

NOTICE

NOTICE is hereby given that the Twenty - second Annual General Meeting of the Members of **HALDYN GLASS LIMITED** will be held on Wednesday, September 25, 2013 at 11.30 a.m. at the Registered Office of the Company at Village Gavasad, Taluka Padra, Dist. Vadodara 391 430, to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2013 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. Rolf E.v. Bueren, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mrs. V. R. Ajila, who retires by rotation and being eligible, offers herself for reappointment.
5. To consider and, if thought fit, to pass the following Resolution, with or without modification, as an Ordinary Resolution:
"RESOLVED that M/s. Mukund M. Chitale & Co., Chartered Accountants, [Registration Number 106655W], the retiring Auditors of the Company be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors".

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass the following Resolution, with or without modification, as an Ordinary Resolution:
"RESOLVED that Mr. Rohan Y. Ajila, an Additional Director of the Company, who under Section 260 of the Companies Act, 1956 holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 257 and other applicable provisions, if any of the said Act, proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company."

By Order of the Board

Place : Mumbai
Date : May 30, 2013

A. A. Lambay
Company Secretary

Registered Office:
Village Gavasad, Taluka Padra
Dist. Vadodara 391 430

NOTES:

- [a] The Explanatory Statement pursuant to Section 173[2] of the Companies Act, 1956, in respect of the business under Item No.6 sets out above, and the relevant details in respect of Item Nos. **3, 4 and 6** set out above pursuant to Clause 49 of the Listing Agreement with BSE Limited, are annexed hereto.
- [b] A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT OF PROXY DULY COMPLETED AND SIGNED SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- [c] Members/Proxies should bring the enclosed Attendance Slip duly filled in, along with the Annual Report for attending the Meeting.
- [d] The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, September 14, 2013 to Wednesday, September 25, 2013 [both days inclusive].
- [e] The dividend as recommended by the Board of Directors if approved at the Annual General Meeting, will be paid on or after September 26, 2013 to those Shareholders whose names appear in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / its Registrar and Transfer Agent on or before September 13, 2013 and whose names appear as beneficial owners in the list of Beneficial Owners to be furnished by the National Securities Depository Limited and Central Depository Services[India] Limited in respect of the shares held in Demat form for this purpose.
- [f] Members are requested to notify any change in their address, bank mandates and e-mail address.
 - [i] to their Depository Participants [DPs] in respect of shares held in Demat form; and

[ii] to the Registrar and Transfer Agents of the Company, Universal Capital Securities Pvt. Ltd, 21, Shakil Niwas, Mahakali Caves Road, Andheri [East], Mumbai 400 093, in respect of shares held in physical form, quoting their folio numbers.

As per SEBI Circular No.MRD/DOP/Cir-05/2009 dated May 29, 2009, it is mandatory to quote PAN No. for transfer of shares in physical form. Therefore, the transferee[s] is required to submit the self attested PAN card copy to the Registrar and Share Transfer Agents of the Company for registration of transfer of shares.

[g] Members desiring any information on accounts or operations of the Company are requested to forward their queries to the Company at least eight days prior to the date of the Meeting so that the required information is made available at the Meeting.

[h] In order to provide protection against fraudulent encashment of the warrants / dividend drafts, members holding shares in physical form are requested to intimate the Registrar and Share Transfer Agents under the signature of the Sole / First Joint holder, the following information to be incorporated on the Dividend Warrants / Dividend Drafts: [i] Name of the Sole / First joint holder and the folio number,[ii] Particulars of the Bank Accounts viz.,[1] Name of the Bank, [2] Name of the Branch, [3] Complete address of the Bank with Pin code number, [4] Account Type, whether Saving Account or Current Account and [5] Bank Account number.

[i] Pursuant to the provisions of Section 205A[5] and 205C of the Companies Act, 1956, the Company has transferred the unclaimed dividend for the financial year 2004-05 to the Investor Education and Protection Fund [IEPF] established by the Central Government.

Dividends for the financial year ended March 31, 2006 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the date they become due for payment will be transferred by the Company to IEPF. Members who have not so far encashed dividend warrant[s] / dividend Draft[s] for the aforesaid years are requested to seek issue of duplicate warrants[s] / fresh dividend Draft[s] by writing to the Company's Registrar and Share Transfer Agents, immediately.

Members are requested to note that no claims shall lie against the Company or the IEPF in respect of any amounts which were unclaimed or unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claim.

[j] The Ministry of Corporate Affairs has undertaken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that services of notice / documents including annual report can be sent by e-mail to its members. To support this Green Initiative, members who have not registered their e-mail addresses so far, are requested to register their email address, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form are requested to register their e-mail address by filling the E Communication Registration Form enclosed at the end of the Annual Report on page no. 46. Even after registering for E communication the shareholders of the Company are entitled to receive such communication in physical form upon request.

By Order of the Board

Place : Mumbai

Date : May 30, 2013

A. A. Lambay

Company Secretary

Registered Office:

Village Gavasad, Taluka Padra

Dist. Vadodara 391 430

EXPLANATORY STATEMENT

As required by Section 173 of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 6 of the accompanying Notice dated May 30, 2013.

Item No. 6:

Mr. Rohan Y. Ajila was appointed an Additional Director of the Company by the Board of Directors with effect from May 30, 2013, pursuant to Section 260 of the Companies Act, 1956 ['the Act'] and holds office only upto the date of the forthcoming Annual General Meeting and is eligible for appointment. The Company has received a notice in writing from a member, proposing his candidature for the office of Director under the provisions of Section 257 of the Act.

Mr. Rohan Y. Ajila holds Master's Degree in Finance and International Business from the University of Houston, Texas, USA. He started his career as a credit rating research analyst with CRISIL - S & P, was an Investment Banker with Trans Arabian Investment Bank. He is Managing Partner at Capvent Indian Private Equity [CIPE] and Partner at Capvent AG. He has been associated with the Company as an Alternate Director till he resigned on May 29, 2013.

The Directors consider that Mr. Rohan Y. Ajila's appointment as a Director will be of advantage to the Company and accordingly, the Board commends his appointment for acceptance by the members.

Mr. Rohan Y. Ajila is concerned or interested in the Resolution at Item No. 6 of the Notice.

Mrs. Vinita R. Ajila, Mr. N. D. Shetty and Mr. T. N. Shetty, being related to Mr. Ajila, may be deemed concerned or interested in the said Resolution.

By Order of the Board

Place : Mumbai

Date : May 30, 2013

A. A. Lambay

Company Secretary

Registered Office:

Village Gavasad, Taluka Padra

Dist. Vadodara 391 430

DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT AT THE TWENTY- SECOND ANNUAL GENERAL MEETING.

[In pursuance of Clause 49 IV [g] of the Listing Agreement]

Name of the Director	Mr. Rolf E.von Bueren	Mrs. V. R. Ajila	Mr. Rohan Y. Ajila
Date of Birth	August 14, 1940	September 21, 1970	March 11, 1967
Date of Appointment	September 10, 1994	January 22, 2005	May 30, 2013
Relationship between Directors' Inter-se	Not related to any Director of the Company	Promoter – Director related to Mr. N. D. Shetty, Mr. T. N. Shetty and Mr. Rohan Y. Ajila	Promoter – Director related to Mrs. V. R. Ajila, Mr. N. D. Shetty and Mr. T. N. Shetty
Qualification and Expertise	Industrialist	B.A. [Economics]	Master's Degree in Finance and International Business from the University of Houston, Texas, USA.
Directorship held in other public companies	—	—	—
Membership / Chairmanship of Committees across other public companies, if any	—	—	—
Number of Equity Shares of ₹ 1 each held	Nil	608880	Nil

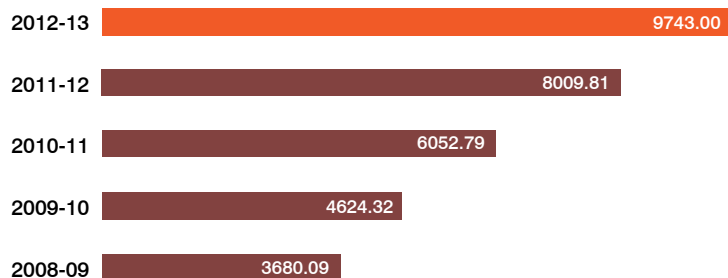
Freedom to perform



Performance at a Glance

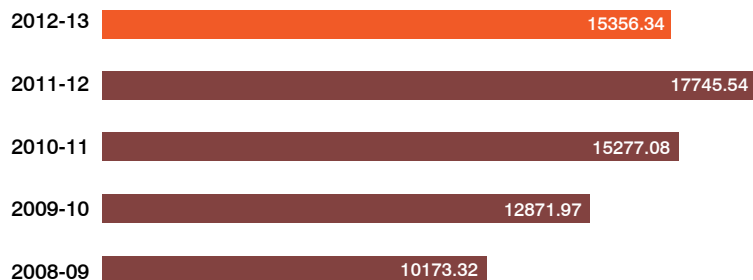
₹ Lakhs

NET WORTH



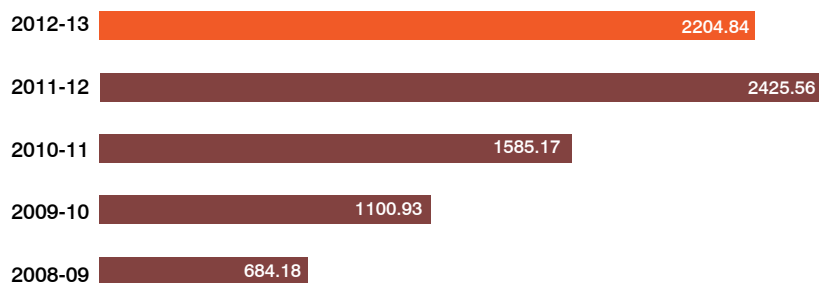
₹ Lakhs

TOTAL INCOME



₹ Lakhs

PROFIT AFTER TAX





BOARD OF DIRECTORS

Mr. N. D. Shetty	Executive Chairman
Mr. T. N. Shetty	Managing Director
Mr. F. S. Broacha	
Mrs. K. J. Udeshi	
Mr. Rolf E. von Bueren	
Mr. L. Rajagopalan	Alternate to Mr. Rolf E. von Bueren
Mr. Sikandar Talwar	
Mrs. V. R. Ajila	
Mr. R. Y. Ajila	[w.e.f. May 30, 2013]

Company Secretary

Mr. A. A. Lambay

Audit Committee

Mr. L. Rajagopalan	Chairman
Mr. F. S. Broacha	
Mrs. K. J. Udeshi	

Remuneration Committee

Mr. F. S. Broacha	Chairman
Mr. L. Rajagopalan	
Mrs. K. J. Udeshi	

Shareholders Grievance Committee

Mr. F. S. Broacha	Chairman
Mr. L. Rajagopalan	

Share Transfer Committee

Mr. N. D. Shetty	Chairman
Mr. F. S. Broacha	
Mr. L. Rajagopalan	

Auditors

M/s Mukund M. Chitale & Co.
Chartered Accountants

Registered Office & Works

Village Gavasad, Taluka Padra
District Vadodara 391 430
E-mail: baroda@haldyn.com
Website: www.haldynglass.com

Administrative Office

9, Gayatri Commercial Complex,
Marol Naka, Andheri Kurla Road,
Andheri [East], Mumbai 400 059.
E-mail: bombay@haldyn.com

Bankers

State Bank of India
HDFC Bank Limited

Registrar & Share Transfer Agents

Universal Capital Securities Pvt. Ltd.
Unit: Haldyn Glass Limited
21, Shakil Niwas, Mahakali Caves Road
Andheri [East], Mumbai - 400 093
E-mail: info@unisec.in

<u>CONTENTS</u>	<u>Page</u>
» Directors' Report	02
» Corporate Governance Report	08
» Independent Auditors' Report	17
» Balance Sheet	22
» Statement of Profit and Loss	23
» Cash Flow Statement	24
» Notes on Financial Statements	26
» Request for E-Communication Registration	46
» Attendance Slip & Form of Proxy	

TWENTY-SECOND ANNUAL GENERAL MEETING

Day : Wednesday
Date : September 25, 2013
Time : 11.30 a.m.
Venue : Registered Office situated at
Village Gavasad, Taluka Padra,
District: Vadodara – 391 430

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the **Twenty-second** Annual Report on the business and operations together with the Audited Statement of Accounts of the Company for the year ended on March 31, 2013.

The recession in the market, growing competition from within the industry and alternate packaging material, the performance of the Company vis-a-vis the financial results of the Company achieved in the year 2012-13 are certainly commendable and speak volumes of the hard work, dedication and commitment of all involved in the management of the Company.

I. FINANCIAL RESULTS

[₹ Lakhs]

Particulars	For the year ended March 31	
	2013	2012
Total Income	15356.34	17745.54
Earnings before interest, depreciation and tax	4231.09	4568.92
Interest and Finance Charges	167.30	363.39
Depreciation	866.05	822.69
Profit before Taxation	3197.74	3382.84
Provision for Current Tax	1200.00	1008.50
Provision for Deferred Tax	[208.23]	[53.42]
Income Tax of Earlier year	—	1.22
Wealth Tax	1.13	0.98
Profit after tax	2204.84	2425.56
Surplus brought forward from previous year	4537.46	3580.44
Profit available for appropriation		
Total	6742.30	6006.00
Appropriations:		
General Reserve	1000.00	1000.00
Proposed Dividend on Equity Shares	403.14	403.14
Tax on Proposed Dividend	68.51	65.40
Surplus carried forward to next Year	5270.65	4537.46
Total	6742.30	6006.00

YEAR IN RETROSPECT

Year 2012-13 was a critical year for the industry in general and also for your Company. HGL has achieved Net Sales of ₹ 15254.76 lakhs against ₹ 17451.42 lakhs last year. Despite challenges, the Company has managed to maintain margins and Earnings before Interest, Depreciation and Tax for the year at ₹ 4231.09 lakhs as compared to ₹ 4568.92 lakhs achieved in 2011-12. The Profit after Tax for the year is ₹ 2204.84 lakhs vis-à-vis ₹ 2425.56 lakhs last year.

EPS for 2012-13 is ₹ 4.10 compared to ₹ 4.51 earned last year

II DIVIDEND

The Board of Directors of your Company is pleased to recommend a dividend of Re. 0.75 [75 %] per Equity Share of Re. 1 each, same as last year, subject to the approval of the shareholders at the ensuing Annual General Meeting. The total payout on account of dividend will be ₹ 471.65 lakhs inclusive of tax thereon of ₹ 68.51 lakhs. The dividend will be tax free in the hands of the shareholders.

III APPROPRIATIONS

For the year under review, an amount of ₹ 1000.00 lakhs is proposed to be transferred to General Reserve and an amount of ₹ 5270.65 lakhs is proposed to be retained in the Profit and Loss Account.

IV MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to clause 49 [VI] of the Listing Agreement with the BSE Limited, Management Discussion and Analysis Report is given below and a Report on Corporate Governance is annexed to this Report. A declaration in regard to compliance with the Code of Conduct by the Directors and Senior Management Personnel signed by the Managing Director forms part of the Annual Report.

A Certificate from the Statutory Auditors of the Company regarding compliance with the conditions of Corporate Governance is also annexed.

Macro Economy - A Perspective

Indian Industry is beset with innumerable challenges and the growth potential is seriously hampered due to the continued economic and political uncertainty prevailing in the country.

The fourth quarter earnings from sectors such as capital goods, infrastructure and PSU Banks have not been as expected. Indeed it has been rather continuing to be disappointing so far. The Telecom and IT sectors are the only sectors that have done reasonably well.

The widening Current Account Deficit and a depreciating dollar continues to be a major worry for the policy makers as it dampens the growth trajectory. Due to lack of political will on the part of the Government and consensus among various parties, the disinvestment plans have not met with any success. Many investments into several sectors are all on hold. In the immediate future, the revival of demand seems to be bleak. However, RBI has built hopes of one more interest rate cut in its policy which is expected to give some momentum to the economy in the near term.

The manufacturing index currently indicates GDP growth hovers around 5% for the fiscal year.

Overview

The Global economy though has shown signs of slow improvement; it is still short of expectation. The business environment remains difficult and a challenging one. The economy has been depressed by fiscal consolidation which has squeezed domestic demand and weakened exports. The business confidence index has dropped significantly as many of the initiatives and policy changes announced by the Government are still to take off. This has prompted many industries to put investments on hold.

The glass industry, in India, as a whole is currently reeling under tremendous pressure mainly due to subdued demand coupled with enormous capacity creation by some of the existing manufacturers as well as new entrants. Further, the continued practice of recycling used bottles in large volume by the liquor and beverage industry is a cause of concern to the glass container manufacturers which has a depressing effect on demand for new bottles. The off take of many large customers has also not shown any significant improvement over the last year.

Though glass is the best mode of packaging, of late Pet, Aluminium Cans and Tetra packs have started becoming acceptable to the users resulting in the glass container manufacturers having to struggle with lower margins due to suboptimal utilisation of capacity.

Outlook

Despite all the odds the glass industry is subject to, your Company is very much hopeful of facing the challenges ahead. Quality Standards have been enhanced during the year and further plans are afoot to still significantly enhance them and improve service level to become the most preferred supplier to our customers. The Company has put major thrust on Strategic Cost Management and adequate investment into latest technologies and processes which would help the Company to sustain and grow its business. To further strengthen core competency and gain an edge required to enter niche markets, your Company has initiated dialogue with globally reputed glass manufacturers for collaboration and technology transfer.

Your Company has also undertaken several measures for enhanced value addition. In this regard, our printing and decorating plant has started making significant contribution. It has also helped the Company to diversify its product portfolios.

Certifications

Your Company is re-accredited for **Quality Management System ISO 9001: 2008 certification** and for **Environment Management System ISO 14001: 2004 certification**.

Risks and Concerns

Your Company operates mainly in the domestic market and has limited exposure to foreign exchange risks. Apart from normal business risks, there exist risks and concerns of volatility in global economies and its likely impact on developing and emerging economies like India. Continuous process improvement and cost reduction through re-engineering of production process to counter these risks have been adopted across all the activities of the organisation. Your Company complies with safety norms and has adequate insurance coverage for all assets.

Corporate Social Responsibility [CSR]

Your Company continues to be actively associated with several programmes under CSR. Contributions in the areas of educational assistance, promotional supports and waste water management are a few significant areas of participation including donation of ₹ 17 lakhs towards building fund to 'Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan', The Pratishthan's pioneering efforts in health care is towards benefiting needy persons. In addition to the above the Company also co-sponsored 'Pune Festival 2012', to encourage various cultural developmental activities.

Segment-Wise / Product-Wise Performance

Your Company's business activity falls within a single primary business segment viz. bottles / containers. As such there are no separate reportable segments as per Accounting Standard – 17 [AS -17] issued by the Institute of Chartered Accountants of India.

Internal Control Systems and their Adequacy

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are regularly tested and certified by Statutory Auditors as well as Internal Auditors and cover the Plant, Administrative office and key areas of business. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations including those relating to strengthening of the Company's risk management policies and system.

Human Resources and Industrial Relations

Employees being a key factor in achieving target performance, your Company encourages its employees to foster an attitude of continuous learning and facilitates by conducting periodical training programmes. Industrial relations continued to remain cordial during the year.

Cautionary Statement

Certain statements in the Directors' Report describing the Company's operations, objectives, projections and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied, depending on the economic conditions, Government policies and other incidental factors and developments.

V PARTICULARS OF EMPLOYEES

The information required under Section 217[2A] of the Companies Act, 1956 read with the Companies [Particulars of Employees] Rules 1975, as amended, is given below:-

Name / Designation	Date of Joining	Age	Experience [in years]	Remuneration [₹ Lakhs]	Particulars of previous Employment
Mr. N. D. Shetty Executive Chairman	April 25, 1991	73 Years	49 Years	166.84	Director, Haldyn Corporation Limited
Mr. T. N. Shetty Managing Director	August 01, 2009	39 Years	16 Years	177.94	Executive Director, Haldyn Glass Limited

**Notes:**

1. Remuneration includes Salary, House Rent Allowance / Rent free furnished Accommodation, Performance Award and Commission, Reimbursement of Medical Expenses, Leave Travel Assistance, Company's Contribution to Provident Fund and other perquisites evaluated as per the Income-tax Rules, 1962.
2. Appointment is on contractual basis. Other terms and conditions are as per the agreement between the incumbent and the Company.
3. Mr. N. D. Shetty and Mr. T. N. Shetty are related to each other and also related to Ms. V. R. Ajila and Mr. R. Y. Ajila, Directors of the Company.

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

In accordance with the provisions of Section 217[1] [e] of the Companies Act, 1956, read with the Companies [Disclosure of Particulars in the Report of Board of Directors] Rules, 1988, the information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, is furnished in the Annexure forming part of this Report.

VII DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217[2AA] of the Companies Act, 1956, the Directors confirm that:-

- [1] In the preparation of the annual accounts, the applicable accounting standards have been followed along with explanatory notes relating to material departures;
- [2] Appropriate accounting policies have been selected and applied consistently and judgements and estimates made 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 of the Company for that year;
- [3] Proper and sufficient care has been taken for maintaining adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- [4] The annual accounts have been prepared on a going concern basis.

VIII DIRECTORATE

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. Rolf E.v. Bueren and Mrs. V. R. Ajila, retire by rotation and, being eligible, offer themselves for re-election.

Mr. Rohan Y. Ajila had resigned as an Alternate Director to Mrs. V. R. Ajila with effect from May 29, 2013. However, at the Board Meeting held on May 30, 2013, Mr. Rohan Y. Ajila was appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 and he holds office upto the date of the ensuing Annual General Meeting of the Company. Your Directors, seek your approval, to appoint Mr. Rohan Y. Ajila as a Director at the ensuing Annual General Meeting of the Company. In this connection, a notice in writing has been received from a member under Section 257 of the Act, signifying his intention to propose Mr. Rohan Y. Ajila for the office of Director.

IX AUDITORS

The Auditors of the Company, M/s Mukund M. Chitale & Co., Chartered Accountants, will retire at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office, if reappointed.

X APPOINTMENT OF COST AUDITOR

The Central Government has approved the appointment of M/s. Rajesh Shah & Associates, Cost Auditor, for conducting cost audit for the year ended March 31, 2013.

The due date for filing the Cost Audit Report with the Ministry of Corporate Affairs for the year ended March 31, 2012 was February 28, 2013 and the Cost Audit Report was filed by the Cost Auditor on December 29, 2012. The due date for filing the Cost Audit Report for the year ended March 31, 2013 is September 30, 2013. The Board has approved M/s. Y. R. Doshi and Associates as Cost Auditors for the year ending March 31, 2014 in place of M/s. Rajesh Shah & Associates and the application for approval is being made to the Central Government for their approval.