

GUJARAT BOROSIL

GUJARAT BOROSIL LIMITED

TWENTY-NINETH ANNUAL REPORT
2017-2018

BOARD OF DIRECTORS

B. L. Kheruka (DIN: 00016861) - Chairman

P. K. Kheruka (DIN: 00016909) - Vice Chairman

Shashi Kumar Mehra (DIN: 00032134)

Jagdish M Joshi (DIN:00276041)

Ashok Kumar Doda (DIN:00288563)

Ashok Jain (DIN:00025125)

Shalini Kamath (DIN:06993314)

Rajesh Chaudhary (DIN:07425111) - Whole-time Director (upto March 31, 2018)

Ramaswami Velayudhan Pillai (DIN: 00011024) – Whole Time Director (w.e.f. April 01, 2018)

CHIEF FINANCIAL OFFICER

Sunil Kumar Roongta

COMPANY SECRETARY

Kishor Talreja

REGISTERED OFFICE & PLANT

Village - Govali, Taluka - Jhagadia,

District - Bharuch - 393 001 (Gujarat).

CIN: L26100GJ1988PLC011663, Website: www.gujaratborosil.com

Ph: 02645-258100, Fax: 02645-258235

CORPORATE OFFICE

1101, Crescenzo, G Block,

Opp. MCA Club, Bandra Kurla Complex,

Bandra (East), Mumbai - 400 051.

Ph: 022- 67406300

Fax: 022-67406514

STATUTORY AUDITORS

M/s. Chaturvedi & Shah.

Chartered Accountants

INTERNAL AUDITOR

Vikas Runthala

BANKERS

Bank of Baroda

Indusind Bank

REGISTRAR AND SHARE TRANSFER AGENT

Universal Capital Securities Pvt. Ltd.

Unit : Gujarat Borosil Limited

21, Shakil Niwas, Mahakali Caves Road,

Andheri (East), Mumbai - 400 093.

Ph: 022- 2820 7203 / 2820 7204 / 2820 7205

CONTENTS	PAGE
Notice	1 - 17
Directors' Report and Management Discussions & Analysis	18 - 54
Corporate Governance Report	55 -69
Auditors' Report	70 - 75
Financial Statements	76 - 120

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



प्रधान मंत्री
Prime Minister

New Delhi
04 October, 2017

Shri Pradeep Kheruka,

I congratulate Gujarat Borosil Limited on having successfully completed trials of fully tempered 2mm solar glass. Your enterprise is contributing towards the twin goals of 'Make in India' and enhancement of India's solar power capacity.

Your work in boosting the renewable energy sector is appreciable. Environmentally conscious organisations can play an instrumental role in strengthening India's commitment to sustainable development.

I congratulate the management and the staff of Gujarat Borosil Limited for their good work in scaling new heights and enhancing the Indian manufacturing industry's profile globally.

I congratulate and wish the Gujarat Borosil Limited all success for the inauguration of a new facility.

Yours sincerely,

(Narendra Modi)

Shri Pradeep Kheruka

Inauguration of world's first production facility for fully tempered 2 mm solar glass at Gujarat Borosil Limited - Bharuch **BOROSIL®**



GUJARAT BOROSIL LIMITED

(CIN: L26100GJ1988PLC011663)

Registered Office: Village – Govali, Taluka – Jhagadia, District – Bharuch 393 001, Gujarat
Ph: 02645-258100, Fax: 02645-258235

Website: www.gujaratborosil.com, Email: gborosil@borosil.com

NOTICE

Notice is hereby given that the Twenty-Ninth Annual General Meeting of members of Gujarat Borosil Limited will be held on Wednesday, August 08, 2018 at 11.30 am at the Registered Office of the Company at Village – Govali, Taluka – Jhagadia, District – Bharuch 393 001, Gujarat State, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2018 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. P. K. Kheruka (DIN 00016909), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

ITEM NO.3: Ratification of appointment of M/s. Chaturvedi & Shah, Chartered Accountants as Statutory Auditors of the Company for the entire unexpired period.

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

“RESOLVED THAT pursuant to approval of the Members in the 27th Annual General Meeting held on August 08, 2016 for appointment of M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration no.101720W), the Statutory Auditors of the Company, for a term of five consecutive years ending on 31st March 2021 which was subject to ratification at every Annual General Meeting, consent of the Members of the Company be and is hereby accorded to continue the appointment of M/s. Chaturvedi & Shah, Chartered Accountants as statutory auditors of the Company for the remaining of term without any further ratification by the shareholders in terms of the provisions of the Companies Act, 2013 on such remuneration as may be decided by Shri P. K. Kheruka, Vice Chairman of the Company in consultation with Statutory Auditors.”

ITEM NO.4: Remuneration of the Cost Auditors.

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time and such other permissions as may be necessary, the payment of the remuneration of Rs.1,35,000/- (Rupees One lac thirty five thousand) plus tax as applicable to M/s. Kailash Sankhlecha & Associates, Cost Accountants (Firm Registration No. 100221), the Cost Auditor appointed by the Board of Directors of the Company, to conduct audit of the cost records of the Company for the financial year ending March 31, 2019, be and is hereby ratified and confirmed.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to do all acts, deeds & things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

ITEM NO.5: Appointment of Mr. Ramaswami Velayudhan Pillai (DIN 00011024) as a Director.

To Consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Ramaswami Velayudhan Pillai (DIN 00011024), who was appointed as an Additional Director of the Company with effect from April 01, 2018 by the Board of Directors, who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the “Act”) but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company, liable to retire by rotation.”

ITEM NO.6:

Appointment and terms of remuneration of Mr. Ramaswami Velayudhan Pillai (DIN 00011024) as Whole Time Director and Key Managerial Personnel of the Company.

To Consider and if thought fit, to pass, 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, the consent of the Company be and is hereby accorded to the appointment of Mr. Ramaswami Velayudhan Pillai (DIN 00011024), as Whole Time Director of the Company, for a period of two years from April 01, 2018 to March 31, 2020 on the terms and conditions including remuneration as set out in the item no. 5 & 6 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 by 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. Ramaswami Velayudhan Pillai 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 otherwise as permissible by law for the time being in force."

"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."

ITEM NO.7:

Approval of Gujarat Borosil Employee Stock Option Scheme 2018 and to grant option to employees of the company.

To Consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and in accordance with the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchange, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI SBEB Regulations"), and further subject to such other approvals, permissions and sanctions as may be necessary and upon such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the Company be and is hereby accorded to the introduction and implementation of **Gujarat Borosil Employee Stock Option Scheme 2018 (hereinafter referred to as the "ESOS 2018")** authorising the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer and grant from time to time, in one or more tranches, not exceeding 34,10,375 (Thirty four lacs ten thousand three hundred seventy five) Employee Stock Options to or for the benefit of such person(s) who are in permanent employment of the Company or holding company, if any, including any Director, whether whole time or otherwise, (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), as may be decided by the Board under ESOS 2018, exercisable into not more than 34,10,375 equity shares of face value of Rs. 5 (Rupees Five) each fully paid-up, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws & regulations and the provisions of ESOS 2018."

"RESOLVED FURTHER THAT the equity shares so issued and allotted as mentioned hereinbefore shall rank *pari passu* with the then existing equity shares of the Company."

"RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are to be issued by the Company to the Option grantees for the purpose of making a fair and reasonable adjustment to the Options granted earlier, the ceiling on the number of Options mentioned in the resolution above, shall be deemed to be increased to the extent of such additional equity shares issued."

"RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be allotted and the exercise price payable by the option grantees under the ESOS 2018 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 5 (Rupees Five) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees."

"RESOLVED FURTHER THAT the Board including designated committee of the Board, if any or Company Secretary of the Company be and is hereby authorised to take requisite steps for listing of the Equity Shares allotted under ESOS 2018 on the Stock Exchange where the Equity Shares of the Company are listed."

"RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOS 2018."

"RESOLVED FURTHER THAT the Board including designated committee of the Board, if any be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOS 2018 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOS 2018 and do all other things incidental and ancillary thereof."

"RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of ESOS 2018 as also to make applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard."

ITEM NO.8:

Variation in terms and conditions of Preference Shares - Extension of redemption period of 90,00,000 9% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs.100/- each of the Company, by 3 years

In this regard, the equity shareholders are requested to consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of sections 48, 55 of the Companies Act, 2013 read with rules framed thereunder, and other applicable provisions, if any, (including any statutory modification/s or re-enactment/s thereof for the time being in force), and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of equity shareholders of the Company, be and is hereby accorded for variation in the rights, terms and conditions of the preference shares, to the extent that the period of redemption of 90,00,000 9% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100 each held by preference shareholder, shall be extended for three years from due date of redemption as mentioned below:

1. The period of redemption of 90,00,000 9% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred only) each shall be extended for a further period of 3 (Three) years. The aforesaid preference shares shall be now due for redemption on March 15, 2022;
2. Undeclared cumulative dividend on this Preference shares shall be payable as and when declared by the Company or otherwise, at the time of redemption and
3. All other terms and conditions associated with the aforesaid preference shares shall remain same.

RESOLVED FURTHER THAT any one of the director(s) of the Company or the Company Secretary of the Company for the purpose of giving effect to this resolution, be and is hereby authorized, severally or jointly, to take all steps and actions as may be necessary, proper, expedient and to do all such acts, deeds, matters and other things in connection therewith and incidental thereto.”

ITEM NO.9:

Change in Registered office of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 12, 13 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 30 of the Companies (Incorporation) Rules, 2014 and other relevant rules applicable, if any, (including any statutory modification(s) or re-enactments thereof, for the time being in force), and subject to approval of Regional Director or the Central Government and such other approvals, permissions and sanction, as may be required under the provisions of the said Act or under any other law for the time being in force or any statutory modification or amendment thereof, consent of the members be and is hereby accorded to shift the Registered Office of the Company from “State of Gujarat” to the “State of Maharashtra” and that Clause-II of the Memorandum of Association of the Company be substituted by the following clause:

II. The registered office of the Company will be situated in the State of Maharashtra.

“RESOLVED FURTHER THAT the aforesaid resolution becoming effective, the Registered Office of the Company be shifted from the State of Gujarat to such place in the State of Maharashtra as may be determined by the Board of Directors of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter called the “Board”, which term shall be deemed to include any person(s) authorized and / or Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) or the Company Secretary of the Company be and are hereby severally authorised to agree to and make and accept such conditions, modifications and alterations stipulated by any one of the authorities, statutory or otherwise, while according approval, consent as may be considered necessary and to appoint counsels and advisors, file applications/ petitions, issue notice, advertisements, obtain orders of shifting of Registered office from the concerned authorities and take such steps and to do such acts, deeds and things as they may deem necessary and proper in this matter.”

For Gujarat Borosil Limited

Mumbai, June 18, 2018

Kishor Talreja
Company Secretary

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 and forms part of this Notice.
- (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/ Authorised Representatives should bring the duly filled Attendance Slip at the Annual General Meeting. Corporate Members are requested to send a certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.
- (4) Pursuant to the provisions of Section 91 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members of the Company shall remain closed from Thursday, August 02, 2018 to Wednesday, August 08, 2018 (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 (DP).
- (6) As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in demat form, the nomination form may be filed with the respective DP.
- (7) During the year under review, the Company has transferred 22,72,014 Equity Shares of Rs.5/- each held in 17,182 records in respect of which dividend (2008-09) have not been claimed by the shareholders for a period of more than seven years, to the Demat Account of the IEPF Authority, the details of records are as under:
 - a. Physical - 16239 records, 2107049 equity shares
 - b. CDSL - 239 records, 42850 equity shares
 - c. NSDL - 704 records, 122115 equity sharesHowever, Shareholder can claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Demat Account, by making an application in Form IEPF-5 online on the website www.iepf.gov.in and by complying with requisite procedure.
- (8) 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 for the year 2017-18 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.
- (9) Route map giving directions to the venue of the meeting is annexed to the Notice.
- (10) 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.
- (11) The details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") and Secretarial Standard – 2 issued by The Institute of Company Secretaries of India, are furnished below:-

GUJARAT BOROSIL LIMITED

Name of Director	Mr. P. K. Kheruka	Mr. Ramaswami Velayudhan Pillai
DIN	00016909	00011024
Date of Birth	23/07/1951	01/04/1958
Date of appointment	22/12/1988	01/04/2018
Expertise in specific Professional areas	Industrialist having rich industrial experience of well over four decades particularly in Glass Industry	Over 37 years of experience in various industries
Qualifications	B.com	B.SC, B. Tech, DBAFM
List of other Indian Public Limited Companies in which Directorship held	1. Borosil Glass Works Limited (BGWL) 2. Window Glass Limited 3. Hopewell Tableware Private Limited (wholly owned subsidiary of BGWL) 4. Borosil Glass Limited (Since renamed as Borosil Technologies Ltd) 5. Borosil International Limited (Since renamed as Acalypha Realty Ltd)	Hopewell Tableware Private Limited (wholly owned subsidiary of BGWL)
Chairman/Member of the Committee of Board other Public Limited Companies	a. Borosil Glass Works Limited Share Transfer Committee- Chairman Corporate Social Responsibility Committee – Chairman Stakeholders Relationship Committee – Member b. Window Glass Limited Audit Committee - Member	NIL
Relationship with other directors / Key Managerial Personnel	Son of Mr. B. L. Kheruka	NO
Number of Shares held in the Company	1,13,00,000 equity shares	NIL
Terms and conditions of appointment / re-appointment	Entitled for sitting fees	As per the resolution at item no.6 of the Notice convening ensuing 29 th Annual General Meeting read with explanatory statement thereto.
Remuneration last drawn (including sitting fees, if any)	Rs.2,40,000/- (Sitting fees paid for year 2017-18)	Rs.110.20 lacs
Remuneration proposed to be paid	NA	As per the resolution at item no.6 of the Notice convening ensuing 29 th Annual General Meeting read with explanatory statement thereto.
Number of meetings of the Board attended during the year	4	NA

(12) Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Regulations, as amended from time to time, the Company is pleased to offer e-voting facility which will enable the members to cast their votes electronically on all the resolutions set out in the Notice. The Company has engaged Central Depository Services (India) Limited (CDSL) to offer e-voting facility to all its members to cast their vote electronically. E-voting is optional for members. The facility for voting through ballot/polling will also be made available at the venue of the AGM. Members who have voted electronically through remote e-voting may attend the AGM but shall not be allowed to vote at the Annual General Meeting. The Board of Directors has appointed Mr. Virendra Bhatt, Practising Company Secretary as scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting period begins on August 05, 2018 (9.00 a.m.) and ends on August 07, 2018 (5.00 p.m.). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. August 01, 2018, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is mentioned in address label as sr no affixed on Annual Report, in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company 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. 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Gujarat Borosil Limited on which you choose to vote.

- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same. Further, they are requested to send the scanned copy of the Board Resolution/ Authority letter to the email id of Scrutinizer (bhattivirendra1945@yahoo.co.in), RTA (ravi@unisec.in) and Company investor.relations@gujaratborosil.com
- (xxi) In case of any grievances in connection with voting by electronic means the shareholders can contact Mr. Kishor Talreja, Company Secretary at his email kishor.talreja@borosil.com or contact him at 022 6740 6502.
- (xxii) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (13) The Results shall be declared within 48 hours after the Annual General Meeting (AGM) of the Company and the resolutions will be deemed to be passed on the AGM date, subject to receipt of the requisite number of votes in favor of the Resolutions. The results declared along with the Scrutinizer’s Report shall be placed on the company’s website www.gujaratborosil.com and on the website of CDSL www.evotingindia.com and the same shall also be communicated to BSE Limited.

By Order of the Board
For Gujarat Borosil Limited

Kishor Talreja
Company Secretary

Mumbai, June 18, 2018

ANNEXURE TO THE NOTICE**Statement Pursuant to section 102 (1) of the Companies Act, 2013****ITEM NO.3:**

At the 27th Annual General Meeting of the Company held on August 08, 2016, the members had appointed M/s. Chaturvedi & Shah, Chartered Accountants (Firm Registration no.101720W) as the Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that Annual General Meeting (AGM) till the conclusion of 32nd Annual General Meeting, subject to ratification of their appointment at every AGM of the Company. This was done as per Law prevalent at that time.

Since then, proviso to sub-section (1) of Section 139 of the Companies Act, 2013, which provided for such ratification every year, has been deleted. However, since the resolution passed on August 08, 2016 contains such requirement, it is proposed, as a major of abundant caution, to have ratification of appointment Statutory Auditors, done by the members for the entire unexpired period.

None of the Directors, Key Managerial Personnel and / or the relatives of the Directors / Key Managerial Personnel are, in anyway, concerned or interested in this resolution.

The Board of Directors of your Company recommends the passing of ordinary resolution as set out in the Notice.

ITEM NO.4:

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Kailash Sankhlecha, Cost Accountants as Cost Auditors of the Company for the financial year ending March 31, 2019, to Conduct the Audit of the cost records of the Company as may be required under the Companies Act, 2013 and Rules made thereunder, at a remuneration of Rs.1,35,000/- plus tax as applicable.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditor is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought by passing an Ordinary Resolution as set out at item no. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors.

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.

ITEM NO. 5 & 6:

The Board of Directors of the Company at its meeting held on March 30, 2018, based on recommendation received from Nomination & Remuneration Committee of the Company, appointed Mr. Ramaswami Velayudhan Pillai (DIN 00011024) as an Additional Director with effect from April 01, 2018, pursuant to Section 161(1) of the Companies Act, 2013, read with the rules framed there under. Mr. Ramaswami Velayudhan Pillai holds office only upto the date of the ensuing Annual General Meeting, but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from a member proposing the candidature of Mr. Ramaswami Velayudhan Pillai as a Director of the Company. Further, as per first proviso of Section 160(1) of the Companies Act, 2013, as newly introduced, deposit of Rs.1 lac amount has not been required for his appointment as it is recommended by the Nomination & Remuneration Committee.

The Board also appointed Mr. Ramaswami Velayudhan Pillai as Whole Time Director of the Company for the period of two years from April 01, 2018 to March 31, 2020, subject to approval of the Members.

The appointment of Mr. Ramaswami Velayudhan Pillai is subject to the provisions of Section 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the rules made thereunder (including any statutory modification(s) for the time being in force), read with Schedule V to the Act.

GUJARAT BOROSIL LIMITED

The broad particulars of remuneration payable to and the terms of appointment of Mr. Ramaswami Velayudhan Pillai on the basis of factors mentioned in Schedule V of the Companies Act, 2013, as approved by the Nomination and Remuneration Committee are as under:-

I. Remuneration with effect from 01st April, 2018:

a) Salary:

Rs.4,00,000/- p.m. in the scale of Rs.4,00,000/- p.m. to Rs.5,00,000/- p.m. with such increments as may be decided by the Board of Directors (which includes any Committee thereof) from time to time.

b) Allowances:

(i) House Rent Allowance:

Rs.1,20,000/- per month which can be raised upto Rs.2,00,000/- per month as may be decided by the Board / Nomination and Remuneration Committee.

(ii) Additional allowance: Rs.2,32,875/- per month

c) Incentive:

Performance linked incentives: upto Rs. 25 lacs in the first year based on meeting performance criteria (for the later year, it will be decided in due course).

c) Perquisites & allowances:

- i) Reimbursement of Electricity expenses: at actuals, subject to limit of Rs.60,000/- per annum
 - ii) Medical Expenses
Hospitalisation – Mr. Ramaswami Velayudhan Pillai 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. Ramaswami Velayudhan Pillai and his family, once in a year, incurred in accordance with the rules of the Company.
 - v) Mr. Ramaswami Velayudhan Pillai 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 long distance Calls would be borne by Mr. Ramaswami Velayudhan Pillai.
 - vii) Leave
Leave with full pay or encashment thereof as per the Rules of the Company.
 - viii) Mr. Ramaswami Velayudhan Pillai will further be entitled to reimbursement of actual entertainment, conveyance and travelling expenses incurred by him for business purposes.
 - ix) Club fees: Actual subject to ceiling of Rs.12,000/- per annum.
 - x) ESOPs – In addition, Mr. Ramaswami Velayudhan Pillai shall also be entitled to ESOPs under Gujarat Borosil Employee Stock Option Scheme, 2018 of the Company, if eligible.
- II.** In case of inadequacy or absence of profits in any financial year(s) during the tenure of Mr. Ramaswami Velayudhan Pillai 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 otherwise as permissible by law for the time being in force.

III. Other terms and conditions:

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:

1	Nature of Industry	Manufacture and sale of Flat Glass	
2.	Date or expected Date of commencement of commercial production	Sheet glass –August 1994 and Solar glass - 16 th March, 2010.	
3.	In case of new companies, expected date of commencement of new activities as per project approved by the financial institutions appearing in the prospectus	N.A.	
4.	Financial performance based on given indicators	For the year ended 31st March 2018:	Rs. in lacs
		Revenue from operations	19,981.23
		Total Comprehensive Income	696.17
		Networth	6,891.14
		Effective Capital	10,353.94
5.	Foreign Investment or collaborations, if any.	None	

II INFORMATION ABOUT THE APPOINTEE		
1.	Background Details	Mr. Ramaswami Velayudhan Pillai is B.SC, B. Tech, DBAFM and has over 37 years' experience in various industry. He has relevant experience in Technical, Commercial and General Management.
2.	Past Remuneration	As Whole Time Director of Borosil Glass Works Limited: Salary (including HRA) - Rs. 61.62 Lacs Perquisites - Rs. 0.45 Lacs Contribution to P.F. - Rs. 5.47 Lacs Commission - <u>Rs. 42.66 Lacs</u> Total - Rs. 110.20 Lacs
3.	Recognition or awards	-
4.	Job profile and his suitability	Mr. Ramaswami Velayudhan Pillai 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
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the size of company's operations and its peculiar nature of industry, the proposed remuneration is commensurate with general industry trends.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	None

III	OTHER INFORMATION	
1.	Reasons of inadequate profits	During the financial year 2017-18, the Company posted a Net profit of Rs.6.94 crores as against a Net profit of Rs. 14.12 crores during the financial year 2016-17. Reasons for inadequate profits (in view of 5% ceiling for one managerial personnel) during the financial year 2017-18: a. Carry forward losses b. Absence of any import duty on Solar Tempered Glass and Dumping of cheap imports from China and Malaysia. Consequent inability to pass on cost increase.
2.	Steps taken or proposed to be taken for Improvement	The Company has been improving working over last 3 years and is expected to generate higher profits during the coming years. Steps taken: a. Anti-dumping duty on China has been imposed. b. Anti-dumping duty on Malaysias-applied, investigation is pending. c. Value added products – 2 mm, 2.5 mm introduced. d. Gradual improvement in selling price
3.	Expected increase in productivity and profits in measurable terms.	With the measures already taken, the Company has already started to earn decent profit.

The Board recommends the relevant resolution for your consideration and approval as Special Resolution

Except, Mr. Ramaswami Velayudhan Pillai, none of the Directors or Key managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at item no. 5 & 6 of the Notice.

ITEM NO. 7:

Equity based compensation is considered to be an integral part of employee compensation across sectors which enables alignment of personal goals of the employees with organizational objectives. Your Company believes in rewarding its employees including Directors of the Company along with employees of the subsidiaries for their continuous hard work, dedication and support, which has led the Company on the growth path. The Company intends to implement Employee Stock Option scheme with a view to attract and retain key talents working with the Company by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability.

With this objective in mind, your Company intends to implement Gujarat Borosil Employee Stock Option Scheme 2018 ("ESOS 2018") for the permanent employees including Directors of the Company.

The Company seeks members' approval in respect of ESOS 2018 and grant of Stock Options to the eligible employees of the Company as decided in this behalf from time to time in due compliance of the Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations").

The main features of the ESOS 2018 are as under:

a) Brief description of the scheme:

The Company proposes to introduce the ESOS 2018 with primarily with a view to attract, retain, incentivise and motivate the existing employees of the Company, new employees joining the Company and its Directors that would lead to higher corporate growth. The ESOS 2018 contemplates grant of options to the eligible employees (including Directors), as may be determined in due compliance of SEBI SBEB Regulations and provisions of the ESOS 2018. After vesting of options, the eligible employees earn a right (but not obligation) to exercise the vested options within the exercised period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon.

It is proposed to merge the Company with Borosil Glass Works Limited (BGWL). The ESOP scheme shall be replicated in the merged entity post amalgamation of the Company with BGWL.

The Nomination and Remuneration Committee ("Committee") of the Company shall administer ESOS 2018. All questions of interpretation of the ESOS 2018 shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in ESOS 2018.

b) Total number of Options to be granted:

A total number of options 34,10,375 exercisable into 34,10,375 Equity Shares would be available for being granted to eligible employees of the Company or holding Company, if any, under ESOS 2018. Each option when exercised would be converted into one Equity share of Rs.5/- each fully paid-up.

Options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the employees/ Directors or otherwise, would be available for being re-granted at a future date. The Committee is authorized to re-grant such lapsed / cancelled options as per the ESOS 2018.

Further, the SEBI Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the options granted. In this regard, the Committee shall adjust the number and price of the options granted in such a manner that the total value of the options granted under ESOS 2018 remain the same after any such corporate action. Accordingly, if any additional options are issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of 34,10,375 Options (Thirty four lacs ten thousand three hundred seventy five options) shall be deemed to be increased to the extent of such additional options issued.

c) Identification of classes of employees entitled to participate in ESOS 2018

All permanent employees of the Company, including the Directors but excluding –

- a. Independent Directors,
- b. promoters or persons belonging to promoter group,
- c. director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the company.

d) Requirements of vesting and period of vesting

All the options granted on any date shall vest not earlier than **1 (one) year** and not later than a maximum of **3 (three) years** from the date of grant of options as may be determined by the Committee.

Options shall vest essentially based on continuation of employment and apart from that the vesting will be subject to Individual performance parameters as the Committee may specify additionally.

e) Maximum period within which the options shall be vested:

All the options granted on any date shall vest not later than a maximum of **3 (three) years** from the date of grant of options as may be determined by the Committee.

f) Exercise price or pricing formula:

The exercise price shall be fair market value or discount upto 10% or premium upto 10% to fair market value decided by Nomination and Remuneration Committee from time to time as on date of grant of options.

g) Exercise period and the process of Exercise:

The Exercise period would commence from the date of vesting and will expire on completion **5 (five) years** from the date of respective vesting or such other shorter period as may be decided by the Committee from time to time.

The vested Option shall be exercisable by the employees by a written application to the Company expressing their desire to exercise such Options in such manner and on such format as may be prescribed by the Committee from time to time. The Options shall lapse if not exercised within the specified exercise period.

h) Appraisal process for determining the eligibility of employees under ESOS 2018:

The appraisal process for determining the eligibility shall be decided from time to time by the Committee. The broad criteria for appraisal and selection may include parameters like tenure of association with the Company, performance during the previous years, contribution towards strategic growth, contribution to team building and succession, cross-functional relationship, corporate governance, etc.

i) Maximum number of Options to be issued per employee and in aggregate:

The number of options that may be granted to any specific employee of the Company under the ESOS 2018, in any financial year and in aggregate under the ESOS 2018 shall not exceed 1% of the issued equity share capital of the Company.

j) Maximum quantum of benefits to be provided per employee under the ESOS 2018:

The maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the market price of the shares as on the date of exercise of options.

k) Route of ESOS 2018 implementation:

The ESOS 2018 shall be implemented and administered directly by the Company. In case Company wishes otherwise, it may be intimated to the members in due course as per applicable laws.

l) Source of acquisition of shares under the ESOS 2018:

The ESOS 2018 contemplates fresh/new issue of shares by the Company.

m) Amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc:

This is currently not contemplated under the present ESOS 2018.

n) Maximum percentage of secondary acquisition:

This is not relevant under the present ESOS 2018.

o) Accounting and Disclosure Policies:

The Company shall follow the IND AS/Guidance Note on Accounting for Employee Share-based Payments and/or any relevant Accounting Standards as may be prescribed by the competent authorities from time to time, including the disclosure requirements prescribed therein.

p) Method of option valuation:

The Company shall adopt 'fair value method' for valuation Options as prescribed under Guidance Note or under any relevant accounting standard notified by appropriate authorities from time to time.

q) Declaration:

In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on Earning Per Share ("EPS") of the company shall also be disclosed in the Directors' report.

A draft copy of the ESOS 2018 is available for inspection at the Company's Corporate office on all working days (excluding Saturday, Sunday and Holidays) till the date of this Annual General Meeting.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolution, except to the extent of their entitlements, if any, under the ESOS 2018.

In light of above, you are requested to accord your approval to the special resolution.

ITEM NO. 8:

The equity shareholders of the Company vide resolution passed on 12th March, 2012 had approved the issuance of 90,00,000 9% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100/- each (hereinafter referred to as "Preference shares") to be redeemed on the expiry of 7 years from the date of issue thereof. Accordingly, the Company had allotted the Preference shares on March 17, 2012 to the promoter company Borosil Glass Works Limited at par on private placement basis

Further, the terms of Preference shares were changed from Cumulative to Non-cumulative vide Special Resolution passed by the shareholders on 26th August, 2015 through postal ballot.

In view of the carried over losses, the Board of Directors had been invariably led to approach the Preference Shareholders for extension of the period of redemption of said Preference Shares. The Board believes that it would serve the long term interests of the Company and the shareholders of the Company.

Section 48 of the Companies Act, 2013 provides that the rights attached to the shares of any class may be varied with the consent in writing of the holders of not less than three-fourths (3/4th) of the issued shares of that class or by means of a special resolution passed at a separate meeting of the holders of the issued shares of that class and if such variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths (3/4th) of such other class of shareholders shall also be obtained.

In view of the circumstances explained above, the Company requested Borosil Glass Works Limited (BGWL), sole Preference shareholder, for variation in terms and conditions of Preference shares, by changing the terms regarding extension of the redemption period for by 3 years i.e. from March 16, 2019 to March 15, 2022. Consent in writing of the Preference Shareholder as required under the Section 48 of the Companies Act, 2013 which has already been obtained to this effect. The consent letter dated 18th June, 2018 from the said Preference shareholder is available for inspection at the registered / corporate office of the Company on all working days between 11 am and 1 pm.

As per SEBI (LODR) Regulations, 2015 and other applicable provisions, this transaction may be treated as related party transaction and as such the related parties shall abstain from voting on such resolution. Therefore, none of the promoters will vote on the resolution.

The above proposal may be considered as affecting the rights of the existing Equity Shareholders of the Company also, and hence their consent is accordingly being sought.

Except Mr. B. L. Kheruka & Mr. P. K. Kheruka, who are also Directors in BGWL (sole Preference shareholder), none of the other Directors, Key Managerial Personnel and / or the relatives of the Directors / Key Managerial Personnel are, in anyway, concerned or interested in this resolution.

The Board of Directors of your Company recommends the passing of special resolution as set out in the Notice.

ITEM NO 9

Presently, the Company's Registered Office is situated in a remote village of District Bharuch of State of Gujarat and Corporate Office is situated in Mumbai, State of Maharashtra. The Registered and Corporate offices of the holding Company viz Borosil Glass Works Limited and its subsidiary / associate companies are also located in the State of Maharashtra. In order to have better co-ordination and operational efficiency amongst group companies as also to provide better accessibility to various stakeholders including shareholders/investors, the Board of Directors of your Company at their meeting held on June 18, 2018, has decided to shift the Registered Office from the "State of Gujarat" to the "State of Maharashtra".

This will also facilitate smooth and regular interface with the key regulatory bodies such as SEBI, Stock Exchanges, Reserve Bank of India, whose head offices are located in Mumbai, Maharashtra. The office of the Share Transfer & Registrar Agent of the Company is also located in Mumbai, Maharashtra.

GUJARAT BOROSIL LIMITED

Thereby such shifting will not be prejudicial to the interest of any employees, shareholders, creditors or any other stakeholders.

As per provisions of Section 12, 13 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, such shifting of Registered Office from one State to other State requires the Company to alter Memorandum of Association of the Company and to obtain necessary approval of the Shareholders by way of special resolution.

The Board recommends the Resolution as set out above for approval of the members as special Resolution.

None of the Director, Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution except as members of the Company.

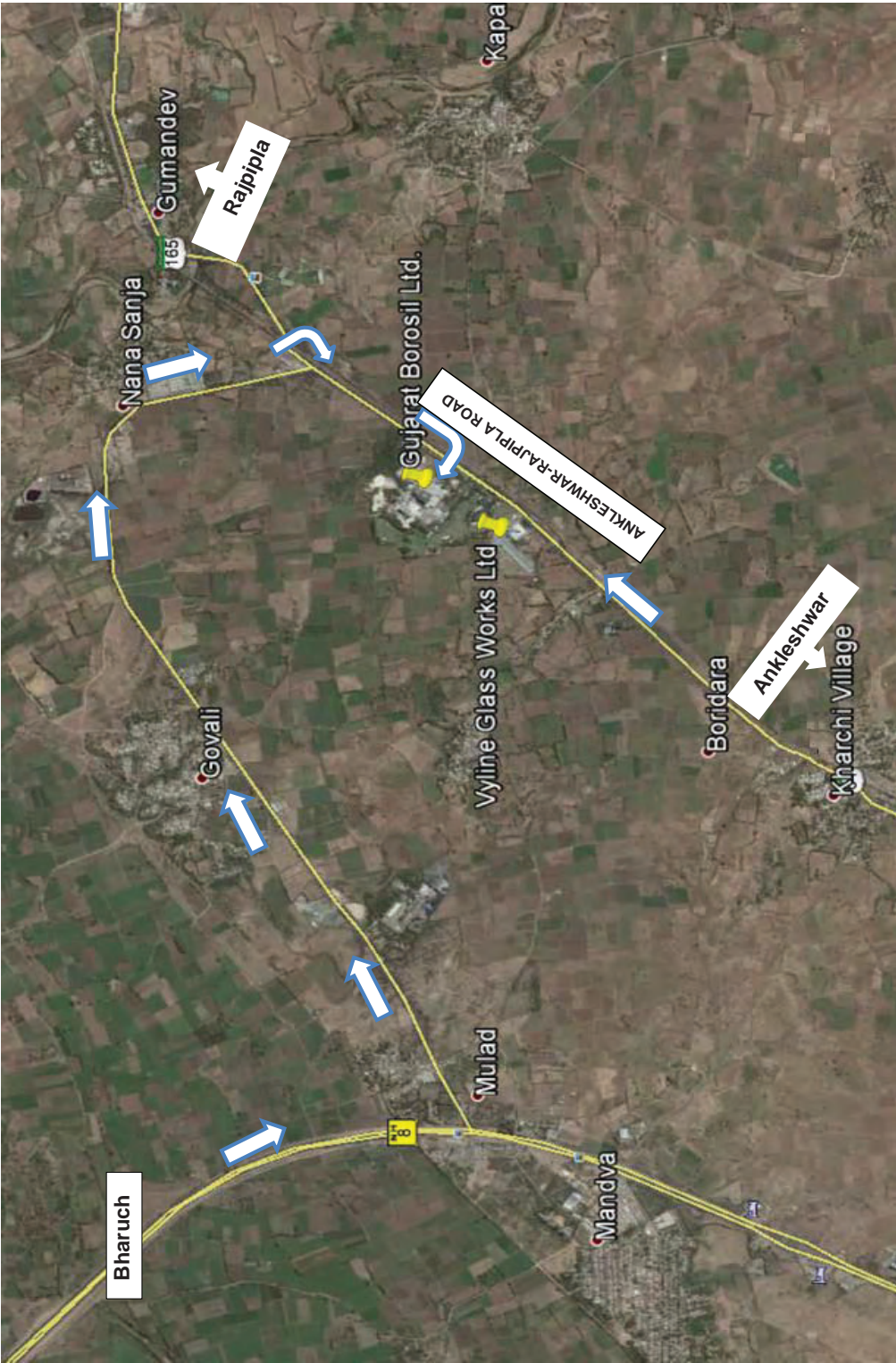
By Order of the Board

For Gujarat Borosil Limited

Mumbai, June 18, 2018

Kishor Talreja
Company Secretary

AGM Venue Route Map with Landmark



DIRECTORS' REPORT

Dear Members,

The Directors take pleasure in presenting the Twenty-Ninth Annual Report together with the Audited Financial Statements for the year ended March 31, 2018.

Financial Highlights

The highlights of the financial results of the Company for the financial year 2017-18 are as follows:

(Rs. in Lacs)

	Year Ended 31.03.2018	Year Ended 31.03.2017
Revenue from operations	19981	18833
Other Income*	350	723
Profit before finance cost, depreciation, exceptional items and tax	3908	4786
Finance cost	1377	1108
Depreciation	1668	1439
Exceptional items- Income/(Expenditure)**	(195)	-
Net Profit before tax	668	2239
Provision for Taxation/MAT/Earlier year Tax	31	(3)
Provision for deferred tax liability /(Asset) ***	(55)	814
Other Comprehensive income	4	(17)
Total Comprehensive Income	696	1412
Add: Balance brought forward from last year	(1781)	(3209)
Balance carried to Balance Sheet	(1089)	(1781)

*Other Income in the previous year included refund of Rs.559 lacs towards revision in the rates of gas transportation charges for the period from November 2008 to March 2016 pursuant to recommendation made by the Petroleum and Natural Gas Regulatory Board.

**Exceptional items for the quarter and year ended 31st March, 2018 represent loss on sale of Captive Power Plant.

***Reduction in income tax rate by the Finance Bill, 2018 has resulted into reversal of deferred tax liability earlier recognised, accordingly there are tax credits in the year ended 31st March, 2018.

DIVIDEND

Your Directors do not recommend any dividend for the year ended March 31, 2018 on both Equity and 9% Non-Cumulative Non-Convertible Redeemable Preference Shares, in view of carry forward losses and in order to conserve resources for the ongoing capital expenditure project to expand production capacity.

TRANSFER OF SHARES/ DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the Company has transferred 22,72,014 Equity Shares of Rs.5/- each held in 17,182 records in respect of which dividend (2008-09) have not been claimed by the shareholders for a period of more than seven years, to the Demat Account of the IEPF Authority, the details of records are as under:

- Physical - 16239 records, 2107049 equity shares
- CDSL - 239 records, 42850 equity shares
- NSDL - 704 records, 122115 equity shares

However, Shareholder can claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Demat Account, by making an application in Form IEPF-5 online on the website www.iepf.gov.in and by complying with requisite procedure.

SHARE CAPITAL

The paid up Share Capital comprises of 6,82,07,500 Equity shares of Rs.5/- each and 90,00,000 – 9% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs.100/- each. The Preference Shareholder had acquired voting rights due to non-payment of dividend for more than two years. During the year under review,

the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. However, the Board of Directors of the Company in its meeting held on March 30, 2018 has approved **Gujarat Borosil Employee Stock Option Scheme, 2018 (“ESOS 2018”)**, subject to approval of the members.

During the year under review, the Company has made an amendment in the Memorandum and Articles of Association of the Company, by classification of existing unissued unclassified share capital to the extent of Rs.4,00,00,000/- (Rupees Four crores) into 80,00,000 equity shares of Rs.5/- each **and** Increased Authorised Share capital to Rs.150,00,00,000 (Rupees One hundred fifty crores) divided into 12,00,00,000 (Twelve crores) equity shares of Rs.5/- each and 90,00,000 (Ninety lacs) Preference shares of Rs.100/- each (Rupees Hundred) each.

VARIATION IN TERMS OF PREFERENCE SHARES

The Board of Directors of the Company in its meeting held on June 18, 2018 accorded their consent to vary the rights, terms and conditions of the preference shares to the extent and manner given below, subject to requisite approvals:

1. The period of redemption of 90,00,000 9% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred only) each shall be extended for a further period of 3 (Three) years. The aforesaid preference shares shall be now due for redemption on March 15, 2022;
2. Undeclared cumulative dividend on this Preference shares shall be payable as and when declared by the Company or otherwise, at the time of redemption and
3. All other terms and conditions associated with the aforesaid preference shares shall remain same.

CHANGE IN PLACE OF REGISTERED OFFICE

The Board of Directors of the Company in its meeting held on June 18, 2018 accorded their consent to shift the Registered Office of the Company from “State of Gujarat” to the “State of Maharashtra” and approved consequent amendment of Clause-II of the Memorandum of Association of the Company, subject to requisite approvals.

STATE OF AFFAIRS/ PERFORMANCE

Revenue during the year under review grew by 6% from Rs.18,833 Lakhs achieved in the previous year to Rs 19,981 Lakhs during FY18. This was enabled by increasing the proportion of revenue from tempered solar glass. During the year from July 2017 the Company expanded its tempering capacity for solar glass by adding a new state-of-the-art tempering line from a leading European supplier of tempering equipment. The new line was inaugurated and dedicated to the Nation by Padma Vibhushan Dr. R. Chidambaram, Principal Scientific advisor, Government of India, on the 10th of October 2017. The company now has tempering capacity in excess of its solar glass production capacity.

The said tempering line has given the Company the added capability to temper thinner glass from 2 mm thickness to 3 mm as against only with a minimum thickness of 3.2 mm hitherto. There is a growing demand for Glass-to-glass modules, which requires fully tempered 2 mm glass sheets. A fully tempered 2 mm glass qualifies as a safety glass too. It is certified to conform to European standard EN 12150-1 for Fragmentation and Mechanical strength parameters for roof top applications unlike a heat strengthened glass.

Owing to its cost effectiveness due to long-term performance durability and low weight of the structure and frameless design, the emerging 2mm textured solar glass segment in the Photovoltaic solar market is expected to grow manifold in the near future. Gujarat Borosil has become the first in the world to have achieved the distinction of producing fully tempered 2mm textured solar glass using the thermal tempering process. The Company has already sent its first shipments of this product against orders from its European customers. With the commissioning of this new line, the Company's tempering capacity has nearly doubled. Moreover, it has added capability to offer solar glass in intermediate thicknesses, e.g. 2.8mm and 2.5mm which will allow manufacturers to make completely new, lighter and more efficient photo voltaic modules. The Company expects to be able to cater to the growing demand for new products within the overall ecospace of Solar Tempered glass.

Owing to enhancement of tempering capacity, sales of solar tempered glass grew by 25% As the company executed its strategic shift towards higher production of solar glass, sales of patterned glass which is also done by using the same glass production facility to maximize capacity utilization, had to be curtailed.

Exports (other than to customers in SEZ) during the year under review were higher at Rs. 3,632 lacs as compared to Rs. 2,610 lacs during the previous year. Exports to customers in SEZ were lower at Rs. 628 lacs as against Rs.1,713 lacs during the previous year.

Pressure from low selling prices of solar glass from China and Malaysia contributed to a decline in sales prices of the company's products during FY18.

The Company has executed a number of initiatives in order to compete with the threat of Chinese & Malaysian dumping. Firstly, on the cost front, with various R & D efforts, the Company has successfully reduced cost of raw materials consumed. This includes lower consumption of sodium antimonate and savings through imports of soda ash. On the energy front, as per internal information, the Company is already more efficient than its international competitors. However, the cost /unit of electricity is higher at the Company's manufacturing location. The Company has started to purchase open access power in order to reduce per unit cost of power. The Company also has begun to dispatch goods without using packing materials, in order to save cost and be more environmentally concerned by way of using less wood.

Secondly, the Company also is adding value to the customers by innovating new products like 2 mm fully tempered glass. This glass makes the solar module more efficient and can be used in bifacial modules, thereby increasing efficiency by over 25% as well as increasing the life of the module from 25 to 40 years. Our R &D efforts have made us the first in the world to offer this product. Such new product development initiatives will further allow us to meet the threat of Chinese & Malaysian dumping.

Profit before finance cost, depreciation, exceptional items and tax during FY18 was at Rs. 3,908 Lacs as compared to Rs. 4,786 Lacs (which included a one-time refund of Rs. 559 lacs from GAIL for 2008 to 2016) in the previous year. The net decline was contributed by production loss due to temporary suspension of production, undertaken to carry out hot running repairs to the furnace, and trials to manufacture 2mm fully tempered glass during FY18 and continued pressure on selling prices.

Higher finance cost and additional depreciation of Rs. 498 lacs on account of the new tempering line coupled with reasons mentioned above, resulted in a decline in profit before tax during FY18 to Rs. 668 lacs as against Rs. 2,239 lacs (which included a one-time refund of Rs. 559 lacs from GAIL for 2008 to 2016) in the previous year.

Your company was successful in its application for imposition of anti-dumping duty on imports of dumped solar glass from China effective from 18th August, 2017 for a period of 5 years. During the year 2017-18 imports of tempered solar glass from Malaysia have burgeoned following the installation of a large new plant there. Prices offered from this plant are even lower than imports from China. Imports from Malaysia contributed almost 45% of the total imports in the country. Based on an application by your company, the government has initiated an investigation into the imports of solar glass from Malaysia. A positive decision by the government will create a growth environment for domestic production.

Imports of solar tempered glass have risen considerably over last 3 years and are now 250% of the supplies from the Company. There exists significant scope for selling additional capacity based on the existing domestic production of solar photovoltaic modules. Meanwhile, the solar cell and module manufacturers are trying to get safeguard and anti-dumping duties levied on imports of solar cells and modules. Based on the current climate favoring domestic production of solar manufacturing, it is expected that a level playing field will become available to Indian manufacturers. This will boost domestic manufacturing of modules and expand the demand for solar glass.

In view of all these factors, the Company is setting up a new furnace with tempering facility of 210 TPD at the existing location. The additional capacity is tentatively expected to be in production by the 2nd quarter of 2019-20.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Some statements in this discussion pertaining to projections, estimates, exceptions or outlook may be forward looking. Actual results may however differ materially from those stated on account of various factors such as changes in government regulations, tax regimes, economic developments, currency exchange rates and interest rate movements, impact of competing products and their pricing, product demand and supply constraints within India and other countries where the Company conducts business. Estimates made with regard to market size of various segments and their respective rates of growth are internal estimates made by the management.

A. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company is engaged in production of low iron solar glass for application in the solar power sector. Until 2011 the Solar PV market was concentrated mainly in developed economies. However, since then China has risen rapidly to become the dominant player in both manufacturing and installations. This has also led to flooding of

international markets with highly subsidized components including solar glass, cells and photo voltaic modules by China. In 2011, the Government of India had announced a target of installing of 20 GW of solar power by 2020. In 2014 the new government has imparted enormous momentum to the solar sector by setting a target of installation of 100 Giga Watt (GW) by the year 2022. Besides grid connected installations, the program gives huge emphasis on the irrigation sector by promoting the use of solar powered pumps and by encouraging off-grid roof-top and standalone solar power solutions.

In 2017 global solar PV installations exceeded a record breaking 100 GW of which China alone accounted for about 53 GW. The market is experiencing exponential growth.

During the calendar year 2017 solar installations of 9.6 GW were added in new large-scale grid and rooftop solar capacity, which was more than double the installations of 4.3 GW in 2016. This robust growth boosted the country's total installed capacity to 19.6 GW as of December 2017.

Rooftop installations grew by 56 % year-on-year with cumulative installations totaling nearly 1.6 GW as of December 31, 2017.

The program would also contribute to the development of a market for solar rooftop financing to meet the government of India's ambitious target of achieving 40 GW of rooftop solar power by 2022.

With projected growth, India will soon become the 2nd largest market for new installations. However, the domestic manufacturing sector still awaits the necessary support from the government, as cheap imports continue to take a lion's share in the installations on price considerations due to reverse bidding mechanism. The Government needs to take suitable policy initiatives and create the eco system necessary to promote serious investment in the domestic manufacturing of all the solar components, which will assure energy security to the nation besides generating large scale employment and potentially conserve US\$ 45 billion worth of foreign exchange.

The Company continues with its plans to produce limited quantity of premium quality patterned glass to maintain its presence in the architectural glass market. This limited quantity of patterned glass in exclusive designs is made for architectural applications largely catering to shower cubicles, partitions and tabletops, etc.

B. OPPORTUNITIES & THREATS

OPPORTUNITIES

The Company remains the only producer of solar glass in the country and enjoys widespread acceptance of its product. It constantly evaluates avenues for growth in this sector in both domestic and export markets. In the domestic market, its natural advantage of offering a shorter lead time to module manufacturers works favourably in helping it to secure business.

Despite concerns about weak power demand growth and growing incidence of grid curtailment, the solar power outlook in India remains very strong;

Solar accounted for approximately 45 % of all new generation capacity added in India during 2017. This robust installation activity also made solar the single largest source of new power capacity additions in 2017.

India's pipeline of utility-scale projects under development stood at approximately 10.6 GW at year-end 2017, with another 4.3 GW of tenders pending auction.

The Government is working on various proposals to boost domestic manufacturing of solar modules and components. Solar Energy Corporation of India (SECI) has invited Expressions of Interest from prospective project developers to set up 5 GW of solar PV projects in a phased manner during the next three years. The manufacturing capacity will be linked to inter-state transmission system (ISTS)-connected solar photovoltaic (PV) projects for an aggregate capacity of 10 GW. SECI will enter into power purchase agreement (PPA) with the successful bidders for purchase of solar power for a period of 25 years.

For the manufacturing unit, the manufacturer can use any technology for producing modules, provided that the materials used in the process are produced domestically. The only major raw material that can be imported is polysilicon. The manufacturing unit must be developed over a three-year period from date of award.

This is the first step towards making India's solar supply chain strong.

The Director General Safeguard Duties has recommended levy of safeguard duty on imports of solar cells and modules. However a final decision is yet to be taken. The solar cell and module producers are also seeking imposition of anti-dumping duties. These measures once taken will create substantial demand for solar components, including glass.

In view of growth in the sector, the domestic module manufacturing is growing. This will need higher supplies of solar glass. The glass imports have risen to almost 275 TPD as against current supply of 125 TPD by the Company. This provides huge opportunity to the Company to tap this demand.

Gujarat Borosil's thinner fully tempered solar glass (2 mm) coupled with a frameless module design is the most befitting product for Rooftop application owing to its low weight and long-term performance durability. The fully tempered 2 mm solar glass is a niche product and can provide substantial upside in operational performance going forward.

THREATS

- Government policies to provide solar power at cheapest price and the methods like reverse bidding for power projects has led to possibilities of compromise on quality and long-term aspects. This has been keeping the manufacturers of components away from taking up expansion plans. However, the indications are that the solar power rates have now bottomed out and are in fact slightly rising.
The uncertainty prevailing due to petition filed for imposing safeguard and anti-dumping duty on Imported solar cells & modules and a 7.5% port duty on imported modules has resulted in a set back in solar PV installations in 2018 leading to lowering of the targets. The air on 7.5% duty is cleared after the port duty is nullified. The Ministry of New and Renewable Energy (MNRE) of the Government of India has recently clarified that the safeguard duty will be a pass through which should lead the concerns to rest. However, these measures can still be subjected to scrutiny by international agencies like WTO.
- Compared to 2016, imports of solar cells and modules into India in 2017 grew by 47%. India continues to meet the demand for Cells and modules to the extent of 87% by imports largely from China, Taiwan and Malaysia. Recently USA has announced safeguard duties on imports of solar cells and modules from China and many other countries. This may lead to these geographies increasing their focus on targeting the Indian market in an even bigger way, which may lead to higher imports. This may affect domestic manufacturing of solar modules and adversely impact solar glass demand and /or put pressure on selling prices.
- Currently China is installing solar capacities for which a significantly large portion of their huge production capacities of solar components gets utilized. In the event of a slowdown in their domestic installations for solar PV, the Chinese producers can further impact the other markets in terms of both volumes and prices. Solar glass is a continuous process industry and any abrupt change in Government policies to cut the targets can result into surplus capacity for glass. This may cause severe pressure on the selling prices of glass and adversely affect the profitability.
- China as the World's largest PV glass producer accounts for over 90% of the total solar glass capacity. The Chinese producers are setting up manufacturing plants in Vietnam and Malaysia to cater to South East Asian, Indian, European and Japanese customers. One plant of 900 Tons per day PV glass manufacturing has commenced in Malaysia in the beginning of 2017. A significant portion of solar glass imports now originate from Malaysia at a price even lower than the Chinese imported prices. There are two more plants in the pipeline which are likely to come up in 2018 and 2019 respectively in Malaysia with a capacity of 1000 MT/day each. Also, the plant in Vietnam with another 1000 MT/day is expected to be commissioned by end of 2018. Thus glass availability is increasing rapidly and this could lead to subdued prices unless old inefficient plants keep closing and suitable duty measures are put in place by Indian authorities in a timely fashion. The Company's application for levy of a suitable anti-dumping duty levy on solar glass imports from Malaysia needs to be positively disposed of at the earliest.
- Module producers based in SEZ zones in the country continue to clear the modules in domestic tariff area without bearing any anti-dumping duties on solar glass. This is a big anomaly in the policy which needs to be corrected for a healthy competition in the Module manufacturing industry.

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 Indian Accounting Standard 108.

The Segment Revenue in the Geographical Segment considered for disclosure are as follows:

- i) Revenue within India includes sales to customers located within India excluding SEZ and EOU.
- ii) Revenue outside India includes sales to customers located outside India including to SEZ/EOU and Export Benefits / Incentives

<u>Sales:</u>	<u>2017-18 (Rs. In lacs)</u>	<u>2016-17 (Rs. In Lacs)</u>
Within India	15,721	14,510
Outside India	4,260	4,323
TOTAL	<u>19,981</u>	<u>18,833</u>

D. OUTLOOK

The growth of solar energy in the Country has gained momentum which will require huge quantity of solar glass. The Government plans to set up 100 GW of solar power installations by 2022. The action on the ground has speeded up and all the sectors i.e. Grid power, Rooftop and Solar water pumps are showing good growth. The Government has recently announced that all the villages now have electricity and now plans to ensure electricity for each household. The agencies like SECI are creating enough demand pipeline visibility and auctions are being held much in advance.

The solar energy produced will reduce pressure on natural resources besides being non-polluting and environment friendly and will lead to saving in the Oil import bill. It is expected that a very significant portion of new power installations will come from renewables led by solar. As the only domestic manufacturer of solar glass, your Company expects to participate in and benefit from the extremely strong growth potential for the solar sector.

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 approvals for land and readiness of power distribution companies to evacuate power needs to be focused in order to achieve ambitious growth 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 could affect the health of the Industry.

There are huge imports of Modules from various countries and imports of Solar glass from China/Malaysia in view of huge capacities created by these countries in most cases incentivized in many ways. The import of modules reduces the demand for components. The absence of a suitable import duty structure impacts the incentive for taking up domestic production.

There is a need to create a domestic manufacturing policy and a road map in this strategically important industry. It is expected that a manufacturing policy for solar to develop entire eco-system will be framed sooner than later thereby paving the way for robust growth and achievement of plans.

F. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate Internal Control Systems 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. Internal Audits are continuously conducted by an 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 as record production of solar glass and sales was achieved. The EBITDA margins dropped to 19% as against 24% in the previous year. The decline in profitability was primarily due to a drop in selling prices on some short-term contracts to sell additional production from the expanded tempered glass capacity and to counter cheap imports of solar glass from China and Malaysia. In addition, the Company incurred higher expenses and production loss due to a planned hot repair of furnace to maintain its life and trials of the new 2mm thinner glass.

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, 2018 were as under:

Staff	:	222
Workers	:	159 (Excluding contract labour)

The Company has effective HR systems to make the performance appraisals and working more transparent. Greater operational and financial details are shared with the management cadre with a view to having their deeper involvement and for development of human resources. In order to align senior management focus with long-term shareholder objectives, the Board of Directors of the Company in its meeting held on March 30, 2018, approved **Gujarat Borosil Employee Stock Option Scheme, 2018 ("ESOS 2018")**, subject to approval of the members.

CORPORATE GOVERNANCE

As required by Regulation 34 read with schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance is appended along-with a Certificate of Compliance from the Auditors.

SCHEME OF AMALGAMATION AND ARRANGEMENT:

The Board of Directors of the Company in its meeting held on June 18, 2018 approved Composite Scheme of Amalgamation and Arrangement. After examination of various aspects and business expediencies it was decided that Vyline Glass Works Limited (VGWL) and Fennel Investment and Finance Private Limited (FIFPL) and Gujarat Borosil Limited (GBL) will merge with Borosil Glass Works Limited (BGWL), holding Company AND thereafter existing businesses of BGWL (except liquid investments of Rs.125 crores and 7.95 hectares of land) alongwith business of VGWL, will demerge into Hopewell Tableware Private Limited (HTPL) which will be renamed to represent BGWL's business. The present BGWL after demerger will be renamed to represent GBL's Solar glass business.

The scheme would:

- Result in simplification of the group structure by eliminating cross holdings.
- Confer shares in each business to each existing shareholder of all the companies thereby giving them an opportunity to participate in both the businesses i.e. scientific & industrial products and consumer products businesses of BGWL and solar business of GBL. They will be able to decide whether to stay invested or monetize their investment in either of the businesses thereby unlocking value for the shareholders.
- Enable each business to pursue growth opportunities and offer investment opportunities to potential investors.
- Result in economies in business operations, provide optimal utilization of resources and greater administrative efficiencies.

BGWL is a holding Company of our Company and is engaged in the business of laboratory glassware, microwavable kitchenware and other consumerware items. Shareholders of GBL other than BGWL and FIFPL will receive shares in the ratio of 1:8 in existing BGWL as also 1:10 no of shares in HTPL (post demerger) against each share in BGWL.

VGWL, held (99.54%) by the promoters of BGWL, is in the business of manufacturing glass and glass products, which it supplies primarily to BGWL. Under the Scheme, Shareholders of VGWL will receive shares in the ratio of 100:162 in existing BGWL as also 1:10 no of shares in HTPL (post demerger) against each share in BGWL.

FIFPL is an associate company of BGWL and registered as a Non-Banking Financial Institution. It is held by BGWL and the promoters of BGWL. Shareholders of FIFPL other than BGWL and VGWL will receive shares in the ratio of 100:218 in existing BGWL as also 1:10 no of shares in HTPL (post demerger) against each share in BGWL.

HTPL is engaged in the business of manufacturing and marketing of opal tableware items and is presently a wholly owned subsidiary of BGWL.

BGWL shareholders, while retaining their existing holding, will also receive 1 share in HTPL (post-merger) against 10 shares held in BGWL. HTPL will be listed on BSE and NSE post completion of the Scheme.

The share exchange ratio has been arrived at as per a valuation report by SSPA & Co, Chartered Accountants. A fairness opinion has been provided by M/s Keynote Corporate Services Ltd.

The amalgamation will eliminate cross holdings among group companies and simplify the group structure. A key rationale is the reduction in related party transactions in the current operations. This Scheme will also make available a part of the funds required for impending expansion project of GBL.

Thus, under the aforesaid Scheme, shareholders of GBL, VGWL and FIFPL will get shares both in existing BGWL (which will be renamed) and in the existing HTPL (which will be renamed) after demerger of BGWL business (alongwith business of VGWL) into HTPL.

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. There is no deposit which is not under compliance of Chapter V of Companies Act, 2013.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary Company.

The Company is an associate company of Fennel Investment and Finance Private Limited by virtue of their holding of more than 20% of the equity share capital in the Company.

The Company was an associate company of Borosil Glass Works Limited (BGWL) till May 06, 2018 by virtue of their holding of more than 20% of the equity share capital in the Company. However, in view of amendment of Section 2(87) of the Companies Act, 2013, which defines 'Subsidiary Company', the Company has become a subsidiary of BGWL effective May 07, 2018, as BGWL controls more than one-half of the total voting power.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company has established a Whistle Blower (Vigil) Mechanism and formulated a Whistle Blower Policy to deal with instance of fraud and mismanagement. The details of the Policy are explained in the Corporate Governance Report, which form part of this Annual Report and also posted on the website of the Company at <http://www.gujaratborosil.com/policies.html> - click on Whistle Blower Policy

BOARD OF DIRECTORS, ITS MEETINGS, EVALUATION ETC.

Board Meetings:

During the year, five Board Meetings and four Audit Committee Meetings were convened and held. The details of these are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Appointment/ re-appointment:

As per the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. P. K. Kheruka (DIN 00016909), Director of the Company will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment. The Board recommends his re-appointment.

Mr. Rajesh Chaudhary (DIN 07425111) resigned as Whole Time Director of the Company with effect from March 31, 2018 and Mr. Ramaswami Velayudhan Pillai (DIN 00011024) has been appointed as Additional Director, Whole Time Director and Key Managerial Personnel of the Company with effect from April 01, 2018.

Brief details of the Director(s) being appointed/ reappointed have been incorporated in the Notice for the forthcoming Annual General Meeting.

Except as stated above, there is no other change in the composition of the Board of Directors and Key Managerial Personnel during the year under review.

Declaration by Independent Directors:

The Independent Directors have submitted the declaration of independence, as required pursuant to Section 149(7) of Companies Act, 2013, stating that they meet the Criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Company's Policy on Directors Appointment and Remuneration etc.:

Under Section 178 of the Companies Act, 2013, the Company has prepared a policy on Director's appointment and Remuneration. The Company has also laid down criteria for determining qualifications, positive attributes and independence of a Director. Policy relating to remuneration for the Directors, Key Managerial Personnel and Other employees is attached herewith as an '**Annexure A**' to this Report.

The Company has formulated a policy relating to remuneration for the Directors, Key Managerial Personnel and other employees. This is available on the website of the Company at <http://www.gujaratborosil.com/policies.html> - click on Remuneration Policy.

Familiarization Programme for Independent Directors:

A Familiarization programme was prepared by the Company about roles, rights and responsibilities of Independent Directors in the Company, nature of industry in which the Company operates, business model of the Company, about Secretarial Standard-Board & General Meeting, SEBI (LODR) Regulations, 2015 etc., which was presented to Independent Directors on November 13, 2017. The details of the above programme are available on the website of the Company at <http://www.gujaratborosil.com/directors.html> - click on Familiarization Programme for Independent Directors.

Formal Annual Evaluation:

In compliance with the Companies Act, 2013 and Regulations 17, 19 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Board was carried out during the year under review.

The Formal Annual Evaluation has been made as follows:

1. Manner of effective evaluation:

The Company has laid down evaluation criteria separately for the Board, Independent Directors, Directors other than Independent Directors and various committees of the Board in the form of questionnaire.

Evaluation of Directors

The criteria for evaluation of Directors (including the Chairman) include parameters such as willingness and commitment to fulfill duties including attendance in various meetings, high level of professional ethics, contribution during meetings and timely disclosure of all the notice/details required under various provisions of laws.

Evaluation of Board and its various committees

The criteria for evaluation of Board include whether Board meetings were held in time, all items which were required as per law or SEBI (LODR) Regulations, 2015 to be placed before the Board, have been placed, the same have been discussed and appropriate decisions were taken, adherence to legally prescribed composition and procedures, timely induction of additional/ women Directors and replacement of Board members/Committee members, whenever required, whether the Board regularly reviews the investors grievance redressal mechanism and related issues, Board facilitates the independent directors to perform their role effectively etc.

The criteria for evaluation of committee include taking up roles and functions as per its terms of reference, independence of the committee, policies which are required to frame and properly monitored its implementation, whether the committee has sought necessary clarifications, information and explanations from management, internal and external auditors etc.

Based on such criteria, the evaluation was done in a structured manner through peer consultation & discussion.

2. Evaluation of the Board was made by a Separate Meeting of Independent Directors held under Chairmanship of Mr. Ashok Kumar Doda, Lead Independent director (without attendance of non – Independent Director and members of management) on 30th March, 2018.

3. The performance evaluation of all committees namely:
 1. Audit Committee
 2. Nomination and Remuneration Committee
 3. Corporate Social Responsibility Committee
 4. Share Transfer Committee were done by the Board of Directors at its meeting held on 30th March, 2018. However, performance evaluation of Stakeholders Relationship Committee was done on May 10, 2018.
4. Performance evaluation of non – Independent Directors namely Mr. B. L. Kheruka, Mr. P. K. Kheruka, Mr. Ashok Jain and Mr. Rajesh Chaudhary was done at a Separate meeting of Independent Directors.
5. Evaluation of Independent Directors namely Mr. Shashi Kumar Mehra, Mr. Jagdish M. Joshi and Mr. Ashok Kumar Doda and Mrs. Shalini Kamath was done (excluding the Director who was evaluated) by the Board of Directors of the Company at its meeting held on 30th March, 2018.
6. In addition, the Nomination and Remuneration Committee has carried out evaluation of every Director's performance at its meeting held on 30th March, 2018 as required under Section 178 (2) of Companies Act, 2013.
7. The Directors expressed their satisfaction with the evaluation process. Performance evaluation of Board/ Independent Directors/ Committees was found satisfactory.

AUDIT COMMITTEE:

The details pertaining to the composition, terms of reference and other details of the Audit Committee of the Board of Directors of your Company and the meetings thereof held during the financial year are given in the Report on Corporate Governance section forming part of this Annual Report. All recommendations of the Audit Committee in terms of its charter were accepted by the Board of Directors of your Company from time to time during the year under report.

KEY MANAGERIAL PERSONNEL

Key Managerial Personnel (KMP) of the Company under Section 203 of the Companies Act, 2013 are as follows:

SR NO.	NAME	DESIGNATION
1	Mr. Ramaswami Velayudhan Pillai	Whole Time Director with effect from April 01, 2018
2	Mr. Rajesh Chaudhary	Whole Time Director upto March 31, 2018
3	Mr. Sunil Roongta	Chief Financial Officer
4	Mr. Kishor Talreja	Company Secretary

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company faces various risks in the form of financial risk, operational risks etc. The Company understands that it needs to survive these risks in the market and hence has developed a comprehensive policy on Risk Management.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As part of its initiatives under "Corporate Social Responsibility" (CSR), the Company has undertaken projects in the area of education which were in accordance with Schedule VII of the Companies Act, 2013.

During the year, the Company contributed:

A. Rs.22,40,000/- to Borosil Foundation, which in turn contributed:

-Rs.2,40,000/- to Seva Yagna Samiti, Bharuch, Gujarat for avoiding malnutrition as a measure of preventive health care & for food supply to patients of Government hospital at Bharuch, Gujarat,

-Rs.10,00,000/- to Friends of Tribals Society, Mumbai, as a part of a project being undertaken by them for imparting education in tribal areas under One Teacher School (OTS) called Ekai Vidyalayas,

-Rs.10,00,000/- to Saat Saath Arts, Jaipur, for protection of national heritage, art and for cost of shipping of the artworks and logistics of the exhibition that will be part of the Sculpture Park at Madhavendra Palace, Nahargarh Fort, Jaipur And

B. Rs.11,00,000/- to Manav Seva Mandal Global Parli for promoting education and making available safe drinking water at schools/hostel in Beed district, Maharashtra.

GUJARAT BOROSIL LIMITED

In terms of Section 135 of the Companies Act, 2013 and Rules made thereunder, the Company has constituted CSR committee comprising of the following members:

1. Mr. B. L. Kheruka-Chairman
2. Mr. P. K. Kheruka
3. Mr. Jagdish Joshi out of which Mr. Jagdish Joshi is an Independent Director.
 - a. The CSR Committee of the Board of Directors indicates the activities to be undertaken by the Company (within the framework of activities as specified in Schedule VII of the Act) during the particular year.
 - b. recommends to the Board the amount of expenditure to be incurred during the year under some of the activities covered in the Company's CSR Policy.
 - c. monitors the said policy.
 - d. ensures that the activities as included in CSR Policy of the Company are undertaken by it in a phased manner depending on the available opportunities.

Company's CSR Policy:

The Board of Directors of the Company has approved the CSR Policy as recommended by the CSR Committee and the same has been uploaded on the Company's website at <http://www.gujaratborosil.com/policies.html> - click on CSR policy.

Initiatives taken by the Company during the year:

The 2% of the net profits of the Company during the immediate three preceding financial years amounts to Rs.32.88 lacs. The Company has contributed a sum of Rs.33.40 lacs during the year.

The Company has jointly with Borosil Glass Works Limited (BGWL), holding Company and Hopewell Tableware Private Limited (HTPL), wholly owned subsidiary of BGWL constituted a Trust namely – 'Borosil Foundation' with the main objective of making CSR contributions by the Company, BGWL and HTPL, from time to time.

An Annual Report on CSR activities in terms of Section 134(3) (o) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014 is attached herewith as an '**Annexure B**' to this Report.

Reason for non-spending balance CSR contribution:

Although, the Company has made contribution in excess of limit. However, the following amount will be spent during the financial year 2018-19:

- Rs. 80,000/- contributed to Seva Yagna Samiti through Borosil foundation
- Rs. 10,00,000/- contributed to Friends of Tribals Society through Borosil foundation

POSTAL BALLOT

During the year under review, your Company sought the approval of the Shareholders on the following Special Resolution(s), vide Postal Ballot Notice dated August 08, 2017:

- a. Amendment in Articles of Association of the Company
- b. Amendment in Memorandum of Association of the Company – Classification and Increase of Authorized Share Capital
- c. Raising of finance through issue of securities
- d. Increase in borrowing powers up to Rs.300 crores.

The results on the voting conducted through Postal Ballot process were declared on October 04, 2017. Further, details related to the Postal ballot procedure adopted, voting pattern and result thereof have been provided under the General meeting section of 'Report on Corporate Governance'.

EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in form MGT 9 is attached as an '**Annexure C**' to this Report and forms part to the report of the Board of Directors.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. The policy on Related Party Transactions as approved by the Board is uploaded on the

Company's website at <http://www.gujaratborosil.com/policies.html> - click on Related Party Transaction policy.

The details of the transactions with Related Party are provided in the accompanying financial statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

During the year under review, the Company has received an inspection notice from Regional Director, North-Western Region, Ministry of Corporate Affairs at Ahmedabad, Gujarat ("Regional Director") and subsequently an observation notice from the Regional Director in relation to certain violations/irregularities of the provisions of the Companies Act, 2013. The Company has replied to their observation notice.

POLLUTION CONTROL

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

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

During the year under review, there have not been any instances of fraud and accordingly, the Statutory Auditors have not reported any frauds either to the Audit Committee or to the Board under Section 143(12) of the Act.

AUDITORS:**STATUTORY AUDITORS**

M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai (Firm Registration no.101720W), were appointed as Statutory Auditors of your Company for a term of five years from the conclusion of the 27th Annual General Meeting held on August 08, 2016 till the conclusion of the 32nd Annual General Meeting. Since then, proviso to sub-section (1) of Section 139 of the Companies Act, 2013, which provided for such ratification every year, has been deleted. However, since the resolution passed on August 08, 2016 contains such requirement, it has been decided, as a major of abundant caution, to have ratification of appointment Statutory Auditors, done by the members for the entire unexpired period.

The Statutory Auditor's Report for the financial year 2017-2018 does not contain any qualifications, reservations, adverse remarks or disclaimer and no frauds were reported by the Auditors to the Company under sub-section (12) of Section 143 of the Act.

COST AUDITORS AND COST AUDIT REPORT

Pursuant to section 148 of the Companies Act 2013 and Rules made thereunder, the Board of Directors on the recommendation of the Audit Committee appointed M/s. Kailash Sankhlecha & Associates, Cost Accountants, as the Cost Auditors of the Company for the financial year 2018-19 and has recommended their remuneration to the Shareholders for their ratification at the ensuing Annual General Meeting.

The Audit Committee has also received a certificate from the Cost Auditor certifying their independence and arm's length relationship with the Company. Pursuant of Section 148(6) of the Companies Act, 2013 and Rules made thereunder, the Cost Audit Report for the financial year 2016-17 was filed with the Ministry of Corporate Affairs on 31st August, 2017 vide SRN no. G51703312.

SECRETARIAL AUDIT

In terms of Section 204 of the Act and Rules made there under, Mr. Virendra Bhatt, Practicing Company Secretary (CP no.124) has been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is attached as an '**Annexure D**' to this Report. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks by the Secretarial Auditors.

GUJARAT BOROSIL LIMITED

The comments of the Board on the observations and other remarks of the Secretarial Auditors are as follows:

Sr. No.	Observation by Secretarial Auditor	Comments by the Board
1	The Company has received an inspection notice u/s. 206(5) from Regional Director, North-western Region, Ministry of Corporate Affairs at Ahmedabad, Gujarat ("Regional Director) and subsequently a letter dated December 13, 2017 from the Regional Director in relation to certain violations/ irregularities of the various provision of the Companies Act, 2013.	The Company has replied to the letter dated December 13, 2017. Further, the Company has received Show cause notice dated May 01, 2018 from Registrar of Companies, Gujarat for violation of certain provisions of the Companies Act, 2013, which the Company is in process of compounding.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- that in the preparation of the annual financial statements, the applicable Indian accounting standards have been followed and there were no departures;
- 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 profit and loss of the Company for that period;
- that we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on Board and General Meetings. The Company has complied with all the applicable provisions of the Secretarial standards.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, the Company had not made any loans or given any guarantee. However, the Company had made investments in mutual fund, details of which are furnished in the Notes 11 to the Financial Statements.

EMPLOYEES' SAFETY

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

The Company attaches high importance to the Occupational health and safety systems to protect all its employees. The Company has taken mediclaim policy for all its employees and their dependent family members as also personal accident insurance of appropriate amounts for the employees at various levels.

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

The Company has in place a Policy for Prohibition and Redressal of Sexual Harassment at work place which is in line with the requirements of the Sexual Harassment of women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The Company has constituted an Internal Complaint Committee for its Registered Office and Corporate Office under Section 4 of the captioned Act. No complaint has been filed before the said committee till date. The Company has filed an Annual Report with the concerned Authority.

DISCLOSURE UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

A Statement containing details of disclosure as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is attached herewith as an '**Annexure E**' to this Report.

PARTICULARS OF EMPLOYEES

Particulars of Employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached herewith as an '**Annexure F**' to this Report.

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

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 (3) of the Companies (Accounts) Rules, 2014 is given as an '**Annexure G**' to this Report.

OTHER DISCLOSURES:

- There have been no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report.
- There is no change in the nature of business.
- No Director is in receipt of any remuneration or commission from any of its subsidiaries, as the Company has no subsidiary Company.
- No relative of director was appointed to place of profit.
- As per Regulation 32(4) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, deviation of proceeds of public issue is not applicable to the Company.

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. The 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: June 18, 2018

B. L. Kheruka

Chairman
DIN-00016861

Policy relating to remuneration for the Directors, Key Managerial Personnel and other employees**OBJECTIVE**

The Nomination and Remuneration Committee had in its Meeting held on 18th June, 2018 formulated revised policy relating to remuneration for the Directors, Key Managerial Personnel and Other employees in terms of the Section 178 of the Companies Act, 2013 and Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The remuneration policy for members of the Board of Directors, Key Managerial Personals and Other Employees has been formulated pursuant to Section 178 of the Companies Act, 2013, which strive to ensure:

- i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

REMUNERATION OF THE BOARD OF DIRECTORS

The Board of Directors of the Company comprises of Executive and Non-Executive Directors, for which separate policies have been framed:

1. Executive Directors comprising of Promoter Directors and Professional Directors;
2. Non-Executive Directors comprises of Promoter (Non Independent) Director and Independent Directors

Remuneration of Executive Directors**Fixed remuneration:**

All Executive Directors viz Executive Chairman, Executive Vice Chairman, Managing Director and Whole-time Director will have a component of Fixed Salary, which may be fixed for the whole tenure or in a graded pay scale basis. In addition, they will be entitled to usual perks which are normally offered to top level executives, such as Furnished/Unfurnished house / House Rent Allowance, Medical / Hospitalization reimbursement, Personal accident insurance, club fees, car with driver and retrial benefits including leave encashment as per the Policy of the Company at the end of the tenure.

Variable Components:**Commission:**

Subject to the approval of the shareholders and within the overall limits prescribed in Section 197 of the Companies Act, 2013, the Executive Directors shall be paid commission based on nature of duties and responsibilities, as may be determined by the Board of Directors on year to year basis.

Employee Stock Option: The Company has implemented **Gujarat Borosil Employee Stock Option Scheme 2018** and the Executive Directors (other than promoters) will be eligible along with the employees of the Company.

Reimbursement of Expenses:

Directors will be entitled for actual entertainment and travelling expenses incurred for business purposes.

The above payments shall be subject to such approvals as may be necessary under the Companies Act, 2013 and the Listing Agreement.

Remuneration of Non- Executive Directors:**Fees:**

Shall be entitled to payment of fees for attending each Board and Committee Meetings as may be decided by the Executive Directors (members) of the Board, within the limit prescribed under the Rules made under the Companies Act, 2013. The fees may be on uniform basis, as the committee views that all directors affectively contribute to the benefit/growth of the Company.

Separate fees may be decided in respect of Board Meetings and Committee Meetings.

Variable Components:**Commission:**

Subject to the approval of the shareholders and within the overall limit of 1% as prescribed by the Companies Act, 2013, the Non-Executive Directors may be paid commission on a pro rate basis.

Reimbursement of Expenses:

For Non-Executive Directors actual expenses in connection with Board and Committee Meetings are to be reimbursed. In addition, if a Non-Executive Director is travelling on Company's business, as permitted by the Board, he/she shall be entitled for his/her travelling and lodging expenses on actual basis.

Key Managerial Personnel:

Key Managerial Personnel shall be paid salary and perquisites, like other employees of the Company based on their qualification, job experience, as may be applicable and as may be applicable to the grade, to which they belong.

Other Employees:

The Company has a performance management system in place in form of software that is known as 'Formula HR', for assessing the performance and competence in order to fix the remuneration and determination of increments of the employees.

The Company has various grades starting from Officers Level to Senior Vice President. There are different departments like Marketing, Production, Finance, HR & Administration, Legal, Secretarial and IT, with departmental heads of each departments of the level of Vice President / General Manager with their respective teams/subordinates of different grades.

Initial remunerations are decided based on an employee's qualification, past experience, suitability for the job and the level for which the position is intended.

At the start of every financial year, organizational strategy is converted into department goals which further get converted as individual KRAs & Competencies. At the end of every financial year, individual performance is measured against these set KRAs & Competencies. The increments then are decided on the basis of 4 parameters, viz.

- 1) Individual Performance
- 2) Organizational Performance
- 3) New year's budgeted Organizational Performance
- 4) Industry benchmark

The Promotions are decided broadly on the basis of three parameters viz. availability of promotable position, consistent performance, potential of the incumbent to grow to the next level.

Loans / advances to employees:

The Company has policy for granting loan/advances to its employees containing such terms & conditions including regarding interest, as it may deem fit. The Company may in special cases grant loan/advances beyond the limit prescribed in the said policy. The Company may vary said policy from time to time.

CRITERIA FOR DETERMINING QUALIFICATION, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR**I QUALIFICATIONS**

He/she shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, or other disciplines related to Company's business.

The Company will have a blend of Directors comprising of entrepreneurs, professionals and those having administrative experience like ex-IAS officers.

II POSITIVE ATTRIBUTES

- Clarity of vision
- Originality
- Objectively open to other people's ideas/points of view.
- Is analytical, can get to the core issue quickly
- Challenges the status quo
- A good communicator, both in one-to-one and group situations.
- Has the courage of their convictions- particularly in troubled times.
- Is clear on their direction - knows where they are heading and why, and how to get there
- Minimises the casualties from their decisions
- Maintains focus on the strategic direction
- Has high standards of integrity - and insists on the same from others
- Intellect - has a high level of intelligence
- Exercises sound judgement - particularly under pressure
- Knows the questions to ask
- Is a good listener, emotionally as well
- Is numerate - can read and understand financial statements
- Has a healthy self-esteem - but does not believe they are infallible
- Is strategic in thinking and outlook - but is also aware that successful implementation is what counts
- Understands the 'value proposition' of the business
- Is visionary - can see the big picture and read future trends
- Fun to work with i.e. should have good working relationship with other Board Members.
- Can make substantial contributions by taking part in deliberations during Meetings.

III CRITERIA FOR INDEPENDENCE

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director,—

- (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- (b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
- (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- (c) who has or had no [pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed]with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives—
 - (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two percent of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

- (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
- (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or
- (iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);

(e) who, neither himself nor any of his relatives—

- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.

- (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;

- (iii) holds together with his relatives two per cent. or more of the total voting power of the company; or
- (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or

(f) who possesses such other qualifications as may be prescribed.

Annual Report on Corporate Social Responsibility Activities for the Financial Year 2017-18**1. Brief outline of the Company's Corporate Social Responsibility Policy (CSR Policy), including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR Policy and programs:**

The Company's CSR Policy includes activities which are in line with Schedule VII of the Companies Act, 2013. The Company has taken up or shall take activities mentioned in its policy as and when fruitful opportunity exist.

The Board of Directors of the Company has approved the CSR Policy as recommended by the Committee and the same has been uploaded on the Company's website at <http://gujaratborosil.com/policies.html>

2. The Composition of the CSR Committee:

The CSR Committee of the Board consists of Mr. B. L. Kheruka, Mr. P. K. Kheruka, who are promoter Directors and Mr. Jagdish Joshi who is an Independent Director. The Chairman of the Committee is Mr. B.L. Kheruka.

3. Average net profit of the Company for last three financial years: Rs. 1643.93 lacs**4. Prescribed CSR expenditure (2% of the amount in item no.3): Rs. 32.88lacs.****5. Details of CSR expenditure spent during the financial year:**

- a. Total amount contributed during the financial year: Rs.33.40 lacs.
- b. Total amount spent during the year: Rs.32.60 lacs (includes Rs. 10 lacs spent, out of contribution made in the previous year).
- c. Amount unspent, if any: Rs.80,000, which will be spent in the next financial year. In addition, Rs.10,00,000 contributed to Friends of Tribals Society through Borosil Foundation, will be spent in the financial year 2018-19.
- d. Manner in which the amount contributed/ spent during the financial year is detailed below:

(1) Sr. No.	(2) CSR projects or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or (2)Specify the State and district where projects or programs were undertaken	(5) Amount outlay (budget) project or programs wise.	(6) Amount spent on the projects / programs Sub-heads (i) Direct expenditure on projects or programs (ii) Over heads by the Company	(7) Cumulative expenditure contributed up to the reporting period	(8) Amount spent: Direct or through implementing agency
1	Providing healthy diet to patients of Government Hospital, Bharuch	Eradicating malnutrition	Local area: Bharuch District, Gujarat	Rs.27 lacs	Rs.1.60 lacs	Rs.2.40 lacs	Implementing agency – Seva Yagna Samiti– contribution made through Borosil Foundation
2.	On-going project namely 'One Teacher School' called as Ekal Vidyalaya run by Friends of Tribals Society	Promoting Education	Sambhalpur District, Orissa.	Rs.80 crores	Rs.10 lacs	Rs.10 lacs	Implementing agency – Friends of Tribals Society – contribution made through Borosil Foundation

(1) Sr. No.	(2) CSR projects or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or (2)Specify the State and district where projects or programs were undertaken	(5) Amount outlay (budget) project or programs wise.	(6) Amount spent on the projects / programs Sub-heads (i) Direct expenditure on projects or programs (ii) Over heads by the Company	(7) Cumulative expenditure contributed up to the reporting period	(8) Amount spent: Direct or through implementing agency
3	Sculpture Park project at Madhavendra Palace, Nahargarh Fort, Jaipur, Rajasthan having art gallery with sculptures	Work of arts	Jaipur District, Rajasthan.	Rs. 2 crores	Rs.10 lacs	Rs.10 lacs	Implementing agency – SAAT SAATH ARTS – contribution made through Borosil Foundation
4	Global Parli, a project of revival & empowerment of 15 drought-prone villages of Marathawada	Education and safe drinking water	Beed District, Maharashtra	Depending on the contribution received	Rs.11 lacs	Rs.11 lacs	Implementing agency –Manav Seva Mandal, Global Parli

NOTES:

- During the financial year 2016-17, the Company contributed Rs.5 lacs to Rotary Club of Bharuch for Mega Medico Surgical Camp in Bharuch, Gujarat, out of which Rs.2 lacs was spent as on March 31, 2017 and balance Rs.3 lacs was spend during the financial year 2017-18.
- During the financial year 2017-18, the Company contributed Rs.2.40 lacs to Borosil Foundation, which in turn contributed to Seva Yagna Samiti which provides healthy diet to patients of Government Hospital, Bharuch, out of which Rs.1.60 lacs spent as on March 31, 2018 and balance will be spent during the financial year 2018-19.
- During the financial year 2016-17, the Company contributed Rs.10 lacs towards an on-going project namely "One Teacher School" called as 'Ekal Vidyalaya' run by Friends of Tribals Society in Maharashtra zone, which was spent during the financial year 2017-18. During the financial year 2017-18, the Company further contributed Rs.10 lacs for the same purpose, which will be spent during the during the financial year 2018-19.

Details of Implementing Agencies through Borosil Foundation

- Seva Yagna Samiti (SYS) is a registered trust under the Public Charitable Trust Act, bearing registration no.020790. Since 2008, SYS is providing socio medical services in Government Hospital, Bharuch, with a view to avoid malnutrition. The said Trust has an established track record of more than 3 years in undertaking similar programme viz. providing healthy diet to patients of Government Hospital, Bharuch.
- The Friends of Tribals Society (FTS) is a non-government and non-profit education organization working for upliftment of Tribals areas in the field of education, health and other welfare activities of Tribals. The philosophy of this organization is to take a holistic approach to social and economic development. Rs. 10 lacs contributed to FTS towards cost of running 50 One Teacher School called as 'Ekal Vidyalaya'.
- SAAT SAATH ARTS is a registered trust bearing registration no. S/85/Distt. South/2010. A Sculpture Park project at Madhavendra Palace, Nahargarh Fort, Jaipur, Rajasthan, whereby the said palace will be turned into an art gallery with sculptures of 30 artists and annual exhibition of sculpture park for public viewing was organised. Rs. 10 lacs contributed to Saat Saath Arts towards cost of shipping of the artworks and logistics of the exhibition that will be part of the Sculpture Park at Madhavendra Palace, Nahargarh Fort, Jaipur.

The above CSR contributions made through Borosil Foundation, Registration no. E/3487/Bharuch. The Company has jointly with Borosil Glass Works Limited (BGWL), Promoter Company and Hopewell Tableware Private Limited (HTPL), wholly owned subsidiary of BGWL has constituted said trust, with main object of Making CSR contribution by the Company, BGWL, HTPL, from time to time.

4. Manav Seva Mandal is a registered trust under the Public Charitable Trust Act, bearing registration no.F-737 BEED, MH/A1-85B, trust run by Dr. Harishnchandra Wange. They along with Global Vikas Trust and Go beyond Foundation are working on project called Global Parli. The said trust as a part of project / activities undertake measures of promoting education and making available safe drinking water at schools namely – Maharashtra Uchh Madhyamik Vidyalaya, Moha and Jilha Parishad Prathamik School, Waghala.

6. Reasons for non-spending the stipulated CSR expenditure:

Although, the Company has made contribution in excess of limit. However, the following amount will be spent during the financial year 2018-19:

- Rs.80,000/- contributed to Seva Yagna Samiti through Borosil foundation.
- Rs.10,00,000 contributed to Friends of Tribals Society through Borosil foundation.

7. Responsibility Statement:

The Responsibility Statement of the CSR Committee of the Board of Directors of the Company is reproduced below:

‘The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

For Gujarat Borosil Limited

On behalf of the Board of Directors

B. L. Kheruka
Chairman-CSR Committee
DIN: 00016861

Jagdish Joshi
Member -CSR Committee
DIN: 00276041

Place: Mumbai

Date: June 18, 2018

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L26100GJ1988PLC011663
2	Registration Date	22.12.1988
3	Name of the Company	Gujarat Borosil Limited
4	Category/Sub-category of the Company	Public Company Limited by shares
5	Address of the Registered office & contact details	Village-Govali, Tal: Jhagadia, Bharuch, Gujarat-393001.
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai-400 093. Contact Person : Mr. Rajesh Karlekar

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Solar Glass Tempered / Annealed Glass	23101	94.20%
2	Patterned (Figured) Glass	23101	5.80%

III. Particulars of Holding, Subsidiary and Associate Companies:

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate the company	% of shares held	Applicable Section
1	Borosil Glass Works Limited (BGWL)*, 1101, 11 th Floor, Crescenzo, G-Block, Plot No. C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	L99999MH1962PLC012538	Holding company	1. 25.25% of Equity Shares 2. 100% of 90,00,000 9% Non -Cumulative Non-Convertible Redeemable Preference Shares-Carrying voting rights	Section 2(87)
2	Fennel Investment & Finance Private Limited, 1101, 11 th Floor, Crescenzo, G-Block, Plot No. C-38, Opp. MCA Club, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	U65993MH2002PTC294528	Associate company	33.13% of Equity Shares	Section 2(6)

*BGWL controls more than one-half of the total voting power.

GUJARAT BOROSIL LIMITED

IV. (A)SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individual/ Hindu Undivided Family									
(b) Central Govt (s)									
(c) State Govt(s)									
(d) Bodies Corporate	39822476	0	39822476	58.38	39822476	0	39822476	58.38	0.00
(e) Banks / FI									
(f) Any other (specify) LLP									
Sub- Total (A)(1)	39822476	0	39822476	58.38	39822476	0	39822476	58.38	0.00
(2) Foreign									
(a) NRI- Individuals	11300000	0	11300000	16.57	11300000	0	11300000	16.57	0.00
(b) Other Individuals									
(c) Bodies Corporate									
(d) Banks / FI									
(e) Any other(specify)									
Sub- Total (A) (2)	11300000	0	11300000	16.57	11300000	0	11300000	16.57	0.00
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	51122476	0	51122476	74.95	51122476	0	51122476	74.95	0.00
(B) Public Shareholding									
1. Institutions									
(a) Mutual Funds									
(b) Banks / FI	0	49300	49300	0.07	0	48300	48300	0.07	0.00
(c) Central Govt									
(d) State Govt(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIIs									
(h) Foreign Venture Capital Funds									
(i) Any Others (specify) Foreign Portfolio Investors									
Sub- Total (B) (1)	0	49300	49300	0.07	0	48300	48300	0.07	0.00
2. Non- institutions									
(a) Individuals									
(i) Individual Shareholders holding nominal share capital up to Rs.1 lakh	7363852	4249376	11613228	17.03	7376283	2022227	9398510	13.78	(3.25)

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii) Individual Shareholders holding nominal share capital in excess of Rs.1 lakh	1922347	0	1922347	2.82	1985675	0	1985675	2.91	0.09
(b) NBFC Registered With RBI	1700	0	1700	0.00	100	0	100	0.00	0.00
(c)Employee Trust	0	0	0	0.00	0	0	0	0.00	0.00
(e) Others (specify)									
(i) Clearing Members	329967	0	329967	0.48	307626	0	307626	0.45	-0.03
(ii) Director(s) & Relatives	14500	0	14500	0.02	0	0	0	0.00	-0.02
(iii) Trusts	0	0	0	0.00	100	0	100	0.00	0.00
(iv) Bodies Corporate	2221637	24400	2246037	3.29	2345926	8600	2354526	3.45	0.16
(v) NRI/OCBs	169322	3600	172922	0.25	302602	700	303302	0.44	0.19
(vi) Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
(vii) Foreign Corporate Body	0	0	0	0.00	0	0	0	0.00	0.00
(viii) LLP	1000	0	1000	0.00	1500	0	1500	0.00	0.00
(ix) HUF	734023	0	734023	1.08	413371	0	413371	0.61	-0.47
(x) IEPF Authority	0	0	0	0	2272014	0	2272014	3.33	3.33
Sub- Total (B)(2)	12758348	4277376	17035724	24.98	15005197	2031527	17036724	24.98	0.00
(B)Total Public Shareholding (B) = (B) (1)+ (B) (2)	12758348	4326676	17085024	25.05	15005197	2079827	17085024	25.05	0.00
TOTAL (A) + (B)	63880824	4326676	68207500	100	66127673	2079827	68207500	100	0.00
(C) Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+ (B) +(C)	63880824	4326676	68207500	100	66127673	2079827	68207500	100	0.00

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Fennel Investment & Finance Pvt. Ltd.	22600000	33.13	0.00	22600000	33.13	0.00	0.00
2	Borosil Glass Works Ltd.	17222376	25.25	0.00	17222376	25.25	0.00	0.00
3	Pradeep Kumar Kheruka	11300000	16.57	0.00	11300000	16.57	0.00	0.00
4	Croton Trading Private Limited	100	0.00	0.00	100	0.00	0.00	0.00
	Total	51122476	74.95	0.00	51122476	74.95	0.00	0.00

GUJARAT BOROSIL LIMITED

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Fennel Investment and Finance Pvt. Ltd.				
	At the beginning of the year	22600000	33.13	22600000	33.13
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	22600000	33.13	22600000	33.13
2.	Borosil Glass Works Limited				
	At the beginning of the year	17222376	25.25	17222376	25.25
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	17222376	25.25	17222376	25.25
3.	Pradeep Kumar Kheruka				
	At the beginning of the year	11300000	16.57	11300000	16.57
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	11300000	16.57	11300000	16.57
4.	Croton Trading Private Limited				
	At the beginning of the year	100	0.00	100	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	100	0.00	100	0.00

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs) as on 31st March, 2018:

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Investor Education And Protection Fund Authority.				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding of top 10 during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	2149899-01/12/2018 (Transfer)	3.15	2149899	3.15
		122115-08/12/2018 (Transfer)	0.18	2272014	3.33
	At the end of the year	2272014	3.33	2272014	3.33
2.	Gems Flora Pvt. Ltd.				
	At the beginning of the year	1007800	1.48	1007800	1.48
	Date wise Increase / Decrease in Shareholding of top 10 during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	1007800	1.48	1007800	1.48
3.	Shresth Enterprises Pvt.Ltd.				
	At the beginning of the year	710000	1.04	710000	1.04
	Date wise Increase / Decrease in Shareholding of top 10 during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	710000	1.04	710000	1.04
4.	Chandra Kumar Rajgarhia				
	At the beginning of the year	850000	1.25	850000	1.25
	Date wise Increase / Decrease in Shareholding of top 10 during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	(-) 405353 - 19/01/2018 2282-02/02/2018 23071-09/02/2018 30000-16/03/2018 (Transfer)	0.60 0.01 0.03 0.04	444647 446929 470000 500000	0.65 0.66 0.69 0.73
	At the end of the year	500000	0.73	500000	0.73
5.	Dilipkumar Lakhi				
	At the beginning of the year	103016	0.15	103016	0.15
	Date wise Increase / Decrease in Shareholding of top 10 during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	501-20/10/2017 59619-12/01/2018 100000-19/01/2018 54026-09/02/2018 (Transfer)	0.00 0.09 0.15 0.08	103517 163136 263136 317162	0.15 0.24 0.39 0.47
	At the end of the year	317162	0.47	317162	0.47

GUJARAT BOROSIL LIMITED

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	Kapil Ahuja				
	At the beginning of the year	326665	0.48	326665	0.48
	Date wise Increase / Decrease in Shareholding of top 10 during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	(-)44000-05/05/2017 (-)20000-09/03/2018 (Transfer)	0.06 0.03	282665 262665	0.42 0.39
	At the end of the year	262665	0.39	262665	0.39
7.	Kishan Gopal Mohta				
	At the beginning of the year	100000	0.15	100000	0.15
	Date wise Increase / Decrease in Shareholding of top 10 during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	25000-15/12/2017 (-)12523-23/03/2018 (-) 9477-30/03/2018 (Transfer)	0.03 0.02 0.01	125000 112477 103000	0.18 0.16 0.15
	At the end of the year	103000	0.15	103000	0.15
8.	Balkrishna Chaturbhuj Bhartia				
	At the beginning of the year	101991	0.15	101991	0.15
	Date wise Increase / Decrease in Shareholding of top 10 during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	(-) 1000-13/10/2017 (-) 5000-20/10/2017 (-) 10000-27/10/2017 (Transfer)	0.00 0.01 0.01	100991 95991 85991	0.15 0.14 0.13
	At the end of the year	85991	0.13	85991	0.13
9.	Jagdish N Master				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding of top 10 during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	47500-16/02/2018 38000-23/03/2018 (Transfer)	0.07 0.06	47500 85500	0.07 0.13
	At the end of the year	85500	0.13	85500	0.13
10.	Saket Kanoi				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding of top 10 during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	20000-23/06/2017 20000-30/06/2017 (-) 2100-20/10/2017 12100-03/11/2017 10000-17/11/2017 20000-02/02/2018 (Transfer)	0.03 0.03 0.00 0.02 0.01 0.03	20000 40000 37900 50000 60000 80000	0.03 0.06 0.06 0.08 0.09 0.12
	At the end of the year	80000	0.12	80000	0.12

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr.Bajrang Lal Kheruka				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding of Director and KMP during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	0	0.00	0	0.00
2.	Mr.Pradeep Kumar Kheruka				
	At the beginning of the year	11300000	16.57	11300000	16.57
	Date wise Increase / Decrease in Shareholding of Director and KMP during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	11300000	16.57	11300000	16.57
3.	Mr. Ashok Jain				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding of Director and KMP during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	0	0.00	0	0.00
4.	Mr. Ashok Kumar Doda				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding of Director and KMP during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	0	0.00	0	0.00
5.	Mr. Jagdish Joshi				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding of Director and KMP during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	0	0.00	0	0.00
6.	Mr. Shashi Mehra				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding of Director and KMP during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	0	0.00	0	0.00
7.	Mrs. Shalini Kamath				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding of Director and KMP during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	0	0.00	0	0.00

GUJARAT BOROSIL LIMITED

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8.	Mr. Rajesh Kumar Chaudhary - HUF				
	At the beginning of the year	14500	0.02	14500	0.00
	Date wise Increase / Decrease in Shareholding of Director and KMP during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	(-) 14500-13/10/2017 (Transfer)	0.02	0	0.00
	At the end of the year	0	0.00	0	0.00
9.	Mr. Sunil Roongta				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding of Director and KMP during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	0	0.00	0	0.00
10.	Mr. Kishor Talreja				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding of Director and KMP during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	0	0.00	0	0.00

Note : Shareholding of shareholders mentioned above are after consolidation of shareholding on the basis of PAN number of first shareholder.

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. In lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2060.79	-	-	2060.79
ii) Interest due but not paid	NIL	-	-	NIL
iii) Interest accrued but not due	1.83	-	-	1.83
Total (i+ii+iii)	2062.62	-	-	2062.62
Change in Indebtedness during the financial year				
* Addition	Nil	-	-	Nil
* Reduction	1114.65	-	-	1114.65
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	947.31	-	-	947.31
ii) Interest due but not paid	Nil	-	-	Nil
iii) Interest accrued but not due	0.66	-	-	0.66
Total (i+ii+iii)	947.97	-	-	947.97

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs.)
		Mr. Rajesh Chaudhary- WTD	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	34,84,800	34,84,800
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7,23,000	7,23,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - - others, specify	-	-
5	Others – PF Contribution Leave encashment	4,18,176 1,83,920	4,18,176 1,83,920
	Total	48,09,896	48,09,896
	Ceiling as per the Act	Rs.240 lacs as per Schedule V of the Companies Act, 2013 as amended	

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
1	Independent Directors	Mr. Shashi Mehra	Mr. Jagdish Joshi	Mr. Ashok Kumar Doda	Mrs. Shalini Kamath	
	Fee for attending board / committee meetings#	3,00,000	3,40,000	2,80,000	1,20,000	10,40,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	3,00,000	3,40,000	2,80,000	1,20,000	10,40,000
2	Other Non-Executive Directors	Mr. B. L. Kheruka	Mr. P. K. Kheruka	Mr. Ashok Jain	-	-
	Fee for attending board committee meetings#	2,60,000	2,40,000	1,70,000	-	6,70,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	2,60,000	2,40,000	1,70,000	-	6,70,000
	Total (B)=(1+2)	5,60,000	5,80,000	4,50,000	1,20,000	17,10,000
	*Total Managerial Remuneration (A+B)	-	-	-	-	65,19,896
	Overall Ceiling as per the Act	Rupees One Lac per meeting of the Board or Committee thereof, as per Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014				

* Total remuneration of WTD & other Directors (being total of A & B)

Only sitting fees are paid to Independent Directors and Non-Executive Directors.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Name of Key Managerial Personnel		
		Mr. Kishor Talreja Company Secretary	Mr. Sunil Roongta CFO	Total Amount (Rs)
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,04,180	32,50,274	49,54,454
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	1,00,000	1,00,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	others, specify	-	-	-
5	Others – PF Contribution	1,01,520	1,89,877	3,38,397
	Leave encashment	47,000	-	
	Total Amount (Rs.)	18,52,700	35,40,151	53,92,851

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences under any sections of the Companies Act, 2013 against the Company or its Directors or other Officers in default, if any, during the year.

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

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

To,
The Members,
Gujarat Borosil Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Gujarat Borosil Limited (Hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Gujarat Borosil Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 has prima facie complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Share Based Employee Benefits) Regulations, 2014;
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended 31st March, 2018:-

- (a) The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Issue & listing of Debt securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (e) Foreign Exchange Management Act, 1999 & the rules & regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment & External Commercial Borrowings;
- (v) For the other applicable laws our audit was limited to:
 - i. Factories Act, 1948
 - ii. Industrial Disputes Act, 1947
 - iii. The Payment of Wages Act, 1936
 - iv. The Minimum Wages Act, 1948
 - v. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
 - vi. The Payment Of Bonus Act, 1965

vii. The Payment of Gratuity Act, 1972

viii. The Contract Labour (Regulations & Abolition) Act, 1970

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

(a) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(b) Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India.

During the period under review the Company has prima facie complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:-

- a) The company has received an inspection notice u/s 206(5) from Regional Director, North-Western Region, Ministry of Corporate Affairs at Ahmedabad, Gujarat ("Regional Director") and subsequently a letter dated December 13, 2017 from the Regional Director in relation to certain alleged violations/irregularities of the various provision of the Companies Act, 2013. The Company has replied to the said letter, which is under consideration.
- b) I have not examine the Financial Statement, financial Books & related financial Act like Income Tax, Sales Tax, Value Added tax, Goods and Service Tax Act, ESIC, Provident Fund & Professional Tax, etc. I rely on the report of the statutory auditor's of the company.
- c) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.
- d) As per the information provided the Company has prima facie given adequate notice to all directors to schedule the Board Meetings, agenda & detailed notes on agenda were sent at least seven days in advance & a system exists for seeking & obtaining further information & clarifications on agenda items before the meeting & for meaningful participation at the meeting.
- e) As per the information provided decisions are carried out with the consent of all members & their views are also captured as part of the minutes.
- f) There are prima facie adequate systems & processes in the company commensurate with the size & operations of the company to monitor & ensure compliance with applicable laws, rules, regulations & guidelines.
- g) The management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/records required by the concerned authorities and internal control of the concerned department.
- h) During the audit period the Company has no specific events like Public/ Right/ Preferential issue of shares/ debentures/ sweat equity, etc.

I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the Management has conducted the affairs of the company.

Virendra Bhatt

Place: Mumbai

Date: 18th June, 2018

ACS No – 1157

COP No – 124

DISCLOSURE UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

1. The ratio of remuneration of each director to the median remuneration of the employee and percentage increase in remuneration of Director, CFO and CS

Sr. No.	Name	Designation	Remuneration paid for FY 2017-18 (Rs.)	Remuneration paid for FY 2016-17 (Rs.)	% increase/decrease in remuneration in the FY 2017-18	Ratio/Times per median of employee remuneration
1.	Mr. B.L. Kheruka	Director	2,60,000/-	1,70,000/-	52.94%	1.38
2.	Mr. P.K. Kheruka	Director	2,40,000/-	1,30,000/-	84.62%	1.27
3.	Mr. Ashok Jain	Director	1,70,000/-	80,000/-	112.50%	0.90
4.	Mr. Rajesh Chaudhary	Director	48,09,896/-	89,65,406/-*	-46.35%	25.50
5.	Mr. Shashi Mehra	Director	3,00,000/-	2,20,000/-	36.36%	1.59
6.	Mr. Jagdish Joshi	Director	3,40,000/-	2,10,000/-	61.90%	1.80
7.	Mr. Ashok Kumar Doda	Director	2,80,000/-	1,80,000/-	55.55%	1.48
8.	Mrs. Shalini Kamath	Director	1,20,000/-	80,000/-	50.00%	0.64
9.	Mr. Sunil Roongta	CFO	35,40,151/-	30,66,886/-	15.43%	18.77
10.	Mr. Kishor Talreja	Company Secretary	18,52,700/-	15,44,920/-	19.92%	9.82

*Mr Rajesh Chaudhary was paid one-time special bonus of Rs. 50 lacs during the financial year 2016-17.

2. Percentage increase in median remuneration:

Median remuneration of employees in FY 2017-18 (Rs.)	Median remuneration of employees in FY 2016-17 (Rs.)	Percentage increase / decrease
1,88,640/-	1,68,429/-	12%

3. No. of permanent employees as on 31.03.2018: Total – 381 employees.
4. Comparison between average percentile increase in salaries of employees (excluding managerial personnel) and percentile increase in managerial remuneration:

Average percentile increase in salaries of employees other than managerial personnel in FY 2017-18	Percentile increase in managerial personnel remuneration in FY 2017-18	Justification
11.38	12.86	Based on performance & small no. of managerial personnel

5. This is to affirm that the above remuneration is paid as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Place: Mumbai
Date: June 18, 2018

B. L. Kheruka
Chairman
DIN: 00016861

DISCLOSURE UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

A. The names of the top ten employees in terms of remuneration drawn:

Sr. No.	Name, Age, Qualification & No. of Shares held in the company	Designation / Nature of Duties	Remuneration (Rs.) per annum	Date of Joining and experience in Company	Particulars of last Employment	Relative of any director or manager of the company, if so specify the name
1	Rajesh Chaudhary, 48 years, CA. He holds Nil shares in the Company	Whole Time Director	48,09,896/-	31/03/2016 Exp-20 years	Borosil Glass Works Ltd. CFO	No
2	Sandip Banerjee, 47 years, B Tech, M Tech & MBA. He holds Nil shares in the Company	AVP -Production	46,66,752/-	20/09/2016 Exp – 23 years	Rockwool India Ltd. GM-Operations	No
3	Sunil Roongta, 49 years, CA, CS & ICWA. He holds Nil shares in the Company	Sr- Commercial & CFO, Plant head	35,40,151/-	02/04/2014 Exp- 26 years	Nandan Denim Ltd. General Manager	No
4	PVS Raju, 49 years, BE & MBA. He holds Nil shares in the Company	GM Marketing	33,31,649/-	02/12/1999 Exp-22 years	Vadilal Chemicals Ltd. Branch Manager	No
5	Asit Saha, 50 years, M.Com, BA & PGDCA. He holds Nil shares in the Company	DGM Marketing	31,10,493/-	16/12/1995 Exp-26 years	Remi Metals Pvt. Ltd. Assistant Manager Accounts	No
6	Yatendra Sachdeva, 50 years, BE. He holds 200 shares in the Company	GM Project	29,26,992/-	03/06/2011 Exp-27 years	Samtel Glass Ltd. SR - Manager	No
7	Vikas Runthala, 37 years, CA. He holds Nil shares in the Company	AGM- Internal Audit	22,38,832/-	17/11/2014 Exp-13 years	Essar Steel Ltd, Hajira Senior Manager - Audit	No
8	Ashwani Omprakash Jain, 31 years, CA. He holds one share in the Company	Manger MIS & Accounts	19,75,068/-	01/01/2016 Exp-8 years	Karamtara Engineering Pvt. Ltd. Manager	No
9	Kishor Talreja, 42 years, FCS & LLB. He holds Nil shares in the Company	DGM- Secretarial	18,52,700/-	14/02/2013 Exp-12 years	Man Steel & Power Ltd – Sr Manager - Secretarial	No
10	M V Ramana, 43 years, BE. He holds Nil shares in the Company	AGM- Quality Assistant	18,06,384/-	14/02/2015 Exp-20 years	HNG Glass Senior Manager	No

B. The name of every employee(s) who was employed throughout the year ended March 31, 2018 who were in receipt of remuneration for that year which, in the aggregate is not less than Rs.1,02,00,000/- per annum in terms of the said Rule.

NONE

C. Name of the Employee(s) employed for part of the financial year 2017-18, and was in receipt of remuneration for that part of the year, at a rate which, in the aggregate, was not less than Rs. 8,50,000/- per month in terms of the said Rule.

NONE

For and on behalf of the Board of Directors

Place: Mumbai
Date: June 18, 2018

B. L. Kheruka
Chairman
DIN 00016861

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2018 is given here below and forms part of the Directors Report.

(a) Conservation of energy

(i)	The steps taken or impact on conservation of energy	<ol style="list-style-type: none"> 1. Optimization of processes viz minimizing batching cycle time, glass pull increase, full capacity utilization of new LISEC tempering line to reduce energy consumption per unit of glass production. 2. Use of Preheaters in furnace to conserve energy. 3. Rebuilding of existing SG1 furnace is under implementation. This will reduce energy consumption per unit of production.
(ii)	The steps taken by the company for utilizing alternate sources of energy	<ol style="list-style-type: none"> 1. Decided to install 1MWp DC roof top solar power plant. Under implementation. 2. Installation of quick sense technology for existing 1.5 MW Wind mill for increasing power generation by minimum 1% is under implementation.
(iii)	The capital investment on energy conservation equipment	Rs. 1,20,00,000/- (on item (i) 2 above)

(b) Technology absorption

(i)	The efforts made towards technology absorption	New LISEC Tempering line with capability to tempered thinner glass, Glass handling line from Tucheng with robot, Robots for auto unloading etc. were installed and commissioned in the year. The LISEC tempering line is capable of also tempering thinner glass of 2mm to 3 mm. Company is able to supply fully tempered glass of 2mm for solar applications.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	This has enabled us to expand our product portfolio to include 2mm/2.5mm/2.8mm also on full commercial basis. With use of 2mm glass on both side of panel the power generation can be enhanced by 15% to 30% from the same module besides increasing the longevity from 25 years to 40 years.
		Specific Power Consumption in tempering reduced by 7-8% as a result of using a superior technology equipment.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) The details of technology imported	Imported LISEC Tempering line, Tucheng robot, auto unloading etc. to expand capacity & product range, achieve value added product, reduce wastages in handling and higher yield.
	(b) The year of import;	<ol style="list-style-type: none"> 1. 2016-17 2. 2017-18
	(c) Whether the technology been fully absorbed	Yes
	(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
(iv)	The expenditure incurred on Research and Development	No capital expenditure incurred on R & D except the capital expenditure on machines in (iii) above. Revenue expenditure incurred during the year on conducting various trials/experiments to absorb the Technology, stabilize production of thinner substances and improve product quality.

(c) Foreign exchange earnings and Outgo

Particulars with regard to foreign exchange earnings and outgo during the year are as under:

Rs. In lacs

Foreign exchange earnings	3847.21
Foreign exchange outgo	4046.94

For and on behalf of the Board of Directors

Place: Mumbai

Date: June 18, 2018

B. L. Kheruka

Chairman

DIN: 00016861

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015 ("Listing Regulation"), a Report on Corporate Governance is given below:

1. Company's Philosophy on code of 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.

2. Board of Directors

Composition of the Board:

As on 31st March, 2018, the Company had Eight Directors on the Board out of which 7 were Non-executive Directors, which is much higher than the minimum requirement of 50% as per Regulation 17 of Listing Regulation. Out of these eight directors, four were Independent Directors including one woman director.

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

Attendance of the Directors at the Board Meetings and the last Annual General Meeting, Directorships in other Companies and other Membership or Chairmanship of Board Committees as on 31st March, 2018, is tabulated herein under:

Name	Category	No. of Board Meetings Attended	Attendance at last AGM held on 08/08/17	No. of Directorships held in other Indian Public Limited Companies	No. of Committee Positions held in other Indian Public Limited Companies*	
					Chairman	Member
Mr. B.L. Kheruka DIN: 00016861	Chairman Non-Executive	5	Yes	4	-	2
Mr. P.K. Kheruka DIN:00016909	Vice Chairman Non-Executive	4	Yes	5	-	2
Mr. Ashok Jain DIN:00025125	Non-Executive Director	4	No	2	-	-
Mr. Shashi Kumar Mehra DIN:00032134	Independent Non-Executive	5	Yes	-	-	-
Mr. Jagdish Mahesh Joshi DIN:00276041	Independent Non-Executive	5	Yes	-	-	-
Mr. Ashok Kumar Doda DIN:00288563	Independent Non-Executive	5	Yes	6	1	7
Mrs. Shalini Kamath DIN:06993314	Independent Non-Executive	3	Yes	1	-	-
Mr. Rajesh Chaudhary DIN:07425111	Whole Time Director	4	Yes	-	-	-

* For this purpose, only Audit Committee and Stakeholders Relationship Committee have been considered taking into consideration the provisions of Regulation 26 of the Listing Regulation.

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. Further, none of the Director acts as a member of more than 10 committees or acts as a chairman of more than 5 committees across all Public Limited Companies in which he/she is a Director. Mr. B. L. Kheruka and Mr. P. K. Kheruka are Promoter Directors.

Mr. Rajesh Chaudhary resigned as Whole Time Director of the Company with effect from March 31, 2018 and Mr. Ramaswami Velayudhan Pillai (DIN: 00011024) has been appointed as Whole Time Director and Key Managerial Personnel of the Company with effect from April 01, 2018.

Details about Directors seeking Appointments/Reappointments at the forthcoming Annual General Meeting are given separately along with Notice convening the said Meeting

Board Meetings, agenda and proceedings etc. of the Board Meeting:

The Board met five times on the following dates during the financial year 2017-2018:

Board Meetings were held on May 03, 2017, August 08, 2017, November 13, 2017, February 10, 2018 and March 30, 2018.

The Gap between two Board Meetings did not exceed 120 days.

The information as specified in Part A of Schedule II of Regulation 17 (7) of Listing Regulation, is regularly made available to the Board, whenever applicable, for discussion and consideration.

The Company also provides video-conferencing facility to its Directors to enable participation so that they can contribute in the discussions at the Meeting.

Disclosure of relationship between directors inter-se

Mr. B. L. Kheruka is father of Mr. P. K. Kheruka.

Number of shares and convertible instruments held by Non-executive directors:

Mr. Pradeep Kumar Kheruka holds 1,13,00,000 equity shares (16.57%) of the Company. None of the other Non-Executive Directors hold any share or other convertible instruments in the Company.

Web link where details of Familiarisation programme for Independent Directors

A Familiarisation Program was conducted for Independent Directors on November 13, 2017, to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company so that they can contribute in a meaningful way to the Company. Familiarization Program for Independent Directors had been uploaded on website of the Company at <http://www.gujaratborosil.com/directors.html> - click on Familiarization Programme for Independent Directors.

3. Audit Committee**Terms of reference**

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the Listing Regulation and Section 177 of the Companies Act, 2013, as applicable, besides other terms as referred by the Board of Directors.

The powers include investigating any activity within its terms of reference as specified by the Board and seeking information from any employee, obtain professional advice from external sources and have full access to information contained in the records of the Company.

The role includes oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by statutory auditors; reviewing with the management quarterly results and annual financial statements and Auditors report thereon, before submission to the Board for approval; approval or any subsequent modification of any transactions of the Company with related parties; review and monitor the

auditor's independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments, if any; evaluation of internal financial controls and risk management system; and reviewing the functioning of the whistle blower mechanism.

The committee mandatorily reviews information such as internal audit reports related to internal control weakness, management discussion and analysis of financial condition and result of operations, statement of significant related party transactions and such other matters as prescribed.

Composition & Meetings:

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 March 31, 2018 comprised of four members all being Non-executive Directors out of which three are Independent Directors and one Non-Independent Director.

During the financial year 2017-18, the Committee met four times on May 03, 2017, August 08, 2017, November 13, 2017 and February 10, 2018. The detail of attendance at the aforesaid meeting is as follows:

Name	Designation	No. of Meeting	
		Held	Attended
Mr. Ashok Kumar Doda	Chairman	4	4
Mr. Shashi Kumar Mehra	Member	4	4
Mr. P.K. Kheruka	Member	4	3
Mr. Jagdish Joshi	Member	4	4

All members of the Audit Committee are capable of understanding financial statements and one member possesses financial expertise in accordance with Regulation 18 of Listing Regulation.

Invitees / participants to the committee:

Apart from the members of Audit Committee, generally, meetings are also attended by Whole-time Director, Chief Financial Officer and Company Secretary. Internal Auditor and Statutory Auditor are also invited to the meetings of the committee.

The Company Secretary acts as the Secretary to the Committee.

The Chairman of the Audit Committee was present at the 28th Annual General Meeting of the Company held on August 08, 2017.

4. Nomination and Remuneration Committee

Terms of reference

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of the Listing Regulation and Section 178 of the Companies Act, 2013, besides other terms as referred by the Board of Directors. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on diversity of Board of Directors; and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of their appointment/noting and removal. On the basis of the report of performance evaluation of independent directors, whether to extend or continue the term of appointment of the independent director.

Composition & Meetings:

The Board of Directors has constituted a Nomination and Remuneration Committee (earlier called Remuneration Committee). The Committee comprises of three directors, all of whom are non-executive directors and at least half are independent directors.

GUJARAT BOROSIL LIMITED

During the financial year 2017-18, the Committee met on May 03, 2017 and March 30, 2018. The detail of attendance at the aforesaid meeting is as follows:

Name	Designation	No. of meeting	
		Held	Attended
Mr. Jagdish Joshi	Chairman	2	2
Mr. Shashi Kumar Mehra	Member	2	2
Mr. B. L. Kheruka	Member	2	2

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

Performance evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulations 17 & 19 read with part D of Schedule II to the Listing Regulation, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

The performance evaluation of the Independent Directors was carried out by the entire Board with respect to various factor like personal traits which includes ability to exercise objective independent judgment in paramount interest of the Company and on specific criteria which include commitment, highest level of personal and professional ethics, reputation, integrity and values, independence and contributor by taking part in deliberations during meetings. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. Further, there were no observations of any director for Board evaluation in current and previous year. The Directors expressed their satisfaction with the evaluation process. The performance evaluation was done on March 30, 2018 except for Stakeholders Relationship Committee.

5. Remuneration of Directors:

The Board of Directors has constituted a Nomination and Remuneration Committee. The Committee had at its meeting held on June 18, 2018 formulated revised Policy relating to remuneration for the Directors, Key Managerial Personnel and Other employees. Remuneration policy form part of Directors Report.

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.

(Amount in Rs.)

Name of Directors	Sitting fee for Board / Committee Meetings
(A) Mr. B.L. Kheruka	2,60,000/-
Mr. P.K. Kheruka	2,40,000/-
Mr. Shashi Mehra	3,00,000/-
Mr. Jagdish Joshi	3,40,000/-
Mr. Ashok Doda	2,80,000/-
Mrs. Shalini Kamath	1,20,000/-
Mr. Ashok Jain	1,70,000/-
Sub Total -A	17,10,000/-
(B) Mr. Rajesh Chaudhary (Whole-time Director)	
Salary	34,84,800/-
Perquisites	7,23,000/-
Contribution to P. F.	4,18,176/-
Leave encashment	1,83,920/-
Sub Total -B	48,09,896/-
Total (A+B)	65,19,896/-

Notes:

- i. The Non-Executive Directors are paid only sitting fees for attending Board and other Committee meetings. The Board of Directors of the Company at its meeting held on May 03, 2017 had increased Board Meeting sitting fees from Rs.20,000/- to Rs.40,000/- per meeting. Accordingly, now sitting fee for attending Board meeting is Rs.40,000/-, for attending Audit Committee meeting is Rs.20,000/- and for attending Nomination and Remuneration Committee meeting, Corporate Social Responsibility Committee meeting, Stakeholders Relationship Committee meeting is Rs.10,000/- respectively. No sitting fee is paid for attending Share Transfer Committee Meeting.
- ii. 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.
- iii. The Company has so far not issued any stock option to the Whole-time Director or any other Director.
- iv. The Criteria for making payments to non-executive directors of the Company is uploaded on the website of the Company at www.gujaratborosil.com
- v. The Company had issued memorandum of terms and conditions of appointment & remuneration of whole time director of the Company.

6. Stakeholders Relationship Committee**Composition & Meetings:**

The Board of Directors has constituted a Stakeholders Relationship Committee. The Committee comprises of four directors, headed by Mr. P. K. Kheruka, Non-executive Director.

During the financial year 2017-18, the Committee met on May 03, 2017. The detail of attendance at the aforesaid meeting is as follows:

Name	Designation	No. of meeting	
		Held	Attended
Mr. P. K. Kheruka	Chairman	1	0
Mr. B L. Kheruka	Member	1	1
Mr. Jagdish Joshi	Member	1	1
Mr. Ashok Jain	Member	1	1

The Company Secretary acts as the Secretary to the Committee.

In order to look into the complaints redressal status in respect of year ended March 31, 2018, the Committee met on May 10, 2018. Details of complaints received, not solved and pending during the financial year 2017-18:

Particulars	Number
No. of complaints received	07
No. of complaints not solved to the satisfaction of shareholders	NIL
No. of complaints pending	NIL

Terms of reference of Stakeholders Relationship Committee:

The Committee has been constituted to attend to and to resolve the grievances of security holders including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends.

7. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of Mr. B. L. Kheruka, Chairman, Mr. P. K. Kheruka, Member and Mr. Jagdish Joshi, Member (who is an Independent Director).

GUJARAT BOROSIL LIMITED

During the financial year 2017-18, the Committee met on May 03, 2017, August 08, 2017 and November 13, 2017. The detail of attendance at the aforesaid meeting is as follows:

Name	Designation	No. of meeting	
		Held	Attended
Mr. B. L. Kheruka	Chairman	3	3
Mr. P K. Kheruka	Member	3	2
Mr. Jagdish Joshi	Member	3	3

8. Share Transfer Committee

Composition & Meetings:

The Board of Directors has constituted a Share Transfer Committee. Committee comprises of three directors.

During the financial year 2017-18, the Committee met twenty one times on May 03, 2017, May 26, 2017, June 06, 2017, June 20, 2017, June 28, 2017, July 17, 2017, August 01, 2017, August 21, 2017, September 14, 2017, September 27, 2017, October 18, 2017, October 31, 2017, November 13, 2017, November 28, 2017, December 11, 2017, December 26, 2017, January 04, 2018, January 18, 2018, January 23, 2018, February 22, 2018 and March 13, 2018. The detail of attendance at the aforesaid meeting is as follows:

Name	Designation	No. of meeting	
		Held	Attended
Mr. B. L. Kheruka	Chairman	21	20
Mr. P. K. Kheruka	Member	21	16
Mr. Ashok Jain	Member	21	19

The Company Secretary acts as the Secretary to the Committee.

Terms of reference of Share Transfer Committee

1. To approve the transfer/transmission of shares or any other securities.
2. To issue renewed or duplicate share certificates on such terms and conditions including term as to indemnity as it deems fit; and
3. To do all acts and things and to take all steps that may be necessary and incidental thereto.

Other Committees of Directors

In addition to the above referred Committees which are mandatory under the Companies Act, the Listing Regulations and under the SEBI Guidelines, the Board of Directors has constituted **a. Borrowing Committee** of Directors with the object of the committee to borrow monies from time to time from Banks / Bodies Corporate(s). **b. Securities Issue Committee** of Directors with the object of the Committee to deal with all matters, resolve all issues and take such other action and do such other things as may be required for the purpose of creation, issue, offer and allotment of the securities. No meeting was held during the year under review. **c. Postal Ballot Committee** of Directors with the object of the Committee to consider the Scrutinizer's Report regarding the Resolution(s) proposed to be passed through Postal Ballot from time to time and to empower the Chairman or at his discretion, Company Secretary to announce the results and for recording the proceedings thereof and for doing all such acts, deeds, matters and things as the said Committee may deem necessary or desirable and for taking all such steps which are incidental, consequential, relevant or ancillary in this connection. No sitting fees are paid for attending such committee meeting.

The above Committee(s) comprises of Mr. B. L. Kheruka, Chairman, Mr. P. K. Kheruka, Mr. Rajesh Chaudhary and Mr. Ashok Jain as the Members

9. Separate meeting of Independent Directors

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, a Separate

Meeting of Independent Directors of the Company was held on March 30, 2018 under the Chairmanship of Mr. Ashok Kumar Doda, Lead Independent Director, to review the performance of Non-independent directors (including the Chairman) and the Board as whole. All the Independent Directors were present at the meeting. The Independent Directors also reviewed the quality, content and time lines of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

10. 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 Resolution passed
2016-17	Reg. Office – Village Govali, Taluka-Jhagadia, Dist. Bharuch 393 001, Gujarat	AGM	08/08/2017	Tuesday	2.00 pm	1
2015-16	-do-	AGM	08/08/2016	Monday	2.30 pm	2
2014-15	-do-	AGM	25/08/2015	Tuesday	12.00 noon	1

Resolutions passed by Postal Ballot:

During the year under review, your Company sought the approval of the Shareholders through the Postal Ballot Mechanism for the below mentioned resolutions proposed by the Company vide Postal Ballot Notice dated August 08, 2017. The postal ballot was conducted in terms of the procedure provided under Section 110 of Companies Act, 2013 read with Rules made thereunder, as amended from time to time. Mr Virendra Bhatt, Practicing Company Secretary was appointed as Scrutinizer for conducting Postal Ballot process in a fair and transparent manner. The results on the voting conducted through Postal Ballot process were declared on October 04, 2017. The Resolutions passed through postal ballot and the voting pattern (Postal Ballot and E-Voting) of each such resolution is mentioned hereunder:

Resolutions passed on October 03, 2017 and Voting Pattern thereof

S. No.	Particulars of Resolution	% of Votes	
		In favour	Against
1	Amendment in Articles of Association of the Company.	99.99	0.01
2	Amendment in Memorandum of Association of the Company – Classification and Increase of Authorised Share Capital.	99.99	0.01
3	Raising of finance through issue of securities.	99.99	0.01
4	Increase in borrowing powers upto Rs.300 crores.	99.99	0.01

The result of the above mentioned postal ballot was declared on October 04, 2017, and the same were published in “Business Standard” (English edition) and “Divya Bhaskar” (Gujarati edition) on October 06, 2017.

Procedure followed for Postal Ballot:

The procedure prescribed under Section 110 of the Companies Act, 2013 read with Rules made thereunder was adopted for the Postal Ballot.

In compliance with aforesaid provisions, your Company offered e-Voting facility as an alternate/option, for voting by the Shareholders, in addition to the option of physical voting, to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Each Shareholder/Member had to opt for exercising only one mode for voting i.e. either by Physical Ballot or by e-voting. In case of Shareholder(s)/Member(s) who casted their vote via both modes i.e. Physical Ballot as well as e-Voting, voting done through a valid Physical Postal Ballot Form was treated as prevailing over the e-Voting of that Shareholder/Member.

GUJARAT BOROSIL LIMITED

The forms received upto the last day notified in the Notice and the votes cast on the e-voting platform within specified time are considered by the Scrutinizer. Scrutinizer submits his report to the Chairman/ Director/ Company Secretary authorised by him in writing, who on the basis of the report announces the results.

The results are also displayed on the Company's website (www.gujaratborosil.com) besides being communicated to the stock exchange.

Means of Communication

The quarterly, half yearly and annual financial results were published in Business Standard (English Newspaper) and Divya Bhaskar (Gujarati Newspaper). The Company has also posted its quarterly results, shareholding pattern etc. on the Company's website i.e. www.gujaratborosil.com. The financial and other information filed by the Company from time to time is also available on the website of BSE Limited. The Company has made conference calls and made presentations to the Institutional investors or analysts during the financial year 2017-18, which are displayed on Company's website, www.gujaratborosil.com.

The Annual Report is circulated to all members and is also available on the Company's website, www.gujaratborosil.com besides being communicated to the stock exchange.

11. General shareholder information

Annual General Meeting

Date and time	:	August 08, 2018 at 11.30 AM
Venue	:	Regd. Office at Village – Govali, Taluka – Jhagadia, District – Bharuch – 393 001, Gujarat.
Financial Year	:	01 st April, 2018 to 31 st March, 2019
Quarterly Results & Annual	:	First quarter - 2 nd week of August, 2018 Second quarter - 2 nd week of November, 2018 Third quarter - 2 nd week of February, 2019 Fourth quarter - 3 rd week of May, 2019
Date of book closure	:	August 02, 2018 to August 08, 2018 (both days inclusive)
Dividend payment date	:	NA
Listing on Stock Exchange	:	BSE Limited, P J Towers, Dalal Street, Mumbai-400001
& Stock Code	:	523768

Note: Annual Listing fee for the year 2018-19 has been paid to BSE Limited

Demat ISIN in NSDL and CDSL: INE059C01022

Corporate Identity Number (CIN): L26100GJ1988PLC011663

Market price data

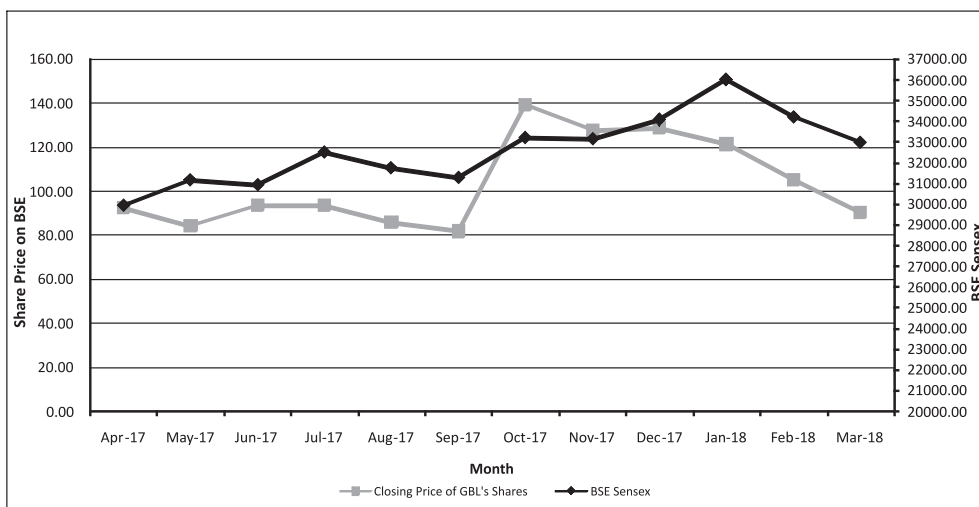
The monthly high and low quotation and the volume of shares traded on Stock Exchange as on March 31, 2018 are as under:

Month	High (Rs.)	Low (Rs.)	Volume of shares traded
April 2017	96.00	81.05	11,99,955
May 2017	103.00	80.80	30,21,983
June 2017	102.35	83.00	20,22,136

Month	High (Rs.)	Low (Rs.)	Volume of shares traded
July 2017	98.80	92.00	9,92,723
August 2017	99.50	77.00	10,15,188
September 2017	89.40	79.00	5,39,475
October 2017	174.75	80.20	61,24,272
November 2017	144.45	113.00	15,36,640
December 2017	140.45	121.55	5,59,264
January 2018	155.40	118.75	16,46,405
February 2018	125.35	104.00	6,91,499
March 2018	107.90	89.20	7,41,264

The paid up value of equity shares of the Company is ₹ 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.

The members are requested to furnish their PAN which will help us to strengthen compliance with KYC norms and provisions of Prevention of Money Laundering Act, 2002. For registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of PAN card to the Company for registration of transfer of securities.

GUJARAT BOROSIL LIMITED

Distribution of shareholding as at 31st March, 2018

No. of equity shares held	No. of Shareholders		Shares	
	Nos.	Percentage	Nos.	Percentage
Upto 500	28667	90.12	4072970	5.97
501 to 1000	1631	5.13	1377604	2.02
1001 to 2000	731	2.30	1147727	1.68
2001 to 3000	264	0.83	675311	0.99
3001 to 4000	116	0.36	421406	0.62
4001 to 5000	104	0.33	496356	0.73
5001 to 10000	181	0.57	1368709	2.01
10001 & above	116	0.36	58647417	85.98
Total	31810	100.00	68207500	100.00

Categories of shareholders

As on 31 st March, 2018			
	No. of folios	No. of shares	Percentage
Promoters			
- Indian	03	39822476	58.38
- Foreign (Non Resident Individuals)	01	11300000	16.57
Individuals	30922	11384185	16.69
HUF	407	413371	0.61
Banks, Financial Institutions, Insurance Companies, Central/ State Govt. Institutions/ Non-Govt. Institutions	02	48300	0.07
Private Corporate Bodies	194	2354526	3.45
Non Resident Individuals	150	303302	0.45
NBFC	1	100	0.00
LLP	2	1500	0.00
Trust(s)	1	100	0.00
IEPF	1	2272014	3.33
Any other – Clearing Members	126	307626	0.45
Total	31810	68207500	100.00

Dematerialisation of shares and liquidity

As on 31st March, 2018, 66,127,673 equity shares representing 96.95% of the Company's total paid-up equity capital had been dematerialized and the balance 20,79,827 equity shares representing 3.05% 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.

- Note:**
1. Total number of shareholders mentioned above are after consolidation of shareholding on the basis of PAN number of first shareholder.
 2. During the financial year 2272014 shares were transferred to Investor Education And Protection Fund Authority (IEPF) in dematerialised form. These shares includes 2107049 shares of 16239 physical shareholders.

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

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

Commodity price risk or foreign exchange risk and hedging activities:

The Board of Directors of the Company had formulated Risk Management Plan. 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. In line with the requirements of the Regulation 17(9) of the SEBI LODR, the Audit Committee and the Board of Directors reviewed the Management perception of the risks faced by the Company and measures taken to minimize the same. The details of foreign currency exposure are disclosed in the Financial Statements.

Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on Board and General Meetings. The Company has complied with all the applicable provisions of the Secretarial standards.

Transfer of shares to Investor Education and Protection Fund (IEPF) authority

During the year under review, pursuant to Section 124(6) of the Companies Act, 2013 read with Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, as amended, the Company has transferred 22,72,014 Equity Shares of Rs.5/- each held in 17,182 records in respect of which dividend (2008-09) have not been claimed by the shareholders for a period of more than seven years, to the demat account of the IEPF Authority, the details of records are: a. Physical - 16239 records, 2107049 equity shares b. CDSL - 239 records, 42850 equity shares c. NSDL - 704 records, 122115 equity shares. The access link to the refund webpage of the IEPF website for claiming the said shares from the IEPF Authority have been hosted on the Company's website: www.gujaratborosil.com. The Company has filed Statement of shares transferred to the IEPF in Form no.IEPF-4 with Ministry of Corporate Affairs vide SRN no.G70091624 on 15/12/2017.

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.

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 at www.gujaratborosil.com

12. Other Disclosures**Related Party Transactions**

The details of all transactions with related parties are placed before the Audit Committee periodically, with justification wherever required. The Company has formulated Related Party Transactions Policy and said policy is uploaded on the website of the Company at <http://www.gujaratborosil.com/policies.html> - click on Related Party Transaction Policy.

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.

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.

The Company has received an inspection notice from Regional Director, North-Western Region, Ministry of Corporate Affairs at Ahmedabad, Gujarat ("Regional Director") and subsequently a letter dated December 13, 2017 from the Regional Director in relation to certain alleged violations/irregularities of the provisions of the Companies Act, 2013. The Company replied to the said letter. Further, the Company has received Show cause notice dated May 01, 2018 from Registrar of Companies, Gujarat for violation of certain provisions of the Companies Act, 2013, which the Company is in process of compounding.

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 had approved & adopted Whistle Blower Policy (Vigil Mechanism) for directors and employees of the Company. No person have been denied access to the Audit Committee. The said policy is uploaded on the website of the Company at <http://www.gujaratborosil.com/policies.html> - click on Whistle Blower Policy.

Subsidiary Companies

The Board of Directors of the Company had adopted the policy and procedures with regard to determination of material Subsidiaries in accordance with the requirements of the Regulation 24 of the Listing Regulation (including any amendments thereof). The said policy is uploaded on the website of the Company at <http://www.gujaratborosil.com/policies.html> - click on Policy for determining 'material subsidiaries'

The Company does not have any subsidiary Company as of now.

Code of Conduct for Prevention of Insider Trading

As required by the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. Mr. Kishor Talreja, Company Secretary is the Compliance Officer. The Code of Conduct is applicable to all Directors, Whole Time Director, CFO, General Manager(s), Statutory Auditors, Cost Auditors, Secretarial Auditors and Internal Auditors who are expected to have access to Unpublished price sensitive information relating to the Company.

Code of Conduct

As required under, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down Code of Conduct for Directors and Senior Management Personnel of the Company. The Company has received affirmation of compliance from Directors and Senior Management Personnel of the Company for the financial year ended March 31, 2018. The said Code is posted on the Company's website at <http://gujaratborosil.com/corporate.htm>

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management Personnel is given below:

13. Non-compliance of any requirement of Corporate Governance

The Company has complied with the mandatory requirements as contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. Discretionary requirements-Part E of schedule II**1. The Board**

The Company has provided office to the Non-executive Chairman and his official expenses are paid/ reimbursed by the Company.

2. Shareholders Rights

As the quarterly and half yearly financial performance are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.

3. Audit qualifications

The Company's financial statement for the year 2017-2018 does not contain any audit qualification.

4. Separate posts of Chairman and CEO

The Chairman of the Board is Non-executive Director and his position is separate from that of the Managing / Whole time Director/CEO.

5. Reporting of Internal Auditor

The internal Auditor reports to the Management & Audit Committee as well.

15. Compliance

A Certificate from the Auditors of the Company regarding compliance of condition of corporate governance for the year ended on 31st March, 2018, as stipulated in chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.

Declaration on Compliance of the Company's Code of Conduct

As provided under Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I confirm that all Directors and members of the Senior Management personnel have affirmed compliance with the Company's Code of Conduct of Board of Directors and Senior Management as applicable to them for the year ended 31st March, 2018.

For Gujarat Borosil Limited

Ramaswami Velayudhan Pillai
Whole Time Director
(DIN: 00011024)

Place: Mumbai
Date: June 18, 2018

AUDITOR'S CERTIFICATE OF CORPORATE GOVERNANCE

**To,
The Members,
Gujarat Borosil Limited**

1. The Corporate Governance Report prepared by **Gujarat Borosil Limited** ("the Company"), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended 31st March, 2018. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the shareholders of the Company.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedure includes, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

OPINION

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31st March, 2018, referred to in paragraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

10. This Certificate 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.
11. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. – 101720W

R. Koria
Partner
Membership No. – 35629

Place: Mumbai
Date: 18th June, 2018

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** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of state of affairs (financial position), profit (financial performance) including other comprehensive income, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with relevant rules thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the 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 thereunder.

We conducted our audit of the financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 the 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 the 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, of the state of affairs of the Company as at 31st March, 2018, and its profit including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules thereunder;
 - e) On the basis of the written representations received from the directors as on 31st March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (a) The Company has disclosed the impact of pending litigations on its financial position in its financial statement as referred to in Note no. 37, 40 and 41 to the financial statements.
 - (b) The Company does not have long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in **"Annexure B"** hereto, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For Chaturvedi & Shah

Chartered Accountants

Firm Registration No: 101720W

R. Koria

Partner

Membership No. 35629

Place: Mumbai

Date: 10th May, 2018

“ANNEXURE A” TO INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the members of Gujarat Borosil Limited on the financial statements for the year ended 31st March, 2018)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Gujarat Borosil Limited** (“the Company”) as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting

to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Chaturvedi & Shah

Chartered Accountants

Firm Registration No: 101720W

R. Koria

Partner

Membership No. 35629

Place: Mumbai

Date: 10th May, 2018

“ANNEXURE B” TO INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of Gujarat Borosil Limited on the financial statements for the year ended 31st March, 2018)

- i. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, the Company has physically verified assets, in accordance with a phased program of verification, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification as compared with the available records.
 - c. According to the information and explanations given to us and records examined by us and based on the examination of the deed provided to us, we report that, the title deeds of immovable properties are held in the name of the Company.
- ii. In respect of its inventories:

As explained to us, inventories have been physically verified during the year by the management, except for inventories in transit for which management confirmation has been received. In our opinion the frequency of verification is reasonable. Discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regard to the size of the operations of the Company, and the same have been properly dealt with.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in register maintained under section 189 of the Act. Therefore, the provisions of the clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- iv. The Company has not given any loan, made investments and provided guarantees and securities during the year. Therefore, the provisions of the clause (iv) of paragraph 3 of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the act, as applicable and are of the opinion that, prima facie, the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income tax, Sales tax, Service tax, Customs Duty, Excise Duty, Value Added Tax, Cess, Goods and Service Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.
 - b) Details of dues of Duty of Income Tax, Service Tax and Sales Tax aggregating to Rs. **908.11 Lacs** that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Name of the Statutes	Nature of the Dues	Period to which it relates	Amounts (Rs. in Lacs) (*)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	Assessment Year(A.Y) 2012-13 to 2015-16	52.58	CIT (A) Vadodara
		A.Y. 2010-12	195.74	ITAT, Ahmedabad
		A.Y. 2003-04	83.88	Gujarat High Court
Gujarat Sales Tax Act, 1969	Sales Tax	2000-01, 2002-03 and 2004-05	550.84	Joint Commissioner of Commercial Tax, Vadodara
		2013-14	14.95	Joint Commissioner of Commercial Tax Appeals, Vadodara
Service Tax under Finance Act, 1994	Service Tax	April 2011 to October 2015	10.12	CESTAT, Ahmedabad
		Total	908.11	

* Net of amount paid under protest

- viii. Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that as on 31st March, 2018 the Company has not defaulted in repayment of dues to banks. The Company does not have any borrowings from financial institutions, government and debenture holders.
- ix. According to the information and explanations given to us, during the year the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and no new term loans raised during the year. Therefore, provisions of clause (ix) of paragraph 3 of the Order are not applicable to the Company.
- x. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us, Company's transactions with the related parties are in compliance with section 177 and 188 of the Act, as applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, during the year, the Company has not raised any money by preferential allotment or private placement of share or debentures. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him, therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- xvi. In our opinion and according to the information and explanations provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Chaturvedi & Shah

Chartered Accountants

Firm Registration No: 101720W

R. Koria

Partner

Membership No. 35629

Place: Mumbai

Date: 10th May, 2018

GUJARAT BOROSIL LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	(Rs. in Lacs)	
		As at 31 st March, 2018	As at 31 st March, 2017
I. ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	5	12,582.90	9,430.59
(b) Capital Work-in-Progress	5	125.29	3,700.05
(c) Intangible Assets	6	50.29	19.35
(d) Intangible Assets under Development	6	-	16.62
(e) Financial Assets			
(i) Investments	7	-	0.90
(ii) Others	8	115.54	105.01
(f) Non-Current Tax Assets (Net)		0.23	-
(g) Other Non-Current Assets	9	1,440.50	1,880.37
		14,314.75	15,152.89
2 Current Assets			
(a) Inventories	10	2,327.84	2,820.48
(b) Financial Assets			
(i) Investments	11	3,053.89	-
(ii) Trade Receivables	12	2,445.22	2,676.12
(iii) Cash and Cash Equivalents	13	52.38	47.69
(iv) Bank Balances other than (iii) above	14	112.56	174.04
(v) Loans	15	7.25	7.69
(vi) Others	16	18.85	609.74
(c) Current Tax Assets (Net)		49.09	-
(d) Other Current Assets	17	351.40	540.56
		8,418.48	6,876.32
(e) Assets Held for Sale		-	24.49
TOTAL ASSETS		22,733.23	22,053.70
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	3,410.38	3,410.38
(b) Other Equity	19	3,480.76	2,784.59
		6,891.14	6,194.97
LIABILITIES			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	-	9,364.71
(b) Provisions	21	91.11	60.95
(c) Deferred Tax Liabilities (Net)	22	1,847.74	1,900.59
		1,938.85	11,326.25
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	995.47	1,401.01
(ii) Trade Payables	24	1,101.48	990.98
(iii) Other Financial Liabilities	25	11,365.14	1,700.71
(b) Other Current Liabilities	26	422.35	171.76
(c) Provisions	27	18.80	61.81
(d) Current Tax Liabilities (Net)		-	206.21
		13,903.24	4,532.48
TOTAL EQUITY AND LIABILITIES		22,733.23	22,053.70

Significant accounting policies and notes
to the financial statements

1 to 50

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH

Chartered Accountants

(Firm Registration no. 101720W)

Sunil Kumar Roongta

Chief Financial Officer

B. L. Kheruka

Chairman

DIN-00016861

R. Korla

Partner

Membership No. 035629

Place : Mumbai

Date : 10th May, 2018

Kishor Talreja

Company Secretary
Membership No. F7064

Ramaswami Velayudhan Pillai

Whole-time Director

DIN-00011204

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. in Lacs)

Particulars	Note	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
I. Revenue From Operations	28	19,981.23	18,832.81
Other Income	29	350.49	722.75
Total Income		20,331.72	19,555.56
II. Expenses:			
Cost of Materials Consumed		4,449.74	4,925.58
Purchase of Stock-in-Trade		-	5.37
Changes in Inventories of Finished Goods and Work-in-Progress	30	784.74	(605.39)
Excise Duty Expenses		175.37	536.94
Employee Benefits Expense	31	2,374.16	2,228.41
Finance Costs	32	1,376.91	1,108.19
Depreciation and Amortization Expense	33	1,667.54	1,438.76
Other Expenses	34	8,639.77	7,678.33
Total Expenses		19,468.23	17,316.19
III. Profit Before Exceptional Items and Tax (I - II)		863.49	2,239.37
IV. Exceptional Items	35	195.37	-
V. Profit Before Tax (III - IV)		668.12	2,239.37
VI. Tax Expense:	22		
(1) Current Tax		31.29	(3.06)
(2) Deferred Tax		(55.10)	814.01
VII. Profit For The Year (V-VI)		691.93	1,428.42
VIII. Other Comprehensive Income			
Ai) Items that will not be reclassified to profit or loss:			
i) Re-measurement gains / (losses) on defined benefit plans		6.49	(21.14)
ii) Income tax relating to Items that will not be reclassified to profit or loss		(2.25)	4.51
Bi) Items that will be reclassified to profit or loss:		-	-
ii) Income tax relating to Items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income		4.24	(16.63)
IX. Total Comprehensive Income for the year (VII + VIII)		696.17	1,411.79
X. Earnings per Equity Share of Rs. 5 each (Basic and Diluted)	36	1.01	2.09
Significant accounting policies and notes to the financial statements	1 to 50		

As per our report of even date

For CHATURVEDI & SHAH

Chartered Accountants

(Firm Registration no. 101720W)**Sunil Kumar Roongta**

Chief Financial Officer

For and on behalf of the Board of Directors

B. L. Kheruka

Chairman

DIN-00016861

R. Korla

Partner

Membership No. 035629

Place : Mumbai

Date : 10th May, 2018**Kishor Talreja**

Company Secretary

Membership No. F7064

Ramaswami Velayudhan Pillai

Whole-time Director

DIN-00011204

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018**A. Equity Share Capital** (Rs. in Lacs)

Particulars	Balance as at 1 st April, 2016	Changes during 2016-17	Balance as at 31 st March, 2017	Changes during 2017-18	Balance as at 31 st March, 2018
Equity Share Capital	3,410.38	-	3,410.38	-	3,410.38

B. Other Equity (Rs. in Lacs)

Particulars	Equity Component of Preference shares issued (Net of Tax)	Reserves and Surplus				Items of Other Comprehensive Income	Total Other Equity
		Capital Reserve	Securities Premium Reserve	Surplus arising on giving effect to BIFR Order	Retained Earnings	Remeasurements of defined benefit plans	
Balance as at 1 st April, 2016	2,504.31	32.02	57.71	1,996.41	(3,209.04)	(8.61)	1,372.80
Total Comprehensive Income for the year	-	-	-	-	1,428.42	(16.63)	1,411.79
Balance as at 31 st March, 2017	2,504.31	32.02	57.71	1,996.41	(1,780.62)	(25.24)	2,784.59
Total Comprehensive Income for the year	-	-	-	-	691.93	4.24	696.17
Balance as at 31 st March, 2018	2,504.31	32.02	57.71	1,996.41	(1,088.69)	(21.00)	3,480.76

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH

Chartered Accountants

(Firm Registration no. 101720W)

Sunil Kumar Roongta

Chief Financial Officer

B. L. Kheruka

Chairman

DIN-00016861

R. Korla

Partner

Membership No. 035629

Place : Mumbai

Date : 10th May, 2018**Kishor Talreja**

Company Secretary

Membership No. F7064

Ramaswami Velayudhan Pillai

Whole-time Director

DIN-00011204

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2018**(Rs. in Lacs)**

PARTICULARS	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	668.12	2,239.37
Adjusted for :		
Depreciation and Amortisation Expense	1,667.54	1,438.76
Exceptional Items	195.37	-
Unrealised Loss / (Gain) on Foreign Currency Transactions (Net)	144.80	(66.00)
Gain on Sale of Current Investments (net)	(0.92)	(52.41)
Gain on financial instruments measured at fair value through profit or loss (net)	(53.72)	-
Share in Profit from LLP	(0.02)	(0.15)
Loss on Assets Held for Sale	-	124.00
Loss on sale / Discarding of Property, Plant and Equipment (Net)	11.31	2.62
Sundry balance written back (Net)	(7.33)	(2.44)
Provision for doubtful debts	10.56	13.05
Finance Costs	1,287.48	1,108.19
Interest Income	(228.49)	(24.87)
	<u>3,026.58</u>	<u>2,540.75</u>
Operating Profit before Working Capital Changes	3,694.70	4,780.12
Adjusted for :		
Trade and Other Receivables	1,584.00	(947.69)
Inventories	492.64	(688.82)
Trade and Other Payables	370.54	(77.95)
Cash generated from operations	6,141.88	3,065.66
Direct taxes paid	(599.70)	(429.46)
Net Cash Flow from Operating Activities	5,542.18	2,636.20
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	(1,549.10)	(4,006.01)
Sale of Property, Plant and Equipment and Assets Held for Sale	77.07	6.24
Purchase of Investments	(3,550.00)	(2,344.00)
Sale of Investments	551.65	3,888.96
Sale of Associate	-	1.40
Share in Profit from LLP	0.02	0.15
Interest Income	223.24	30.88
Net Cash Used in Investing Activities	(4,247.12)	(2,422.38)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Non-Current Borrowings	(683.97)	(1,337.10)
Movement in Current Borrowings (net)	(539.19)	1,400.31
Finance cost Paid	(118.06)	(72.88)
Margin Money (net)	50.85	(180.84)
Net Cash Used in Financing Activities	(1,290.37)	(190.51)

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2018

Net Increase in Cash and Cash Equivalents (A+B+C)	4.69	23.31
Opening Balance of Cash and Cash Equivalents	47.69	24.38
Closing Balance of Cash and Cash Equivalents (Refer Note No. 13.1)	52.38	47.69

Notes :

- 1 Bracket indicates cash outflow.
- 2 Previous Year figures have been regrouped and reclassified wherever necessary.
- 3 Changes in liabilities arising from financing activities on account of Non-Current and Current Borrowings

(Rs. in Lacs)

Particulars	31st March, 2018	31st March, 2017
Opening balance of liabilities arising from financing activities	11,449.69	10,404.76
(+) changes from financing cash flows (net)	(1,223.16)	63.21
(+) changes in fair value	1,170.59	1,040.51
(+) the effects of changes in foreign exchange rates	133.65	(58.79)
Closing balance of liabilities arising from financing activities	<u>11,530.77</u>	<u>11,449.69</u>

- 4 The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Ind AS-7 "Cash Flow Statement".

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH

Chartered Accountants

(Firm Registration no. 101720W)

Sunil Kumar Roongta

Chief Financial Officer

B. L. Kheruka

Chairman
DIN-00016861

R. Koria

Partner

Membership No. 035629

Place : Mumbai

Date : 10th May, 2018

Kishor Talreja

Company Secretary

Membership No. F7064

Ramaswami Velayudhan Pillai

Whole-time Director

DIN-00011204

Notes to the Financial Statement for the year ended 31st March, 2018

Note :1 CORPORATE INFORMATION

Gujarat Borosil Limited ("the Company") is a limited Company domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE), in India. The registered office of the Company is situated at Village - Govali, Taluka - Jhagadia, District - Bharuch 393001, Gujarat.

Company is engaged in manufacturing of extra clear patterned glass and Low Iron Solar Glass for application in Photovoltaic panels, Flat plate collectors and Green houses.

The financial statements of the Company for the year ended 31st March, 2018 were approved and adopted by board of directors in their meeting dated 10th May, 2018.

Note :2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities that are measured at fair value and Assets held for sale measured at lower of carrying amount or fair value less cost to sale.

The financial statements are presented in Indian Rupees (Rs.), which is the Company's functional and presentation currency. All amounts are rounded to the nearest lacs and two decimals thereof, except when otherwise indicated.

Note :3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, Plant and Equipment

Property, Plant and Equipment are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In case of Property, Plant and Equipment, the Company has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital Work-in-Progress" and expenses incurred relating to it, net of income earned during the development stage, are disclosed as pre-operative expenses under "Capital Work-in-Progress".

Depreciation on the Property, Plant and Equipment is provided using straight line method over the useful life of the assets as specified in Schedule II to the Companies Act, 2013 except in respect of depreciation on rollers charged over a period of three year and following assets where the useful life is different as per technical evaluation than those prescribed in Schedule II.

Particulars	Useful life considered for depreciation
-------------	---

Tempering line 3 :-	10 Years
---------------------	----------

Freehold land is not depreciated.

The asset's residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Property, Plant and Equipment are eliminated from financial statements, either on disposal or when retired from active use. Gains / losses arising in the case of retirement/disposal of Property, Plant and Equipment are recognised in the statement of profit and loss in the year of occurrence.

Notes to the Financial Statement for the year ended 31st March, 2018

3.2 Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the Intangible Assets. In case of Intangible Assets the Company has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Identifiable Intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Computer Softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised on a straight line method over the period of useful lives or period of three years, whichever is less. The assets' useful lives are reviewed at each financial year end.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

3.3 Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the Balance Sheet as a finance lease liability. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

3.4 Inventories

Inventories are valued at the lower of cost and net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. The cost of raw materials, stores, spares & consumables and packing materials are computed on the weighted average basis. Scrap (cullet) are valued at raw materials cost. Cost of work in progress and finished goods is determined on absorption costing method.

3.5 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Notes to the Financial Statement for the year ended 31st March, 2018

3.6 Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets:

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

3.7 Discontinued operation and Non-Current Assets (or disposal groups) Held for Sale

Discontinued operation

A discontinued operation is a component of the Company that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

Held for Sale

Non-Current Assets are classified as Held for Sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-Current Assets are classified as Held for Sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the statement of profit and loss as a separate line item. On classification as Held for Sale, the assets are no longer depreciated. Assets and liabilities classified as Held for Sale are presented separately as current items in the Balance Sheet.

3.8 Financial instruments –

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

I) Financial Assets -Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Financial assets - Subsequent measurement

For the purpose of subsequent measurement financial assets are classified in two broad categories:-

- a) Financial assets at fair value
- b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit and loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

Notes to the Financial Statement for the year ended 31st March, 2018

A financial asset that meets the following two conditions is **measured at amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- a) **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flow.
- b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at **fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

- a) **Business model test:** The financial asset from is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.
- b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

Financial assets - Derecognition

A financial assets (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flow from the asset.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

II) Financial Liabilities - Initial recognition and measurement:

The financial Liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial Liabilities - Subsequent measurement:

Financial Liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Notes to the Financial Statement for the year ended 31st March, 2018

Financial Liabilities - Financial guarantee contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

Financial liability - Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Non-Cumulative Non Convertible Redeemable Preference

Non-Cumulative Non Convertible Redeemable Preference are separated into liability and equity components based on the terms of the contract. The Non-Cumulative Non Convertible Redeemable Preference, the fair value of the liability component is determined using a market rate. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on redemption.

Transaction costs are apportioned between the liability and equity components of the Non-Cumulative Non Convertible Redeemable Preference based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

3.9 Provisions, Contingent Liabilities, Contingent assets and Commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.10 Dividend Distribution:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

3.11 Revenue recognition and other income:

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer as per the terms of the contracts, usually on delivery of the goods, and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It also includes excise duty, if applicable, and excludes value added tax / sales tax and Goods and Service Tax. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Notes to the Financial Statement for the year ended 31st March, 2018

Sale of Services:

Revenue from sale of services is recognised as per the terms of the contract with customer based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably. Percentage of completion method requires the Company to estimate the services performed to date as a proportion of the total services to be performed.

Other Operating Income:

Incentives on exports and other Government incentives related to operations are recognised in the statement of profit and loss after due consideration of certainty of utilization/receipt of such incentives.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income:

Dividend Income is recognised when the right to receive the payment is established.

Rental income:

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included as other income in the statement of profit or loss.

3.12 Foreign currency transaction and translation:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.13 Employee Benefits

Short term employee benefits are recognized as an expense in the statement of profit and loss of the year in which the related services are rendered.

Leave encashment being a defined benefit plan is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the year in which they arise.

Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

The cost of providing gratuity, a defined benefit plans, is determined using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial

Notes to the Financial Statement for the year ended 31st March, 2018

gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in statement of profit and loss.

Remeasurements of defined benefit plan in respect of post employment and other long term benefits are charged to the other comprehensive income in the year in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

3.14 Borrowing Costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

3.15 Taxes on Income

Tax expense represents the sum of current tax (including MAT and income tax for earlier years) and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of 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, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, 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 the Company will pay normal income tax during the specified period.

3.16 Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year.

Notes to the Financial Statement for the year ended 31st March, 2018

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.17 Current and non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs (MCA).

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its operating cycle.

3.18 Fair value measurement:

The Company measures financial instruments at fair value at each Balance Sheet date.

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

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

Notes to the Financial Statement for the year ended 31st March, 2018

3.19 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable rights to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

Note:4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

4.1 Property, Plant and Equipment and Intangible Assets:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

4.2 Income Tax:

The Company reviews at each Balance Sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the standalone financial statements.

4.3 Contingencies:

Management has estimated the possible outflow of resources at the end of each annual financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

4.4 Impairment of Financial Assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4.5 Impairment of Non-Financial Assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Notes to the Financial Statement for the year ended 31st March, 2018

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

4.6 Defined benefits plans:

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4.7 Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

4.8 Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

4.9 Fair value measurement of financial instruments:

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes to the Financial Statement for the year ended 31st March, 2018**Note - 5 Property, Plant and Equipment****(Rs. in Lacs)**

Particulars	Freehold-Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computer	Total	Capital-Work-in-Progress
Cost									
As at 1 st April, 2016	118.13	1,598.47	9,903.53	27.70	45.65	69.97	33.58	11,797.03	229.25
Additions	-	12.77	355.86	0.84	47.79	9.24	13.91	440.41	3,700.08
Disposals / Transfer	-	-	-	-	4.39	0.32	5.50	10.21	229.28
As at 31 st March, 2017	118.13	1,611.24	10,259.39	28.54	89.05	78.89	41.99	12,227.23	3,700.05
Additions	-	1,458.49	3,560.30	0.72	4.49	34.50	11.60	5,070.10	1,428.62
Disposals / Transfer	-	-	339.03	0.27	-	2.37	1.41	343.08	5,003.38
As at 31st March, 2018	118.13	3,069.73	13,480.66	28.99	93.54	111.02	52.18	16,954.25	125.29
Accumulated Depreciation									
As at 1 st April, 2016	-	77.22	1,258.36	2.06	5.60	12.87	5.28	1,361.39	
Depreciation for the year	-	57.47	1,339.37	2.95	8.75	12.91	15.15	1,436.60	
Disposals	-	-	-	-	1.35	-	-	1.35	
As at 31 st March, 2017	-	134.69	2,597.73	5.01	13.00	25.78	20.43	2,796.64	
Depreciation for the year	-	96.01	1,518.64	3.01	13.13	16.45	11.29	1,658.53	
Disposals	-	-	81.10	0.15	-	1.42	1.15	83.82	
As at 31st March, 2018	-	230.70	4,035.27	7.87	26.13	40.81	30.57	4,371.35	
Net Carrying Amount									
As at 31 st March, 2017	118.13	1,476.55	7,661.66	23.53	76.05	53.11	21.56	9,430.59	3,700.05
As at 31st March, 2018	118.13	2,839.03	9,445.39	21.12	67.41	70.21	21.61	12,582.90	125.29

5.1 Property, Plant and Equipment includes assets pledged as security (Refer Note No. 23 and 25).

5.2 Refer Note No. 37.3 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment and Intangible Assets.

5.3 Additions to Plant and Equipment include Borrowing Cost of Rs. 56.28 Lacs (Previous year Rs. Nil).

5.4 Details of pre-operative expenditure as a part of Capital-Work-in-Progress.

Particulars	(Rs. in Lacs)	
	31 st March 2018	31 st March 2017
Power and Fuel	7.21	0.29
Employee Benefits Expense	4.41	1.94
Testing Charges	-	8.96
Travelling and Conveyance Expenses	3.06	6.49
Loading, Unloading and Freight	2.23	1.73
Legal and Professional Fees	0.39	57.20
Rates & Taxes	2.95	-
Bank Charges	2.11	9.88
Insurance	-	2.03
Finance Cost and Others Borrowing Cost	38.20	18.08
Pre-operative expenses for the year	60.56	106.61
Add :- Pre-operative expenses upto previous year	106.61	-
	167.17	106.61
Less :- Allocated during the year to Property, Plant and Equipment	167.17	-
	-	106.61

5.5 In accordance with the Indian Accounting Standard (Ind AS -36) on "Impairment of Assets", the management during the year carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS . On the basis of review carried out by the management, there was no impairment loss on Property, Plant and Equipment during the year ended 31st March, 2018.

Notes to the Financial Statement for the year ended 31st March, 2018**Note - 6 Intangible Assets**

Particulars	(Rs. in Lacs)	
	Computer Software*	Intangible Assets under Development
Cost		
As at 1st April, 2016	15.24	2.74
Additions	11.70	21.41
Disposals / Transfer	-	7.53
As at 31st March, 2017	26.94	16.62
Additions	39.95	22.33
Disposals / Transfer	-	38.95
As at 31st March, 2018	66.89	-
Amortisation	5.43	
As at 1st April, 2016	2.16	
Amortisation charge for the year		
As at 31st March, 2017	7.59	
Amortisation charge for the year	9.01	
As at 31st March, 2018	16.60	
Net Carrying Amount		
As at 31st March, 2017	19.35	16.62
As at 31st March, 2018	50.29	-

* Other than self generated

Note - 7 Non-Current Financial Assets - Investments

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Investment in Limited Liability Partnership		
Investment in Capital -Swapan Properties LLP (Unquoted)		
Investments carried at fair value through profit & loss	-	0.90
Share in Profit /(Loss) - Nil (Previous Year 18%)		
(Dissolved w.e.f. 1 st January, 2018)		
Total	-	0.90

7.1 Aggregate amount of unquoted Investments is Rs. Nil (Previous Year Rs. 90 Lacs).

Note - 8 Non-Current Financial Assets - Others

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Unsecured, Considered Good :		
Margin Money Deposits-Having maturity more than 12 months	63.07	52.44
Security Deposits with Government and Others	52.47	52.57
Total	115.54	105.01

Notes to the Financial Statement for the year ended 31st March, 2018

Note - 9 Other Non-Current Assets

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Unsecured, Considered Good:		
Capital Advances	460.40	634.55
MAT Credit Entitlement	921.47	608.59
Prepaid Expenses	13.32	1.17
Amount paid under protest (Refer Note No. 37.1)	45.31	636.06
Total	1,440.50	1,880.37

9.1 Presently the Company is liable to pay MAT under Section 115JB of the Income Tax Act, 1961 (the Act) and the amount paid as MAT is allowed to be carried forward for set off against the future tax liabilities computed in accordance with the provisions of the Act, other than Section 115JB, in next fifteen years. Based on the future projection of the performance, the Company will be liable to pay the income tax computed as per provisions, other than under Section 115JB, of the Act. Accordingly as advised in Guidance note on "Accounting for Credit available in respect of Minimum Alternate Tax under the Income Tax Act 1961" issued by the Institute of Chartered Accountants of India, Rs. 312.88 Lacs (Previous year Rs. 449.25 Lacs) being the excess of tax payable under Section 115JB of the Act, over tax payable as per the provisions other than Section 115JB of the Act, has been considered as MAT credit entitlement and credited to statement of profit and loss. The total MAT credit as at 31st March, 2018 is Rs. 921.47 Lacs (Previous year Rs. 608.59 Lacs).

Note - 10 Inventories

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Raw Materials	937.65	892.41
Work-in-Progress	186.33	728.88
Finished Goods		
Goods-in-Transit	7.59	-
Others	96.22	346.00
Stores, Spares and Consumables	713.81	667.98
Packing Materials	169.97	120.29
Scrap (Cullet)	216.27	64.92
Total	2,327.84	2,820.48

10.1 Basis of valuation refer Accounting policy No 3.4

10.2 For Inventories hypothecation as security (Refer Note No. 23 and 25)

Notes to the Financial Statement for the year ended 31st March, 2018

Note - 11 Financial Assets - Current Investments

Particulars	As at 31 st March, 2018 No of units	As at 31 st March, 2017 No of units	Face Value (In Rs.)	As at 31 st March, 2018 (Rs. in Lacs)	As at 31 st March, 2017 (Rs. in Lacs)
Current Investments (carried at fair value through profit and loss)					
Mutual Funds:					
Unquoted Fully Paid Up					
a. ICICI Prudential Flexible Income Plan - Growth	5,52,794.94	-	100.00	1,842.56	-
b. ICICI Prudential Flexible Income Plan - Direct Growth	3,61,504.54	-	100.00	1,211.33	-
Total	9,14,299.48	-		3,053.89	-

11.1 Aggregate amount of unquoted Investments is Rs. 3053.89 Lacs (Previous Year Rs. Nil).

Note - 12 Current Financial Assets - Trade Receivables

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Unsecured :		
Considered Good	2,445.22	2,676.12
Considered Doubtful	23.61	13.05
	<u>2,468.83</u>	<u>2,689.17</u>
Less : Provision for Doubtful Debts	<u>23.61</u>	<u>13.05</u>
Total	<u>2,445.22</u>	<u>2,676.12</u>

Note - 13 Cash and Cash Equivalents

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Balances with Banks in current accounts	36.24	31.53
Cash on Hand	16.14	16.16
Total	<u>52.38</u>	<u>47.69</u>

13.1 For the purpose of the statement of cash flow, cash and cash equivalents comprise the followings:

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Balances with Banks in current accounts	36.24	31.53
Cash on Hand	16.14	16.16
Total	<u>52.38</u>	<u>47.69</u>

Note - 14 Bank Balances Other than Cash and Cash Equivalents

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Earmarked Balances with bank :		
Fixed deposit with Banks - Pledged as Margin Money	112.56	174.04
Total	<u>112.56</u>	<u>174.04</u>

Notes to the Financial Statement for the year ended 31st March, 2018**Note 15 Current Financial Assets - Loans**

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Unsecured, Considered Good :		
Loan to Employees	7.25	7.69
Total	7.25	7.69

Note 16 - Current Financial Assets - Others

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Unsecured, Considered Good :		
Interest Receivables	14.03	8.78
Security Deposits	2.72	9.26
Receivable from Related Party (Refer Note No. 43.1)	-	17.31
Others	2.10	574.39
Total	18.85	609.74

16.1 Others for the year includes Duty Draw Back, Insurance and other receivables and Others for the previous year includes refund of gas transportation charges (Refer Note No.29.1), Duty Draw Back, Insurance and other receivables.

16.2 Receivable from Related Parties Includes amounts of Rs. Nil (Previous year Rs. 4.24 Lacs) due from private Companies in which directors of the companies are director (Refer Note No.43.1).

Note - 17 Other Current Assets

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Unsecured, Considered Good :		
Export Incentives Receivable	79.94	51.81
Advances against supplies	148.20	245.02
Balance with Government Authorities	20.21	96.48
Prepaid Expenses	55.31	44.98
Others	47.74	102.27
Total	351.40	540.56

17.1 Others Includes mainly VAT Refund and other receivables.

Note 18 - Equity Share Capital

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Authorised		
12,00,00,000 (Previous Year :- 9,20,00,000) Equity Shares of Rs. 5/- each	6,000.00	4,600.00
Unclassified Share Capital	-	400.00
Preference Share Capital		
90,00,000 - 9% Non-Cumulative Non Convertible Redeemable Preference Shares of Rs. 100/- each (Previous Year :- 90,00,000)	9,000.00	9,000.00
Total	15,000.00	14,000.00

Notes to the Financial Statement for the year ended 31st March, 2018**Issued, Subscribed & Fully paid-up**

6,82,07,500 (Previous Year :- 6,82,07,500) Equity Shares of Rs. 5/- each fully paid up

Total **3,410.38** **3,410.38**

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

Particulars	As at 31 st March, 2018		As at 31 st March, 2017	
	No of Shares	(Rs. in Lacs)	No of Shares	(Rs. in Lacs)
Shares outstanding at the beginning of the year	6,82,07,500	3,410.38	6,82,07,500	3,410.38
Shares outstanding at the end of the year	6,82,07,500	3,410.38	6,82,07,500	3,410.38

18.2 Terms/Rights attached to Equity Shares :

The Company has only one class of shares referred to as equity shares having a par value of Rs. 5/- per share. Holders of equity shares are entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of Shareholder	As at 31 st March, 2018		As at 31 st March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Fennel Investment & Finance Pvt. Ltd.	22,600,000	33.13	22,600,000	33.13
Borosil Glass Works Limited	17,222,376	25.25	17,222,376	25.25
Pradeep Kumar Kheruka	11,300,000	16.57	11,300,000	16.57

18.4 There are no shares reserved for issue under options and contracts / commitments.

18.5 Paid and Proposed dividend of Rs. Nil (Previous Year Rs. Nil).

Note 19 - Other Equity**(Rs. in Lacs)**

Particulars	As at 31 st March, 2018		As at 31 st March, 2017	
Equity Component of Preference shares issued (Net of Tax)				
Balance as per last Balance Sheet		2,504.31		2,504.31
Capital Reserve				
Balance as per last Balance Sheet		32.02		32.02
Securities Premium Reserve				
Balance as per last Balance Sheet		57.71		57.71
Surplus arising on giving effect to BIFR Order				
Balance as per last Balance Sheet		1,996.41		1,996.41
Retained Earnings				
Balance as per last Balance Sheet	(1,780.62)		(3,209.04)	
Add: Profit for the year	691.93	(1,088.69)	1,428.42	(1,780.62)
Other Comprehensive Income (OCI)				
Balance as per last Balance Sheet	(25.24)		(8.61)	
Add: Movement in OCI (Net) during the year	4.24	(21.00)	(16.63)	(25.24)
		3,480.76		2,784.59

Notes to the Financial Statement for the year ended 31st March, 2018

19.1 Nature and Purpose of Reserve

- 1 **Capital Reserve** : Capital reserve was created by way of
 - (i) Subsidy received from State of Gujarat.
 - (ii) Forfeiture of shares for non payment of allotment money/call money.
 The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.
- 2 **Surplus arising on giving effect to BIFR Order**
 This surplus was recognised in pursuant to implementation of the order of Board for Industrial and Financial Reconstruction (BIFR) in respect of the scheme for the rehabilitation of the company. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.
- 3 **Securities Premium Reserve**
 Securities premium reserve was created when shares were issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.
- 4 **Equity Component of Preference shares issued**
 The difference between the fair value of preference shares on the date of issue and the transaction price is recognised as a deemed equity component.
 The fair value of the financial liability has been estimated by considering comparable market interest rates adjusted to the facts and circumstances relevant to the Company.

Note 20 - Non Current Financial Liabilities - Borrowings

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Unsecured		
Liability component of compound financial instrument		
90,00,000 - 9% Non-Cumulative Non Convertible Redeemable Preference Share of Rs. 100 each	-	9,364.71
Total	-	9,364.71

20.1 9% Non-Cumulative Non Convertible Redeemable Preference Share (Preference Share) (as disclosed in Note No. 25).

- a) Preference Share shall be redeemable not later than 7 years from the date of issue i.e. 17th March, 2012 with an option to the Company to redeem the same at any time by giving two months prior notice in writing to holders. The terms of Preference shares were changed from Cumulative to Non-Cumulative vide special resolution passed by the Shareholders on 26th August, 2015 through Postal ballot.
- b) The Preference Share have the priority in case of payment of dividend and in case of winding up, repayment of Capital and arrears of dividend.
- c) Dividend on Preference Share Capital aggregating to Rs. 2791.64 Lacs is in arrear for the period from 17.03.2012 to 26.08.2015.

Notes to the Financial Statement for the year ended 31st March, 2018

20.2 Preference shareholders holding more than 5% of Preference share capital :

Name of Shareholder	As at 31 st March, 2018		As at 31 st March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Borosil Glass Works Limited	9,000,000	100.00	9,000,000	100.00

20.3 Reconciliation of number of Preference Share outstanding at the beginning and at the end of the year :

Particulars	As at 31 st March, 2018 No of Shares	As at 31 st March, 2017 No of Shares
Shares outstanding at the beginning of the year	9,000,000	9,000,000
Shares outstanding at the end of the year	9,000,000	9,000,000

20.4 Paid and Proposed Preference Share dividend of Rs. Nil (Previous Year Rs. Nil).

20.5 Terms/Rights attached to Preference Shares :

- The Preference shareholder have acquired voting rights due to non-payment of dividend for two years in pursuant to second proviso to section 47 (2) of the Companies Act, 2013.
- The holder of Preference Shares will have priority over Equity Shares for repayment of capital, in the event of liquidation of the company before redemption of Preference Shares.

Note 21 - Non Current Financial Liabilities - Provisions

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Provisions for Employee Benefits		
Leave Encashment	91.11	60.95
Total	91.11	60.95

Note 22 - Income Tax

22.1 Current Tax :-

Particulars	(Rs. in Lacs)	
	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Current Tax for the year	235.03	449.25
Income tax for the earlier year	109.14	(3.06)
MAT credit entitlement	(312.88)	(449.25)
Total Current Tax	31.29	(3.06)

Notes to the Financial Statement for the year ended 31st March, 2018

22.2 The major components of Tax Expense for the year ended 31st March, 2018 and 31st March, 2017 are as follows:

Particulars	(Rs. in Lacs)	
	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Recognised in Statement of Profit and Loss:		
Current Tax (Refer note no. 22.1)	31.29	(3.06)
Deferred Tax:-Relating to origination and reversal of temporary differences	(55.10)	814.01
Total Tax Expenses	(23.81)	810.95

22.3 Reconciliation between tax (income)/expenses and accounting profit multiplied by tax rate for the year ended 31st March, 2018 and 31st March, 2017:

Particulars	(Rs. in Lacs)	
	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Accounting profit before tax	668.12	2239.37
Applicable tax rate	34.61%	34.61%
Computed Tax Expenses	231.22	775.00
Tax effect on account of:		
Unrealised foreign exchange difference on capital borrowing and		
Indexation benefits on Property, Plant and Equipment	64.80	20.05
Fair value changes on financial instruments	(9.30)	(6.32)
Allowances of expenses on payment basis	-	15.29
Deduction not allowed under the Income Tax Act	23.10	9.99
Changes in Income Tax rates of subsequent year	(355.72)	-
Deduction under chapter VI A	(9.20)	-
Non consideration of surcharge for MAT Credit	31.29	-
Income tax for earlier years	-	(3.06)
Income tax (income) / expenses recognised in Statement of Profit and Loss	(23.81)	810.95

Notes to the Financial Statement for the year ended 31st March, 2018

22.4 Deferred tax relates to the following:

(Rs. in Lacs)

Particulars	Balance Sheet		Statement of profit and loss	
	As at 31 st March, 2018	As at 31 st March, 2017	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Property, Plant and Equipment, Intangible Assets and Assets Held for Sale	1,556.52	1,781.27	(224.75)	(273.72)
Financial Instruments-Assets	9.39	-	9.39	(6.32)
Provision for doubtful debts	(6.88)	(4.52)	(2.36)	(2.97)
Inventories	(5.01)	(5.96)	0.95	9.36
Disallowance Under the Income Tax Act, 1961	(51.23)	(46.61)	(4.62)	(2.85)
Non-Cumulative Non Convertible Redeemable Preference Share	365.62	839.65	(474.03)	(360.10)
Financial Instruments-Liabilities	(20.67)	(70.82)	50.15	149.49
Unabsorbed depreciation utilised	-	(592.42)	592.42	1,296.61
Deferred Tax Liabilities / (Assets)	1,847.74	1,900.59	(52.85)	809.50

22.5 Reconciliation of deferred tax liabilities (Net):

(Rs. in Lacs)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Opening balance as at 1 st April	1,900.59	1,091.09
Deferred Tax expenses recognised in statement of profit and loss	(55.10)	814.01
Deferred Tax expenses recognised in OCI	2.25	(4.51)
Closing balance as at 31st March	1,847.74	1,900.59

Note - 23 Current Financial Liabilities - Borrowings

(Rs. in Lacs)

Particulars	As at 31 st March, 2018	As at 31 st March, 2017
Secured Loan from Bank		
Buyer's Credit	947.31	1,332.95
Export Packing Credit	-	43.87
Working Capital Facility	48.16	24.19
Total	995.47	1,401.01

23.1 Buyers' credit is primary secured by charge on the current assets and further secured by all the Property, Plant and Equipment of the Company (Present & Future) situated at Village Govali, Distt- Bharuch and carries Interest @ 12 month EURIBOR plus 27 BPS.

23.2 a) Working Capital Facility from bank are secured by Hypothecation on all stock and book debts of the Company and additionally secured by way of second charges on Property, Plant and Equipment of the Company.

b) Interest rate on Working Capital Facility - Base Rate + 1% i.e.9.50%.

23.3 Export Packing Credit Facility from bank was secured by Hypothecation on all stock and book debts of the Company and additionally secured by way of second charges on Property, Plant and Equipment of the Company.

Notes to the Financial Statement for the year ended 31st March, 2018**Note 24 - Current Financial Liabilities - Trade Payables**

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Micro, Small and Medium Enterprises	-	-
Others	1,101.48	990.98
	1,101.48	990.98

- 24.1** Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information as available with the Company and the details of amount outstanding due to them are as given below:

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
a) Principal amount outstanding	-	-
b) Interest due thereon	-	-
c) Interest paid by the Company in terms of Section 16 of MSMED 2006, along with amount of the payment made to the suppliers beyond the appointed day during the year .	-	-
d) Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED 2006.	-	-
e) Interest accrued and remaining unpaid	-	-
f) Further interest remaining due and payable in the succeeding years.	-	-
	-	-

Note 25 - Current Financial Liabilities - Others

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Current Maturity of Long Term Borrowings		
-Non-Current Borrowings (Refer Note No. 25.1)	-	683.97
-Liability component of compound financial instrument		
90,00,000 - 9% Non-Cumulative Non Convertible Redeemable Preference Share	10,535.30	-
Interest Accrued but not Due on Borrowing	0.66	1.83
Creditors for Capital Goods	346.25	550.83
Security Deposits	52.06	52.10
Other Payables	430.87	411.98
Total	11,365.14	1,700.71

- 25.1** Term Loan of Rs. Nil (Previous year Rs. 683.97 Lacs) was secured by way of exclusive charge on current assets of the company and further secured by way of charge on the property, plant and equipment of the Company (present & future) situated at village Govali, Dist Bharuch.

- 25.2** Other Payables mainly includes outstanding liability for expenses and payable to employees.

Notes to the Financial Statement for the year ended 31st March, 2018**Note 26 - Other Current Liabilities**

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Advance from Customers	153.54	72.33
Statutory liabilities	228.84	59.46
Export Obligation Liability	39.97	39.97
Total	422.35	171.76

Note 27 - Current Provisions

Particulars	(Rs. in Lacs)	
	As at 31 st March, 2018	As at 31 st March, 2017
Provisions for Employee Benefits		
Gratuity (Funded) (Refer Note No. 38)	12.81	17.00
Leave Encashment	5.99	3.96
Others		
Provision for Excise duty (Refer Note No. 39)	-	40.85
Total	18.80	61.81

27.1 In Previous year, the Company had recognised liabilities based on substantial degree of estimation for Excise Duty payable on clearance of goods lying in stock. During the period till 30th June, 2017, Rs. 40.85 Lacs was utilised for clearance of goods. Excise duty is discontinued with effect from 1st July, 2017 upon implementation of Goods and Service Tax (GST).

Note 28 - Revenue From Operations

Particulars	(Rs. in Lacs)	
	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Sale of Products (Including Excise duty)	19,835.04	18,729.70
Other Operating Revenue	146.19	103.11
Revenue from Operations	19,981.23	18,832.81

28.1 Sale of products up to 30th June 2017 includes excise duty, which is discontinued with effect from 1st July, 2017 upon implementation of Goods and Service Tax (GST). In accordance with 'Ind AS 18 – Revenue', GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the year is not comparable with those of previous year.

Notes to the Financial Statement for the year ended 31st March, 2018**Note 29 - Other Income**

Particulars	(Rs. in Lacs)	
	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Interest Income from financial assets measured at amortised cost		
- Fixed Deposits with banks	15.37	6.65
- Others	213.12	18.22
Gain on Sale of Current Investments (Net)	0.92	52.41
Gain on financial instruments measured at fair value through profit or loss (Net)	53.72	-
Share in Profit from LLP	0.02	0.15
Gain on foreign currency transactions (Net)	-	59.35
Sundry Credit Balance Written Back (Net)	12.11	2.96
Miscellaneous Income	55.23	583.01
Total	350.49	722.75

29.1 Miscellaneous income for the year includes Refund of Electricity duty of Rs. 53.55 Lacs and for the previous year includes a refund of Rs 559.38 Lacs from "Gas Authority of India Limited" (GAIL) on account of downward revision in gas transportation charges for the period from November 2008 to March 2016.

Note 30 - Changes in Inventories of Finished Goods and Work-in-Progress

Particulars	(Rs. in Lacs)	
	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Finished Goods		
Opening Stock	346.00	201.52
Less: Closing Stock	103.81	346.00
	242.19	(144.48)
Work-in-Progress		
Opening Stock	728.88	267.97
Less: Closing Stock	186.33	728.88
	542.55	(460.91)
Total	784.74	(605.39)

Note 31 - Employee Benefits Expense

Particulars	(Rs. in Lacs)	
	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Salaries, Wages & allowances	2,117.09	2,018.89
Contribution to Provident and Other Funds (Refer Note No. 38)	120.61	99.79
Staff Welfare Expenses	136.46	109.73
Total	2,374.16	2,228.41

Notes to the Financial Statement for the year ended 31st March, 2018**Note 32 - Finance Costs**

	(Rs. in Lacs)	
Particulars	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Interest Expenses on financial liabilities measured at amortised cost	1,287.48	1,108.19
Exchange differences regarded as an adjustment to Borrowing Costs	89.43	-
Total	1,376.91	1,108.19

32.1 Above includes, Interest of Rs. 18.87 Lacs (Previous Year Rs. 12.77 Lacs) on late payment of Advance Tax.

Note 33 - Depreciation and Amortization Expense

	(Rs. in Lacs)	
Particulars	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Depreciation of Property, Plant and Equipment (Refer Note No. 5)	1,658.53	1,436.60
Amortisation of Intangible Assets (Refer Note No. 6)	9.01	2.16
Total	1,667.54	1,438.76

Note 34 - Other Expenses

	(Rs. in Lacs)	
Particulars	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Manufacturing Expenses		
Stores, Spares and Consumables Consumed	611.20	478.61
Packing Materials Consumed	1,154.12	1,082.09
Power and Fuel	3,426.91	3,156.72
Processing charges	76.34	96.26
Repairs and Maintenance		
- Plant and Machinery	236.56	167.01
- Buildings	18.61	11.98
- Others	105.30	67.19
Selling and Distribution Expenses		
Sales Promotion and Advertisement Expenses	151.68	79.61
Freight Outward	1,456.46	1,366.93
Commission	69.65	17.79
Cash Discount	69.47	123.01
Administrative and General Expenses		
Insurance	64.68	49.58
Rent	19.66	19.52
Rates and Taxes	12.36	12.50
Legal and Professional Fees	268.18	238.27
Travelling and Conveyance Expenses	304.55	272.62
Payment to Auditor (Refer note no. 34.2)	28.66	17.94

Notes to the Financial Statement for the year ended 31st March, 2018

Research and Development Expenses	-	19.95
Corporate Social Responsibility Expenditure (Refer note no. 34.1)	33.40	15.00
Security Expenses	41.41	31.59
Excise duty of earlier years	197.35	-
Loss on foreign currency transactions (Net)	26.28	-
Directors Sitting Fees	17.10	11.44
Bad Debts	4.78	5.00
Less: Provision Written Back	-	4.48
Provision for Doubtful Debts	10.56	13.05
Loss on Discard/sale of Property, Plant and Equipment (Net)	11.31	2.62
Loss on Assets Held for Sale	-	124.00
Bank Charges	37.26	52.85
Miscellaneous Expenses	185.93	149.68
Total	8,639.77	7,678.33

Note 34.1 Notes related to Corporate Social Responsibility Expenditure (CSR):

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs. 32.88 Lacs (Previous Year Rs. 22.52 Lacs).
- (b) Expenditure related to CSR is Rs. 33.40 Lacs (Previous Year Rs. 15.00 Lacs) and Rs. Nil (Previous year Rs. 7.52 Lacs) remained unspent.

Details of expenditure towards CSR given below:**(Rs. in Lacs)**

Particulars	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
(i) Cost of shipping of the artwork and logistics of the exhibition	12.40	-
(ii) Promoting education and making available safe drinking water	21.00	-
(iii) Promoting health care including preventive health care	-	5.00
(iv) Promoting education	-	10.00
Total	33.40	15.00

Note 34.2 - Details of Payment to Auditor**(Rs. in Lacs)**

Particulars	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Payments to the auditor as:		
Auditor	18.00	13.50
For taxation Matters	-	-
For Company law matters	-	-
For Certifications	5.25	3.35
For other services	5.00	-
For reimbursement of expenses	0.41	1.09
Total	28.66	17.94

Notes to the Financial Statement for the year ended 31st March, 2018**Note - 35 Exceptional Items:-**

Particulars	(Rs. in Lacs)	
	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Loss on sale of Property, Plant and Equipment	195.37	-
Total	195.37	-

35.1 During the year, the Company has sold Captive Power Plant (Gas Based Genset) at a loss of Rs. 195.37 Lacs which has been shown as an exceptional item.

Note - 36 Earning Per Share

Particulars	(Rs. in Lacs)	
	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
Net Profit Attributable to Equity Shareholders for Basic EPS and Diluted EPS (Rs. In Lacs)	691.93	1,428.42
Weighted Average Number of Equity Shares Outstanding During the year for Basic EPS and Diluted EPS (in Nos.)	6,82,07,500	6,82,07,500
Basic and Diluted Earning per share of Rs. 5 each (in Rs.)	1.01	2.09
Face Value per Equity Share (in Rs.)	5.00	5.00

Note - 37 Contingent Liabilities and Commitments**37.1 Contingent Liabilities (To the extent not provided for) Claims against the Company not acknowledged as debts**

Particulars	(Rs. in Lacs)	
	As at 31 st March 2018	As at 31 st March 2017
Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)		
- Excise (amount paid under protest of Rs. Nil Lacs (Previous Year Rs. 590.08 Lacs)	-	1,252.13
- Income Tax	332.20	332.20
- Sales Tax	565.79	550.84
- Cenvat Credit/Service Tax (amount paid under protest of Rs. 1.18 Lacs (Previous Year Rs. 1.85 Lacs)	11.30	52.99
- Others (amount paid under protest of Rs. 44.13 Lacs (Previous Year Rs. 44.13 Lacs)	112.98	72.51
Guarantees		
- Bank Guarantees	546.48	409.57
Others		
1 Letter of Credits	341.18	144.90
2 Bonus (refer note no. 37.4)	18.45	18.45

37.2 Management is of the view that above litigations will not materially impact the financial position of the Company.

Notes to the Financial Statement for the year ended 31st March, 2018

37.3 Commitments

Particulars	(Rs. in Lacs)	
	As at 31 st March 2018	As at 31 st March 2017
Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts)		
-- Related to Property, Plant and Equipment	1,662.49	852.82
-- Related to Intangible Assets	-	11.82

37.4 The Payment of Bonus (Amendment) Act, 2015 envisages enhancement of eligibility limit and Calculation Ceiling under section 12 from Rs. 3500 to Rs. 7000 or the minimum wage for the scheduled employment, as fixed by the appropriate Government, whichever is higher. The Payment of Bonus (Amendment) Act, 2015 have come into force on the 1st April 2014. However the same is challenged in the Hon'ble High Courts of few states by some parties and those high courts have provided stay on the retrospectively impact of the same and accordingly same amount shown as contingent liability.

38 Employee Benefits

38.1 As per Ind AS-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Ind AS are given below:

(a) Defined Contribution Plan:

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

Particulars	(Rs. in Lacs)	
	2017-18	2016-17
Employer's Contribution to Provident Fund	53.43	47.59
Employer's Contribution to Pension Scheme	34.00	33.25

The contribution to provident fund is made to Employees' Provident Fund managed by Provident Fund Commissioner.

(b) Defined Benefit Plan:

The employees' Gratuity Fund is managed by the Birla Sun Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises 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 recognised in the same manner as the gratuity.

Particulars	Gratuity (Funded)	
	As at 31 st March 2018	As at 31 st March 2017
Actuarial assumptions		
Mortality Table	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Salary growth	5.00%	5.00%
Discount rate	7.55%	7.25%
Expected returns on plan assets	7.55%	7.25%
Withdrawal rates	2% at younger ages reducing to 1% at older ages	2% at younger ages reducing to 1% at older ages

Notes to the Financial Statement for the year ended 31st March, 2018

Particulars	(Rs. in Lacs)	
	Gratuity (Funded)	
	2017-18	2016-17
<u>Movement in present value of defined benefit obligation</u>		
Obligation at the beginning of the year	242.66	217.60
Current service cost	22.98	20.05
Past service cost	9.80	-
Interest cost	16.92	16.38
Benefits paid	(13.18)	(21.53)
Actuarial (gain)/loss on obligation	(12.46)	10.16
Obligation at the end of the year	266.72	242.66
<u>Movement in present value of plan assets</u>		
Fair value at the beginning of the year	225.66	193.19
Interest Income	16.52	17.48
Expected Return on Plan Assets	(0.09)	11.52
Employer Contribution	25.00	25.01
Benefits paid	(13.18)	(21.54)
Fair value at the end of the year	253.91	225.66
<u>Amount recognised in Statement of Profit and Loss</u>		
Current service cost	22.98	20.05
Past service cost and loss on curtailments and settlement	9.80	-
Interest cost	0.40	(1.10)
Total	33.18	18.95
Amount recognised in the other comprehensive income		
Components of actuarial gain/losses on obligations:		
Due to financial assumptions	(6.96)	12.56
Due to experience adjustments	(5.50)	(2.40)
Return on plan assets excluding amounts included in interest income	0.09	(11.52)
Total	(12.37)	(1.36)

(c) Fair Value of assets

Particulars	(Rs. in Lacs)	
	Fair Value of Asset	
	2017-18	2016-17
Birla Sun Life Insurance Corporation of India	253.91	225.66
Total	253.91	225.66

(d) Net Liability Recognised in the balance sheet

Amount recognised in the balance sheet	(Rs. in Lacs)	
	As at 31 st March 2018	As at 31 st March 2017
Present value of obligations at the end of the year	266.72	242.66
Less: Fair value of plan assets at the end of the year	253.91	225.66
Net liability recognised in the balance sheet	12.81	17.00

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

Notes to the Financial Statement for the year ended 31st March, 2018

38.2 Sensitivity analysis:		(Rs. in Lacs)
Particulars	Changes in assumptions	Effect on Gratuity Obligation Increase/ (Decrease)
For the year ended 31st March, 2017		
Discount rate	+5%	(10.53)
	-0.5%	11.25
Salary growth rate	+5%	11.30
	-0.5%	(9.82)
Withdrawal rate (W.R.)	W.R. x 110%	0.65
	W.R. x 90%	(0.65)
For the year ended 31st March, 2018		
Discount rate	+5%	(11.01)
	-0.5%	11.76
Salary growth rate	+5%	11.56
	-0.5%	(10.79)
Withdrawal rate (W.R.)	W.R. x 110%	0.66
	W.R. x 90%	(0.66)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the Balance Sheet.

38.3 Risk exposures

1) Actuarial Risk: This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate, than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate, than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

2) Investment Risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

3) Liquidity Risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the Company there can be strain on the cash flows.

4) Market Risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Notes to the Financial Statement for the year ended 31st March, 2018

5) Legislative Risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

38.4 Details of Asset-Liability Matching Strategy:-

Gratuity benefits liabilities of the company are funded. There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

38.5 The expected payments towards contributions to the defined benefit plan is within one year.

38.6 The expected payments towards to the gratuity in future years:

(Rs. in Lacs)	
Year Ended	Expected payment
31 st March, 2019	21.41
31 st March, 2020	15.71
31 st March, 2021	18.49
31 st March, 2022	15.78
31 st March, 2023	21.53
31 st March, 2024 to 31 st March, 2028	160.05

38.7 The average duration of the defined benefit plan obligation at the end of the reporting period is 13.70 years (31 March 2017: 13.79 years).

Note - 39 Provisions

Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:-
Movement in provisions:-

Nature of provision	(Rs. in Lacs)		
	Provision for Doubtful Debts	Excise duty	Total
As at 31st March, 2016	4.48	17.82	22.30
Provision during the year	13.05	40.85	53.90
Payment during the year	-	(17.82)	(17.82)
Provision reversed during the year	(4.48)	-	(4.48)
As at 31st March, 2017	13.05	40.85	53.90
Provision during the year	10.56	-	10.56
Payment during the year	-	(40.85)	(40.85)
Provision reversed during the year	-	-	-
As at 31st March, 2018	23.61	-	23.61

Note- 40 The settlement with Worker's Union expired on 31st December, 2009 and 31st December, 2015, the Company has signed settlement agreement with workers on 21st March, 2013 and 20th August, 2016. The wages payable as per the settlement agreement to workers who have still not accepted the settlement amount from 1st January, 2010 to 31st March, 2018 amounts to Rs. 248.14 Lacs (Previous Year Rs. 216.32 Lacs), which have provided in the books of accounts.

Notes to the Financial Statement for the year ended 31st March, 2018

Note- 41 The Company was carrying a portion of items of certain Property, Plant and Equipment of Sheet Glass plant which were sold/discarded in 2013-14. As one of the buyer who had agreed to lift this portion of Property, Plant and Equipment and had given security deposit failed to perform the contract, the Company has finally sold the same during the year. Deposit received from the earlier buyer is lying in liabilities pending litigation.

		(Rs. in Lacs)
Particulars	As at 31 st March 2018	As at 31 st March 2017
Asset Held for Sale	-	24.49
	-	24.49

Previous year the fair value of the above was determine using bidding method. This is level 2 measurement as per the fair value hierarchy

Note - 42 Company had filed application for exemption for electricity duty on power used in Solar glass plant. The exemption has been partially granted and the same has been accounted. However, exemption in respect of electricity used from Captive Power Plant in the solar glass plant is pending to be disposal and accounting of the same will be done on disposal of said application.

Note - 43 Related party disclosure

In accordance with the requirements of Ind AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are as detail below:

43.1 List of Related Parties :

a) Associate Companies

Borosil Glass Works Limited
(25.25% of the equity share of the Company)

b) Fellow subsidiaries

Hopewell Tableware Private Limited
Klasspack Private Limited

c) Key Management Personnel

Mr. B. L. Kheruka – Chairman. (Non-Executive Director)
Mr. Rajesh Chaudhary - Whole-time Director (upto 31st March, 2018)
Mr. Sunil Kumar Roongta (Chief Financial Officer)
Mr. Kishor Talreja (Company Secretary)

d) Relative of Key Management Personnel

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

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

Cycas Trading LLP
Vyline Glass Works Limited
Window Glass Limited
Borosil Foundation
Chotila Silica Pvt. Ltd.

Notes to the Financial Statement for the year ended 31st March, 2018

		(Rs. in Lacs)	
Nature of Transactions	Name of the Related Party	2017-18	2016-17
Transactions with associates:			
Purchase of Goods	Borosil Glass Works Limited	5.49	1.06
Rent Paid	Borosil Glass Works Limited	15.64	15.60
Reimbursement of expenses to	Borosil Glass Works Limited	1.26	19.56
Reimbursement of expenses from	Borosil Glass Works Limited	10.99	26.01
Transactions with fellow subsidiary:			
Sale of Goods	Hopewell Tableware Private Limited	2.11	7.24
Purchase of Goods	Hopewell Tableware Private Limited	-	2.40
Reimbursement of expenses from	Klasspack Private Limited	0.28	0.95
	Hopewell Tableware Private Limited	3.42	4.75
Reimbursement of expenses to	Hopewell Tableware Private Limited	7.50	-
Transactions with other related parties:			
Sale of Goods	Vyline Glass Works Ltd.	0.15	0.36
Purchase of Goods	Vyline Glass Works Ltd.	1.04	7.63
	Chotila Silica Pvt Ltd	267.05	1.95
Rent Paid	Cycas Trading LLP	2.64	2.16
Office Rent/Maintenance charges	Window Glass Limited	2.84	2.28
Donation Given for CSR activities	Borosil Foundation	22.40	0.10
Managerial Remuneration	Mr. Rajesh Chaudhary	48.10	89.65
	Mr. Sunil Roongta	35.40	30.66
	Mr. Kishor Talreja	18.53	15.45
Reimbursement of expenses to	Vyline Glass Works Limited	-	0.48
Reimbursement of expenses from	Vyline Glass Works Limited	9.73	17.35

		(Rs. in Lacs)	
Nature of Transactions	Name of the Related Party	As at 31 st March 2018	As at 31 st March 2017
Balances with associates:			
Current Financial Assets - Others	Borosil Glass Works Limited	-	2.80
Balances with fellow subsidiary:			
Current Financial Assets - Others	Klasspack Private Limited	-	0.87
	Hopewell Tableware Private Limited	-	3.37
Balance with other related parties:-			
Current Financial Assets - Others	Vyline Glass Works Ltd.	-	10.02
Current Financial Liabilities - Trade Payables	Window Glass Limited	-	0.19
	Chotila Silica Pvt. Ltd.	-	4.52

43.2 Compensation to key management personnel of the Company		(Rs. in Lacs)	
Nature of transaction		2017-18	2016-17
Short-term employee benefits		111.31	138.81
Post-employment benefits		11.39	9.04
Total compensation paid to key management personnel		122.70	147.85

Notes to the Financial Statement for the year ended 31st March, 2018

- 43.3 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured, unless specified and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 44 - Fair Values

44.1 Financial Instruments by category:

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities that are recognised in the financial statements.

a) Financial Assets measured at fair value:			(Rs. in Lacs)	
Particulars			As at 31 st March 2018	As at 31 st March 2017
Financial Assets designated at fair value through profit or loss:-				
- Investments			3,053.89	0.90
			3,053.89	0.90
b) Financial Assets designated at amortised cost:-			(Rs. in Lacs)	
Particulars	As at 31 st March 2018		As at 31 st March 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets designated at amortised cost:-				
- Trade Receivable	2,445.22	2,445.22	2,676.12	2,676.12
- Cash and cash equivalents	52.38	52.38	47.69	47.69
- Bank Balance other than cash and cash equivalents	112.56	112.56	174.04	174.04
- Loans	7.25	7.25	7.69	7.69
- Others	134.39	134.39	714.75	714.75
	2,751.80	2,751.80	3,620.29	3,620.29
c) Financial Liabilities designated at amortised cost:-			(Rs. in Lacs)	
Particulars	As at 31 st March 2018		As at 31 st March 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities designated at amortised cost:-				
- Borrowings	995.47	995.47	10,765.72	10,765.72
- Trade Payable	1,101.48	1,101.48	990.98	990.98
- Other Financial Liabilities	11,365.14	11,365.14	1,700.71	1,700.71
	13,462.09	13,462.09	13,457.41	13,457.41

44.2 Fair Valuation techniques used to determine fair value

The Company maintains procedures to value its financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

- Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables, current loans, current borrowings, deposits and other current financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- The fair values of non-current Security Deposits and Margin money are approximate at their carrying amount due to interest bearing features of these instruments.
- Fair values of mutual fund are derived from published NAV (unadjusted) in active markets for identical assets.

Notes to the Financial Statement for the year ended 31st March, 2018

44.3 Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

- i) **Level 1 :-** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the Balance Sheet date.
- ii) **Level 2 :-** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- iii) **Level 3 :-** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table provides hierarchy of the fair value measurement of Company's asset and liabilities, grouped into Level 1 (Quoted prices in active markets), Level 2 (Significant observable inputs) and Level 3 (Significant unobservable inputs) as described below:

Particulars	(Rs. in Lacs)		
	31 st March, 2018		
	Level 1	Level 2	Level 3
Financial Assets designated at fair value through profit or loss:-			
- Investments	3,053.89	-	-

Particulars	(Rs. in Lacs)		
	31 st March, 2017		
	Level 1	Level 2	Level 3
Financial Assets designated at fair value through profit or loss:-			
- Investments *	-	-	0.90

* Considered as book value as per latest financial statements of the investee and no material impact on fair valuation

Note 45 - Financial Risk Management objective and policies

The Company is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the Company under policies approved by the board of directors. This Risk management plan defines how risks associated with the Company will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Company. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term.

Notes to the Financial Statement for the year ended 31st March, 2018

45.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments.

The sensitivity analyses relate to the position as at 31st March 2018 and 31st March 2017.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as at 31st March, 2018 and 31st March, 2017.

(a) Foreign exchange risk and sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company transacts business primarily in USD and EURO. The Company has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. The Company regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

The following table demonstrates the sensitivity in the USD and EURO to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair values of monetary assets and liabilities is given below:

Unhedged Foreign currency exposure as at 31 st March, 2017	Currency	Amount in FC	(Rs. in Lacs)
Trade Receivables	USD	79,158	51.32
Trade Receivables	EURO	3,48,105	241.05
Trade Payables	USD	4,51,979	293.06
Trade Payables	EURO	4,80,646	332.84
Borrowings and interest thereon	USD	18,57,419	1,204.32
Borrowings and interest thereon	EURO	12,39,443	858.27

Unhedged Foreign currency exposure as at 31 st March, 2018	Currency	Amount in FC	(Rs. in Lacs)
Trade Receivables	USD	38,351	24.94
Trade Receivables	EURO	3,99,639	322.20
Trade Payables	USD	4,31,955	280.96
Trade Payables	EURO	2,64,851	213.53
Borrowings and interest thereon	EURO	11,75,820	947.97

Foreign currency sensitivity

2% increase or decrease in foreign exchange rates will have the following impact on profit before tax:-

(Rs. in Lacs)

Particulars	2017-18		2016-17	
	2% Increase - Profit / (Loss)	2% Decrease - Profit / (Loss)	2% Increase - Profit / (Loss)	2% Decrease - Profit / (Loss)
USD	(5.12)	5.12	(28.92)	28.92
EURO	(16.79)	16.79	(19.00)	19.00
Increase / (Decrease) in profit before tax	(21.91)	21.91	(47.92)	47.92

Notes to the Financial Statement for the year ended 31st March, 2018

b) Interest rate risk and sensitivity :-

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company having short term borrowings in the form of buyers credit and working capital facility. There is a fixed rate of interest in case of buyers credit hence, there is no interest rate risk associated with the borrowings. The Company is exposed to interest rate risk associated with working capital facility due to floating rate of interest.

The table below illustrates the impact of a 2% increase in interest rates on interest on financial liabilities assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Particulars	(Rs. in Lacs)			
	2017-18		2016-17	
	2% Increase - Decrease in PBT	2% Decrease - Increase in PBT	2% Increase - Decrease in PBT	2% Decrease - Increase in PBT
Working Capital Facility	(0.96)	0.96	(0.48)	0.48
Foreign Currency Term Loan - ECB	-	-	(13.68)	13.68
Increase / (Decrease) in profit before tax	(0.96)	0.96	(14.16)	14.16

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

c) Commodity price risk:-

The Company is exposed to the movement in price of key consumption materials in domestic and international markets. The Company entered into contracts for procurement of material, most of the transactions are short term fixed price contract and hence Company is not exposed to significant risk.

45.2 Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

a) Trade Receivables:-

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. No single customer accounted for 10% or more of revenue in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non performance by any of the counterparties.

Notes to the Financial Statement for the year ended 31st March, 2018

b) Financial instruments and cash deposits:-

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. Credit risk from balances with bank is managed by the Company's finance department. Investment of surplus funds are also managed by finance department. The Company does not maintain significant cash in hand. Excess balance of cash other than those required for its day to day operations is deposited into the bank.

For other financial instruments, the finance department assesses and manage credit risk based on internal assessment. Internal assessment is performed for each class of financial instrument with different characteristics.

45.3 Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies operating cash flows and short term borrowings in the form of buyers credit and working capital to meet its needs for funds. Company does not breach any covenants (where applicable) on any of its borrowing facilities. The Company has access to a sufficient variety of sources of funding as per requirement.

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

						(Rs. in Lacs)
Particulars	on Demand	Maturity				Total
		0 - 3 Months	3 - 6 Months	6 - 12 months	More than 1 year	
As at 31st March, 2017						
Long term borrowings	-	-	-	-	9,364.71	9,364.71
Short term borrowings	24.19	-	43.87	1,332.95	-	1,401.01
Trade Payable	-	990.98	-	-	-	990.98
Other	335.32	803.19	204.56	357.64	-	1,700.71
Total	359.51	1,794.17	248.43	1,690.59	9,364.71	13,457.41
As at 31st March, 2018						
Short term borrowings	48.16	-	-	947.31	-	995.47
Trade Payable	-	1,101.48	-	-	-	1,101.48
Other	365.20	251.83	212.15	10,535.96	-	11,365.14
Total	413.36	1,353.31	212.15	11,483.27	-	13,462.09

45.4 Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

Notes to the Financial Statement for the year ended 31st March, 2018**Note 46 - Capital Management**

For the purpose of Company's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current debts as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

Particulars	(Rs. in Lacs)	
	As at 31 st March 2018	As at 31 st March 2017
Total Debt	11,530.77	11,449.69
Less:- Cash and cash equivalent	52.38	47.69
Less:- Current Investments	3,053.89	-
Net Debt	8,424.50	11,402.00
Equity (Equity Share Capital plus Other Equity)	6,891.14	6,194.97
Total Capital (Equity plus net debts)	15,315.64	17,596.97
Gearing ratio	55.01%	64.80%

Note 47 - Segment Information

47.1 The Company is engaged only in the business of manufacture of Flat Glass which is a single segment in terms of Indian Accounting Standard 'Operating Segments (Ind AS-108).

47.2 Revenue from Operations

Particulars	(Rs. in Lacs)	
	For the Year Ended 31 st March, 2018	For the Year Ended 31 st March, 2017
India	16,349.10	16,223.08
Outside India	3,632.13	2,609.73
Total	19,981.23	18,832.81

47.3 No single customer has accounted for more than 10% of the Company revenue for the year ended 31st March, 2018 and 31st March 2017.

47.4 No Non-Current Assets of the Company is located outside India as on 31st March, 2018 and 31st March 2017.

Note 48 - Standards issued but not effective :

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

a) Issue of Ind AS 115 - Revenue from Contracts with customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. The core principles of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Notes to the Financial Statement for the year ended 31st March, 2018

b) Amendment to Existing issued Ind AS

The MCA has also notified certain amendments to the following Accounting Standards:

- i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- ii. Ind AS 12 - Income Taxes

Applications of the above standards are not expected to have any significant impact on the Company's financial statements.

Note 49 - The Management and authorities have the power to amend the Financial Statements in accordance with section 130 and 131 of The Companies Act, 2013.

Note 50 - Previous Year figures have been regrouped and reclassified wherever necessary.

As per our report of even date

For CHATURVEDI & SHAH

Chartered Accountants

(Firm Registration no. 101720W)

Sunil Kumar Roongta

Chief Financial Officer

For and on behalf of the Board of Directors

B. L. Kheruka

Chairman

DIN-00016861

R. Koria

Partner

Membership No. 035629

Place : Mumbai

Date : 10th May, 2018

Kishor Talreja

Company Secretary

Membership No. F7064

Ramaswami Velayudhan Pillai

Whole-time Director

DIN-00011204

FINANCIAL HIGHLIGHTS

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Revenue From Operations	19,981 (Rs. lacs)	18,833	18,830	16,170	14,471
EBITDA	3,908 * (Rs. lacs)	4,786 **	3,618	2,281 ***	2,724
EBITDA %	(%)	25.4	19.2	14.1	18.8
Profit Before Tax *	668 * (Rs. lacs)	2,239 **	1,191	222 ***	1,287
Profit Before Tax as % on Revenue From Operations	(%)	11.9	6.3	1.4	8.9
Tax expenses	(24) (Rs. lacs)	811	437	69	459
Profit After Tax (PAT)	692 (Rs. lacs)	1,428	753	153	829
Net Earnings per Share (EPS) on Face Value of Rs. 5/- each	(Rs.)	2.09	1.10	(0.96) ****	0.03 ***
Shareholders' Funds	6,891 (Rs. lacs)	6,195	4,783	4,019	3,904
Book Value per Share of Rs. 5/- each	(Rs.)	9.1	7.0	5.9	5.7
Return on Investment	(%)	22.8	15.6	3.8	21.2
ROCE (PBIT/Average Capital employed)	(%)	11	15	3	10

Figures for the year 2015-16 to 2017-18 are Ind AS compliant and for other years the figures are as shown under previous GAAP.

* FY 2017-18 -The net decline was contributed to the extent of Rs. 537 Lacs by production loss due to temporary suspension of production, undertaken to carry out hot running repairs to the furnace and trials to manufacture 2mm fully tempered glass.

** FY 2016-17-Includes Rs. 559 Lacs received from GAIL towards downward revision in gas transportation charges for the period from November 2008 to March 2016.

*** FY 2014-15-Includes Rs. 569 Lacs provision for doubtful debts.

**** Calculated after considering dividend on preference shares of Rs. 810 lacs as a reduction from PAT.

GUJARAT BOROSIL LIMITED

CIN:L26100GJ1988PLC011663

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

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.

ATTENDANCE SLIP

DP Id * _____

Folio No. _____

Client Id * _____

No. of shares _____

NAME AND ADDRESS OF THE SHAREHOLDER:

NAME AND ADDRESS OF THE PROXYHOLDER:

I hereby record my presence at the **29th ANNUAL GENERAL MEETING** of the Company held on Wednesday, August 08, 2018 at 11.30 a.m. at the Village –Govali, Taluka-Jhagadia, District-Bharuch-393001, 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) of shares of the Gujarat Borosil Limited, hereby appoint:

1) Name _____ Address : _____

E-mail ID: _____ Signature : _____ or failing him

2) Name _____ Address : _____

E-mail ID: _____ Signature : _____ or failing him

3) Name _____ Address : _____

E-mail ID: _____ Signature : _____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on Wednesday, August 08, 2018 at 11.30 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:



Resolutions	For	Against
1. Adoption of Audited Financial Statement, Reports of the Board of Directors and Auditors for the year ended March 31, 2018.		
2. Re-appointment of Mr. P. K. Kheruka who retires by rotation.		
3. Ratification of Appointment of M/s. Chaturvedi & Shah, Chartered Accountants as Statutory Auditors of the Company for the entire unexpired period.		
4. Remuneration of the Cost Auditor.		
5. Appointment of Mr. Ramaswami Velayudhan Pillai (DIN 00011024) as a Director.		
6. Appointment and terms of remuneration of Mr. Ramaswami Velayudhan Pillai (DIN 00011024) as Whole Time Director and Key Managerial Personnel of the Company.		
7. Approval of Gujarat Borosil Employee Stock Option Scheme 2018 and to grant option to employees of the Company.		
8. Variation in terms and conditions of Preference shares – Extension of redemption period of 90,00,000 9% Non-cumulative Non-convertible Redeemable Preference Shares of Rs.100/- each of the Company, by 3 years.		
9. Change in Registered office of the Company.		

* Applicable for investors holding shares in electronic form.

Signed this.....day of2018

Signature of shareholder

Affix
Revenue
Stamp

Signature of First Proxy holder

Signature of Second Proxy holder

Signature of Third Proxy holder

Notes:

- 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.**
- 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.
- 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, set out below, in your records for sending communication through e-mail:

Folio No.	:
Name of 1 st 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.



NOTES

NOTES

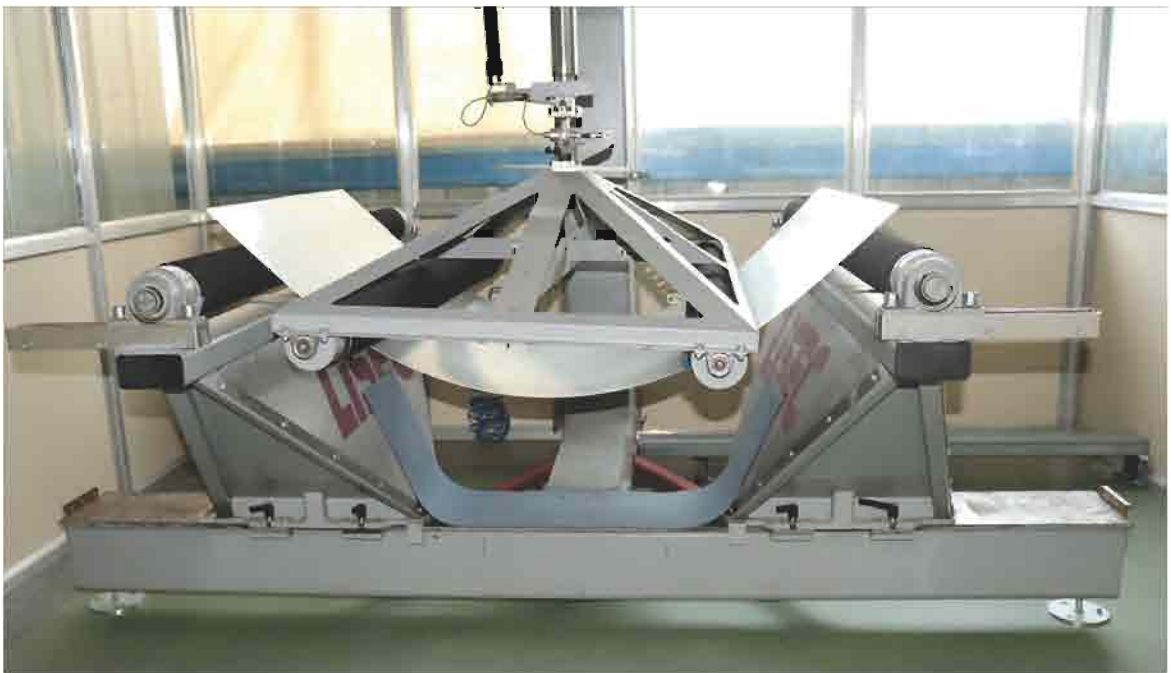
NOTES

NOTES

This Page Intentionally left blank



2 MM FULLY TEMPERED SOLAR GLASS



ONE TECHNOLOGY MANY ADVANTAGES :-

- **Bi-facial modules deliver upto 30% more power**
- **Increased module life upto 40 years**
- **Higher reliability - reduced rate of module failure**
- **Use laminated modules as a roof itself**
- **Easier installation**
- **Substitutes traditional roofing sheet**



CII BE STAR RECOGNITIONS 2017 EMERGING LEADER - EXCELLENCE IN OPERATIONS MANAGEMENT



BY SPEED POST / COURIER / REGISTERED POST

To,

GUJARAT BOROSIL

GUJARAT BOROSIL LIMITED

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.

Ph: 022- 2820 7203 / 2820 7204 / 2820 7205