

GUJARAT BOROSIL

GUJARAT BOROSIL LIMITED

TWENTY-FIFTH ANNUAL REPORT
2013-2014

BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFICER

Sunil Kumar Roongta

COMPANY SECRETARY

Kishor Talreja

REGISTERED OFFICE & PLANT

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

CORPORATE OFFICE

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

AUDITORS

M/s. Singhi & Co.
Chartered Accountants

BANKERS

Bank of Baroda

REGISTRAR & TRANSFER AGENTS

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

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

GUJARAT BOROSIL LIMITED

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

NOTICE

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

ORDINARY BUSINESS :

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

"RESOLVED that M/s. Singhi & Co., Chartered Accountants (Firm Registration No. 110283W), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS :

4. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

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

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

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Shashi Kumar Mehra (holding DIN 00032134), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Jagdish M. Joshi (holding DIN 00276041), Director of the Company who

retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019."

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

"RESOLVED that Mr. Ashok Kumar Doda (holding DIN 00288563), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 23rd December, 2013, in terms of Section 161 (1) of the Companies Act, 2013 and Article 114(a) of the Articles of Association of the Company and who hold office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to 31st March, 2019."

8. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

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

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

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

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

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

"RESOLVED that in supersession of Resolution passed at the Annual General Meeting held on September 25, 2000, consent of the Company be and is hereby accorded under Section 180 (1) (c) of Companies Act, 2013 and other applicable provisions, if any, to the Board of Directors of the Company, to borrow any sum or sums of money, from time to time for the purpose of the Company, upon such terms and conditions and with/without security, as the Board of Directors may, in its absolute discretion, think fit and proper, notwithstanding the fact that the money or monies to be borrowed together with the monies already borrowed by the company (apart from the temporary loans obtained from the company's bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid up capital of the Company and its free reserves, (that is to say, reserved not set apart for any specific purpose), provided that the total amount of such borrowings shall not exceed, at any time, a sum of Rs. 200 Crores (Rupees Two hundred Crores) and the Board of Directors be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest repayment, security or otherwise howsoever as it may think fit.

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

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

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

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

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

By Order of the Board
For Gujarat Borosil Limited

Kishor Talreja
Company Secretary

Mumbai, May 26, 2014

NOTES

- (1) The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed hereto.
- (2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
- (3) Members / Proxies should bring the duly filled Attendance Slip at the Annual General Meeting. Corporate Members are requested to send a duly certified copy of the Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting.
- (4) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 01st August, 2014 to Friday, 08th August, 2014 (both days inclusive).
- (5) Members are requested to note that the Company's shares are under compulsory electronic trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience. Members whose shares are in electronic mode are requested to inform change of address and updates of bank account(s) to their respective Depository Participants.
- (6) Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Universal Capital Securities Private Limited, Registrar & Transfer Agent. Members are requested to

GUJARAT BOROSIL

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

The last date for claiming the unpaid dividend amount for the financial year 2006-07 is on or before August 19, 2014.

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

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

- (8) Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- (9) All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to date of the AGM.
- (10) The details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement) are furnished below:-

| Name of Director | Mr. B.L. Kheruka | Mr. Ashok Jain |
|--|---|--|
| Date of birth | 7 th November, 1930 | 21 st February, 1958 |
| Date of appointment | 22 nd December, 1988 | 3 rd January, 2003 |
| Expertise in specific Professional areas | Industrialist having rich business experience of about 50 years particularly in glass industry | Chartered Accountant. 33 years in Corporate Sector |
| Qualifications | B.Com | B.Com. FCA and FCS |
| List of other Indian Public Limited Companies in which Directorship held | 1. Borosil Glass Works Limited 2. Borosil International Limited 3. Window Glass Limited 4. Borosil Glass Limited | Motilal Oswal Asset Management Company Limited |
| Chairman/Member of the Committee of Board other Public Limited Companies | Share Transfer & Investor Grievance Committee: Borosil Glass Works Limited -Member | NIL |
| Number of Shares held in the Company | NIL | NIL |

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

11. Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 and 21 of Companies (Management and Administration) Rules, 2014 and Clause 35B of the listing agreement, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

Procedure / Instructions for e-voting are as under:**In case of members receiving e-mail:**

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

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

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the <GUJBR2014L> in the PAN field.

Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the <08082014> in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@ # \$ % & *). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) Click on the relevant EVSN on which you choose to vote.
- (ix) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

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- (x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution/Authority letter in PDF format in the system for the scrutinizer to verify the same. Further, they are requested to send the scanned copy of the Board Resolution/ Authority letter to the email id of Scrutinizer (bhattivirendra1945@yahoo.co.in), RTA (karlekar@unisec.in) and Company (investor.relations@gujaratborosil.com).

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xiii) above to cast vote.
- (B) The voting period begins on 02nd August, 2014 (9.00 a.m.) and ends on 04th August, 2014 (6.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 30th June, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

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

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

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

By Order of the Board
For Gujarat Borosil Limited

Mumbai, May 26, 2014

Kishor Talreja
Company Secretary

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

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

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

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

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

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

ITEM NO.5:

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

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

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

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

Mr. Shashi Kumar Mehra is a Chartered Accountant with vast experience in Accounting, auditing and taxation. The Board considers that his continued association would be immense benefit to the Company and it is desirable to continue to avail services of Mr. Shashi Kumar Mehra as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Shashi Mehra as an Independent Director, for the approval by the shareholders of the Company.

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

ITEM NO.6:

Mr. Jagdish M. Joshi is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 25/10/2005.

Mr. Jagdish M. Joshi period of office as a Director is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and