts at the sales value. The buyer has disputed forfeiture of deposit and matter is in Court. The company expects to realize the balance amount in full and considers no necessity to make any provision against the same.
37. The Company's application filed in September 2011 for electricity duty exemption w.e.f. May 2011 on generation of electricity from captive power plant for use in the Solar glass plant is pending before the Government for disposal as per the direction of the Gujarat High Court to reconsider the same. Under the old policy the exemption is available for new units/undertakings. The Company has also filed application in October, 2014 under the new policy announced in July 2014 in which there is an exemption w.e.f 1.4.2013 for additional units set up by existing units. Hearings are in progress and accounting of duty exemption will be done after disposal of the Company's applications.

38. Related party disclosures under accounting standard 18:
(A) list of related parties:
Associate Companies

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

Key Managerial Personnel

- Mr. B.L.Kheruka
 Mr. Ashok Jain, Whole-time Director
 Mr. Sunil Roongta, CFO
 Mr. Kishor Talreja, Company Secretary

Other parties related to Key Personnel

- Mrs. Kiran Kheruka

(B) Transactions with Related Parties:

Sr. No.	Nature of Transaction	Party	31.03.2015	31.03.2014
			Rs. In Lacs	Rs. In Lacs
1.	Reimbursement of expenses from	Borosil Glass Works Ltd.	2.56	4.44
		Borosil International Ltd	Nil	0.04
		Vyline Glass Works Ltd.	3.44	7.63
2.	Amount receivable	Vyline Glass Works Ltd.	Nil	18.56
3.	Purchase of goods / services from	Borosil Glass Works Ltd.	3.98	7.96
		Vyline Glass Works Ltd.	1.37	27.24
	Payment of Guarantee Commission to	Borosil Glass Works Ltd.	4.23	5.30
	Reimbursement of exps to	Borosil Glass Works Ltd.	12.03	10.58
		Vyline Glass Works Ltd	0.09	Nil

Sr. No.	Nature of Transaction	Party	31.03.2015	31.03.2014
			Rs. In Lacs	Rs. In Lacs
4.	Amount Payable to	Borosil Glass Works Ltd. Vylene Glass Works Ltd	12.26 0.13	2.83 Nil
5.	Inter Corporate Loans repayment Made to	Borosil Glass Works Ltd.	125.00	1161.95
6.	Inter Corporate Loans Taken From	Borosil Glass Works Ltd.	Nil	50.00
7.	Inter Corporate Loans (Liability) Including Accrued Interest Outstanding To	Borosil Glass Works Ltd.	Nil	130.80
8.	Sale of goods/services to	Vylene Glass Works Ltd	6.21	55.39
9.	Office Rent/Maint. charges paid to	Window Glass Ltd.	2.28	2.28
10.	Interest Income on loans	Borosil International Ltd	Nil	0.11
11.	Interest Expense on Loans	Borosil Glass Works Ltd.	1.85	41.58
12.	Managerial Remuneration	Ashok Jain- WTD Kishor Talreja- Company Secretary Sunil Roongta-CFO	51.97 12.62 22.28	46.23 11.34 Nil
13.	Rent paid to	Mrs. Kiran Kheruka Borosil Glass Works Ltd. Cycas Trading LLP	13.48 16.18 2.40	13.48 16.18 2.40
14.	Retainer ship Fees	Mrs. pratibha Jain	Nil	1.14
15.	Guarantee Given in Favour of GBL By	Borosil Glass Works Ltd.	Nil	550.00

39. Basic earnings per share (Basic & Diluted)

Particulars	2014-15	2013-14
	Rs. In Lacs	Rs. In Lacs
Net Profit/ (Loss) after Tax	152.90	828.64
Preference Dividend For The Year	(810.00)	(810.00)
Net Profit/(Loss) after Tax Attributable to Equity Shareholders (Rs. In Lacs)	(657.10)	18.64
Weighted average No. of Equity Shares outstanding	68207500	68207500
Basic & Diluted Earnings per Shares (Rs.) (Nominal value Rs. 5/- per share)	(0.96)	0.03

40. 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.

41. Foreign Currency Transactions

Particulars	2014-15	2013-14
	Rs. In Lacs	Rs. In Lacs
i. Value of Imports on CIF basis in respect of :		
a) Components & Spare Parts	73.27	260.77
b) Packing Material	3.28	9.39
c) Raw Material	871.43	407.88
d) Capital Items	78.65	149.13
ii. Expenditure in Foreign Currency :		
a) Travelling expenses	13.00	8.67
b) Foreign Technician Fees/Expenses & Testing Fees	5.67	49.91
c) Foreign Legal & Professional Expenses	30.96	64.10
d) Exhibition Expenses	39.19	2.39
e) Foreign Bank Charges	11.04	10.67
f) Repairs & Maintenance- Plant & Machinery	153.93	181.80
g) Interest on ECB Loan/Buyers Credit	161.94	194.88
iii. Export Quality Claims	17.71	26.38
iv. Repayment of installment of ECB Loan	859.88	614.29
v. Repayment of Buyers Credit	526.41	Nil
vi. Earnings in Foreign Exchange FOB Value of Exports *	1540.80	470.93

***Net of Sales Returns**

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

Material	2014-2015		2013-2014	
	Qty M.T.	Value Rs. In Lacs	Qty M.T.	Value Rs. In Lacs
Silica Sand	4077	247.26	10533	136.94
Quartz Sand	24821	912.39	19927	851.05
Soda Ash	8295	1612.33	9330	1657.89
Glass Cullet	20253	52.52	2983	196.89
Dolomite	7240	96.89	6713	134.20
Others		902.36		439.67
Total		3823.75		3416.64
Less : Sold		97.42		
Less:-Provision		(24.00)		
		73.42		Nil
		3750.33		3416.64

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

Material	2014-2015		2013-2014	
	% age	Value (In Lacs)	% age	Value (In Lacs)
a. Raw Material				
Imported	29.89	1121.14	13.36	456.49
Indigenous	<u>70.11</u>	<u>2629.19</u>	<u>86.64</u>	<u>2960.15</u>
	100.00	3750.33	100.00	3416.64
b. Stores & Spares				
Imported	31.70	155.87	27.67	112.53
Indigenous	<u>68.30</u>	<u>335.79</u>	<u>72.33</u>	<u>294.23</u>
	100.00	491.66	100.00	406.76

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