

BOARD OF DIRECTORS

B. L. Kheruka - Executive Chairman
P. K. Kheruka - Vice Chairman
S. Bagai
K. V. Krishnamurthy
U. K. Mukhopadhyay
Dinesh N. Vaswani
Shreevar Kheruka - Whole-time Director
V. Ramaswami - Whole-time Director

COMPANY SECRETARY

Swati Sahukara

REGISTERED OFFICE

Khanna Construction House, 44, Dr. R. G. Thadani Marg,
Worli, Mumbai - 400 018.
☎ : 6740 6300

ZONAL SALES OFFICES

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

AUDITORS

Chaturvedi & Shah
Chartered Accountants

REGISTRAR & TRANSFER AGENTS

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

BOROSIL

NOTICE

NOTICE is hereby given that the Forty-Ninth Annual General Meeting of the Members of Borosil Glass Works Limited will be held at Sasmira Auditorium, 3rd floor, Sasmira Marg, Dr. Annie Besant Road, Worli, Mumbai - 400 030 on Thursday, 09th August, 2012 at 03.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date and the Directors' and Auditors' Report thereon.
2. To declare dividend on the Equity Shares for the year ended 31st March, 2012.
3. To appoint a Director in place of Mr. V. Ramaswami, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. P. K. Kheruka, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. K. V. Krishnamurthy, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint M/s. Chaturvedi & Shah, Chartered Accountants, as Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 311 and 314 (1B) read with Schedule XIII and any other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the "Act" which includes any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded to the appointment of Mr. Shreevar Kheruka (relative of Mr. B. L. Kheruka, Executive Chairman and Mr. P. K. Kheruka, Vice-Chairman of the Company) as Managing Director & Chief Executive Officer (CEO) of the Company, not liable to retire by rotation, for a period of five years with effect from 16th August, 2012, on the terms and conditions including remuneration as set out in Item No. 7 of the Explanatory Statement, with a liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the '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 XIII to the Act.

RESOLVED FURTHER THAT in case of loss or inadequacy of profits in any financial year during his tenure as Managing Director & CEO, Mr. Shreevar Kheruka shall be paid the remuneration as set out in the Explanatory Statement as the minimum remuneration subject to limits laid down in Schedule XIII of the Companies Act, 1956, or as may be approved by the Central Government.

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

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

"RESOLVED THAT pursuant to Section 314 (1) and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the "Act" which includes any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to necessary approval(s), if any required and consequent upon termination of earlier appointment of Mrs. Priyanka Kheruka as Marketing Consultant, consent of the Company be and is hereby accorded to the appointment of Mrs. Priyanka Kheruka (a relative of Mr. B. L. Kheruka, Executive Chairman, Mr. P. K. Kheruka, Vice-Chairman and Mr. Shreevar Kheruka, Whole-time Director & CEO) as Marketing & Advertising Consultant on a total remuneration/fees of ₹ 2,00,000 per month and reimbursement of telephone expenses not exceeding ₹ 10,000/- per month plus service tax thereon, with such other terms and conditions as mentioned in the draft appointment letter, a copy whereof is placed before this meeting, for a period of 3 years, with effect from 01st June, 2012, with liberty to the Board of Directors to alter and vary the terms and conditions as mutually agreed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

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

"RESOLVED THAT pursuant to Section 310, 314 (1B) and other applicable provisions of the Companies Act, 1956, the terms and conditions of appointment of Mr. B. L. Kheruka as Executive Chairman as set out in the Explanatory Statement related to special resolution (Resolution No.1), passed by the members by way of postal ballot on 10th December, 2010, pursuant to the provisions of sections 198, 269, 309 and 314 (1B) of the Companies Act, 1956, be and is hereby amended or altered in the following manner:

"the words/figures, stated in Item No. 1-I (b) of Explanatory Statement, "3.75%" be deleted and replaced with the figure "5%".

while all other terms and conditions of said appointment shall remain unchanged."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and any other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as the "Act" which includes any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded to the re-appointment of Mr. V. Ramaswami, as Whole-time Director of the Company, for a period of 3 (three years) with effect from 1st September, 2012, on the terms and conditions including remuneration as set out in Item No. 10 of the Explanatory Statement, with a liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the '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 XIII to the Act.

RESOLVED FURTHER THAT in case of loss or inadequacy of profits in any financial year during his tenure as Whole-time Director, Mr. V. Ramaswami shall be paid the remuneration as set out in the Explanatory Statement as the minimum remuneration subject to limits laid down in Schedule XIII of the Companies Act, 1956, or as may be approved by the Central Government.

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

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

"RESOLVED THAT pursuant to Section 149 (2A) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded for the commencement and undertaking by the Company of the following new businesses as contained in Sub-Clauses 1(b), 4, 5, 8, 16, 32, 38 and other applicable Clauses of paragraph III of the Memorandum of Association of the Company, subject to the requisite approval, if any, of the Reserve Bank of India and any other Authorities, if required, namely:

- (a) To do business as manufacturers and importers of, and wholesale dealers in, and retailers or dealers of, any material and product which can or may be used as a substitute for glass.
- (b) To do business as manufacturers of heavy and pharmaceutical chemicals tinctures, injections and of such medical appliances needed generally by hospital, the medical profession or by the general public.
- (c) To buy, sell, manufacture, repair, alter, improve, exchange, let out on hire, import, export and deal in machinery, tools, utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business, which this Company is competent to carry on.
- (d) To carry on business as dealers in and manufacturers of merchandise, goods, materials apparatus, machinery, and instruments, of all kinds, spare parts accessories and equipments.
- (e) To acquire and undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the Company is authorised to carry on, or possessed of property suitable for the purposes of this Company.

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(f) To amalgamate or partially amalgamate with or acquire an interest in the business of any other company, person or firm whether in India or outside India carrying on a business included in the objects of the company.

(g) To invest and deal with the moneys of the Company in such manner as may from time to time be determined.

RESOLVED FURTHER THAT the Company hereby ratifies, confirms, approves and adopts any actions, contracts and dealings made or entered into by the Board of Directors from time to time in that behalf.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take such steps as may be necessary, desirable or proper to give effect to the above resolution, including entering into of contracts, agreements, arrangements and the like with any person, firm, company or body corporate."

By Order of the Board

Place: Mumbai

Date: 24th May, 2012

Swati Sahukara

Company Secretary

Registered Office:

Khanna Construction House,

44, Dr. R.G. Thadani Marg,

Worli, Mumbai-400 018.

NOTES

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be deposited with the Company at least 48 hours before the Meeting.
- (2) Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item Nos.7 to 11 as set out above and the relevant details in respect of Item Nos. 3 to 5 and 7 set out above pursuant to Clause 49 of the Listing Agreement are annexed hereto and form part of this Notice.
- (3) The Register of Members and Share Transfer Books of the Company will remain closed from 04th August, 2012 to 09th August, 2012 (both days inclusive).
- (4) The Dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid on or after 28th August, 2012:
 - (i) to those members whose names appear in the Register of Members after giving effect to all valid share transfers in physical form lodged with the Company/Registrar on or before 03rd August, 2012.
 - (ii) in respect of shares held in electronic form, to those 'deemed members' whose names appear on the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), at the end of business hours on 03rd August, 2012.
- (5) The Members are requested to notify immediately the change of address, if any, to the Company's Registrar and Transfer Agents viz. Universal Securities Pvt. Ltd., Unit: Borosil Glass Works Ltd., 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai - 400 093.
- (6) The Ministry of Corporate Affairs ("MCA") has taken a 'Green Initiative in Corporate Governance', allowing paperless compliances by Companies and has issued a circular to this effect on 21st April, 2011 stating that the service of documents/notices by a Company can be made through electronic mode.

With a view to participate in this initiative, we request you to provide your e-mail address if you wish to receive future communications in the form of documents/notices etc. through electronic mode. You may please send us your e-mail address stating clearly your name, folio no. if you are holding shares in physical form or DP Id & Client Id if you are holding shares in dematerialised form to:

"investor.relations@borosil.com"

However, please note that, as a member of the Company, you will be entitled to receive, free of cost, a printed copy of the Annual Report/other documents of the Company, upon receipt of a requisition from you, at any time.

- (7) **Pursuant to Section 205A of the Companies Act, 1956, dividend remaining unpaid/unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund set up under Section 205C of the said Act and no claim in respect thereof shall be paid thereafter. Shareholders who have not yet encashed any dividend amount are requested to do so at the earliest.**

(8) Members are requested to bring their copy of Annual Report to the Meeting as the same will not be distributed at the meeting.

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

Name of the Director	Mr. V. Ramaswami	Mr. P. K. Kheruka	Mr. K. V. Krishnamurthy	Mr. Shreevar Kheruka
Date of Birth	1 st April, 1958	23 rd July, 1951	8 th May, 1943	4 th January, 1982
Qualification	B.Sc., B.Tech., DBAFM	B.Com.	B. Com, F.C.A., FIIB.	B. Sc in Economics and B. A. in International Relations from University of Pennsylvania, U.S.A
Date of Appointment	17 th August, 2005	24 th November, 1988	29 th September, 2006	24 th August, 2009
Expertise in Specific Functional Area	Over 31 years experience in various industries.	Over 40 years experience, particularly in the glass industry.	Over 37 years experience in domestic and international banking and finance related matters. Had been the Chairman & Managing Director of Syndicate Bank and Bank of India.	More than 7 years Corporate experience including position of Vice-President and Whole-time Director in our Company. He was also briefly associated with a US based multinational group.
List of other Indian Public Limited Companies in which Directorship held	NIL	<ol style="list-style-type: none"> 1. Gujarat Borosil Ltd. 2. Gujarat Fusion Glass Ltd. 3. General Magnets Ltd. 4. Window Glass Ltd. 5. Borosil International Ltd. 6. Borosil Glass Ltd. 	<ol style="list-style-type: none"> 1. Centrum Direct Ltd. 2. Essel Propack Ltd. 3. Essar Steels Ltd. 4. Thirumalai Chemicals Ltd. 5. Centrum Capital Ltd. 6. Essar Oil Ltd. 7. Essar Shipping Ltd. 8. Essar Ports Ltd. 	<ol style="list-style-type: none"> 1. Borosil International Ltd. 2. Borosil Glass Ltd.
Chairman / Member of the Board	NIL	Gujarat Borosil Ltd. - Share Transfer & Investor Grievance Committee:	Essel Propack Limited Audit Committee: Member	NIL
Committees of other Public Limited Companies		Chairman Audit Committee: Member	Remuneration Committee: Chairman Essar Steels Limited Audit Committee: Member Thirumalai Chemicals Limited Audit Committee: Member Centrum Capital Limited Audit Committee: Chairman Remuneration Committee: Chairman Transfer cum Allotment Committee: Chairman Centrum Direct Limited Audit Committee: Chairman	

Essar Oil Limited
Audit Committee: Member
Essar Shipping Limited
Audit Committee: Member

No. of shares held by them	NIL	76415	NIL	50100
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ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 7

Mr. Shreevar Kheruka, aged 30 years, was appointed as Whole-time Director of the Company, in December, 2010. At that time, Mr. P. K. Kheruka was Managing Director of the Company who subsequently relinquished the said position w.e.f. 31st July, 2011 and the Board of Directors of the Company decided, subject to necessary approvals, to promote Mr. Shreevar Kheruka, who has acquired rich corporate experience as Whole-time Director of the Company, as Managing Director & CEO, for a period of five years with effect from 16th August, 2012. Mr. Shreevar Kheruka shall be non-retiring. In view of the above appointment, his term as Whole-time Director shall stand terminated w.e.f. 15th August, 2012.

The appointment of Mr. Shreevar Kheruka is subject to provisions of Sections 198, 269, 309, 311, 314 (1B) read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (hereinafter referred to as "Act").

The terms and conditions of Mr. Shreevar Kheruka's appointment and remuneration payable to him, as approved by the Remuneration Committee are as follows:

I. Remuneration

- a) **Salary** : ₹ 2,00,000/- p.m.
- b) **Commission** : Such percentage of the net profits of the Company or such amount as may be decided by the Board of Directors (which includes any Committee thereof) for each financial year or part thereof within overall ceiling of 5% of the net profits of the Company, as also within the limit of 10% of the net profits of the Company for all managerial personnel.
- c) **Perquisites** :
- i) **Medical Expenses**
Domiciliary Treatment - At actuals subject to a ceiling of ₹ 15,000/- p.a. for Mr. Shreevar Kheruka and his family.
Hospitalisation - Mr. Shreevar Kheruka and his dependents will be covered by the Company's medical insurance scheme.
 - ii) **Club Fees**
Reimbursement of membership fee for up to 3 clubs in India including admission and life membership fee.
 - iii) **Personal Accident Insurance**
Personal Accident Insurance Policy of such amount, the premium of which shall not exceed ₹ 10,000/- p.a.
 - iv) Mr. Shreevar Kheruka will be provided with a Company maintained car with Driver.
 - v) Phone rental and call charges will be paid by the Company at actuals for telephone at the residence/mobile phone. Charges for personal STD/Trunk Calls would be borne by Mr. Shreevar Kheruka.

vi) Company's contribution to Provident Fund, Gratuity and encashment of leave, payable as per rules of the Company. These shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

vii) Leave

Leave with full pay or encashment thereof as per the Rules of the Company.

viii) Mr. Shreevar Kheruka will further be entitled to reimbursement of actual entertainment and traveling expenses incurred by him for business purposes.

II. In case of inadequacy or absence of profits in any financial year during the tenure of Mr. Shreevar Kheruka as a Managing Director & CEO, 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 XIII to the Companies Act, 1956 or as may be approved by the Central Government.

III. Other terms and conditions:

(i) Mr. Shreevar Kheruka, as long as he functions as Managing Director & CEO shall not become interested or otherwise concerned directly or through his wife in any selling agency of the Company without prior approval of the Central Government.

(ii) This arrangement may be terminated by either party by giving three months' notice in writing.

Your Directors recommend passing of the Resolution at Item No. 7 of the Notice.

Except Mr. B. L. Kheruka, who is grandfather, Mr. P.K. Kheruka, who is father of Mr. Shreevar Kheruka and Mr. Shreevar Kheruka himself, no other Director is concerned or interested in the aforesaid resolution.

Abstract of Terms and Conditions of Appointment and Memorandum of Interest under Section 302

The contents of Item No. 7 of the Explanatory Statement set out above shall be deemed to be an abstract of the terms and conditions of appointment of Mr. Shreevar Kheruka under Section 302 of the Companies Act, 1956 and the Memorandum of interest in that behalf.

Item No. 8

Mrs. Priyanka Kheruka was appointed as Marketing Consultant of the Company, pursuant to approval of the shareholders of the Company accorded in the Annual General Meeting held on 31st July, 2010, effective said date, which was then approved by the Central Government. The said arrangement has since been terminated with mutual consent with effect from 31st May, 2012. In the backdrop of the Company laying greater emphasis on sales promotion and advertising, the Board of Directors has decided to appoint her as a Marketing & Advertising Consultant w.e.f. 01st June, 2012 on the following terms and conditions:

- Remuneration/fees of ₹ 2,00,000 per month.
- Reimbursement of telephone (including mobile) expenses not exceeding ₹ 10,000/- per month.
plus service tax thereon.
- Mrs. Priyanka Kheruka will further be entitled to reimbursement of actual entertainment and travelling expenses incurred by her for business purposes.
- The assignment may be terminated by either party by giving one month's notice in writing.

This appointment is subject to approval of shareholders by way of a special resolution under Sub-Section (1) of Section 314 of the Companies Act, 1956, as set out at Item No. 8 of the accompanying Notice. The Board recommends the resolution for your approval.

Mr. B. L. Kheruka, Mr. P.K. Kheruka and Mr. Shreevar Kheruka, being relatives of Mrs. Priyanka Kheruka, may be deemed to be interested. No other Director is concerned or interested in the aforesaid resolution.

A copy of appointment letter of Mrs. Priyanka Kheruka, will be open for inspection by members at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on any working day of the Company upto and including the date of Annual General Meeting.

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Item No. 9

The members vide Special Resolution passed by way of postal ballot on 10th December, 2010, had approved, inter-alia, remuneration payable to Mr. B. L. Kheruka as Executive Chairman for a period of three years with effect from 16th December, 2010, in terms of Sections 198, 269, 309, 314 (1B) and Schedule XIII of the Companies Act, 1956, wherein commission was fixed within overall ceiling of 3.75% of the net profit of the Company, as may be decided by the Board of Directors of the Company, for each financial year or part thereof.

The Special Resolution at Item No. 9 of the accompanying Notice is intended to ensure that while the remuneration payable to Mr. B. L. Kheruka remains within the limit prescribed under the Companies Act, 1956, the ceiling of 3.75% is replaced with 5%.

The Board recommends passing of Resolution at Item No. 9 as a Special Resolution.

Except Mr. B. L. Kheruka himself and Mr. P. K. Kheruka and Mr. Shreevar Kheruka, being a relative of Mr. B. L. Kheruka, may be deemed to be interested. No other Director is concerned or interested in the resolution.

Abstract of Terms and Conditions of Appointment and Memorandum of Interest under Section 302

The contents of Item No. 9 of the Explanatory Statement set out above shall be deemed to be an abstract of the variation in terms and conditions of appointment of Mr. B. L. Kheruka as an Executive Chairman under Section 302 of the Companies Act, 1956 and the Memorandum of interest in that behalf.

Item No. 10

The Board of Directors had re-appointed Mr. V. Ramaswami as Whole-time Director for a period of 3 years with effect from 1st September, 2009, on the terms and conditions as set out in the Agreement between the Company and Mr. V. Ramaswami, (hereinafter referred to as "Mr. Ramaswami") for a period of 3 years. The Board of Directors has at its meeting held on 24th May, 2012 decided to re-appoint Mr. Ramaswami for a further period of 3 years on the terms and conditions set out in this Explanatory Statement.

The re-appointment of Mr. Ramaswami is subject to the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 (the Act) read with Schedule XIII of the Act.

The broad particulars of remuneration payable to and the terms of re-appointment of Mr. V. Ramaswami are as under:

I. REMUNERATION

- a) **Salary** : ₹ 2,20,000 p.m. in the scale of ₹ 2,00,000/- p.m. to ₹ 3,50,000/-p.m. with such increments as may be decided by the Board of Directors (which includes any Committee thereof) from time to time.
- b) **Commission** : Such percentage of the net profits of the Company or such amount as may be decided by the Board of Directors (which includes any Committee thereof) for each financial year or part thereof within overall ceiling of 2% of the net profits of the Company, as also within the limit of 10% of the net profits of the Company for all managerial personnel.
- c) **Perquisites** :
- i) House Rent Allowance: ₹ 40,000/- p.m.
 - ii) Reimbursement of Electricity expenses : at actuals subject to limit of ₹ 60,000/- p.a.
 - iii) Medical Expenses
 - Domiciliary Treatment : at actuals subject to a ceiling of ₹ 15,000/-p.a. for Mr. Ramaswami and his family.
 - Hospitalisation : Mr. Ramaswami and his dependents will be covered by the Company's medical insurance scheme.
 - iv) Club Fees : Actual subject to ceiling of ₹ 12,000/- p.a.
 - v) Personal Accident Insurance : Personal Accident Insurance Policy of such amount, the premium of which shall not exceed ₹ 10,000/- p.a.

- vi) Leave Travel Assistance : For Mr. Ramaswami and his family, once in a year, incurred in accordance with the rules of the Company.
- vii) Mr. Ramaswami will be provided with a Company maintained car with Driver or will be reimbursed expenses thereof.
- viii) Phone rental and call charges will be paid by the Company at actuals for telephone at the residence/mobile phone. Charges for personal STD/Trunk Calls would be borne by Mr. Ramaswami.
- ix) Company's contribution to Provident Fund, Gratuity and encashment of leave, as per rules of the Company. These shall not be included in the computation of limits for the remuneration or perquisites aforesaid.
- x) Leave
Leave with full pay or encashment thereof as per the Rules of the Company.
- xi) Mr. Ramaswami will further be entitled to reimbursement of actual entertainment and traveling expenses incurred by him for business purposes.
- II. In case of inadequacy or absence of profits in any financial year(s) during the tenure of Mr. Ramaswami 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 XIII to the Companies Act, 1956 or as may be approved by the Central Government.
- III. **OTHER TERMS AND CONDITIONS:**
- a. This arrangement may be terminated by either party by giving three months' notice in writing.
- b. Mr. Ramaswami, as long as he functions as Whole-time Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company without prior approval of the Central Government.

Abstract of Terms and Conditions of Appointment and Memorandum of Interest under Section 302

The contents of Item No. 10 of the Explanatory Statement set out above shall be deemed to be an abstract of the terms and conditions of re-appointment of Mr. Ramaswami under Section 302 of the Companies Act, 1956 and the Memorandum of interest in that behalf.

Item No. 11:

The Company has been scouting for acquiring businesses both in India and abroad to expand organically or inorganically its range of products in keeping with its long term strategy of diversification. In order to seize any such opportunities and to take timely decision, it would be desirable to authorise the Company to acquire such businesses or interest in the entity carrying out such businesses as also to commence and undertake such businesses, whether in India or abroad, which your Board of Directors may deem fit in the interest of the Company and to invest the moneys of the Company for the said purposes.

The commencement and acquisition of such businesses may not be germane to the Company's existing business. Hence, it is proposed to seek enabling approval from the shareholders by way of a Special Resolution as contained in Item No.11 of the accompanying Notice.

Your Directors recommend the passing of the said Special Resolution.

None of the Directors of the Company is concerned or interested in the Resolution.

By Order of the Board

Place: Mumbai
Date: 24th May, 2012

Swati Sahukara
Company Secretary

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

FIVE YEAR FINANCIAL HIGHLIGHTS

	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008
Revenue From Operations	12,602.35	11,913.84	8,788.83	6,698.77	7,161.55
Profit/(Loss) Before Extra ordinary Item & Tax	4,042.77	1,465.11	(735.90)	(437.28)	86.02
Profit/(Loss) Before Extra ordinary Item & Tax as % on Revenue from operations	32.08	12.30	(8.37)	(6.53)	1.20
Extra Ordinary Item((Income)/Expenditure)	-	(78,422.28)	1,869.98	500.00	-
Profit/(Loss) Before Tax	4,042.77	79,887.39	(2,605.88)	(937.28)	86.02
Tax expenses	789.97	15,107.04	(126.74)	3.56	32.43
Profit/(Loss) After Tax	3,252.80	64,780.35	(2,479.14)	(940.84)	53.59
Dividend	150.00	400.00	-	-	-
Net Earnings per Share	85.58	1,634.24	(62.54)	(24.37)	1.49
Shareholders' Funds	62,365.73	66,692.88	3,759.13	6,238.27	6,196.27
Book Value per Share	1,989.11	1,682.49	94.83	157.38	171.71
Return on Investment	5.25	97.51	(21.99)	(6.24)	3.84