

46th Annual Report 2008-2009

BOROSIL

BOROSIL GLASS WORKS LTD.

BOARD OF DIRECTORS

- B. L. Kheruka - Chairman
- P. K. Kheruka - Vice Chairman & Managing Director
- A. C. Dalal
- S. Bagai
- K. V. Krishnamurthy
- V. Ramaswami - Wholetime Director

REGISTERED OFFICE

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

FACTORIES

- Marol-Maroshi Road, Off Military Road,
Mumbai - 400 059.
- Maraimalai Nagar - 603 209
Tamilnadu.

ZONAL SALES OFFICES

- 403/404, Kaliandas Udyog Bhavan Premises
Near Century Bazar, Worli, Mumbai - 400 025.
- Dabriwala House, 10, Middleton Row,
Kolkata - 700 071.
- Door No. 22, Wheat Croft Road, Nungambakkam,
Chennai - 600 034.
- 19/90, Connaught Circus, New Delhi - 110 001.

AUDITORS

Chaturvedi & Shah
Chartered Accountants

BANKERS

Bank of Baroda
Union Bank of India
The Zoroastrian Co-operative Bank Limited
IndusInd Bank Limited

REGISTRAR & TRANSFER AGENTS

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 Sixth 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 Saturday, 22nd August, 2009 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date and the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Mr. V. Ramaswami who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. P. K. Kheruka who retires by rotation and, being eligible, offers himself for re-appointment.
4. 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

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

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions 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, 2009 on the terms and conditions including remuneration as are set out in the agreement to be entered into between the Company and Mr. V. Ramaswami, a draft whereof is placed before this meeting which agreement is hereby specifically sanctioned with 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 and/or agreement, subject to the same not exceeding the limits specified in Schedule XIII to the Companies Act, 1956, 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.V.Ramaswami shall be paid the remuneration as set out in the Explanatory Statement as 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 such steps as may be necessary, proper or expedient to give effect to this resolution."

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 Section 293 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956 consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called "the Board" and which term shall be deemed to include any Committee, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to hypothecate, mortgage, charge and/or in any other way encumber all or any of the movable and immovable assets of the Company both present and future whatsoever and wheresoever situated, and the whole or any part of the undertaking of the Company, to or in favour of Bank of Baroda (BOB) and Union Bank of India (UBI), to secure repayment to the Company, of:

- i. Short Term Loan for VRS of Rs. 30 crores granted by BOB
- ii. Rupee Term Loan of Rs. 30 crores granted by BOB
- iii. Rupee Term Loan of Rs. 23 crores to be granted by UBI

together with all interest at the respective agreed rate, additional interest, liquidated damages, commitment charges, premium on prepayment or on redemption, costs, charges, expenses and all other moneys payable by the Company to Banks in terms of their Loan Agreements, Hypothecation Agreements, Letters of Sanction, Memorandum of Terms and Conditions, entered into/to be entered into by the Company, in respect of any and all the said loans/facilities."

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

“RESOLVED THAT in supersession of the Resolution passed at the Extra-ordinary General Meeting of the Company held on 12th September, 1995, the consent of the Company be and is hereby accorded pursuant to Section 293(1)(d) of the Companies Act, 1956, to the Board of Directors of the Company to borrow from time to time all such sums of money as they may deem necessary for the purpose of business of the Company notwithstanding that the money to be borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose, provided that the total amount upto which moneys may be borrowed by the Board of Directors shall not exceed the sum of Rs.120 crores at any time.”

By Order of the Board

Place: Mumbai
Date: 30th June, 2009

C. Baptista
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.5 to 7 as set out above, and the relevant detail in respect of Items Nos. 2 & 3 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 14th August, 2009 to 22nd August, 2009 (both days inclusive).
- (4) The Members are requested to notify immediately the change of address, if any, to the Company's Registrar and Transfer Agents viz. Mondkar Computers Pvt. Ltd. Unit: Borosil Glass Works Ltd. 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai - 400 093.
- (5) 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
Date of Birth	1st April, 1958	23rd July, 1951
Qualification	B.Sc., B.Tech., DBAFM	B.Com.
Date of Appointment	17th August, 2005	24th November, 1988
Expertise in Specific Functional Area	Over 28 years experience in various industries.	Over 37 years experience, particularly in the glass industry.
List of other Indian Public Limited Companies in which Directorship held	—	Gujarat Borosil Limited Gujarat Fusion Glass Limited General Magnets Limited Window Glass Limited Borosil International Limited
Chairman / Member of the Board Committees of other Public Limited Companies	—	Share Transfer & Investor Grievance Committee - Gujarat Borosil Limited - Chairman Audit Committee - Gujarat Borosil Limited - Member
No. of shares held by them as on 30.06.2009	—	76415

ANNEXURE TO THE NOTICE

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

Item No. 5

The Board of Directors had appointed Mr. V. Ramaswami as Whole Time Director for a period of 3 years with effect from 1st September 2006, 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 30th June, 2009 decided to re-appoint Mr. Ramaswami for a further period of 3 years on the terms and conditions set out in the draft Agreement to be entered into between the Company and Mr. Ramaswami.

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. Ramaswami are as under:-

I. REMUNERATION

- a) Salary : Rs.1,40,000/- p.m. in the scale of Rs.1,40,000/- p.m. to Rs.2,00,000/-p.m. with such increments as may be decided by the Board of Directors (which includes any Committee thereof) from time to time.
- b) Perquisites :
 - i) House Rent Allowance : Rs.21,000/- p.m.
 - ii) Reimbursement of Electricity expenses : at actuals
 - iii) Medical Expenses :
 - Domiciliary Treatment : at actuals subject to a ceiling of Rs.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 Rs.7,200/- p.a.
 - v) Personal Accident Insurance : Personal Accident Insurance Policy of such amount, the premium of which shall not exceed Rs.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 at the end of his tenure, payable 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 travelling 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. The Agreement 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.

Statement of Information as required under Schedule XIII of the Companies Act, 1956:**I. General Information**

(1) Nature of industry	:	Manufacture and trading in borosilicate and other type of glassware		
(2) Date of commencement of commercial production	:	14th December, 1962		
(3) Financial Performance	:	2006-07	2007-08	2008-09
Gross Sales	:	7371.45	7757.49	7127.11
Profit before Tax	:	1319.15*	86.02	(937.28)**
Net Profit/ (Loss)	:	1102.58*	53.59	(940.84)**
* includes Extra ordinary item(profit) to the extent of Rs.666.83 lacs				
** includes Extra ordinary item(loss) to the extent of Rs.500 lacs				
(4) Export performance and net Foreign Exchange Earnings	:	665.48	436.09	328.02
(5) Foreign investments or Collaborators, if any	:	Foreign institutional investors (FII's) and foreign citizens hold 14.26% Equity Shares of the Company.		

II. Information about the appointee

- (1) Background details : Mr. V. Ramaswami's qualifications include B.SC., B.Tech and Diploma in Business Administration & Financial Management. Moreover, he has over 28 years experience in various industries. He had been associated with Gujarat Borosil Limited for over 14 years before joining this company.
- (2) Past remuneration :
 - a) Salary: Rs.1,00,000/- p.m. in the scale of Rs.70,000/- p.m. to Rs.1,00,000/- p.m.
 - b) Perquisites:
 - i) House Rent Allowance: Rs.21,000/-p.m:
 - ii) Reimbursement of Electricity expenses: at actuals
 - iii) Medical Expenses
Domiciliary Treatment - At actuals subject to a ceiling of Rs.15,000/- p.a. for Mr. Ramaswami and his family.
Hospitalisation - Mr. Ramaswami and his dependents covered by the Company's medical insurance scheme.
 - iv) Club fees: At actuals subject to a ceiling of Rs.7,200/- p.a.

(3) Recognition or awards

(4) Profile and his suitability

(5) Remuneration proposed

(6) Comparative Remuneration profile with respect to industry size of the Company, Profile of the position and person

(7) Pecuniary relationship directly / indirectly with the Company or with the Managerial Personnel, if any

III. Other Information

(1) Reasons of loss or inadequate profits

- v) Personal Accident Insurance: Personal Accident Insurance Policy of such amount, premium of which not exceeded Rs.10,000/- p. a.
- vi) Company maintained car with Driver.
- vii) Phone rental and call charges paid by the Company at actuals for telephone at the residence/mobile phone. Charges for personal STD/Trunk Calls borne by Mr. Ramaswami.
- viii) Company's contribution to Provident Fund, Gratuity and encashment of leave at the end of his tenure, payable as per rules of the Company.
- ix) Leave with full pay or encashment thereof as per the Rules of the Company.
- x) Reimbursement of actual entertainment and travelling expenses incurred by him for business purposes.

- : —
- : Mr. V. Ramaswami shall be required to look after Company's affairs particularly at plant level, for implementation of new projects, subject to direction, superintendence and control of the Board of Directors and Managing Director.
- : As given above in the explanatory statement.
- : There is no other manufacturer of borosilicate glass in the country. As regards other glass manufacturers, the size of their operations are quite large and hence cannot be compared with the Company.
- : None

- 1. High operational cost particularly increases in energy cost.
- 2. Although the Company shifted its Cold-end activities to Bharuch District of Gujarat in April'08, the workers did not join their duties there with the result that the Company outsourced the work to another Company and during the interregnum period, the production suffered a major set back.
- 3. Ageing of furnace at Marol, which reduced selection level there substantially.
- 4. The Company had in the year 2004 entered into a Development Right Agreement with a party, which was cancelled due to non-availability of certain permissions and therefore, the party cancelled the deal and asked for refund of their advance and liquidated damages of Rs.10.00 crores. The matter was referred to Arbitration and the Arbitrator awarded Rs.5.00 crores as damages.

- (2) Steps taken or proposed to be taken for improvement : The Company has decided to set up a modern borosilicate glass melting furnace at a site in the Bharuch District of Gujarat.
- (3) Expected increase in the productivity and profit in measurable terms : The new plant, once in operation is expected to result in improved quality, higher yield and saving in fuel cost which will result in increase in the profitability.

The Directors recommend passing of the Resolution contained at item no.5 of the accompanying Notice as a Special Resolution.

Except Mr. V. Ramaswami, no other Director is concerned or interested in the resolution.

A copy of the draft Agreement to be entered into between the Company and Mr. Ramaswami 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.

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

The contents of item 5 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. 6

Bank of Baroda has sanctioned Short Term Loan for Voluntary Retirement Scheme (VRS) of Rs.30 crores and Rupee Term Loan of Rs.30 crores and a Rupee Term Loan of Rs.23 crores is likely to be sanctioned by Union Bank of India.

In order to create mortgage/charge in respect of the above loans over assets of the Company, it is desirable to obtain the approval of the members of the Company under Section 293(1)(a) of the Companies Act, 1956.

Your Directors recommend passing of the resolution set out at item no. 6 of the notice.

None of the Directors of the Company is in any way concerned or interested in the resolution.

Item No. 7

The shareholders had, at the Annual General Meeting of the Company held on 12th September, 1995, authorised the Directors of the Company to borrow monies not exceeding in the aggregate, Rs.60 crores. In order to meet the capital investment requirements for the new project and the outgo on account of the Voluntary Retirement Scheme(VRS) offered to the workmen of the Company, it may be necessary for the Company to borrow in excess of existing limit of Rs.60 crores. Your approval is, therefore, sought pursuant to Section 293(1)(d) of the Companies Act, 1956 to increase the borrowing limit which shall not exceed the aggregate of the paid-up capital and free reserves, by more than Rs.120 crores.

Your Directors recommend passing of the resolution set out at item no. 7 of the notice.

None of the Directors of the Company is in any way concerned or interested in the resolution.

By Order of the Board

C. Baptista
Company Secretary

Place: Mumbai
Date: 30th June, 2009

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

FIVE YEAR FINANCIAL HIGHLIGHTS

		2008-2009	2007-2008	2006-2007	2005-2006	2004-2005
Net Sales	(Rs. lacs)	6698.77	7161.55	6825.95	6494.7	5845.21
Profit Before Tax	(Rs. lacs)	(937.28)	86.02	1319.15	575.44	98.08
Profit/(Loss) Before Tax as % on Sales		(13.99)	1.20	19.33	8.86	1.68
Provision for Taxation (including Deferred Tax credit of Rs. 21.91 lacs; Previous Year Rs.102.78 lacs)	(Rs. lacs)	3.56	32.43	216.57	174.41	(134.33)
Profit/(Loss) After Tax	(Rs. lacs)	(940.84)	53.59	1102.58	401.03	232.41
Profit/(Loss) After Tax as % on Sales		(14.04)	0.75	16.15	6.17	3.98
Dividend	(%)	-	-	30.00	20.00	10.00
Net Earnings per Share	(Rs.)	(24.37)	1.49	32.12	11.12	6.78
Shareholders' Funds	(Rs. lacs)	6238.27	6196.27	6142.68	4715.46	4392.96
Book Value per Share	(Rs.)	157.38	171.71	170.23	137.51	128.11
Return on Investment	(%)	(6.24)	3.84	15.04	9.30	6.86

DIRECTORS' REPORT

Your Directors present their Forty Sixth Annual Report and the Audited Accounts for the year ended 31st March, 2009.

FINANCIAL RESULTS

	(Rupees in lacs)	
	Year ended 31.03.2009	Year ended 31.03.2008
Gross Sales (Including Excise Duty)	7127.11	7757.49
Other Income	181.25	245.48
Profit for the year before Interest, Depreciation and Extra Ordinary Items	288.70	795.66
Less: Interest	392.78	315.71
Less: Depreciation	333.20	393.93
Extra Ordinary Items (Net)	(500.00)	-
Profit/(Loss) for the year before tax	(937.28)	86.02
Less: Provision for Income Tax	--	110.24
Less: Provision for Wealth Tax	0.24	0.29
Less: Provision for Fringe Benefit Tax	25.23	24.68
Less: Deferred Tax (Credit)	(21.91)	(102.78)
Profit/(Loss) for the year	(940.84)	53.59
Add: Balance as per last year	2283.22	2229.63
Amount available for Appropriation	1342.38	2283.22
Appropriation		
Balance carried to Balance Sheet	1342.38	2283.22

DIVIDEND

Your Directors do not recommend any dividend for the year ended 31st March, 2009 in view of loss incurred during the year and to conserve resources.

PERFORMANCE

During the year, the Company transferred its Cold-end workers to its new location at Bharuch District in Gujarat, owing to several reasons, including high energy and other operational costs at Marol, Mumbai. These transfers were challenged by the Workers' Union before the Courts. Subsequent to 31.03.2009, the Company has amicably resolved the dispute and signed a settlement with them. In the month of May, 2009, a Voluntary Retirement Scheme (VRS) has been offered to all its workmen at Marol plant, Mumbai which has been accepted and fully implemented. The Union has withdrawn from courts all legal cases filed against the Company.

The Company's furnace at Marol plant, Mumbai has completed its useful life and has been cooled down. All production activities have also been suspended at the above place. The Company has decided to set up a modern borosilicate glass melting furnace at a site in the Bharuch District of Gujarat and till this new plant is completed, market demand will be catered to from its existing stock as well as from imports. The sales during the year under review were lower at Rs.7127.11 lacs as compared to Rs.7757.49 lacs in the previous year. During the year, the Company incurred loss of Rs.940.84 lacs as compared to profit of Rs.53.59 lacs during the previous year.

The reasons for losses are attributed to the following factors:

1. High operational cost particularly increases in energy cost. Electricity price further rose by about 10% from June 2008.
2. Although the Company shifted its Cold-end activities to Bharuch District of Gujarat in April'08, the workers did not join their duties there with the result that the Company outsourced the work to another Company and during the interregnum period, the production suffered a major set back.
3. Owing to ageing of furnace at Marol, the selection level there reduced substantially.

4. The Company had in the year 2004 entered into a Development Right Agreement with a party for development of a portion of its surplus land at Marol and had received Rs.4.00 crores in advance. However, the transaction could not be completed in view of non-availability of certain permissions and therefore, the party cancelled the deal and asked for refund of their advance and liquidated damages of Rs.10.00 crores. The matter was referred to Arbitration and the Arbitrator awarded Rs.5.00 crores as damages, which the Company decided to pay in view of the fact that the price of land had gone up substantially and the Company was not required to pay any interest on the advance money used for nearly four years.

Exports during the year were lower at Rs. 328.02 lacs as compared to Rs.436.09 lacs in the previous year.

PREFERENTIAL ISSUE

During the year under review, the promoters have exercised their rights in respect of remaining 3,55,460 Warrants issued in the year 2006-2007 on preferential basis. The promoters holding in the Company has thereby increased from 50.56% to 54.99%. The money so raised has been used for meeting long term working capital requirement, as per terms of issue.

NEW PROJECTS

As informed earlier, the Company had acquired plots of land near Roorkee in Uttarakhand, for setting up of an industrial unit. Meanwhile, a cement factory started coming up in the vicinity of the proposed site, which would have impacted the quality and visibility of glass, if manufactured. Therefore, the Board of Directors decided to shift the project to an alternative site and consequently disposed off major part of the land in Uttarakhand and used the money for repayment of Inter-corporate deposits taken at the time of purchase of the said plots of land. The Company has identified a plot at Village: Boridra, Taluka: Jhagadia, District: Bharuch in the State of Gujarat for the purpose of setting up of a new modern borosilicate glass melting furnace. The new plant is expected to result in improved quality and higher yield.

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

Particulars of employees as required under Section 217(2A) of the Companies Act, 1956 are annexed hereto and form part of this Report.

FIXED DEPOSITS

The Company does not accept fresh fixed deposits. The total amount of outstanding deposits as on 31st March, 2009 was Rs. 54.22 lacs (including unclaimed deposits). Deposits amounting to Rs.21.06 lacs due for repayment remained unclaimed as on 31st March, 2009. Out of these, deposits for Rs.5.23 lacs have since been paid.

DIRECTORS

Mr. V. Ramaswami and Mr. P. K. Kheruka retire by rotation and, being eligible, offer themselves for reappointment.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Structure and Developments

The Company is the sole producer of low expansion borosilicate glass in India which is used to manufacture a wide variety of scientific, industrial, lighting, pharmaceutical and consumerware glass items.

The Company supplies tubing and other products which are used by the small scale down stream processing units to manufacture various finished products like burettes, pipettes, flasks, condensers, ground joints and jointed items, reaction, distillation and extractor units etc. The entire Research and Development Industry, Education and Health segments of the market are major users of scientific and industrial products. Consumerware items cater to the need of the household sector.

B. Opportunities and Threats

Opportunities

With increased emphasis by the Govt. of India in the Education and Health segments of the markets, there is opportunity for the Company to increase its presence in these areas.

Further, with increased availability of certified and graduated items and introduction of USP (United States Pharmacopoeia) range of products for the pharma industry, there are good opportunities to increase the share of business in the Research & Development and Pharma segment/s of the market.

Threats

- The economic downturn has affected demand of products mainly in the Industrial segment of the market.
- Restricted supply of tubing to the domestic market to build up captive stocks for production has led to increased imports from various countries.
- Restricted availability of products, primarily in the first half of the financial year, owing to shifting of cold end to Bharuch from Marol and implementation of SAP, has led to increased activity by competitors.
- Cooling down of furnace at Marol on completion of its life.
- Unrestricted import and dumping of scientific and industrial products by importers from various countries.
- Availability of significant quantities of spurious goods bearing Company's brand name.
- Usage of plastics and instruments in laboratories as substitute for glassware.
- Entry of international/domestic business houses in trading of Scientific glassware with their own well established brands (sourced mainly from small and cottage scale Indian fabricators)

C. Segmentwise or Productionwise Performance

Scientific and Industrial Products Division

- Sales have been seriously affected during the shifting of Cold-end operations from Mumbai to Bharuch and during implementation of SAP. Further building up of tubing stocks for captive production has also significantly affected tubing sales. The ageing of the furnace, has led to reduced select levels, which also affected availability.
- Sales were lower by 3.71%. There were significant pending orders in almost all areas - otherwise, performance of the division could have been much better. This has also led to losing of some of its market share in the first half of the year.

However, significantly improved availability of the products in the second half, more so in the last quarter, has helped in regaining substantial lost market share.

Consumerware Division

During the year under review, the turnover of the consumerware division was marginally lower, as compared to last year in view of fierce competition and inflationary pressure on consumers, which resulted in lower profitability. However on the positive side, the Company further consolidated its position in the microwave glassware segment and despite the general slow down in the economy, the Division was able to hold on to its market leadership position in microwave glassware segment.

D. Outlook

Scientific and Industrial Products

The overall picture appears to be bright considering the following factors:

- The Government emphasis on Education and Health segments coupled with increased awareness.
- Despite economic downturn, growth in the pharma segment.
- Introduction of allied products in range under Borosil® brand.
- A stable Government.

Consumerware Products

The Company sells its product under brands namely Borosil®, Borosil International and Napoli. The Company imports a range of products from various international manufacturers and sells these in the domestic market along with its own manufactured products. With the rise of consumerism in India, there is continuous scope of growth in the consumerware segment. However, supply side constraint could be a dampener in the Company's efforts.

E Risks and Concerns

- (a) Economic downturn is affecting demand especially in the Industrial segment - if this continues, business is likely to be affected.
- (b) The shutdown of Hot-end activities in Marol and resultant disruption in operations may temporarily affect supply of tubing, hand shop items and pressware.
- (c) Increased usage of other scientific products e.g. plastics and instruments.
- (d) Increased competition from organised sector in trading of scientific and microwave glassware.
- (e) Spurious activities.
- (f) Competition from imported goods mostly from the grey market.

F Internal Control Systems and their Adequacy

The Company has adequate Internal Control System commensurate with its size and nature of business. Internal Audit is periodically conducted by an external firm of Chartered Accountants and Internal Audit reports are reviewed by the Audit Committee.

G Material Development in Human Resources, Industrial Relations and number of people employed

The Company had in total 545 permanent employees including 194 management/ supervisory cadres (excluding badli / temporary workers) as on 31st March 2009. However, as mentioned above, the Company offered Voluntary Retirement Scheme (VRS) to all workmen belonging to their Union at Marol which has been accepted by all workmen and fully implemented. Industrial relations continued to remain cordial throughout the year.

The appeal filed before High Court by 10 ex-employees of Maraimalai Nagar plant against order of the Industrial Court rejecting their reinstatement is still pending.

Corporate Governance Report

A Report on Corporate Governance along with the Compliance Certificate from the Auditors is annexed hereto and forms part of this Report.

The Board of Directors of the Company has evolved and adopted a Code of Conduct and posted the same on the Company's website, www.borosil.com. The Directors and senior Management personnel have affirmed their compliance with the Code for the year ended 31st March, 2009.

Safety, Health and Environment

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

The manufacturing activities of the Company do not have any negative impact on the environment.

Particulars of Employees

Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 are annexed hereto and form part of the Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are furnished in the Annexure forming part of this Report.

Acknowledgement

Your Directors record their appreciation for the co-operation received from the Employees, Bankers and Financial Institutions during the year under review.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 30th June, 2009

B. L. Kheruka
Chairman

ANNEXURE TO THE DIRECTORS' REPORT
CONSERVATION OF ENERGY

The Company continues to emphasize on the optimal utilisation and conservation of energy.

FORM - A

Form for Disclosure of Particulars with respect to Conservation of Energy

(A) Power and Fuel Consumption :

	April, 2008 To March, 2009	April, 2007 To March, 2008
1. Electricity		
Purchased Units ('000 KWH)	7,253	7,923
Total Amount (Rs. Thousands)	48,844	49,386
Rate Unit (Rs.)	6.73	6.23
2. Fuel Oil / Gas		
(a) H.S.D. (*)		
Quantity ('000 Litres)	9	12
Value (Rs. Thousands)	316	396
Rate/Kilo Ltr. (Rs.)	33.60	33.00
(b) Furnace Oil		
Quantity ('000 Litres)	2,442	2,278
Value (Rs. Thousands)	57,780	43,149
Rate/Kilo Ltr. (Rs.)	23.66	18.94
(c) L.P. Gas		
Quantity ('000 Litres)	124	535
Value (Rs. Thousands)	4,692	19,854
Rate/Kilo Ltr. (Rs.)	37.95	37.11
(d) Liquid Oxygen		
Quantity ('000 Litres)	341	751
Value (Rs. Thousands)	3,870	7,462
Rate/Kilo Ltr. (Rs.)	11.33	9.93
(e) Natural Gas		
Quantity ('000 Litres)	1,376	1,361
Value (Rs. Thousands)	14,885	14,719
Rate/Kilo Ltr. (Rs.)	10.82	10.81

NOTE : (*) Self generation - Diesel Generators are run during power failure and on regular intervals to maintain the equipment.

(B) Consumption Per Unit of Production

It is not feasible to determine consumption figures per unit of production owing to the large number of products and highly diverse variety of items manufactured.

FORM - B

Form for Disclosure of Particulars with Respect to R & D and Absorption of Technology.

A. Research And Development (R & D)

The Company has not carried out any Research and Development activities during the year.

B. Technology Absorption, Adaptation and Innovation

The Company has not introduced any new technology during the year.

C. Particulars with regard to foreign exchange outgo and earnings appear at items 20 to 23 of Schedule 14 'Notes on Accounts'.

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2009 AS PER SECTION 217(2A) OF THE COMPANIES ACT, 1956:

A. Name of the Employee(s) employed throughout the year ended 31st March, 2009 who were in receipt of remuneration of not less than Rs.24,00,000/- per annum in terms of Section 217(2A)(a)(i) :

Name, Age & Qualification	Designation/ Nature of Duties	Remuneration (Rs.)	Date of Joining and experience	Particulars of last Employment
P. K. Kheruka Age: 58years Qualification : B. Com	Vice Chairman & Managing Director	25,56,936/-	As Director 24th November, 1988 As Managing Director 1st August, 2005 Over 37 years in industry	Gujarat Fusion Glass Limited -Managing Director

B. Name of the Employees employed for the part of the year and who were in receipt of remuneration not less than Rs.2,00,000/- per month in terms of Section 217 (2A) (a)(ii):

None

NOTES:

1. Remuneration includes Salary, Company's contribution to Provident Fund, Medical Expenses and the monetary value of perquisites calculated as per the Income Tax Act, 1961 and the rules made therein.
2. The above employee is a relative of Mr. B. L. Kheruka, Chairman of the Company.
3. Employment is on contractual basis from 1st August, 2008 to 31st July, 2011 which can be terminated by either parties by giving three months' notice in writing.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 30th June, 2009

B. L. Kheruka
Chairman

Corporate Governance Report

Company's philosophy on Code of Governance

The Company has adopted the Code of Corporate Governance as enumerated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchange. The Company's philosophy on Corporate Governance envisages enhancement of the long-term shareholders value while at the same time protecting the interests of other stakeholders.

I. BOARD OF DIRECTORS

(A) Composition

The Company has an optimum combination of Executive and Non-Executive Directors. The Company has Non-Executive Chairman and half of the Directors are Independent Directors.

The Company at present has six Directors comprising of one Managing Director, one Whole-time Director and four Non-Executive Directors.

(B) Non-Executive Directors' compensation and disclosures

The remuneration of Non-Executive Directors (NEDs) of the Company is decided by the Board of Directors of the Company in terms of the resolutions passed by the shareholders at the Annual General Meetings held on 29th July, 2005 and 25th August, 2006. In addition to sitting fee, NEDs are eligible for commission as decided by the Board of Directors, subject to an overall limit of 1% of the Net Profits of the Company. Till date, the Company has not granted stock options to the Directors.

(C) Board and Committee Meetings, etc.

(i) Number of Board Meetings

The Board met five times during the year 2008-2009 on 29th May, 2008, 19th June, 2008, 31st July, 2008, 31st October, 2008 and 28th January, 2009.

Directors' attendance record and Directorship held, etc.

Name	Category of Directors	No. of Board Meetings Attended	Whether attended last AGM held on 31st July, 2008	No. of Directorships held in other Indian Public Limited Companies	No. of Committee* Positions held in other Public Limited Companies	
					Chairman	Member
Mr. B. L. Kheruka	Chairman Promoter Non-Executive	5	Yes	6	-	1
Mr. P. K. Kheruka	Vice Chairman & Managing Director Promoter Executive	5	Yes	5	1	1
Mr. A. C. Dalal	Independent Non-Executive	5	Yes	2	-	2
Mr. S. Bagai	Independent Non-Executive	5	Yes	-	-	-
Mr. K. V. Krishnamurthy	Independent Non-Executive	5	Yes	10	2	7
Mr. V. Ramaswami	Whole-time Director Executive	5	Yes	-	-	-

* For this purpose, only Audit Committee and Shareholders/Investors Grievance Committees have been considered.

- (ii) None of the Directors of the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as per Clause 49 I C (ii) of the Listing Agreement across all the companies in which he is a Director. All the Directors have made requisite disclosures regarding committee positions occupied by them in other companies.
- (iii) Compliance reports of laws applicable to the Company are periodically placed before the Board of Directors of the Company. There has been no instance of non-compliance.

(D) Code of Conduct

All the Directors and Senior Management personnel have affirmed Compliance with the Code of Conduct as approved and adopted by the Board of Directors. The said Code is posted on the website of the Company. A declaration to this effect signed by the Vice Chairman & Managing Director of the Company is given elsewhere in the Annual Report.

II. AUDIT COMMITTEE

(A) Composition, name of members and chairman

The Audit Committee of the Company comprised of three members as on 31.03.2009, two of them being independent, the composition of which is furnished hereunder:

Mr. K. V. Krishnamurthy Chairman

Mr. A. C. Dalal

Mr. P. K. Kheruka

All members of the Audit Committee are capable of understanding financial statements and one member possesses financial expertise in accordance with Clause 49.

(B) Meetings and attendance during the year

The Committee met five times during the year 2008-2009 on 29th May, 2008, 19th June, 2008, 31st July, 2008, 31st October, 2008 and 28th January, 2009.

All the Committee members were present at all the meetings on the relevant dates.

Apart from the members of Audit Committee, generally, meetings are also attended by General Manager - Accounts, Chief Financial Officer and Company Secretary. Representatives of Internal Auditors and Statutory Auditors are invited to the meetings.

The Company Secretary acts as a Secretary to the Committee.

(C) Powers of Audit Committee

The Audit Committee has been endowed with the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

(D) Role of Audit Committee

The role of the Audit Committee includes the following

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.

- b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
 6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 7. Reviewing the adequacy of internal audit function, reporting, structure, coverage and frequency of internal audit.
 8. Discussion with internal auditors any significant findings and follow up there on.
 9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 12. Such other functions as may be decided by the Board of Directors from time to time.

It may be clarified that the role of the Audit Committee includes matters specified under Clause 49 of the Listing Agreement entered into between the Company and Bombay Stock Exchange Limited on which the Company's shares are listed.

(E) Review of information by the Audit Committee

The Audit Committee reviews inter-alia, the following matters:

1. Management, discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions.
3. Management letters/letters of Internal Audit weaknesses issued by the statutory auditors.
4. Internal Audit reports relating to Internal Control weaknesses.
5. Appointment, removal and terms of remuneration of the Internal Auditors.

III. SUBSIDIARY COMPANIES

The Company does not have any subsidiary company.

IV. DISCLOSURES

(A) Basis of Related Party Transactions

The details of all transactions with related parties are placed before the Audit Committee periodically, with justification wherever required.

During the year, there were no transactions of material nature with Directors, management, associates or relatives that had potential conflict with the interest of the Company. Details of related party transactions entered into, are given in Note No.17 of Schedule 14 forming part of the Balance Sheet.

(B) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006, to the extent applicable to the Company.

(C) Board Disclosures - Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimisation procedures, which is subject to review by the Management and is placed before the Board on an annual basis.

(D) Proceeds from issue of shares etc.

During the year under review, the promoters have exercised their rights in respect of remaining 3,55,460 Warrants issued in the year 2006-2007 on preferential basis. The promoters holding in the Company has thereby increased from 50.56% to 54.99%.

The Company has disclosed to the Audit Committee the uses/application of funds raised by issue of remaining warrants/shares.

(E) Remuneration of Directors

The Board of Directors has constituted a Remuneration Committee, comprising of three independent directors, the composition of which is furnished hereunder:

Mr. A. C. Dalal - Chairman

Mr. S. Bagai

Mr. K. V. Krishnamurthy

The broad terms of reference of 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) including pension and any compensation payment.

One meeting of this Committee was held during the financial year 2008-2009 on 19.06.2008.

(i) Details of sitting fees, remuneration, etc. paid to Directors

(Amt. in Rs.)

Name of the Directors	Sitting fee for Board / Committee Meetings
Mr. B. L. Kheruka	70,000
Mr. A. C. Dalal	1,30,000
Mr. S. Bagai	55,000
Mr. K. V. Krishnamurthy	1,10,000
Remuneration paid for the year 2008-2009	
i) Mr. P. K. Kheruka	
Vice-Chairman & Managing Director	
Salary	22,00,000
Perquisites	92,936
Contribution to P.F. / Gratuity fund	2,64,000
(A)	25,56,936
ii) Mr. V. Ramaswami	
Whole-time Director	
Salary	11,25,000
Perquisites (including HRA)	3,98,747
Contribution to P.F. / Superannuation Fund / Gratuity fund	1,47,600*
(B)	16,71,347
Total (A + B)	42,28,283

* Out of Rs.1,47,600/-, Rs.12,600/- is in respect of arrears of salary paid during 2008-2009.

Notes:

- No Commission has been paid to the Non-Executive Directors / Managing Director for the year.
- The Company does not pay any Bonus or incentive to the Managing / Whole-time Director nor is any stock option granted to them. However, Mr. P. K. Kheruka, Managing Director is holding 76,415 Equity Shares of the Company.
- The service contract of the Managing Director/Whole-time Director is for 3 years and Notice period is 3 months from either side.

(ii) Number of shares and convertible instruments held by Non-Executive Directors:

Mr. B. L. Kheruka holds 76,415 Equity Shares of the Company. This apart, none of the non-executive Directors hold any Shares or convertible instruments of the Company.

(F) Management

Management, Discussion and Analysis Report containing discussion on the matters specified under above head in Clause 49 IV (F) forms part of Annual Report.

(G) Shareholders

(i) Relevant details of the Directors proposed to be appointed / reappointed are furnished in the Notice convening the Annual General Meeting to be held on 22nd August, 2009 being sent along with the Annual Report.

(ii) Quarterly results are regularly made available on the Company's website: www.borosil.com.

(iii) Share Transfer and Shareholders' / Investors' Grievance Committee

The Committee comprises of Mr. B.L. Kheruka as Chairman and Mr. P.K. Kheruka and Mr. A.C. Dalal as members.

During the year 2008-2009, the Committee met 4 times on 19.06.2008, 25.09.2008, 31.10.2008 and 26.02.2009. All the Committee members were present at all the meetings on the relevant dates.

Committee members are severally authorised to approve share transfers and dematerialisation requests. The transfers are approved once in a fortnight. All share transfer requests received upto 31st March, 2009 were processed in time.

During the year ended on 31st March, 2009, the Company received 13 complaints and 132 other correspondence from the shareholders and debentureholders, which were suitably replied. No investor grievances were pending at the end of the year.

(iv) Name & Designation of the Compliance Officer: Ms. C. Baptista,
Company Secretary

V. CEO/CFO CERTIFICATION

A certificate from Vice-Chairman & Managing Director and Vice President & Chief Financial Officer of the Company, on the financial statements of the Company was placed before the Board.

VI. REPORT ON CORPORATE GOVERNANCE

The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement. The Company has also submitted the quarterly compliance report to the stock exchange.

VII. GENERAL BODY MEETINGS

Location, date and time of General Meetings held during the last 3 years:

Year	Location	AGM/EGM	Day and Date	Time	No. of Special Resolution (s) passed
2007-08	Sasmira Auditorium, 3rd Floor, Sasmira Marg, Dr. Annie Besant Road, Worli, Mumbai-400-030.	AGM	Thursday 31st July, 2008	3.30 p.m.	1
2006-07	'Orchid', Sunville Banquet, 2nd Floor, Dr. Annie Besant Road, Worli, Mumbai-400 018.	AGM	Friday 17th August, 2007	3.00 p.m.	1
2006-07	Sasmira Auditorium, 3rd Floor, Sasmira Marg, Dr. Annie Besant Road, Worli, Mumbai-400 030.	EGM	Thursday 4th January, 2007	3.00 p.m.	1
2005-06	As above	AGM	Friday 25th August, 2006	3.00 p.m.	3

None of the Resolutions were put through postal ballot last year.

VIII: MEANS OF COMMUNICATION

The quarterly and half yearly unaudited and annual audited financial results were published in the Economic Times in English and Maharashtra Times in Marathi (regional language). The quarterly financial results, shareholding pattern, etc. are posted on SEBI's official website - www.sebidifar.nic.in and the Company's website - www.borosil.com.

The Company has not made any presentation to institutional investors or analysts. As per the requirement under Clause 47 of the Listing Agreement, an exclusive email ID has been created namely, bgw.grievances@borosil.com, on which the investors can register their complaints. The said email ID is also displayed on Company's website.

IX. General shareholder Information

Annual General Meeting

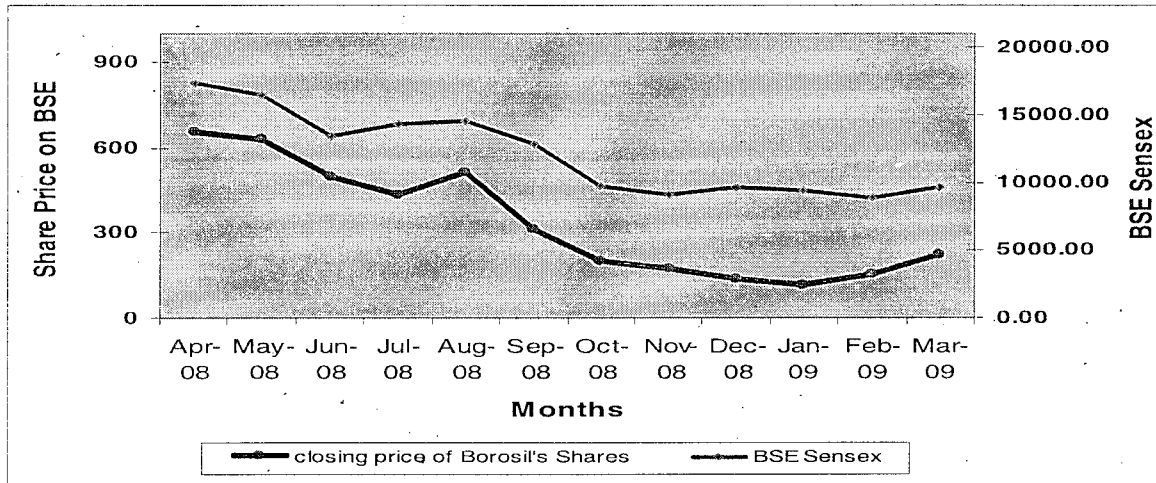
Date and time	:	22nd August, 2009 at 11.00 a.m.
Venue	:	Sasmira Auditorium, 3rd Floor, Sasmira Marg, Dr. Annie Besant Road, Worli, Mumbai-400 030
Financial Year	:	1st April to 31st March
Financial Calendar	:	Year ending - March 31
Quarterly Results	:	First quarter - 4th week of July, 2009 Second quarter - 4th week of October, 2009 Third quarter - 4th week of January, 2010 Fourth quarter - 4th week of June, 2010
Date of book closure	:	14th August, 2009 to 22nd August, 2009 (both days inclusive)
Listing on Stock Exchange	:	Bombay Stock Exchange Limited Annual listing fees to the Stock Exchange for the financial year 2009-2010 have been paid.
Stock Code	:	502219
ISIN no.	:	INE666D01014

Market price data

The monthly high and low quotation and the volume of shares traded on BSE are as under:

Month	Highest (Rs.)	Lowest (Rs.)	Volume of Shares traded
April, 2008	743.00	620.15	6265
May, 2008	690.00	551.00	8514
June, 2008	639.00	466.00	4954
July, 2008	503.00	367.00	12857
August, 2008	520.00	425.00	4490
September, 2008	553.30	300.25	8809
October, 2008	324.90	200.00	5145
November, 2008	219.30	170.00	933
December, 2008	175.00	135.00	9398
January, 2009	150.00	110.00	13995
February, 2009	155.25	110.00	2911
March, 2009	244.00	150.00	12292

The Performance of the Company's scrip on the BSE compared to the BSE sensex:



Registrars and Transfer Agents & Share Transfer System:

Mondkar Computers Pvt. Ltd. having its office at 21, Shakil Niwas, Mahakali Caves Road, Andheri (E), Mumbai 400 093 act as the Registrar and Transfer Agents of the Company. They process, inter-alia, the share transfer requests received in physical and electronic mode and confirm dematerialisation requests and other share registry work.

The transfers are normally processed within 10-12 days from the date of receipt if the documents are complete in all respects.

Distribution of shareholding as at 31st March, 2009

No. of equity shares held	Number of Shareholders		Shares	
	Nos.	Percentage	Nos.	Percentage
Upto 500	3434	94.056	349695	8.822
501 to 1000	105	2.876	78015	1.968
1001 to 2000	44	1.205	61165	1.543
2001 to 3000	14	0.383	34730	0.876
3001 to 4000	8	0.219	27331	0.690
4001 to 5000	9	0.247	40094	1.011
5001 to 10000	12	0.329	88950	2.244
10001 & above	25	0.685	3283948	82.846
Total	3651	100	3963928	100

Categories of shareholders as on 31st March, 2009

	No. of folios	No. of shares	Percentage
Individuals	3464	602084	15.19
Mutual funds & UTI	1	400	0.01
Promoters	10	2179760	54.99
Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions / Non-Govt. Institutions)	8	111892	2.83
Private Corporate Bodies	114	478224	12.06
Non Resident Individuals	35	20774	0.52
Foreign Institutional Investors & Foreign Companies	3	564209	14.23
Any other - Shares in transit	12	5510	0.14
Foreign Nationals	3	975	0.03
Trusts	1	100	0.00
Total	3651	3963928	100

BOROSIL

Dematerialisation of shares and liquidity

As on 31st March, 2009, 36,11,115 shares of the Company representing 91.10% of the Company's total paid up share capital had been dematerialised and 352813 shares representing 8.90% were in physical form.

The Company's shares are regularly traded on the Bombay Stock Exchange Limited as is indicated in the table containing market information.

Plant Locations

- | | |
|---|---|
| (1) Marol - Maroshi Road
Off Military Road
Mumbai 400 059 | (2) Maraimalai Nagar
Tamilnadu 603 209 |
|---|---|

The Company is in the process of setting-up a modern borosilicate glass melting furnace at Bharuch District of Gujarat.

Address for Correspondence

Any communication by the Shareholders may be addressed to either of the following:

Borosil Glass Works Limited
Khanna Construction House,
44, Dr. R.G. Thadani Marg,
Worli, Mumbai 400 018

Mondkar Computers Pvt. Ltd
Unit: Borosil Glass Works Ltd
21, Shakil Niwas, Mahakali Caves Road
Andheri (E), Mumbai 400 093.

Complaints/grievances may also be addressed to bgw.grievances@borosil.com

Outstanding GDRs/ADRs/Warrants or any convertible instruments

The Company has not issued any GDRs/ADRs.

During the financial year 2006-07, the Company had issued 534850 Warrants carrying a right to Equity Shares, out of which right in respect of 179390 Warrants was exercised in 2006-07 and in respect of remaining 355460 Warrants in the year 2008-09. The promoters holding in the Company has thereby increased from 50.56% to 54.99%. There are no warrants outstanding as on 31st March, 2009.

(X) Compliance with Non-Mandatory Requirements:

(1) The Board

The Chairman has been provided office in the Company's Registered Office. However, no expenses are reimbursed. All independent directors have the requisite qualification and experience to enable them to contribute effectively to the Company in their capacity as independent directors.

(2) Remuneration Committee

The Company already has a Remuneration Committee with terms of reference mentioned above. It comprises wholly of Independent Directors including Chairman.

(3) Shareholders Rights

The Companies results are available on SEBI's website www.sebiedifnar.nic.in. A half-yearly declaration of financial performance including summary of the significant events is presently not being sent to each household of shareholders. However, the Company's quarterly results are published in the Economic Times and Maharashtra Times, both newspapers having wide circulation.

(4) Audit qualifications

During the period under review, there are no audit qualifications on Company's financial statements.

(5) Training of Board Members

Presently the Company does not have such a training programme.

(6) Mechanism for evaluating Non-Executive Board Members

Presently the Company does not have such a mechanism as contemplated for evaluating the performance of Non-Executive Board Members.

(7) Whistle Blower Policy

The Company does not have a Whistle Blower Policy at present. However, no personnel of the Company has been denied access to the Audit Committee.

Declaration on Compliance of the Company's Code of Conduct

As provided under Clause 49 of the Listing Agreement with the Stock Exchange, all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct as applicable to them for the year ended 31st March, 2009.

For Borosil Glass Works Limited

Place: Mumbai
Date: 30th June 2009

P. K. Kheruka
Vice Chairman & Managing Director

AUDITOR'S CERTIFICATE

To the Members,

Borosil Glass Works Limited.

We have examined the compliance of conditions of Corporate Governance by **Borosil Glass Works Limited**, for the year ended on 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representation made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

We state that such compliance 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.

For CHATURVEDI & SHAH

Chartered Accountants

R. Koria

Partner

Membership No. 35629

Place : Mumbai

Dated : 30th June, 2009.

AUDITORS' REPORT

To
The Members of Borosil Glass Works Limited

1. We have audited the attached Balance Sheet of '**BOROSIL GLASS WORKS LIMITED**', as at 31st March, 2009, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The accounts for the year ended 31st March, 2009 have been prepared on going concern basis since the Company has decided to set up a modern borosilicate glass melting furnace at a site in the Bharuch District of Gujarat and till the new plant is completed, to cater the market demands from its existing stocks as well as imports even though the Company has offered a Voluntary Retirement Scheme (VRS) to all its workmen and the Company's furnace has been cooled down and all production activities has been suspended at Marol plant, Mumbai. (Refer note 2 & 3 of Schedule 14)
4. As required by the Companies (Auditor's Report) Order, 2003 issued by Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
5. Further to our comments in para 3 and the Annexure referred in para 4 to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books.
 - iii. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - v. On the basis of the written representations received from the Directors as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Significant Accounting Policies and notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
 - b) in the case of the Profit & Loss Account, of the loss of the Company for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

For CHATURVEDI & SHAH
Chartered Accountants

Place: Mumbai
Date: 30th June 2009

R. KORIA
PARTNER
Membership No. 35629

ANNEXURE TO AUDITORS' REPORT

(Referred to in paragraph 4 of our report of even date)

- (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 fixed assets have been physically verified by the management in accordance with a programme of verification, which in our opinion is reasonable, considering the size of the company and nature of its assets. No material discrepancies were noticed on such verification as compared with the available records.
 - (c) As per the information and explanation given to us, during the year, the Company has not disposed off substantial part of fixed assets and the going concern status of the Company is not affected.
- (ii) In respect of its inventories:
- (a) Inventories have been physically verified during the year by the management. In our opinion the programme of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the Company has procedures for physical verification of inventories.
 - (c) On the basis of our examination of inventory records, we are of the opinion that the Company is maintaining proper records of inventory. As explained to us, discrepancies noticed on physical verification between the physical inventories and book records have been dealt with in the books of account.
- (iii) In respect of loans, secured / unsecured granted or taken by the Company to / from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956: -
- (a) The Company has not given loan to any party, hence the provisions of Clause 4 (iii) (a) to 4(iii) (d) of the Companies (Auditor's Report) order, 2003 are not applicable to it.
 - (b) The Company has taken a loan from one party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 1,63,454 thousands and year-end balance of loan taken from such party was Rs.19,766 thousands.
 - (c) In our opinion and according to information and explanations given to us, the rate of interest and other terms and conditions are not prima facie prejudicial to the interest of the Company.
 - (d) The interest payment are regular and the principal amount is payable on demand.
- (iv) In our opinion and according to the information and explanations given to us there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal controls.
- (v) In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
- (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

- (b) According to the information and explanations given to us, these contracts or arrangements have been made at prices which are prima facie reasonable having regard to the prevailing market price at the relevant time, except for certain transactions for purchase of goods and materials of specific nature for which alternative quotations are not available and hence upon which we are unable to comment upon.
- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A, 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. No order has been passed by the National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) The Company has an internal audit system, commensurate with the size and nature of its business.
- (viii) We are informed by the management that Central Government has not prescribed the maintenance of Cost Records under section 209 (1) (d) of the Companies Act, 1956 for any of the products of the Company.
- (ix) In respect of statutory and other dues:
- (a) According to the records of the Company, the Company has generally been regular during the year in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, custom duty, excise duty, service tax and cess and other material statutory dues. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as at 31st March, 2009 for a period of more than six months from the date they became payable.
- (b) The disputed statutory dues aggregating to Rs.13,427 thousands that have not been deposited on account of matters pending before appropriate authorities are as under:

(Rs. in Thousands)

Sr. No.	Name of the Statute	Nature of the Dues	Amount	Period	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	274	2000-01	Commissioner of Income Tax (Appeal)
2.	Central Sales Tax Act and Sales Tax Act of various states	Sales Tax	34 3,003 652 4 2,850	1995-96 1999-00 to 2004-05 1997-98 2001-02 2002-03 to 2004-05	Asst. Commissioner Sales Tax Tribunal Superintendent of Taxes JT. Commissioner Sales Tax (Appeal)
3.	Central Excise Act, 1944	Cenvat and Service tax	600 446 5,564	2007-08 2004-05 to 2005-06 2004-05	Dy. Commissioner Trade Tax Commissioner (Appeals) JT. Commissioner Service Tax.
	TOTAL		13,427		

- (x) The Company has no accumulated losses at the end of the financial year. It has incurred cash losses during the financial year and has not incurred cash losses in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks. During the year, the Company did not have any loans from financial institutions or by way of debentures.
- (xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debenture and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of transactions and contracts in respect of Tax Free Bond of Unit Trust of India and timely entries have been made therein. The investments are held by the Company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not taken any term loan during the year.
- (xvii) On the basis of review of utilization of funds, which is based on overall examination of the Balance Sheet of the Company as at 31st March 2009, related information as made available to us and as represented to us by the management, we are of the opinion that the funds raised on short term basis have not, prima facie, been utilized for long term investment.
- (xviii) During the year, the company has made preferential allotment of shares to the parties covered in the register maintained under section 301 of the Companies Act, 1956. In our opinion the price at which shares have been issued is not prima facie prejudicial to the interest of the company.
- (xix) The Company has not issued any Debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For CHATURVEDI & SHAH
Chartered Accountants

R. KORIA
PARTNER
Membership No. 35629

Place: Mumbai
Date: 30th June, 2009

BOROSIL

BALANCE SHEET AS AT 31ST MARCH, 2009

	SCHEDULE	As at 31st March, 2009 Rs. in Thousands	As at 31st March, 2008 Rs. in Thousands
SOURCES OF FUNDS :			
Shareholders' Fund:			
Share Capital	1	39,639	36,085
Reserves & Surplus	2	584,188	583,542
		<u>623,827</u>	<u>619,627</u>
Share Warrants (Refer Note 5 of Schedule 14)			9,828
Loan Funds :			
Secured Loans	3	159,707	119,117
Unsecured Loans	4	82,582	194,054
		<u>242,289</u>	<u>313,171</u>
Net Deferred Tax Liability (Refer Note 14 of Schedule 14)		12,554	16,860
TOTAL		<u>878,670</u>	<u>959,486</u>
APPLICATION OF FUNDS :			
Fixed Assets:	5		
(a) Gross Block		848,362	918,831
(b) Less : Depreciation and Impairment		505,342	472,299
(c) Net Block		<u>343,020</u>	<u>446,532</u>
(d) Capital Work in Progress		27,979	35,712
		<u>370,999</u>	<u>482,244</u>
Investments	6	194,467	196,076
Current Assets, Loans and Advances:	7		
Interest accrued on Investments		22	56
Inventories		351,078	279,690
Sundry Debtors		116,195	139,318
Cash and Bank Balances		8,878	5,158
Loans and Advances		41,336	69,252
		<u>517,509</u>	<u>493,474</u>
Less: Current Liabilities and Provisions	8		
Liabilities		161,510	158,153
Provisions		42,795	54,155
		<u>204,305</u>	<u>212,308</u>
Net Current Assets		<u>313,204</u>	<u>281,166</u>
TOTAL		<u>878,670</u>	<u>959,486</u>
Significant accounting policies	13		
Notes on Accounts	14		

As per our report of even date

For CHATURVEDI & SHAH
Chartered Accountants

R. Koria
Partner

Shreevar Kheruka
Vice President & CFO

Place : Mumbai
Date : 30th June, 2009

C. Baptista
Company Secretary

For and on behalf of the Board of Directors

B. L. Kheruka

Chairman

P. K. Kheruka

Vice Chairman &
Managing Director

V. Ramaswami

Wholetime Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	SCHEDULE	For the year ended 31st March, 2009 Rs. in Thousands	For the year ended 31st March, 2008 Rs. in Thousands
INCOME :			
Gross Sales		712,711	775,749
Less : Excise Duty Recovered on Sales		42,834	59,594
Net Sales		<u>669,877</u>	<u>716,155</u>
Other Income	9	18,125	24,548
Increase/(Decrease) in Stock	10	72,113	30,752
		<u>760,115</u>	<u>771,455</u>
EXPENDITURE:			
Purchases (Trading)		140,924	102,373
Raw Materials and Components Consumed		27,524	30,639
Manufacturing and other expenses	11	562,797	558,877
		<u>731,245</u>	<u>691,889</u>
Profit before Interest, Depreciation & Extra Ordinary items		28,870	79,566
Interest	12	39,278	31,571
Depreciation		33,320	39,393
Extra Ordinary Item (Refer Note 4 of Schedule 14)		50,000	-
Profit/(Loss) before Tax		<u>(93,728)</u>	<u>8,602</u>
Provision for Taxation		-	11,024
Current Tax		-	(10,278)
Deferred Tax (Credit)	(2,191)	-	29
Wealth Tax		24	2,468
Fringe Benefit Tax	2,523	-	-
		<u>356</u>	<u>3,243</u>
PROFIT/(LOSS) FOR THE YEAR		<u>(94,084)</u>	<u>5,359</u>
Add : Balance as per last year		228,322	222,963
Amount available for appropriation		<u>134,238</u>	<u>228,322</u>
APPROPRIATION :			
Balance carried to Balance Sheet		<u>134,238</u>	<u>228,322</u>
		<u>134,238</u>	<u>228,322</u>
Earning (in Rs) before extra ordinary items per Share of Rs.10/- each(Basic)		(11.42)	1.49
Earning (in Rs) after extra ordinary items per Share of Rs.10/- each(Basic)		(24.37)	1.49
Earning (in Rs) before extra ordinary items per Share of Rs.10/- each(Diluted)		(11.42)	1.43
Earning (in Rs) after extra ordinary items per Share of Rs.10/- each(Diluted) (Refer Note 15 of Schedule 14)		(24.37)	1.43
Significant accounting policies	13		
Notes on Accounts	14		

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH
Chartered Accountants

B. L. Kheruka

Chairman

R. Koria
Partner

Shreevar Kheruka
Vice President & CFO

P. K. Kheruka

*Vice Chairman &
Managing Director*

Place : Mumbai
Date : 30th June, 2009

C. Baptista
Company Secretary

V. Ramaswami

Wholetime Director

BOROSIL

SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2009

	As at 31st March, 2009 Rs. in Thousands	As at 31st March, 2008 Rs. in Thousands
SCHEDULE 1 : SHARE CAPITAL		
AUTHORISED :		
1,20,00,000 equity shares of Rs 10/- each	120,000	120,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL :		
39,63,928 (Previous year 36,08,468) Equity Shares of Rs 10/- each fully paid up.	39,639	36,085
Total :	39,639	36,085
NOTES:		
1) Of the above:		
a) 8,83,563 Equity Shares were allotted as fully paid up pursuant to contracts without payments being received in cash.		
b) 7,48,031 Equity Shares were allotted as fully paid up Bonus shares by way of capitalisation of General Reserve.		
c) 11,84,984 Equity Shares were allotted as fully paid up on Conversion of Debentures.		
2) During the year, the Company has allotted 3,55,460 Equity Shares of Rs.10/- each, on exercise of right to subscribe by the warrant holders, in respect of equal number of warrants issued on preferential basis.		
SCHEDULE 2: RESERVES & SURPLUS		
REVALUATION RESERVE		
As Per Last Balance Sheet	239,273	239,273
CAPITAL RESERVE		
As Per Last Balance Sheet	1,500	1,500
SHARE PREMIUM		
As Per Last Balance Sheet	77,432	77,432
Add: Received during the year	94,730	-
	172,162	77,432
GENERAL RESERVE		
As Per Last Balance Sheet	37,015	37,015
PROFIT & LOSS ACCOUNT		
	134,238	228,322
Total :	584,188	583,542
SCHEDULE 3 : SECURED LOANS		
A Working Capital facilities from Banks :		
1. Rupee Loan	133,641	53,476
2. Foreign currency Loan	20,829	60,376
3. Packing Credit Loan	5,184	5,000
B. Car Loans from Bank	53	265
Total :	159,707	119,117

SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2009

	As at 31st March, 2009 Rs. in Thousands	As at 31st March, 2008 Rs. in Thousands
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SECURITY :

1. Working Capital facilities referred to in A above are secured by hypothecation of stocks, spares, other tangible movable assets, book debts and other receivables. These are additionally secured by mortgage of immovable properties of the Company at Marol - Andheri (Mumbai) and loans aggregating to Rs.21,469 thousand (Previous year Rs.8,994 thousand) are guaranteed by a Director and loans aggregating to Rs.1,38,185 thousand (Previous year Rs.1,09,858 thousand) are guaranteed by two of the Directors in their personal capacity.
2. Car Loans are secured by specific car.

SCHEDULE 4 : UNSECURED LOANS

Fixed Deposits	3,316	15,754
Inter Corporate Deposits	29,266	99,954
Short Term Loan from Banks*	50,000	78,000
Interest accrued and due on loans	-	346
Total :	82,582	194,054

Note : Amount repayable within one year Rs.82,582 Thousands (Previous year Rs.1,89,738 Thousands)

* Guaranteed by a Director in his personal capacity.

SCHEDULE 5 : FIXED ASSETS

(Rs. In Thousands)

	← GROSS BLOCK →			← DEPRECIATION →			IMPAIRMENT		← NET BLOCK →		
	As at 1st April, 2008	Additions	Deductions/ Adjustments	As at 31st March, 2009	Upto 31st March, 2008	For the Year	Deductions/ Adjustments	Upto 31st March, 2009	Upto 31st March, 2009	As at 31st March, 2009	As at 31st March, 2008
LAND											
Freehold	341,498	3,414	89,565	255,347	-	-	-	-	-	255,347	341,498
Leasehold	59	-	-	59	-	-	-	-	-	59	59
BUILDINGS	28,432	-	-	28,432	18,436	357	-	18,793	-	9,639	9,996
PLANT, MACHINERY AND EQUIPMENT	499,505	2,564	-	502,069	380,783	26,930	-	407,713	41,133	53,223	77,589
FURNITURE, FIXTURE AND OFFICE EQUIPMENTS	35,983	3,096	341	38,738	23,687	2,333	277	25,743	-	12,995	12,296
VEHICLES	3,629	-	-	3,629	936	336	-	1,272	-	2,357	2,693
INTANGIBLE ASSETS	9,725	10,363	-	20,088	7,324	3,364	-	10,688	-	9,400	2,401
TOTAL	918,831	19,437	89,906	848,362	431,166	33,320	277	464,209	41,133	343,020	446,532
PREVIOUS YEAR	919,931	3,266	4,366	918,831	395,045	39,393	3,272	431,166	41,133	446,532	-
CAPITAL WORK IN PROGRESS										27,979	35,712

Notes :

- 1) Buildings include cost of shares in Co-operative Societies Rs.2 Thousands (Previous year Rs.2 Thousands)
 - 2) Net Block includes Plant, Machinery and Equipment amounting to Rs. 1,454 Thousands (Previous year Rs. 2,146 Thousands) constructed/ installed on a rented property.
 - 3) Capital WIP includes amount :
 - i) Rs. 2,358 Thousands on account of pre-operative expenses (Previous Year Rs. 2,358 Thousands)
 - ii) Rs. 1,597 Thousands on account of advance against capital expenditure (Previous Year Rs. 1,040 Thousands)
- * Represents Software other than self generated.

BOROSIL

SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2009

	As at 31st March, 2009 Rs. in Thousands	As at 31st March, 2008 Rs. in Thousands
SCHEDULE 6 : INVESTMENTS - LONG TERM		
A) Quoted : (Trade)		
Associate Company		
1,72,22,376	Equity Shares of Rs 5/- each of Gujarat	
(1,72,22,376)	Borosil Limited fully paid up.	152,795
		152,795
B) Unquoted : (Trade)		
Associate Company		
(i) 41,50,000	Equity Shares of Rs.10/- each of Fennel	
(41,50,000)	Investment & Finance Private Ltd fully	
	paid up.	41,500
		41,500
Others		
(ii) -	(6.75%) Tax free US 64 Bond of Rs 100/-	
(16,089)	each of Unit Trust of India fully paid up	-
		1,609
(iii) 4,000	Equity Shares of Rs 25/- each of	
(4,000)	Zoroastrian Co-operative Bank Limited	
	fully paid up	100
		100
C) Quoted : (Non-Trade)		
(i) 620	Equity Shares of Rs 10/- each of Housing	
(620)	Development Finance Corporation Ltd	
	fully paid up	8
		8
(ii) 400	Equity Shares of Rs 10/- each of HDFC	
(400)	Bank Ltd fully paid up	4
		4
D) Unquoted : (Non-trade)		
	National Saving Certificate	60
		60
Total :	<u>194,467</u>	<u>196,076</u>

Note :

	As at 31st March, 2009		As at 31st March, 2008	
	Book Value Rs. in Thousands	Market Vaue Rs. in Thousands	Book Value Rs. in Thousands	Market Vaue Rs. in Thousands
1) Aggregate value of -				
Quoted Investments	152,807	121,991	152,807	188,008
Unquoted Investments	41,660		43,269.	
	<u>194,467</u>		<u>196,076</u>	

2) In the opinion of the management, diminution in the value of long term investment is temporary in nature and hence no provision has been considered necessary.

3) Figures in brackets represents Previous year figures

SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2009

	As at 31st March, 2009 Rs. in Thousands	As at 31st March, 2008 Rs. in Thousands
SCHEDULE 7 : CURRENT ASSETS, LOANS AND ADVANCES		
(a) Interest accrued on Investment	22	56
(b) Inventories: (Taken, Valued and Certified by Management)		
Stores, Spares and Packing Material	25,083	24,798
Raw Materials	2,430	2,827
Components	3,697	4,310
Semi-finished goods*	200,270	111,373
Finished goods	119,598	136,382
Total :	351,078	279,690
* Includes Cullet for reprocess Rs. 39,783 Thousands (Previous year Rs. 38,567 Thousands)		
(c) Sundry Debtors (Unsecured):		
Outstanding for a period exceeding six months		
Considered good	58	977
Considered doubtful	2,573	2,379
	2,631	3,356
Less: Provision for doubtful debts	2,573	2,379
	58	977
Others, considered good	116,137	138,341
Total :	116,195	139,318
(d) Cash and Bank Balances :		
Cash on hand	481	1,155
Balance with Scheduled banks in :		
Current Accounts	3,711	1,973
In Margin Money and Fixed Deposit Accounts	4,686	2,030
Total :	8,878	5,158
(e) Loans and Advances :		
(Unsecured, Considered good) :		
Advances, Recoverable in cash or in kind or for value to be received	39,355	56,676
Advance tax (Net)	1,125	11,541
Balance with Excise Authorities	856	1,035
	41,336	69,252
Total :	517,509	493,474

BOROSIL

SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2009

	As at 31st March, 2009 Rs. in Thousands	As at 31st March, 2008 Rs. in Thousands
SCHEDULE 8 : CURRENT LIABILITIES AND PROVISIONS		
(a) Current Liabilities:		
Sundry Creditors:		
Micro, Small and Medium Enterprises*	—	—
Others	104,510	78,551
	104,510	78,551
** Unclaimed Debentures	247	323
** Unclaimed Interest on Debentures	58	96
** Unclaimed Matured Deposits	2,106	1,801
** Unclaimed Interest on Matured Deposits	436	452
** Unclaimed Dividend	465	470
Dealers Deposit / Advance from customers	20,733	20,736
Advance against Land Development Agreement	—	27,500
Others Liabilities	32,870	27,110
Interest accrued but not due on loans	85	1,114
	161,510	158,153
Total :	161,510	158,153
(b) Provisions :		
Provision for Tax	2,547	13,520
Provision for Retirement benefits to employees	37,825	29,474
Others Provisions ***	2,423	11,161
	42,795	54,155
Total :	204,305	212,308

* The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures as required by notification dated 16.11.2007 issued by the Ministry of Corporate Affairs have not been given.

** These figures do not include any amounts, due and outstanding, to be credited to investor education and protection fund.

*** The company has recognised liability based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on 31st March, 2008 of Rs.11,161 Thousands as per the estimated pattern of despatches. During the year Rs. 9,042 Thousands was utilised for clearance of goods and unused balance of Rs. 2,119 Thousands was reversed. Liability recognised under this class for the year is Rs. 2,423 Thousands which is outstanding as on 31st March, 2009. Actual outflow is expected in the next financial year when goods are despatched.

SCHEDULES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

	For the year ended 31st March, 2009 Rs. in Thousands	For the year ended 31st March, 2008 Rs. in Thousands
SCHEDULE 9 : OTHER INCOME		
Interest (Gross)		
From Long Term Investment(Trade)	18	109
From Others	1,536	3,686
(Tax Deducted at Source Rs. 75 Thousands (Previous Year Rs. 606 Thousands))		
Dividend on Long term Investments	8,645	8,643
Financial Charges / Rent	310	10,349
Sundry Credit Balance Written Back (Net)	441	375
Profit on sale of Fixed Assets	4,557	-
Miscellaneous Income	2,618	1,386
Total :	18,125	24,548
SCHEDULE 10 : INCREASE/(DECREASE) IN STOCK		
Stock at Commencement:		
Semi-finished goods	111,373	101,449
Finished goods	136,382	115,554
	247,755	217,003
Less: Stock at Close:		
Semi-finished goods	200,270	111,373
Finished goods	119,598	136,382
	319,868	247,755
	72,113	30,752
SCHEDULE 11: MANUFACTURING AND OTHER EXPENSES		
Stores, Spare parts and Loose tools Consumed	11,302	12,114
Processing Charges	82,773	39,425
Packing Materials Consumed	33,439	41,225
Power, Fuel and Water	133,297	137,501
Excise Duty	(2,837)	9,572
Salaries, Wages, Allowances & Bonus	115,006	143,688
Contribution to Provident, Gratuity and Pension Funds	17,355	17,556
Staff Welfare Expenses	12,839	12,301

SCHEDULES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009

	For the year ended 31st March, 2009 Rs. in Thousands	For the year ended 31st March, 2008 Rs. in Thousands
SCHEDULE 11: MANUFACTURING AND OTHER EXPENSES (Contd.)		
Rent	7,599	7,329
Rates and Taxes	1,333	1,412
Repairs and Maintenance to Plant and Machinery	1,984	3,633
Repairs to Buildings	722	1,903
Other Repairs	2,801	2,727
Insurance	2,281	3,569
Travelling	29,084	28,947
Communications	6,259	5,837
Commission on Sales	98	36
Additional Tax & Turnover tax	620	2,130
Cash Discount	11,092	10,840
Advertisement and Sales Promotion Expenses	8,552	5,293
Warehousing / Freight / Octroi	48,957	37,044
Bank Charges	2,956	1,789
Payments to Auditors	2,349	2,450
Directors Fees	365	360
Donations	—	74
Exchange difference (Net)	2,178	3,167
Bad Debts	62	141
Provision for Doubtful Debts	194	13
Loss on sale of Fixed Assets	—	194
Miscellaneous Expenses	30,137	26,607
Total :	<u>562,797</u>	<u>558,877</u>
SCHEDULE 12: INTEREST		
Interest on : Loans for Fixed Period	22,543	16,846
Others	16,735	14,725
	<u>39,278</u>	<u>31,571</u>

SCHEDULE 13: SIGNIFICANT ACCOUNTING POLICIES**1. BASIS OF ACCOUNTING:**

The financial statements have been prepared as a going concern under historical Cost convention, in accordance with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

2. REVENUE RECOGNITION:

Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods have passed to the buyer. Turnover includes sales of goods, services, scrap, excise duty and service tax but excludes sales tax/ value added tax. Dividend Income is recognised when right to receive the payment is established by the balance sheet date. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable. Commission is recognised on an accrual basis in accordance with the terms of relevant agreement.

3. USE OF ESTIMATES:

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon managements' best knowledge of current events and actions, actual results could differ from this estimates. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

4. FIXED ASSETS:

Fixed Assets are stated at cost of acquisition or construction net of cenvat and value added tax credits and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing costs till commencement of commercial production are capitalised.

5. DEPRECIATION:

Depreciation on fixed assets except Plant, Machinery and Equipments situated at Company's unit at Marai Malai Nagar, Tamilnadu, has been provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 on assets purchased after 1987, and on assets purchased before 1987 on straight line method at the rates then prevailing.

Depreciation on Plant, Machinery & Equipments situated at Company's unit at Marai Malai Nagar, Tamilnadu, has been provided on written down value method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. Leasehold improvements which are capitalised as building are depreciated during the Lease period.

The revised carrying amount of the fixed assets identified as impaired, is amortized over the estimated residual life of the respective fixed assets.

Computer software is amortized over the useful life or period of three years whichever is less.

6. INVESTMENTS:

Current investments are carried at lower of cost and market value/NAV, computed individually. Long-term investments are carried at cost. Provision for diminution is made scrip wise to recognize the decline other than temporary in the opinion of the management.

7. INVENTORIES:

Inventories of raw materials and semi-finished goods are stated at cost. Finished goods are stated at the lower of cost or net realisable value. Cullet is valued at raw material cost or net realisable value whichever is lower. Stores and spares are valued at cost reduced for obsolete and slow moving items. Cost is calculated on the weighted average method. Cost of work in progress and finished goods is determined on absorption costing method.

8. EMPLOYEE BENEFITS:

- i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss Account.

9. FOREIGN CURRENCY TRANSACTIONS:

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- (ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and the premium paid on forward contracts has been recognised over the life of the contract.
- (iii) Non monetary foreign currency items are carried at cost.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Account.

10. EXPORT INCENTIVES:

- (i) The benefit in respect of duty draw back, credit in Duty Entitlement Pass Book scheme, is recognised as and when right to receive are established as per the terms of scheme
- (ii) The benefits in respect of Advance Licence received by the company against the Export made by it are recognised as and when goods are imported against them.

11. IMPAIRMENT OF ASSETS:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of recoverable amount.

12. DERIVATIVE TRANSACTIONS:

In respect of derivative contract, premium paid, provision for losses on re-statement and gains/losses on settlement are recognized alongwith underlying transaction and charged to the profit and loss account.

13. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes on accounts. Contingent Assets are neither recognised nor disclosed in the financial statements.

14. EXCISE DUTY:

Excise Duty has been accounted on the basis of both payments made in respect of goods cleared as also provision made for goods lying in bonded warehouses.

15. BORROWING COST:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

16. LEASES:

Lease rentals are expensed with reference to lease terms and other considerations.

SCHEDULE 14 : NOTES ON ACCOUNTS

- 1. Estimated amount of contracts remaining to be executed on capital account not provided for Rs.1,322 Thousands net of advance payment (Previous year Rs. 6,315 Thousands).
- 2. During the year, the Company transferred its Cold-end workers to its new location at Bharuch District in Gujarat, owing to several reasons, including high energy and other operational costs at Marol, Mumbai. These transfers were challenged by the Workers' Union before the Courts. Subsequent to 31.03.2009, the Company has amicably resolved the dispute and signed a settlement with them. In the month of May, 2009, a Voluntary Retirement Scheme (VRS) has been offered to all its workmen at Marol plant, Mumbai, which has since been accepted and fully implemented. The Union has withdrawn from courts all legal cases filed against the Company.

3. The Company's furnace at Marol plant, Mumbai has completed its useful life and has been cooled down. All production activities have also been suspended at the above place. However the Company has decided to set up a modern borosilicate glass melting furnace at a site in the Bharuch District of Gujarat and till the new plant is completed, to cater the market demands from its existing stocks as well as from imports. In view of the above, the accounts have been prepared on a going concern basis.
4. The Company entered into a Development Right Agreement in June, 2004 for developing a portion of surplus land admeasuring 14000 square meter approx. at Marol, Mumbai. In the absence of necessary clearance under Urban Land (Ceiling & Regulation) Act, 1976, the Developer cancelled the said agreement and sought refund of their money along with claim for liquidated damages amounting to Rs.1,00,000 Thousands. The claim for liquidated damages was disputed and the matter was referred for Arbitration. Pursuant to arbitration award, during the year, the Company paid Rs.50,000 Thousands as liquidated damages to the Developer and got the land released. The said amount has been charged to the Profit & Loss Account and disclosed as an Extra-ordinary item.
5. Pursuant to the approval of the shareholders at the Extraordinary General Meeting held on 04.01.2007, the Company had issued 5,34,850 Warrants carrying a right to subscribe to equal number of Equity Shares, to the promoter companies on preferential basis, having a currency of 18 months from the date of allotment of the said Warrants, i.e. 17.01.2007. Against the above Warrants, 1,79,390 Equity Shares were allotted in March, 2007 and balance 3,55,460 Equity shares on 16.07.2008. The proceeds from issue of above Equity shares amounting to Rs.88,456 Thousands have been fully utilized for long term working capital requirement.
6. As per revised Accounting Standard-15 'Employee Benefits', the disclosure of Employee benefits as defined in the Accounting Standard are given below:

Defined Contribution plan:

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

	(Rs./Thousands)	
Particulars	2008-2009	2007-2008
Employer's Contribution to Provident Fund	3,700	4,234
Employer's Contribution to Superannuation Fund	371	978
Employer's Contribution to Pension Scheme	3,255	4,143

The contribution to provident fund is made to respective Regional Provident Fund managed by Provident Fund Commissioner. Employees' Superannuation Fund is managed by Life Insurance Corporation of India.

Defined Benefit Plan:

The employees' gratuity Fund is managed by the 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.

	Gratuity(Funded)	
Particulars	2008-2009	2007-2008
Mortality Table	1994-96	1994-96
Salary growth :-	5.50%	6.00%
Discount rate	7.00%	8.00%

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	(Rs. in Thousands)	
<u>Amount recognised in the income statement</u>	<u>2008-2009</u>	<u>2007-2008</u>
Current service cost	2,394	2,096
Interest cost	2,285	2,538
Expected Return on Plan Assets	(1,141)	(1,294)
Net actuarial (gains)/losses recognised in the period	1,426	1,224
Total	4,964	4,564
<u>Movement in present value of defined benefit obligation:</u>		
Particulars		
Obligation at the beginning of the year	32,639	30,766
Current service cost	2,394	2,096
Interest cost	2,285	2,538
Actuarial loss on obligation	1,490	1,113
Benefits paid	(5,595)	(3,874)
Obligation at the end of the year	33,213	32,639
<u>Movement in present value of plan assets</u>		
Particulars		
Fair value at the beginning of the year	15,714	15,905
Expected Return on Plan Assets	1,141	1,294
Contribution	1,020	2,500
Actuarial gains/(losses)	63	(111)
Benefits paid	(5,595)	(3,874)
Fair value at the end of the year	12,343	15,714
<u>Expected returns on plan assets</u>	8.5%	8.5%
Class of assets		Fair Value of Asset
		(Rs. in Thousands)
	2008-2009	2007-2008
Life Insurance Corporation	12,184	15,638
Bank Balance	150	67
TDS Credit	9	9
Total	12,343	15,714
<u>Amount recognised in the balance sheet</u>		
		(Rs. in Thousands)
	2008-2009	2007-2008
Present value of obligations at the end of the year	33,213	32,639
Less: Fair value of plan assets at the end of the year	12,343	15,714
Funded status	20,870	16,925
Net liability recognized in the balance sheet	20,870	17,055
Unclaimed Liabilities	--	129
<u>Leave Encashment (Unfunded)</u>		
In accordance with revised AS-15 'Employee Benefits', the company has provided the liability on actuarial basis. As per the actuarial certificate (on which auditors have relied), the details of the employees; benefits plan - Leave Encashment are:		
Particulars		
Leave Encashment		
<u>Actuarial assumptions</u>		
Particulars		
Mortality Table(LIC)	1994-96	1994-96
Salary growth :-	5.50%	6.00%
Discount rate	7.00%	8.00%

(Rs. in Thousands)

<u>Amount recognised in the income statement</u>	2008-2009	2007-2008
Current service cost	1,410	1,283
Interest cost	801	820
Expected Return on Plan Assets	Nil	Nil
Net actuarial (gains)/losses recognised in the period	1,225	303
Total	3,436	2,406

Movement in present value of defined benefit obligation

Particulars

Obligation at the beginning of the year	11,441	10,244
Current service cost	1,410	1,283
Interest cost	801	820
Actuarial loss on obligation	1,225	303
Benefits paid	(2,291)	(1,209)
Obligation at the end of the year	12,586	11,441

Amount recognised in the balance sheet

Present value of obligations at the end of the year	12,586	11,441
Less: Fair value of plan assets at the end of the year	Nil	Nil

Net liability recognised in the balance sheet

	12,586	11,441
--	--------	--------

Note:-

Amounts for current and previous Two periods are as follows :

<u>Gratuity (Funded)</u>	2008-09	2007-08	2006-07
Defined Benefit Obligation	33,213	32,639	30,766
Plan Assets	12,343	15,714	15,905
Surplus/(deficit)	(20,870)	(16,925)	(14,861)
Experience adjustment on plan Assets	(63)	(111)	(178)
Experience adjustment on plan Liabilities	1,490	1,113	5,085

Leave Encashment (Unfunded)

<u>Leave Encashment (Unfunded)</u>	2008-09	2007-08	2006-07
Defined Benefit Obligation	12,586	11,441	10,244
Plan Assets	-	-	-
Surplus/(deficit)	(12,586)	(11,441)	(10,244)
Experience adjustment on plan Assets	N.A.	N.A.	N.A.
Experience adjustment on plan Liabilities	1,225	303	381

7. In accordance with the Accounting Standards (AS-28) on "Impairment of Assets" during the year Company has reassessed its fixed assets and is of the view that no further impairment/reversal is considered to be necessary in view of its expected realizable value.
8. The expenses on account of forward premium on outstanding forward exchange contract to be recognized in the Profit and Loss account of subsequent accounting year aggregating to Rs.181 Thousands (Previous year Rs. 443 Thousands)
9. **Contingent liabilities:**

(Rs. In Thousands)

	As at 31.3.2009	As at 31.3.2008
(i) Disputed liabilities in appeal:		
a. Income Tax	527	253
(The Income-Tax assessment of the company have been completed up to Assessment Year 2007-2008. Based on the decisions of the Appellate authorities and the interpretations of the other relevant provisions, the Company has been legally advised that the demands are likely to be either deleted or substantially reduced and accordingly no provision has been made).		

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b. Sales Tax (No cash outflow is expected in the near future.)	8,101	8,834
c. Cenvat credit/Service Tax (No cash outflow is expected in the near future.)	6,010	5,654
d. Others (No cash outflow is expected in the near future.)	2,980	2,775
(ii) Bank Guarantees (Bank guarantees are provided under contractual/legal obligation. No cash outflow is expected.)	2,841	1,781
(iii) Letter of Credits		
Inland-	13,458	830
Foreign-	7,562	2,076
(Cash outflow expected on the basis of payment terms mentioned in Letter of Credit.)		
(iv) Bill Discounted (No cash outflow is expected in the near future.)	15,482	2,540
10. A portion of the Land at Company's plant at Marol, Mumbai was revalued as on 31st March, 1998 by a Valuer appointed for the purpose. The resultant increase of Rs. 2,39,273 Thousands to the cost of the said land arising from the revaluation was credited to Revaluation Reserve. Consequently, the said land is stated at revalued amount in the Balance Sheet.		
11. Sundry Debtors, Creditors and Loans & Advances are subject to confirmations.		
12. Payment to Auditors : (Net of Cenvat credit taken)		(Rs. In Thousands)
	2008-2009	2007-2008
(i) Audit Fee	950	965
(ii) Tax Audit Fee	238	241
(iii) Taxation matters	991	1,096
(iv) Consultancy & Certification	170	148
Total	<u>2,349</u>	<u>2,450</u>

13. Managerial Remuneration:

a) The company has been advised that the computation of net profits for the purpose of directors remuneration under section 349 of the Companies Act, 1956 need not be enumerated since no commission has been paid to the directors. Fixed monthly remuneration has been paid to Managing/Wholetime Directors as per Schedule XIII of the Companies Act, 1956.

b) Managing/ Wholetime Director's Remuneration

	(Rs. In Thousands)	
	2008-2009	2007-2008
i) Salary	3,325	2,745
ii) Contribution to Provident & Other Funds	412	317
iii) Other Perquisites	491	386
Total :	<u>4,228</u>	<u>3,448</u>

Note :-

Above remuneration excluded contribution to gratuity fund & Provision for leave encashment on retirement since the same is provided on overall basis.

14. The deferred tax liability as at 31st March, 2009 comprise of the following: -

	(Rs. In Thousands)	
	As at 31.3.2009	As at 31.3.2008
(i) Liabilities		
Depreciation	20,871	27,687
Total	20,871	27,687
(ii) Assets		
- Disallowances U/S 43(B) of Income Tax Act, 1961	3,716	9,950
- Unabsorbed Depreciation Loss	4,511	-
- Others	90	877
Total	8,317	10,827
Net Liability (i) - (ii)	12,554	16,860

15. Earning Per Share(Basic & Diluted)

	(Rs. In Thousand)	
	Current Year	Previous Year
Net Profit/(Loss) after Tax before extra ordinary item attributable to Equity Share Holders for Basic EPS	(44,084)	5,359
Less: Extra ordinary item	(50,000)	-
Net Profit/(Loss) after extra ordinary item attributable to Equity Share Holders for Basic EPS	(94,084)	5,359
Weighted average No. of Equity Shares outstanding for Basic EPS	38,60,699	36,08,468
Basic Earning Per Share of Rs. 10 each(Rs.)-		
Before extra ordinary item	(11.42)	1.49
After extra ordinary item	(24.37)	1.49
Net Profit/(Loss) after Tax before extra ordinary item attributable to Equity Share Holders for Diluted EPS	(44,084)	5,359
Less: Extra ordinary item	(50,000)	-
Net Profit/(Loss) after extra ordinary item attributable to Equity Share Holders for Diluted EPS	(94,084)	5,359
Weighted average No. of Equity Shares outstanding for Diluted EPS	38,60,699	37,47,544
Diluted Earning Per Share of Rs. 10 each(Rs.)-		
Before extra ordinary item	(11.42)	1.43
After extra ordinary item	(24.37)	1.43
Reconciliation between No. of Shares used for Calculating Basic and Diluted Earning Per Share		
	Current Year	Previous Year
No. of Shares used for Calculating Basic EPS	38,60,699	36,08,468
Add: Potential Equity Shares(Share Warrants)	-	1,39,076
No. of Shares used for Calculating Diluted EPS	38,60,699	37,47,544

16. Segment information as per Accounting Standard 17 on Segment Reporting for the year ended 31st March, 2009.

Information about Primary Business Segments :

(Rs. In Thousands)

Particulars	Labware		Consumerware		Others		Unallocated		Grand Total	
	31st March, 2009	31st March, 2008	31st March, 2009	31st March, 2008	31st March, 2009	31st March, 2008	31st March, 2009	31st March, 2008	31st March, 2009	31st March, 2008
REVENUE										
External Sales (Net)	439,787	469,127	203,068	231,383	27,022	15,645	-	-	669,877	716,155
Total Revenue	439,787	469,127	203,068	231,383	27,022	15,645	-	-	669,877	716,155
Segment Results	82,808	96,568	22,744	41,020	1,912	2,964	-	-	107,464	140,552
Unallocated Corporate Expenses (Net)	-	-	-	-	-	-	122,113	112,817	122,113	112,817
Profit / (Loss)	82,808	96,568	22,744	41,020	1,912	2,964	(122,113)	(112,817)	(14,649)	27,735
Interest Expenses	-	-	-	-	-	-	39,278	31,571	39,278	31,571
Interest/Dividend Income	-	-	-	-	-	-	10,199	12,438	10,199	12,438
Income Tax/Deferred Tax	-	-	-	-	-	-	356	3,243	356	3,243
Profit/(Loss) from Ordinary Activities	82,808	96,568	22,744	41,020	1,912	2,964	(151,548)	(135,193)	(44,084)	5,359
Extraordinary Items	-	-	-	-	-	-	50,000	-	50,000	-
Net Profit/(Loss)	82,808	96,568	22,744	41,020	1,912	2,964	(201,548)	(135,193)	(94,084)	5,359
Segment Assets	-	-	-	-	-	-	841,872	831,783	841,872	831,783
Unallocated Corporate Assets	-	-	-	-	-	-	241,103	340,011	241,103	340,011
Total Assets	-	-	-	-	-	-	1,082,975	1,171,794	1,082,975	1,171,794
Segment Liabilities	-	-	-	-	-	-	198,361	167,032	198,361	167,032
Unallocated Corporate Liabilities	-	-	-	-	-	-	260,787	375,307	260,787	375,307
Total Liabilities	-	-	-	-	-	-	459,148	542,339	459,148	542,339
Capital Expenditure	-	-	-	-	-	-	11,704	14,123	11,704	14,123
Depreciation	-	-	-	-	-	-	33,320	39,393	33,320	39,393
Non-cash Expenditure	-	-	-	-	-	-	-	-	-	-

Secondary Segment:

Since the operation of the Company are predominantly conducted within India, as such there is no reportable Geographical Segment.

Notes:

- (a) Segments have been identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems. These are organized into the following:
- Labware: Comprising of items used for Laboratories and Scientific ware.
- Consumerware: Comprising of items for Domestic use.
- Others: Comprising of items for industrial use and solar water heating system .
- Unallocated: Consists of Income, expenses, assets and liabilities which can not be directly identified to any of the above segments.
- (b) Segment Revenue and Results include the respective amounts identifiable to each of the segments and amount allocated on a reasonable basis. Unallocated includes common expenditure incurred for all the segments and expenses incurred at corporate level.
- (c) Since the fixed assets are used in the Company's business interchangeably and the suppliers of raw materials and consumables are common, disclosure of segment wise assets, liabilities, capital expenditure, depreciation and non cash expenditure is not feasible.
17. Information on Related Parties Disclosures as per Accounting Standard.(AS-18) - "Related Party Disclosures" are given below:

(A) List of Related Parties :**(a) Associate Companies**

1. Fennel Investment & Finance Pvt. Ltd.
2. Gujarat Borosil Limited
3. Gujarat Fusion Glass Limited

(b) Key Management Personnel

1. Mr. P.K.Kheruka - Vice Chairman & Managing Director
2. Mr. V. Ramaswami - Whole-time Director
3. Mr.Shreevar Kheruka-Vice President

(c) Relative of Key Management Personnel

1. Mr. B.L.Kheruka - Relative of Mr. P.K.Kheruka.
2. Mrs. Kiran Kheruka - Relative of Mr. P.K.Kheruka.
3. Mrs.Rekha Keruka - Relative of Mr. P.K.Kheruka.

(d) Enterprises over which persons described in (b) & (c) above are able to exercise significant influence (Other Related Parties) with whom transactions have taken place:-

1. Vylene Glass Works Limited
2. Borosil International Ltd.

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(B) Transactions with Related Parties :

(Rs. in Thousands)

Name of Transaction	Name of the Related Party	As at 31.3.2009	As at 31.3.2008
Sale of Goods	Gujarat Borosil Limited	764	152
	Gujarat Fusion Glass Limited	-	112,141
Sale of Trade Mark	Borosil International Ltd.	200	-
Sale of Fixed Assets	Gujarat Borosil Limited	-	663
	Vyline Glass Works Limited	-	26
Rent Received	Vyline Glass Works Ltd.	200	-
Interest Received	Vyline Glass Works Ltd.	-	716
Lease Rent Income	Gujarat Borosil Limited	-	9,700
Purchase of Goods	Vyline Glass Works Limited	-	186
Warehousing Charges	Vyline Glass Works Ltd.	180	30
Job Work Charges	Vyline Glass Works Ltd.	55,169	11,666
Rent Paid	Mrs. Rekha Kheruka	720	1,140
	Borosil International Ltd.	27	-
	Vyline Glass Works Ltd.	240	360
Interest paid	Gujarat Borosil Limited	9,066	6,701
Directors Fees	Mr. B.L.Kheruka	70	80
Remuneration	Mr. V. Ramaswami	1,671	1,384
	Mr. P. K. Kheruka	2,557	2,064
	Mr. Shreevar Kheruka	1,274	1,252
Reimbursement of expenses to the company	Gujarat Borosil Limited	2094	867
	Vyline Glass Works Limited	84	272
Reimbursement of expenses by the company	Gujarat Borosil Limited	600	305
	Vyline Glass Works Ltd.	57	166
	Gujarat Fusion Glass Limited	-	35
Investments as on balance sheet date	Gujarat Borosil Limited	1,52,795	1,52,795
	Fennel Investment & Finance Pvt. Ltd	41,500	41,500
Sundry Debtors	Gujarat Fusion Glass Limited	-	25,993
	Borosil International Ltd.	173	-
Deposit given	Mrs. Rekha Kheruka	-	17,500
Loans & Advances	Vyline Glass Works Ltd.	-	19,935
Unsecured Loan Received	Gujarat Borosil Limited	1,28,512	37,683
Unsecured Loan refunded	Gujarat Borosil Limited	1,94,700	43,421
Unsecured Loan Payable	Gujarat Borosil Limited	19,766	85,954
Amount Payables	Gujarat Borosil Limited	1,163	284
	Vyline Glass Works Ltd.	4,208	-
Proceeds from allotment of Equity Shares(Including Share premium)	B.L.Kheruka	19,003	-
	Kiran Kheruka	19,003	-
	P.K. Kheruka	19,003	-
	Rekha Kheruka	19,003	-
	Shreevar Kheruka	12,443	-

(C) In accordance with the Clause 32 of Listing Agreement, advance in the nature of loan is/are as under:

- (i) The company has given advance of Rs. Nil (Previous year Rs. 19,935 Thousands) to Vylene Glass Works Limited (the Company in which Directors are interested). Maximum amount outstanding at any time during the year is Rs. 25,708 Thousands (Previous year Rs. 30,770 Thousands).
- (ii) None of the loanees have made, per se, investment in the shares of the Company.
- (iii) Loans to employees as per Company's Policy are not considered.

18. Excise duty note:

(Rs. In Thousands)

	2008-2009	2007-2008
(a) Excise duty shown as a reduction from turnover	42,834	59,594
(b) Excise duty charged to Profit & Loss Account:		
(i) Difference between closing & opening stock	(11,421)	1,195
(ii) Paid on captive consumption for Non-Dutiable Finished Goods	1,036	1,460
(iii) Short Recovery	7,548	6,917
	(2,837)	9,572

19. (a) Licensed Capacity

Class of goods manufactured

- i. Scientific Apparatus and Laboratory Glassware
- ii. Consumerware Glassware

Licensed capacity is not applicable in view of the Company's products having been delicensed .

- (b) Installed capacity on the basis of Glass melted (as certified by the Management but not verified by the Auditors, being a technical matter)

	2008-2009	2007-2008
	12,900 Tons	12,900 Tons

- (c) Actual Production (packed for sale)

	2008-2009 Qty(Pcs.)	2007-2008 Qty(Pcs.)
Class of Goods		
Scientific Apparatus & Laboratory ware*	78,23,895	1,97,79,095
Consumer ware**	58,33,451	54,85,102
Others	19,109	37,853

* Includes 52,90,886 Pcs. (Previous year 13,17,548 Pcs.) produced by Sub contractor on Job work basis.

** Includes 54,14,333 Pcs. (Previous year NIL) produced by Sub contractor on Job work basis.

20. Additional Information pursuant to the provisions of paragraphs 3, 4C and 4D of Part II - Schedule VI to the Companies Act, 1956.

(Rs. In Thousands)

(a) Opening Stock

Class of Goods	2008-2009		2007-2008	
	Qty(Pcs.)	Amount	Qty(Pcs.)	Amount
Scientific Apparatus & Laboratory ware	90,65,172	99,986	57,94,494	72,560
Consumer ware	10,58,455	32,231	17,57,231	42,119
Others	25,622	4,165	1,860	875
Total:		1,36,382		1,15,554

(b) Closing Stock

Class of Goods	2008-2009		2007-2008	
	Qty(Pcs.)	Amount	Qty(Pcs.)	Amount
Scientific Apparatus & Laboratory ware	29,83,191	63,795	90,65,172	99,986
Consumer ware	18,00,856	47,559	10,58,455	32,331
Others	42,036	8,244	25,622	4,165
Total:		1,19,598		1,36,382

(Rs. In Thousands)

(c) Purchases	Qty(Pcs.)	Amount	Qty(Pcs.)	Amount
Scientific Apparatus & Laboratory ware	9,50,637	56,001	5,92,958	31,510
Consumer ware	7,07,578	73,997	5,28,550	61,473
Others	34,372	10,926	25,356	9,390
Total:		1,40,924		1,02,373

(Rs. In Thousands)

d) Turnover	2008-2009		2007-2008	
Class of goods	Qty(Pcs.)	Amount	Qty(Pcs.)	Amount
Scientific Apparatus & Laboratory ware	1,48,56,513	4,39,787	1,71,01,375	4,69,127
Consumer ware	57,98,628	2,03,068	67,12,428	2,31,383
Others	37,067	27,022	39,447	15,645
Total:		6,69,877		7,16,155

e) Consumption of Raw Materials & Components

	2008-2009		2007-2008	
	M.T.	Value/Rs. In Thousands	M.T.	Value/Rs. In Thousands
1. Consumption of Raw Materials:				
i) Sand	1,871	5,106	1,914	5,012
ii) Borax	387	9,138	427	8,426
iii) Boric Acid	213	6,910	201	5,398
iv) Others	128	2,428	114	1,655
		23,582		20,491
2. Components		3,942		10,148
Total:		27,524		30,639

f) Consumption of	2008-2009		2007-2008	
	Value Rs/Thousands	Percentage of total Consumption	Value Rs/Thousands	Percentage of total Consumption
i. Raw Materials and Components				
- Imported	17,026	62	17,979	59
- Indigenous	10,498	38	12,660	41
Total:	27,524	100	30,639	100
ii. Stores, Spare parts and Loose tools				
- Imported	2,272	20	1,740	14
- Indigenous	9,030	80	10,374	86
Total:	11,302	100	12,114	100

g) Value of Imports on CIF basis	2008-2009 Rs./Thousands	2007-2008 Rs./Thousands
i. Raw Materials	11,751	11,231
ii. Components and Spare parts	-	4,461
iii. Capital goods	-	2,314
iv. Finished Goods	85,945	64,664
h) Expenditure in Foreign Currency	2008-2009 Rs./Thousands	2007-2008 Rs./Thousands
i. Travelling	1,916	3,788
ii. Professional fees	609	3,836
iii. Exhibition Expenses	377	1,055
iv. Others	158	216
21. Earnings in Foreign Exchange		
i. Export of goods on F.O.B. basis	32,802	43,609
22. Remittance in Foreign Currency on Account of Dividend		
	2008-2009	2007-2008
i. Number of Non Resident Shareholders (On repatriation basis)	-	3
ii. Number of Equity Shares held by them	-	975
iii. Amount of Dividend Paid (Gross)(Rupees) (Tax Deducted at Source Rs. Nil)	-	2,925
iv. Year to which dividend relates	2007-2008	2006-2007
23. Financial and Derivative Instruments:		
a) Derivative Contracts entered into by the Company and outstanding are as under:		
	Amount Rs. Thousands	
Particulars	As at 31.3.2009	As at 31.03.2008
Forward Cover Contract	20,829	60,376
b) All Derivative and financial instruments acquired by the company are for hedging purpose only.		
c) Unhedged Foreign Currency exposure as on 31st March, 2009 are as under:		
	(Rs. In Thousands)	
	As at 31.3.2009	As at 31.3.2008
Receivables	5,338	8,503
Payables	28,415	21,594

24. Previous year's figures have been re-grouped, reworked, reclassified and re-arranged wherever necessary.

As per our report of even date

For and on behalf of the Board of Directors

For CHATURVEDI & SHAH
Chartered Accountants

B. L. Kheruka *Chairman*

R.Koria
Partner

Shreevar Kheruka
Vice President & CFO

P. K. Kheruka *Vice Chairman & Managing Director*

Place : Mumbai
Date : 30th June, 2009

C. Baptista
Company Secretary

V. Ramaswami *Wholetime Director*

BOROSIL

24 Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956.

Balance Sheet Abstract and General Business Profile.

(i) Registration Details :		
Registration No.	:	CIN- L99999 MH1962 PLC012538
State Code	:	11
Balance Sheet Date	:	31.03.2009
(ii) Capital Raised during the Year (Amount Rs. In Thousands)		
Public Issue	:	NIL
Bonus Issue	:	NIL
Right Issue	:	NIL
Private Placement	:	3,555
(iii) Position of Mobilisation and Deployment of Funds (Amount Rs. In Thousands)		
Total Liabilities	:	1,082,975
Total Assets	:	1,082,975
Sources of Funds :		
Paid-up Capital	:	39,639
Reserve & Surplus	:	584,188
Secured Loans	:	159,707
Unsecured Loans	:	82,582
Current Liabilities	:	204,305
Deferred Tax Liabilities	:	12,554
Application of Funds :		
Net Fixed Assets	:	370,999
Investments	:	194,467
Current Assets	:	517,509
Misc. Expenditure	:	-
Accumulated Losses	:	-
(iv) Performance of Company :		
Turnover (Including Other Income)	:	760,115
Total Expenditure	:	853,843
Profit/(Loss) before Tax	:	(93,728)
Profit/(Loss) after Tax	:	(94,084)
Earning Per Share(Rs.)	:	
Before extra ordinary items per Share(Basic)	:	(11.42)
After extra ordinary items per Share(Basic)	:	(24.37)
Before extra ordinary items per Share(Diluted)	:	(11.42)
After extra ordinary items per Share(Diluted)	:	(24.37)
Dividend Rate (%)	:	
(v) Generic Names of Principal Products/Services of the Company (As per monetary terms)		
Item Code No.	:	7017
Product Description	:	Laboratory Glassware
Item Code No.	:	7013
Product Description	:	Table Kitchen Glassware
Item Code No.	:	7002
Product Description	:	Glass Rods & Tubes

For and on behalf of the Board of Directors

B. L. Kheruka *Chairman*

Shreevar Kheruka
Vice President & CFO

P. K. Kheruka *Vice Chairman & Managing Director*

Place : Mumbai
Date : 30th June, 2009

C. Baptista
Company Secretary

V. Ramaswami *Wholetime Director*

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	(Rs. In Thousands)	(Rs. in Thousands)
	2008-2009	2007-2008
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before tax as per Profit & Loss Account	(93,728)	8,602
Extra Ordinary items	50,000	
	(43,728)	8,602
Adjusted for :		
Depreciation	33,320	39,393
Effects of exchange rate change	1,716	1,759
Loss/(Profit) on sale of fixed assets	(4,557)	194
Interest Expenses	39,278	31,571
Sundry balances written back (net)	(441)	(375)
Bad Debts	62	141
Provision for Bad & Doubtful Debts	194	13
Income/Interest on Investment	(18)	(109)
Dividend Income	(8,645)	(8,643)
	60,909	63,944
Operating Profit before Working Capital Changes	17,181	72,546
Adjusted for :		
Trade & Other Receivables	40,351	(22,299)
Inventories	(71,388)	(33,880)
Trade Payables	34,217	13,151
	3,180	(43,028)
Cash generated from operations	20,361	29,518
Direct taxes paid	(5,219)	(14,333)
	15,142	15,185
Cash Flow before extraordinary items	15,142	15,185
Extra Ordinary items	-	-
Net Cash from Operating Activities	15,142	15,185
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(14,793)	(11,127)
Sale of Fixed Assets	94,186	900
Advance against Land sale	(27,500)	(12,500)
Sale of Investment	1,609	-
Income/Interest on Investment	52	127
Dividend Received	8,645	8,645
Extra Ordinary items	(50,000)	-
Net Cash from/(used) in Investing Activities	12,199	(13,957)

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C. Cash Flow from Financing Activities

Proceeds from issue of Equity Shares	88,456	
Repayment of long term borrowings	(4,417)	(28,731)
Movement in short term loans	(66,948)	72,333
Dividends Paid	(5)	(10,590)
Interest paid	(40,707)	(34,399)
Net Cash used in Financing Activities	(23,621)	(1,387)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	3,720	(159)
Opening Balance of Cash and Cash Equivalents	5,158	5,317
Closing Balance of Cash and Cash Equivalents	8,878	5,158

Notes :

1. Bracket indicates cash outflow.
2. Previous year figures have been regrouped / rearranged wherever necessary.
3. Extra ordinary items represents Liquidated Damages.
4. The above Cash Flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS-3) on Cash Flow Statement.
5. Cash and Cash Equivalents at the end of the year includes Margin Money & Fixed Deposits, as mentioned in Schedule 7d, which are held as security with the Banks.

As per our report of even date

For and on behalf of the Board of Directors

For **CHATURVEDI & SHAH**
Chartered Accountants

B. L. Kheruka Chairman

R.Koria
Partner

Shreevar Kheruka
Vice President & CFO

P. K. Kheruka Vice Chairman &
Managing Director

Place : Mumbai
Date : 30th June, 2009

C. Baptista
Company Secretary

V. Ramaswami Wholetime Director

BOROSIL GLASS WORKS LTD.

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

ATTENDANCE SLIP

46th Annual General Meeting on 22nd August, 2009 at 11.00 a.m.

Folio No. /Client ID & D.P. ID No.

Name of the Attending Member

Please tick whether member/Joint-Holder/Proxy

No. of Shares held

Member's or Proxy's Signature

NOTE :

Shareholder/Proxy must bring the Attendance Slip to the Meeting and hand over the same at the entrance duly signed.

BOROSIL GLASS WORKS LTD.

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

PROXY FORM

Folio No. /Client ID & D.P. ID No.

I/We.....

..... of

..... in the district of being a member/members

of Borosil Glass Works Ltd. hereby appoint

..... of

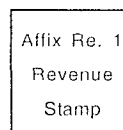
..... in the district of or

failing him

..... in the district of.....

as my/our proxy to vote for me/us on my/our behalf at the 46th Annual General Meeting of the Company to be held on Saturday the 22nd August, 2009 and at any adjournment thereof.

Signed this..... day of.....2009.



NOTE :

The proxy form duly completed must reach the Registered Office of the Company at Mumbai not less than 48 hours before the commencement of the Meeting.

BOOK - POST

If undelivered, please return to :

BOROSIL GLASS WORKS LTD.

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