

# Haldyn Glass Limited

[Formerly Haldyn Glass Gujarat Limited]

Registered Office : Village Gavasad, Taluka Padra, District Vadodara 391 430

## NOTICE

NOTICE is hereby given that the Twenty-first Annual General Meeting of the Members of **HALDYN GLASS LIMITED** will be held on Friday, September 28, 2012 at 03.00 p.m. at the Registered Office of the Company at Village Gavasad, Taluka Padra, Dist. Vadodara 391 430, to transact the following business:-

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2012 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To declare a Dividend on Equity Shares.
3. To appoint a Director in place of Mr. F. S. Broacha, who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Sikandar Talwar, who retires by rotation and being eligible, offers himself for reappointment.
5. To consider and, if thought fit, to pass the following Resolution, with or without modification, as an Ordinary Resolution:  
"To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Chaturvedi Sohan & Co., the retiring Auditors, are eligible for re-appointment".

### **SPECIAL BUSINESS:**

6. To consider and, if thought fit, to pass the following Resolution, with or without modification, as an Ordinary Resolution:  
"RESOLVED that M/s. Mukund M. Chitale & Co., Chartered Accountants, [Registration Number 106655W] in respect of whom a notice in writing from a member of the Company signifying his intention to appoint them as Auditors of the Company has been received pursuant to Section 225 of the Companies Act, 1956, be and are hereby appointed as Auditors of the Company in place of M/s.Chaturvedi Sohan & Co., Chartered Accountants, the retiring Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration to be decided by the Board of Directors of the Company in consultation with them."
7. To consider and, if thought fit, to pass the following Resolution, with or without modification, as a Special Resolution:  
"RESOLVED that consent of the members be and is hereby accorded, pursuant to the provisions of Sections 198, 269, 309, 310 and all other applicable provisions, if any, of the Companies Act, 1956 ["the Act"] read with Schedule XIII of the Act, to the appointment of Mr. N. D. Shetty as Executive Chairman of the Company for a period of 5 [five] years with effect from August 16, 2012 on the terms and conditions, including expressly the remuneration payable to him as Executive Chairman and the minimum remuneration payable to him in case of absence or inadequacy of profits in any year, as set out in the draft Agreement between the Company and Mr. Shetty produced at this Meeting and, for the purpose of identification, initialed by the Chairman hereof;  
RESOLVED FURTHER that the Board of Directors ["the Board"] be and is hereby authorized to execute the Agreement in terms of the said draft with such alterations, changes and or variations, if any, in the remuneration payable to Mr. Shetty as may be agreed between the Board and Mr. Shetty provided that the said remuneration as altered, changed and or varied shall be in accordance with the limits prescribed therefor under Schedule XIII of the Act for the time being and from time to time in force;  
AND RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to execute all such documents and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper."
8. To consider and, if thought fit, to pass the following Resolution, with or without modification, as an Ordinary Resolution:  
"RESOLVED that consent of the members be and is hereby accorded, pursuant to the provisions of Sections 198, 269, 309, 310 and all other applicable provisions, if any, of the Companies Act, 1956 ["the Act"] read with Schedule XIII of the Act, to the appointment of Mr. T. N. Shetty as Managing Director of the Company for a period of 5 [five] years with effect from August 16, 2012 on the terms and conditions, including expressly the remuneration payable to him as Managing Director and the minimum remuneration payable to him in case of absence or inadequacy of profits in any year, as set out in the draft Agreement between the Company and Mr. Shetty produced at this Meeting and, for the purpose of identification, initialed by the Chairman hereof;  
RESOLVED FURTHER that the Board of Directors ["the Board"] be and is hereby authorized to execute the Agreement in terms of the said draft with such alterations, changes and or variations, if any, in the remuneration payable to Mr. Shetty as may be

agreed between the Board and Mr. Shetty provided that the said remuneration as altered, changed and or varied shall be in accordance with the limits prescribed therefor under Schedule XIII of the Act for the time being and from time to time in force; AND RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to execute all such documents and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper.”

By Order of the Board

**A. A. Lambay**

Company Secretary

Place: Mumbai

Date: August 28, 2012

**Registered Office:**

Village Gavasad, Taluka Padra

Dist. Vadodara 391 430

**NOTES:**

- [a] The Explanatory Statements pursuant to Section 173[2] of the Companies Act, 1956, in respect of the special business under Item Nos. 6 to 8 set out above and the relevant details in respect of Item Nos. 3, 4, 7 and 8 set out above, pursuant to Clause 49 of the Listing Agreement with BSE, are annexed hereto.
- [b] **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT OF PROXY DULY COMPLETED AND SIGNED SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- [c] Members / Proxies should bring the enclosed Attendance Slip duly filled in, along with the Annual Report for attending the Meeting.
- [d] The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, September 18, 2012 to Friday, September 28, 2012 [both days inclusive].
- [e] The dividend as recommended by the Board of Directors if approved at the Annual General Meeting, will be paid on or after September, 29, 2012 to those Shareholders whose names appear in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / its Registrar and Transfer Agent on or before September 17, 2012 and whose names appear as beneficial owners in the list of Beneficial Owners to be furnished by the National Securities Depository Limited and the Central Depository Services [India] Limited in respect of the shares held in Demat form for this purpose.
- [f] Members are requested to notify any change in their address:
- [i] to their Depository Participants [DPs] in respect of shares held in Demat form; and
- [ii] to the Registrar and Transfer Agents of the Company, Universal Capital Securities Pvt. Ltd, 21, Shakil Niwas, Mahakali Caves Road, Andheri [East], Mumbai 400 093, in respect of shares held in physical form, quoting their folio numbers.
- As per SEBI Circular No.MRD/DOP/Cir-05/2009 dated May 29, 2009, it is mandatory to quote PAN No. for transfer of shares in physical form. Therefore, the transferee[s] is required to submit the self attested PAN card copy to the Registrar and Share Transfer Agents of the Company for registration of transfer of shares.
- [g] Members desiring any information on accounts or operations of the Company are requested to forward their queries to the Company at least eight days prior to the date of the Meeting so that the required information is made available at the Meeting.
- [h] Members who have not encashed their dividend warrant in respect of any previous year are requested to write to the Company Secretary, for revalidation of dividend warrants.
- [i] The Ministry of Corporate Affairs has taken a Green Initiative in Corporate Governance by issuing Circulars allowing paperless compliances by Companies through electronic mode. The Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Shareholders who have not registered their e-mail address with the Company can now register the same by submitting duly filled in E Communication Registration Form enclosed at the end of this report. Members holding shares in electronic form are requested to register their e-mail addresses with their Depository Participants only. Even after registering for E communication the shareholders of the Company are entitled to receive such communication in physical form upon request.

By Order of the Board

**A. A. Lambay**

Company Secretary

Place: Mumbai

Date: August 28, 2012

**Registered Office:**

Village Gavasad, Taluka Padra

Dist. Vadodara 391 430

## EXPLANATORY STATEMENTS

The Explanatory Statements pursuant to Section 173 of the Companies Act, 1956, in respect of the special business under Item Nos. 6 to 8 set out above.

### Item No. 6:

The accounts of the Company are presently being audited by M/s. Chaturvedi Sohan & Co., Chartered Accountants. The Company has received a Special Notice from a shareholder under Section 190 read with Section 188 of the Companies Act, 1956 [the Act] proposing the appointment of M/s. Mukund M. Chitale & Co., Chartered Accountants pursuant to Section 225 of the Act as Statutory Auditors of the Company in place of M/s. Chaturvedi Sohan & Co., Chartered Accountants, the retiring Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to examine and audit the accounts of the Company for the financial year 2012-13, on a remuneration to be decided by the Board of Directors of the Company in consultation with them. M/s. Mukund M. Chitale & Co. has also expressed their willingness to act as Auditors of the Company, if appointed, and have confirmed that their appointment would be in conformity with the provisions of Section 224[1B] of the Act.

M/s. Mukund M. Chitale & Co., have vast and varied experience in the field of accounting, taxation and audit.

Approval of the members is being sought to the appointment of M/s. Mukund M. Chitale & Co., as Statutory Auditors and to authorize the Board of Directors to determine the remuneration payable to them.

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

The Board commends the Resolution at Item No. 6 of the Notice for acceptance by the members.

### Item Nos. 7 and 8:

During the tenure of Mr. N. D. Shetty as Managing Director upto May 31, 2011 and thereafter as Executive Chairman, and the tenure of Mr. T. N. Shetty as Whole-time Director upto May 31, 2011 and thereafter as Managing Director, the Company has shown remarkable growth and progress. Through trying times and difficulties, Mr. N. D. Shetty and Mr. T. N. Shetty have successfully steered the Company through losses of ₹ 66.33 lakhs and ₹ 24.96 lakhs in the years ended March 31, 2002 and 2003 to profits [before tax] of ₹ 1968.18 lakhs and ₹ 3380.99 lakhs and net profits [after depreciation and tax] of ₹ 1585.17 lakhs and ₹ 2425.56 lakhs respectively for the years ended March 31, 2011 and March 31, 2012. The Company has also achieved a total income of ₹ 176.93 crores for the year ended March 31, 2012 as against ₹ 152.77 crores for the previous year, thereby registering a handsome growth of 15.82% over the previous year. The improved working results of the Company and its present profitable position are in very large measure due to the expertise and dedicated efforts expended by Mr. N. D. Shetty and Mr. T. N. Shetty in the service of the Company. Having regard to inter alia the improved growth and profitability of the Company, the greater duties and responsibilities they require to shoulder in order to meet challenges in the highly competitive and growing packaging industry, and other material factors, the Remuneration Committee of the Company recommended that the remuneration payable to Mr. N. D. Shetty and Mr. T. N. Shetty be suitably increased. Accordingly, and as a matter of administrative convenience, your Directors have at their meeting held on May 30, 2012 re-appointed Mr. N. D. Shetty as Executive Chairman and Mr. T. N. Shetty as Managing Director respectively of the Company, subject to approval of members in general meeting, for a period of 5 years from August 16, 2012 on terms and conditions [including remuneration] respectively set out in the draft Agreements referred to in the Resolutions at items 7 and 8 of the Notice.

The material terms, including remuneration, of Mr. N. D. Shetty and Mr. T. N. Shetty as contained in the said draft Agreements are as follows:

#### A. Period : 5 years from August 16, 2012

**B. Remuneration :**

	<b>Mr. N. D. Shetty – Executive Chairman</b>	<b>Mr. T. N. Shetty – Managing Director</b>
Salary	[i] A salary of ₹ 8 lakhs per month [inclusive of d.a.] with liberty to the Board to withhold or grant yearly increments based on merit and the Company's performance,	[i] A salary of ₹ 10 lakhs per month [inclusive of d.a.] with liberty to the Board to withhold or grant yearly increments based on merit and the Company's performance,
Commission	[ii] Commission @ 0.5% on annual net profits, subject to the condition that the commission shall not exceed 25% his annual salary,	[ii] Commission @ 1.0% on annual net profits, subject to the condition that the commission shall not exceed 25% of his annual salary ,
Performance Award	[iii] Annual Performance Award as may be decided by the Board,	[iii] Annual Performance Award as may be decided by the Board,
Accommodation	[iv] Use of fully furnished residential accommodation or, in lieu thereof, a house rent allowance @ 25% of monthly salary,	[iv] Use of fully furnished residential accommodation or, in lieu thereof, a house rent allowance @ 25% of monthly salary,
Reimbursement	[v] Reimbursement of gas, electricity and water charges evaluated as provided for in the Income-tax Rules, 1962,	[v] Reimbursement of gas, electricity and water charges evaluated as provided for in the Income-tax Rules, 1962,
Motor car	[vi] Use of a motor car of the Company, with driver, for the Company's business,	[vi] Use of a motor car of the Company, with driver, for the Company's business,
Provident fund and other funds	[vii] Benefit of the Company's Provident Fund and Superannuation Schemes together with the benefit of any Retirement Fund or Scheme which the Company may introduce in future	[vii] Benefit of the Company's Provident Fund and Superannuation Schemes together with the benefit of any Retirement Fund or Scheme which the Company may introduce in future,
Gratuity	[viii] Gratuity in accordance with the Rules of the Company but not exceeding one month's salary for each completed year of service,	[viii] Gratuity in accordance with the Rules of the Company but not exceeding one month's salary for each completed year of service,
Medical Expenses	[ix] Reimbursement of actual medical [including hospitalization] expenses for self and family,	[ix] Reimbursement of actual medical [including hospitalization] expenses for self and family
Leave	[x] Benefit of sick leave in accordance with the Rules of the Company,	[x] Benefit of sick leave in accordance with the Rules of the Company,
	[xi] 30 [thirty] days privilege leave with full pay and allowances for each completed year of service, the said leave being accumulatable and encashable in accordance with the Rules of the Company,	[xi] 30 [thirty] days privilege leave with full pay and allowances for each completed year of service, the said leave being accumulatable and encashable in accordance with the Rules of the Company,
Conveyance	[xii] Benefit of 1st class air / air conditioned train and or such other mode of conveyance as the Executive Chairman may opt for, for self and family, while proceeding on privilege leave, together with reasonable hotel / boarding and lodging expenses incurred at actuals,	[xii] Benefit of 1st class air / air conditioned train and or such other mode of conveyance as the Managing Director may opt for, for self and family, while proceeding on privilege leave, together with reasonable hotel / boarding and lodging expenses incurred at actuals,
Personal Insurance	[xiii] Personal accident insurance cover at the cost of the Company provided the actual premium thereof does not exceed ₹ 5000 per year or such other amount as the Board thinks fit.	[xiii] Personal accident insurance cover at the cost of the Company provided the actual premium thereof does not exceed ₹ 5000 per year or such other amount as the Board thinks fit.
Perquisites	[xiv] Use of a landline telephone for the Company's business at the Executive Chairman's residence, provided that the cost of personal long distance calls, if any, shall be reimbursed by him to the Company, and	[xiv] Use of a landline telephone for the Company's business at the Managing Director's residence, provided that the cost of personal long distance calls, if any, shall be reimbursed by him to the Company, and
Club	[xv] Fees [including entrance and subscription] of Clubs of which the Executive Chairman is, or may become, a member of [subject to a maximum of 2 clubs] together with the benefit of reimbursement of all expenses incurred thereat in or towards the business of the Company.	[xv] Fees [including entrance and subscription] of Clubs of which the Managing Director is, or may become, a member of [subject to a maximum of 2 clubs] together with the benefit of reimbursement of all expenses incurred thereat in or towards the business of the Company.

The above remuneration including the perquisites and benefits aforesaid, but save and except commission, shall, be paid and allowed to Mr. N. D. Shetty and Mr. T. N. Shetty as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year.

**C. OTHER TERMS:**

Mr. N. D. Shetty and Mr. T. N. Shetty shall not be liable to retire by rotation.

They shall not, without Board approval, engage themselves in any other business, occupation or employment competing with the Company's business.

They shall not divulge or disclose any confidential information or knowledge as to the business or affairs of the Company.

In case of death of Mr. N. D. Shetty and or Mr. T. N. Shetty during the course of their employment, the Company shall pay to their legal personal heirs, the salary and other emoluments payable hereunder for the then current month and for three months thereafter.

The respective appointments may be terminated by either party giving 90 days' notice in writing to the other.

The appointment and payment of remuneration as abovestated will not require approval of the Central Government in terms of the provisions of Sections 198, 269, 309 and other applicable provisions, if any, read with Schedule XIII to the Companies Act, 1956, as amended upto date.

Your Directors are of the view that in view of, inter alia, their experience, knowledge, business acumen, expertise and proven performance, the appointments of Mr. N. D. Shetty and Mr. T. N. Shetty will be in the interest of the Company and its shareholders and, accordingly, commend the Resolutions at item Nos. 7 and 8 for your acceptance.

The draft Agreement between the Company and Mr. N. D. Shetty and the draft Agreement between the Company and Mr. T. N. Shetty, referred to in the Resolutions, are available for inspection of members at the Registered office of the Company during the Company's normal business hours on all working days [except Saturdays].

Mr. N. D. Shetty and Mr. T. N. Shetty are concerned or interested in the Resolutions at items 7 and 8 since it concerns their own appointments. Ms. V. R. Ajila, Director, and Mr. R. Y. Ajila, alternate to Ms. V. R. Ajila are related to Mr. N. D. Shetty and Mr. T. N. Shetty and may be deemed concerned or interested in the passing of the Resolutions. None of the other Directors is concerned or interested in the Resolutions at item Nos. 7 and 8 of the Notice.

This Explanation, together with the accompanying Notice, is and shall be treated as an abstract of the terms of contract and memorandum of interest under Section 302 of the Companies Act, 1956.

By Order of the Board

Place: Mumbai  
Date: August 28, 2012

**A. A. Lambay**  
Company Secretary

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

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

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

<b>Name of the Director</b>	<b>Mr. F. S. Broacha</b>	<b>Mr. Sikandar Talwar</b>	<b>Mr. N. D. Shetty</b>	<b>Mr. T. N. Shetty</b>
Date of Birth	June 14, 1938	June 25, 1945	August 12, 1940	May 06, 1974
<b>Date of Appointment</b>	April 25, 1991	October 31, 2008	April 25, 1991	October 31, 2006
<b>Relationships between Directors' Inter-se</b>	Not related to any Director of the Company	Not related to any Director of the Company	Promoter - Director related to Mr. T. N. Shetty and Mrs. V. R. Ajila	Promoter - Director related to Mr. N. D. Shetty and Mrs. V. R. Ajila
Qualification and Expertise	Corporate Lawyer, Advocate High Court, Bombay, has several years of experience with M/s Mulla & Mulla and Craigie, Blunt & Caroe and M/s. Crawford Bayley & Co.	M.A. Taxation Adviser Indian Revenue Service [Retd]. Has worked in various Departments of Government of India Expertise in Tax Law, Finance and Management	Experience of nearly five decades in the Glass Industry	B.Com, from Mumbai University, MBA from Australian Graduate School of Management, Australia. Has training cum working experience with American Glass Technologies, Inc; Florida, USA Worked in Glass Industry for over 15 years. Expertise in Management
Directorship held in other public companies	1. Haldyn Corporation Ltd 2. The Rubber Products Ltd 3. RAS Propack Lamipack Ltd 4. Fouress Engineering India Ltd	Nil	Haldyn Corporation Ltd	Nil
Membership / Chairmanship of Committees across other public companies, if any	1. Haldyn Corporation Ltd Member - Share Transfer Committee, Chairman - Remuneration Committee 2. The Rubber Products Ltd. Member - Audit Committee, Member – Remuneration Committee 3. RAS Propack Lamipack Ltd. Member - Audit Committee 4. Fouress Engineering India Ltd Member - Audit Committee	Nil	Haldyn Corporation Ltd - Chairman Share Transfer Committee	Nil
<b>Number of Equity shares of ₹ 1 each held</b>	Nil	Nil	7,53,960	2,54,100

# Haldyn Glass Limited

[Formerly Haldyn Glass Gujarat Limited]

**Registered Office :** Village Gavasad, Taluka Padra, District Vadodara, Pin - 391 430

## ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Name / s: \_\_\_\_\_

[1st Holder]

[Joint Holder]

I / We record my / our presence at the **Twenty-first Annual General Meeting** of the Company at the Registered Office of the Company at Village Gavasad, Taluka Padra, District Vadodara, Pin - 391 430 on Friday, September 28, 2012 at 3.00 p.m.

Signature[s] of the Shareholder[s] / Proxy: \_\_\_\_\_

Note: Only Shareholders of the Company or their Proxies whose names are registered with the Company will be allowed to attend the Meeting.

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# Haldyn Glass Limited

[Formerly Haldyn Glass Gujarat Limited]

**Registered Office :** Village Gavasad, Taluka Padra, District Vadodara, Pin - 391 430

## FORM OF PROXY

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

I/We \_\_\_\_\_

of \_\_\_\_\_

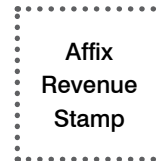
being a Member / Members of the Haldyn Glass Limited, hereby appoint \_\_\_\_\_

of \_\_\_\_\_ or failing him

of \_\_\_\_\_ or failing him

of \_\_\_\_\_ as

my / our Proxy to vote for me / us and on my / our behalf at the **Twenty-first Annual General Meeting** of the Company, to be held on Friday, September 28, 2012 at 3.00 p.m. and at any adjournment thereof.



Signature[s] Shareholder[s]

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Notes: 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

2. This form, duly completed and signed across the stamp, should reach the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

ANNUAL REPORT | 2011-2012



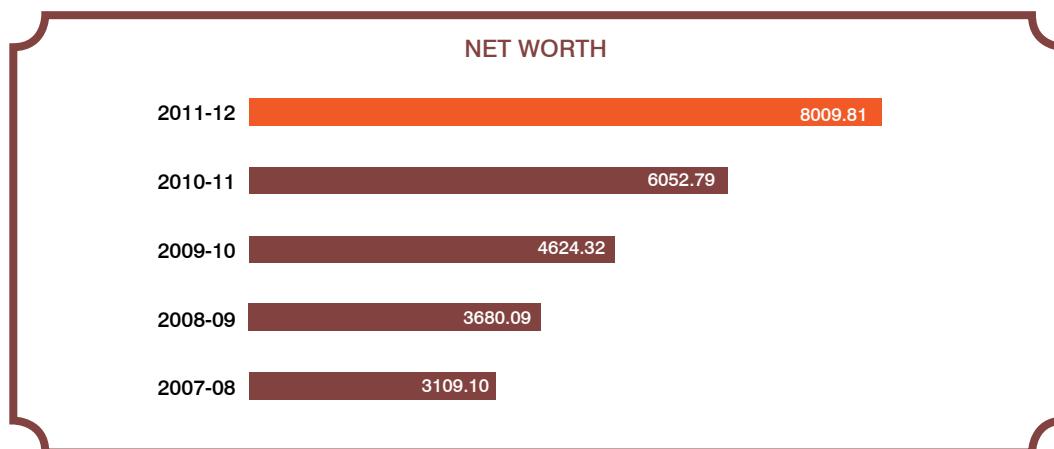
**So natural. So safe.**



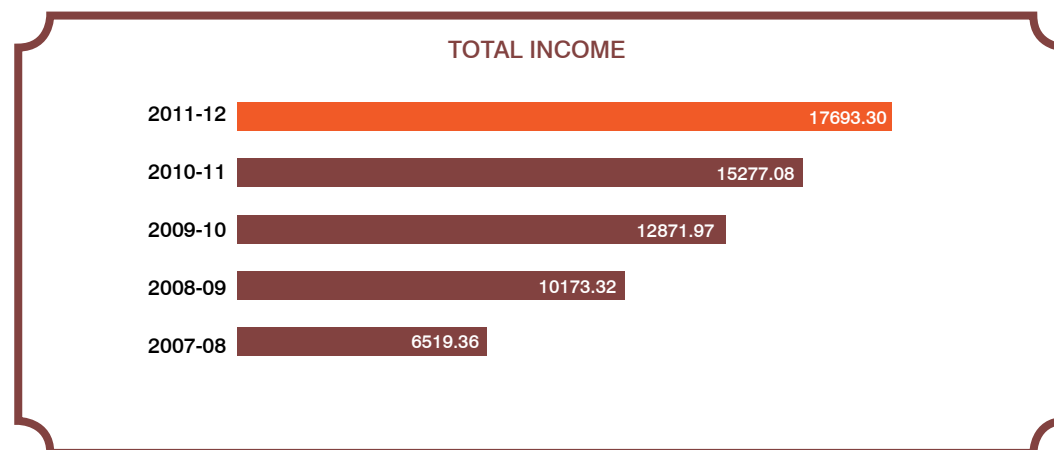


## Performance at a Glance

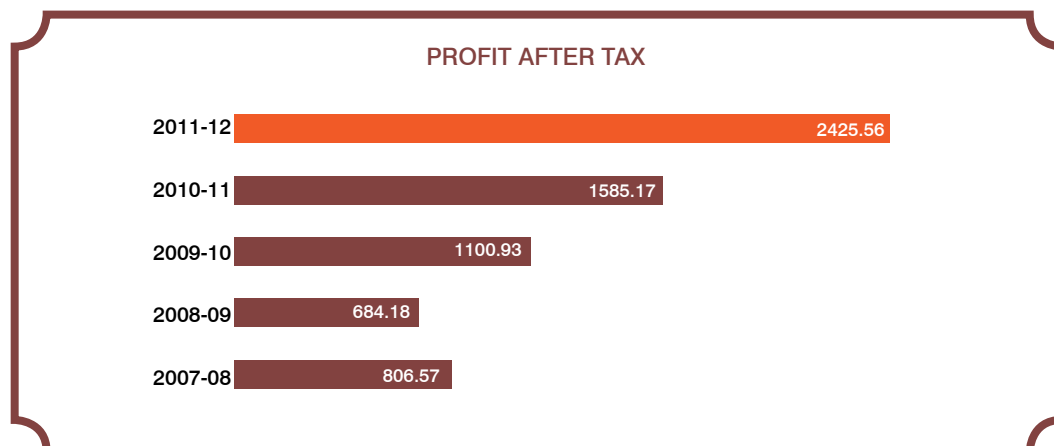
₹ Lakhs



₹ Lakhs



₹ Lakhs



## **BOARD OF DIRECTORS**

Mr. N. D. Shetty	Executive Chairman
Mr. T. N. Shetty	Managing Director
Mr. F. S. Broacha	
Mrs. K. J. Udeshi	
Mr. Rolf E. von Bueren	
Mr. L. Rajagopalan	Alternate to Mr. Rolf E. von Bueren
Mr. Sikandar Talwar	
Mrs. V. R. Ajila	
Mr. R. Y. Ajila	Alternate to Mrs. V. R. Ajila

### **Company Secretary**

Mr. A. A. Lambay

### **Audit Committee**

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

### **Remuneration Committee**

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

### **Shareholders Grievance Committee**

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

### **Share Transfer Committee**

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

### **Auditors**

M/s Chaturvedi Sohan & Co.  
Chartered Accountants

### **Registered Office & Works**

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

### **Administrative Office**

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

### **Bankers**

State Bank of India  
HDFC Bank Limited

### **Registrar & Share Transfer Agents**

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

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### **TWENTY-FIRST ANNUAL GENERAL MEETING**

Day : Friday  
Date : September 28, 2012  
Time : 3.00 p.m.  
Venue : Registered Office situated at  
Village Gavasad, Taluka Padra,  
District: Vadodara – 391 430

# DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the **Twenty-first Annual Report** on the business and operations together with the audited Statement of Accounts of the Company for the year ended on March 31, 2012.

## I. FINANCIAL RESULTS

[₹ Lakhs]

Particulars	[For the year ended March 31]	
	2012	2011
<b>Total Income</b>	<b>17693.30</b>	15277.08
<b>Earnings before interest, depreciation and tax</b>	<b>4567.07</b>	3419.65
Interest and Finance Charges	<b>363.39</b>	465.27
Depreciation	<b>822.69</b>	986.20
<b>Profit before Taxation</b>	<b>3380.99</b>	1968.18
Provision for Current Tax	<b>1008.50</b>	434.00
Provision for Deferred Tax	<b>[53.42]</b>	[51.90]
Wealth Tax	<b>0.98</b>	0.91
<b>Profit after tax</b>	<b>2424.93</b>	1585.17
Prior Period adjustments	<b>0.63</b>	—
Surplus brought forward from previous year	<b>3580.44</b>	2326.97
Profit available for appropriation		
<b>Total</b>	<b>6006.00</b>	3912.14
<b>Appropriations:</b>		
General Reserve	<b>1000.00</b>	175.00
Proposed Dividend on Equity Shares	<b>403.14</b>	134.38
Tax on Proposed Dividend	<b>65.40</b>	22.32
Surplus carried forward to next Year	<b>4537.46</b>	3580.44
<b>Total</b>	<b>6006.00</b>	3912.14

### CHANGE OF NAME OF THE COMPANY

The name of the Company was changed to Haldyn Glass Limited from Haldyn Glass Gujarat Limited effective November 02, 2011.

### YEAR IN RETROSPECT

During the financial year 2011-12, the Company has scaled new heights in terms of sales, profits, networth and Assets. Net sales increased by 14.34% to ₹17399.18 lakhs as against ₹ 15216.75 lakhs in the previous year. Earnings before Interest, Depreciation and Tax for the year was ₹ 4567.07 lakhs compared to 3419.65 lakhs in the previous year. The Profit after tax for the year increased by 52.98% to ₹ 2424.93 lakhs as compared to ₹ 1585.17 lakhs in the previous year. The EPS improved to ₹ 4.51 compared to ₹ 2.95 in the previous year [Face Value being ₹ 1].

## II DIVIDEND

The Board of Directors of your Company are pleased to recommend a dividend of Re 0.75 [75 %] per Equity Share of ₹ 1 each [Previous year: ₹ 0.25 [25%] per Equity Share of ₹ 1 each] subject to the approval of the shareholders at the ensuing General Meeting. The total payout on account of dividend will be ₹ 468.54 lakhs inclusive of tax thereon of ₹ 65.40 lakhs. The dividend will be tax free in the hands of the shareholders.

### III APPROPRIATIONS

For the year under review, an amount of ₹ 1000 lakhs is proposed to be transferred to General Reserve and an amount of ₹ 4537.46 lakhs is proposed to be retained in the Statement of Profit & Loss.

### IV MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

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

#### Macro Economic – Industry Structure and Developments

Growth in India is seen decelerating. GDP growth is forecasted between 6% - 7%. A lot depends on agriculture which in turn depends on monsoon.

In spite of deceleration in the overall industrial growth, the consumption pattern in Indian markets is expected to remain unchanged. With increasing consumerism, preferences towards convenience foods, the packaging industry should be in for good times subject to unforeseen circumstances. We expect the packaging industry, especially the glass packaging industry, to continue to do well in 2012-13

#### Overview

***Recycling one glass bottle saves enough energy to Power a 60-watt bulb for four hours, a computer for 30 minutes or a television for 20 minutes***  
***Glass preserves flavour, maintains health, enhances quality and protects the environment***

Taking into consideration the overall growth in the user Industries like Liquor, Pharmaceuticals, retail Food & Beverage sector and also considering the growing health consciousness resulting in increased usage of Glass as Packing, filling and storing material, the Glass container Industry is expected to grow at an annual rate of 12 to 15 per cent. Presently Less than 20% of all food and beverage are packed in glass container which is comparatively very less as compared to developed countries. In European countries per capita consumption of glass is as high as 64 kg compared to India's 1.4 kg. It is preferred medium because of its 100 per cent naturalness and non-reactionary nature to the content.

The Indian glass packaging industry is valued at approx. ₹ 6000 crores and is expected to continue to grow at a healthy rate of 8 to 10 per cent per annum. India is amongst the top 15 markets for glass packaging globally and it is the third fastest growing market after Turkey and Brazil. The Industry is driven primarily by downstream demand from its user industries such as liquor, pharmaceuticals, food and beverages, cosmetics and perfumery, etc.

Glass containers are hygienic and eco friendly. Due to Health awareness, Government authorities as well as consumers are expected to demand more and more products packed in Glass containers. Future prospects appear promising.

#### Outlook

Capacity expansion is on the anvil of your Company's future plans. Investment in latest and advanced Technology of production and product improvement are being correlated with the present set-up. As reported in the previous year, your Company has set up bottle printing and decorating facility which has tremendous potential for value addition to present as well as prospective customers. Also considering the future prospect of Glass packaging Industry, [though there is bound to be stiff competition from new entrants in the business] there is immense scope for growth, your Company is cautiously optimistic for the next couple of years.

#### Certifications

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

### Risks and Concerns

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

### Corporate Social Responsibility [CSR]

Your Company has actively participated in CSR activities. Your Company contributes to disaster response and management, educational assistance, promotion of sports and waste water management in and around the villages near the factory premises.

### Segment-Wise / Product-Wise Performance

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

### Internal Control Systems and their Adequacy

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

In the meantime, the Company has appointed consultant Internal Auditors with specific assignment to study, review and suggest changes as may be necessary to further strengthen internal controls, system and accounting procedures.

### Human Resources and Industrial Relations

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

### Cautionary Statement

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

## V PARTICULARS OF EMPLOYEES

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

Name / Designation	Date of Joining	Age	Experience [in years]	Remuneration [₹ Lakhs]	Particulars of previous Employment
Mr. N. D. Shetty Executive Chairman	April 25, 1991	72 Years	48 Years	137.49	Director, Haldyn Corporation Limited
Mr. T. N. Shetty Managing Director	August 01, 2009	38 Years	15 Years	108.86	Executive Director, Haldyn Glass Limited

### Notes:

- Remuneration includes Salary, House Rent Allowance / Rent free furnished Accommodation, Performance Award and Commission, Reimbursement of Medical Expenses, Leave Travel Assistance, Company's Contribution to Provident Fund and other perquisites evaluated as per the Income-tax Rules, 1962.

2. Appointment is on contractual basis. Other terms and conditions are as per the Company's Rules.
3. Mr. N. D. Shetty and Mr. T. N. Shetty are related to each other and also related to Ms. V. R. Ajila, Director, and Mr. R. Y. Ajila, alternate to Ms. V. R. Ajila.

## **VI CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUTGO**

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

## **VII DIRECTORS' RESPONSIBILITY STATEMENT**

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

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

## **VIII DIRECTORATE**

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr. F. S. Broacha and Mr. Sikandar Talwar, retire by rotation and, being eligible, offer themselves for re-election.

It is proposed to re-appoint Mr. N. D. Shetty as Executive Chairman and Mr. T. N. Shetty as Managing Director of the Company for a period of 5 years with effect from 16th August, 2012, on the terms and conditions and remuneration payable to them as per the Resolutions / Explanatory Statement incorporated in the Notice of the Annual General Meeting.

## **IX AUDITORS' REMARKS**

Referring to the Auditors' remark at Clause No. XXI in the annexure to their Report, the same has been clarified in the Notes forming part of the Accounts at Note No. 38 [c] which is self explanatory and needs no further comment.

## **X AUDITORS**

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

A Special Notice under Section 225 of the Companies Act, 1956, for appointment of M/s. Mukund M. Chitale & Co., Chartered Accountants, as new Auditors, in place of the retiring Auditors, has been received from a member.

## **XI APPOINTMENT OF COST AUDITOR**

The Ministry of Corporate Affairs [MCA], Cost Audit Branch, has passed an Order on June 30, 2011 directing all companies to which the Companies [Cost Accounting Records] Rules, 2011 apply, to get their cost accounting records for products covered under specified chapters of the Central Excise Tariff Act, 1985 audited by a Cost Auditor. The Order also covered the products manufactured by the Company. Accordingly, the Company had made an application to the Central Government [MCA] for appointment of M/s. Rajesh Shah & Associates as the Cost Auditor of the Company for the year ended March 31, 2012. The Board has reappointed M/s. Rajesh Shah and Associates as Cost Auditors for the year ending March 31, 2013 and the application for approval is being made to the Central Government for their approval.

## **XII SPECIAL BUSINESS**

As regards the items of the Notice of the Annual General Meeting relating to the Special Business, Resolutions incorporated in the Notice and the Explanatory Statement fully indicate the reasons for seeking the approval of the members to those proposals. Members attention is drawn to the same.

### XIII ACKNOWLEDGEMENTS

Your Directors thank all the Shareholders, Customers, Vendors, Banks and the State and Central Governments for the support extended during the year and look forward to their continued support in the future. Your Directors also place on record their appreciation of the contribution made by the Company's employees at all levels.

*For and on behalf of the Board*

Place : Mumbai

Dated: August 28, 2012

**N. D. Shetty**

Executive Chairman

## ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 217[1][e] of the Companies Act, 1956 read with the Companies [Disclosure of the Particulars in the Report of Board of Directors] Rules, 1988 and forming part of the Directors' Report for the year ended March 31, 2012.

### CONSERVATION OF ENERGY

#### 1. Energy Conservation Measures

Installation of Variable Frequency drives on various Blowers, Air Compressors, Lehrs, Single Liners, Cross Conveyers and Stackers to reduce energy consumption.

**Form of disclosure of particulars with respect to Conservation of Energy.**

#### A. Power and Fuel Consumption

Sr. No.	Particulars	Unit	2011-2012	2010-2011
A.1	<b>Electricity</b>			
A.1.a	Purchased			
	Units	Lakhs Kwh	12.21	5.70
	Total amount	₹ Lakhs	109.11	62.20
	Average Rate / Kwh	₹	8.94	10.91
A.1.b	<b>Own generation [CPP 1+2+3]</b>	Lakhs Kwh	208.59	209.41
	Units / SCM of N Gas	Thousand SCM	5195	5152
	Average Cost / Kwh	₹	3.66	3.38
A.2	<b>A.2.a Furnace Oil</b>			
	Quantity purchased	M.T.	Nil	Nil
	Total amount	₹	Nil	Nil
	Average Rate / M.T.	₹	Nil	Nil
	<b>A.2.b LDO</b>			
	Quantity purchased	Kilo Litre	Nil	Nil
	Total amount	₹	Nil	Nil
	Average Rate / Kilo Litre	₹	Nil	Nil
A.3	<b>A.3 Others – Natural Gas</b>			
	Quantity purchased	Thousand SCM	18611	18215
	Total amount *	₹ Lakhs	2075.43	1785.80
	Average Rate / SCM	₹	11.15	9.80

\* including electricity duty on captive generation.

**B. Consumption per Unit of Production**

The Company manufactures wide variety of glass bottles and containers of different sizes and volume. Hence, consumption per unit of production is not measurable.

**2. TECHNOLOGY ABSORPTION****Form - B****Form of disclosure of particulars with respect to technology absorption.****A. Research and development [R & D]**

During the year under review, efforts continue to improve the quality of products through normal research and development.

**B. Technology, absorption, adaptation and innovation**

Your Company has not acquired any imported or indigenous technology

**FOREIGN EXCHANGE EARNINGS AND OUTGO****A. Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans:**

The Company has been making focused efforts to increase its export.

**B. Foreign Exchange Earning and Outgo**

During the year the Company used ₹ 293.48 Lakhs and earned ₹ 47.56 Lakhs of foreign exchange.

*For and on behalf of the Board*

Place : Mumbai  
Dated: August 28, 2012

**N. D. Shetty**  
Executive Chairman



# CORPORATE GOVERNANCE REPORT

## I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's policies and practices revolve around improving transparency, accountability and integrity to all its stakeholders on an ongoing basis. The basic philosophy of Corporate Governance of the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view utmost interest of all its stakeholders.

The name of the Company was changed to Haldyn Glass Limited from Haldyn Glass Gujarat Limited effective November 02, 2011.

## II. BOARD OF DIRECTORS:

### 1. **Composition:**

The Board of Directors comprises of:

- One Executive Chairman [Promoter group]
- One Managing Director [Promoter group]
- One Related Director [Not Independent]
- Four Independent / Non-Executive Directors

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting as also the number of Directorships and Committee Memberships held by them in other companies were as under:

Name	Category	Number of Directorships in other public limited companies	Memberships of other Committee[s]		Number of Board Meetings attended	Last AGM Attended
			Chairman	Member		
Mr N. D. Shetty	Executive Chairman [Promoter group]	1	—	—	5	Yes
Mr. T. N. Shetty	Managing Director [Promoter group]	—	—	—	5	Yes
Mr. F. S. Broacha	Non Executive/ Independent	4	1	4	5	Yes
Mr. Rolf E. von Bueren	Non Executive/ Independent	—	—	—	—	—
Mr. L. Rajagopalan [Alternate to Mr. Rolf E. von Bueren]	Non Executive/ Independent	1	1	3	5	No
Mrs. V. R. Ajila	Non Executive [Promoter group]	—	—	—	—	—
Mrs. K. J. Udeshi	Non Executive/ Independent	3	—	—	4	Yes
Mr. Sikandar Talwar	Non Executive/ Independent	—	—	—	3	—
Mr. R. Y. Ajila [Alternate to Mrs. V. R. Ajila]	Non Executive [Promoter group]	—	—	—	2	—

**Note:**

None of the Directors was member in more than 10 Committees or Chairman in more than 5 Committees.

## 2. MEETINGS OF THE BOARD OF DIRECTORS:

During the year 2011-2012, the Board met Five times on [1] May 25, 2011 [2] August 05, 2011; [3] November 11, 2011 [4] February 04, 2012 and [5] February 14, 2012.

At least one Board Meeting was held during every quarter. The maximum time gap between two Board Meetings was less than four months.

## III. THE BOARD COMMITTEES:

### 1. AUDIT COMMITTEE:

#### Terms of Reference:

The terms of reference cover the matters specified under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. In brief, these are:

To oversee the Company's financial reporting process and disclosure of its financial information; to recommend the appointment of Statutory Auditors and Internal Auditors; to review and discuss with the Auditors all aspects of internal control systems, the scope of audit including the observations of the Auditors, review the adequacy of the internal control system, major accounting policies, practices and entries; compliance with Accounting Standards and Listing Agreement with the Stock Exchange and other legal and regulatory requirements concerning financial statements; to review the reports of the Company's Internal Auditors and to discuss with them any significant findings for follow-up action thereon; to review the financial statements audited by the Statutory Auditors as also to review financial and risk management policies and practices.

#### Composition and Attendance at Meetings of Audit Committee:

Name	Category	Meetings attended
Mr. L. Rajagopalan	Non Executive Director - Independent - Chairman	4
Mr. F. S. Broacha	Non Executive Director - Independent - Member	4
Mrs. K. J. Udeshi	Non Executive Director - Independent - Member	4

During the year 2011-2012, the Committee met Four times on [1] May 25, 2011; [2] August 05, 2011; [3] November 11, 2011 and [4] February 14, 2012.

The necessary quorum was present at the Meetings.

- All members of the Board Audit Committee are financially literate and have relevant finance and /or audit exposure.
- At least one Audit Committee Meeting was held during every quarter.
- Internal Auditors and Statutory Auditors attended all the Meetings as invitees.
- The Company Secretary acts as the Secretary of the Audit Committee.

The Chairman of the Audit Committee Mr. L. Rajagopalan was not present at the 20th Annual General Meeting held on Friday, September 16, 2011.

### 2. REMUNERATION COMMITTEE:

#### Terms of reference:

- [A] Reviewing the overall compensation policy, service agreements and other employment conditions of Managing / Whole time Director[s]
- [B] Reviewing the performance of the Managing / Whole time Director[s] and recommending to the Board the quantum of annual increments and annual commission.

**Composition and Attendance at Meetings of Remuneration Committee:**

Name	Category	Meetings attended
Mr. F. S. Broacha	Non Executive Director - Independent - Chairman	2
Mr. L. Rajagopalan	Non Executive Director - Independent - Member	2
Mrs. K. J. Udeshi	Non Executive Director - Independent - Member	2

During the year 2011-2012, the Committee met Two times on [1] May 25, 2011 and [2] February 14, 2012

**3. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:**
**Terms of Reference:**

To specifically look into complaints relating to transfer of shares, non-receipt of annual report, dividend warrants, etc. received from investors, redress them and to improve the efficiency in investors service, wherever possible.

**Composition of Shareholders / Investors Grievance Committee**

Name	Category
Mr. F. S. Broacha	Non Executive Director - Independent - Chairman
Mr. L. Rajagopalan	Non Executive Director - Independent - Member

During the year 2011-2012, no Meeting of the Committee was held as there were no complaints from investors requiring the intervention of the Committee.

**4. SHARE TRANSFER COMMITTEE:**
**Terms of Reference:**

[A] Transfer / transmission / transposition of shares;

[B] Consolidation / splitting of shares

[C] Issue of duplicate share certificates, confirmation of demat/ remat requests, review of shares dematerialised and all other related matters

**Composition of Share Transfer Committee**

Name of Director	Category
Mr. N. D. Shetty	Executive Chairman - Chairman
Mr. F. S. Broacha	Non Executive Director - Independent - Member
Mr. L. Rajagopalan	Non Executive Director - Independent - Member

The Committee met Sixteen times during the year

**IV. REMUNERATION OF DIRECTORS:**

[₹ Lakhs]

Name	Sitting Fees	Salary [Basic+ HRA + Performance Award]	Perquisites & Allowance	Provident Fund Contribution	Commission*	Total
Mr. N. D. Shetty	—	95.00	1.50	4.32	36.67	137.49
Mr. T. N. Shetty	—	71.00	17.00	2.52	18.34	108.86
Mr. F. S. Broacha	0.55	—	—	—	7.33	7.88
Mrs. K. J. Udeshi	0.50	—	—	—	7.33	7.83
Mr. Rolf E. von Bueren	—	—	—	—	—	—
Mr. L. Rajagopalan, [Alternate Director]	0.55	—	—	—	7.33	7.88
Mr. Sikandar Talwar	0.15	—	—	—	7.33	7.48
Mrs. V. R. Ajila	—	—	—	—	—	—
Mr. R. Y. Ajila, [Alternate Director]	0.10	—	—	—	7.33	7.43

\* Payable in 2012-13

All Non-Executive Directors of the Company receive sitting fees for each Meeting of the Board or a Committee thereof attended by them. A Resolution for payment of commission to Non-Executive Directors at the rate of 1% of net profit was approved by the members at the Eighteenth Annual General Meeting held on September 25, 2009. The said Resolution was for a period of five years, commencing from April 1, 2009. Taking into consideration inter alia the increased role and responsibility shouldered by Non-Executive Directors, the Board of Directors, at its Meeting held on May 30, 2012 decided to pay commission of ₹ 36.67 Lakhs to the Non-Executive Directors for the year ended March 31, 2012. The said Commission is within the limit of 1% stipulated by the members of the Company. Other than stated above, no other remuneration is payable to the Non-Executive Directors.

1. No severance fee is payable.
2. The Company had approved a Resolution at the Fifteenth Annual General Meeting held on August 26, 2006 for Employee Stock Options Plan [ESOP] to the Directors / employees under the SEBI [Employee Stock Option Scheme and Employee Stock Purchase Scheme] Guidelines, 1999, with a view to attract, retain, motivate and reward the employees. However, no Stock Options have been offered or issued as on date.

#### V. COMPLIANCE OFFICER:

**Mr. A. A. Lambay**  
Company Secretary  
& Compliance officer

Administrative Office:  
9, Gayatri Commercial Complex  
Marol Naka, Andheri Kurla Road,  
Andheri East, Mumbai 400 059  
Telephone No.: + 91 22 2851 5220-22 / 2850 8080-81  
Fax No: + 91 22 2851 4634  
E-mail : cosec@haldyn.com

#### VI. DISCLOSURES:

##### [a] Related Party Transactions

None of the transactions with any related parties was in conflict with the interests of the Company.

##### [b] Statutory Compliance, Penalties and Strictures

During the last three years, there were no strictures or penalties imposed by SEBI or the Stock Exchange or any Statutory Authority for 'non-compliance' of any matter related to capital markets.

##### [c] Auditors' Remark

In relation to the Auditors' remark in the annexure to their Report at Clause No. XXI, the Note to the Accounts at item No. 38 [c] is self explanatory and needs no further comment.

##### [d] Code of Conduct

The Company has adopted a Code of Conduct for the Directors and Senior Management Personnel of the Company. The said Code is also uploaded at the website of the Company.

##### [e] Listing Agreement Compliance

The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement as amended till date.

##### [f] CEO / CFO Certifications

The Managing Director has certified to the Board in accordance with Clause 49 V of the Listing Agreement in respect of the matters pertaining to CEO / CFO certification for the financial year 2011-2012

##### [g] Risk Management Assessment

The Company has reviewed the risk based control system and evolved a procedure for risk assessment and timely rectification which would help minimisation of risk associated with any strategic, operational, financial and compliance risk across all the business operations. These control procedures and systems will ensure that the Board is periodically informed of the material risks faced by the Company and the steps taken by the Company to mitigate those risks.

In the meantime, the Company has appointed Consultant Internal Auditors with a specific assignment to study, review and suggest such changes as may be necessary to further strengthen internal controls, system and accounting procedures.

**[h] Board Procedure**

The Company has established procedures to enable its Board to review compliance of all laws applicable to the Company as well as steps taken to rectify instances of non - compliance.

**[i] Secretarial Audit**

In line with the requirements of SEBI, Secretarial Audit is carried out on a quarterly basis by the Practicing Company Secretary to confirm that the aggregate number of Equity Shares of the Company held in NSDL and CDSL and in physical form tally with the total number of issued / paid up, listed and admitted capital of the Company.

**VII. MEANS OF COMMUNICATION:**

The Company uses several modes of communicating with its external stakeholders such as announcements and press releases in newspapers including posting information on its website [www.haldynglass.com] and intimation to the Stock Exchange. Quarterly results are published in prominent daily newspapers in accordance with the Listing Agreement.

The Company has not made any presentation to Institutional Investors or Analysts during the year.

**VIII. LISTING:**

The Equity Shares of the Company are listed on the BSE Limited.

**IX. GENERAL BODY MEETINGS:**

The last three Annual General Meetings of the Company were held at the Registered Office of the Company at Village Gavasad, Taluka Padra, District Vadodara, as follows:

No / Date of AGM	Time	Special Resolutions passed	
		No.	Nature
18 <sup>th</sup> AGM - September 25, 2009	11.00 a.m.	1	Commission to Non-Executive Directors
19 <sup>th</sup> AGM - September 17, 2010	03.00 p.m.	1	Alteration of Articles of Association; – Deletion of Articles 4B to 4F for preference shares – Reclassification and Increase of Authorised Share Capital
20 <sup>th</sup> AGM - September 16, 2011	03.00 p.m.	1	Name of the Company to be changed to 'Haldyn Glass Limited' from 'Haldyn Glass Gujarat Limited'

The Chairman of the Audit Committee Mr. L. Rajagopalan was not present at the 20<sup>th</sup> Annual General Meeting held on Friday, September 16, 2011

No Special Resolution was put through postal ballot in the previous year and no postal ballot is proposed for this year. There was no Extraordinary General Meeting held during the year 2011-2012.

**X. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT:**

As required under Clause 49 IV [G], particulars of Directors seeking appointment / reappointment are given in the Explanatory Statement annexed to the Notice of 21<sup>st</sup> Annual General Meeting to be held on September 28, 2012.

**XI. GENERAL SHAREHOLDERS INFORMATION:**

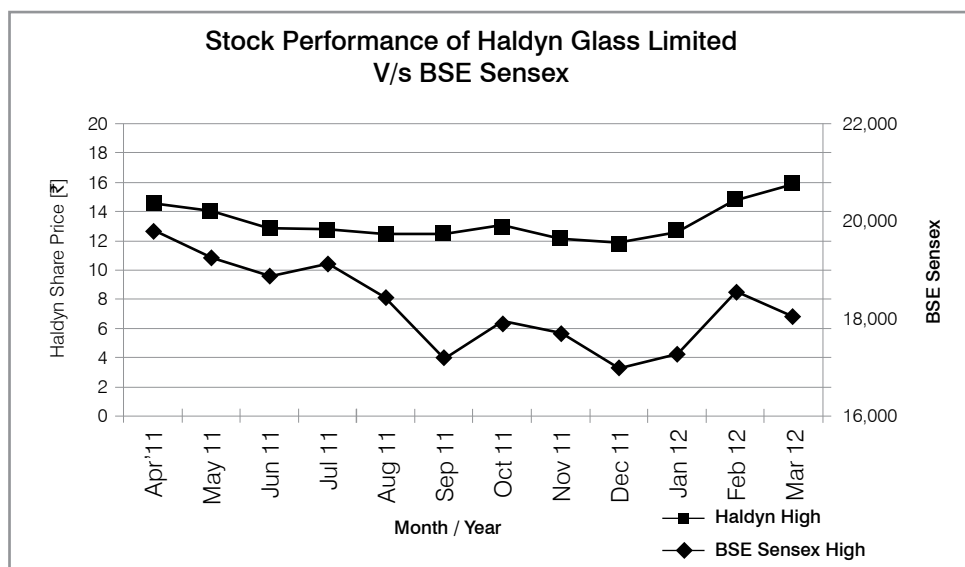
Date of Incorporation	April 25, 1991
Corporate Identity Number [CIN]	L 51909GJ1991PLCO15522
Registered Office and Works	Village Gavasad, Taluka Padra District Vadodara- 391430 Tel : +91 2662 242339 / 42 Fax : +91 2662 245081
Administrative Office [Address for Correspondence]	9, Gayatri Commercial Complex, Marol Naka, Andheri Kurla Road, Andheri [East], Mumbai – 400 059 Tel : + 91 22 28515220 / 28508080 Fax : + 91 22 28514634 E Mail : cosec@haldyn.com
Day and Date of the Annual General Meeting	Friday, September 28, 2012
Time and Venue of the Annual General Meeting	03.00 p.m.at the Registered Office of the Company at Vadodara.
Date of Book Closure	From September 18, 2012 to September 28,2012 [both days inclusive]
Date of Receipt of Proxy	September 26, 2012 before 03.00 p.m
Financial Calendar: 2012 - 2013	April 1, 2012 to March 31, 2013
Results for First Quarter ending June 30, 2012	By August 14, 2012
Results for Second Quarter ending September 30, 2012	By November 14, 2012
Results for Third Quarter ending December 31, 2012	By February 14, 2013
Results for the year ending March 31, 2013	Before May 30, 2013
Listing on Stock Exchange	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI 400 023 Listing fees for 2012-2013 have been paid.
BSE Stock Code	515147
International Security Identification Number [ISIN] Code	INE 506D01020
Dividend Payment/Credit date	On or after September 29, 2012
Outstanding GDR/ADR/Warrants	NIL

## XII. MARKET PRICE DATA:

The month-wise movement [High & Low] of the equity shares of the Company on the BSE Limited, during each month for the year ended March 31, 2012 is as under:

Period	HGL Price Data		BSE Sensex	
	High [₹]	Low [₹]	High	Low
April 2011	14.50	12.50	19811.14	18976.19
May 2011	13.98	11.85	19253.87	17786.13
June 2011	12.85	11.35	18873.39	17314.38
July 2011	12.78	11.11	19131.70	18131.86
August 2011	12.49	10.10	18440.07	15765.53
September 2011	12.45	10.75	17211.80	15801.01
October 2011	12.99	10.63	17908.13	15745.43
November 2011	12.20	10.02	17702.26	15478.69
December 2011	11.78	10.50	17003.71	15135.86
January 2012	12.65	10.73	17258.97	15358.02
February 2012	14.85	11.61	18523.78	17061.55
March 2012	15.90	13.05	18040.69	16920.61

BSE closing market price as on March 31, 2012 – ₹ 14.10



## XIII. REGISTRAR AND TRANSFER AGENTS:

**Universal Capital Securities Pvt. Ltd.**

**Unit: Haldyn Glass Limited**

21, Shakil Niwas, Mahakali Caves Road,  
Andheri [East], Mumbai – 400 093.

Tel. No. +91 22 28207203,4,5

Fax No. +91 22 28207207

E-mail: [info@uniseq.in](mailto:info@uniseq.in)

## XIV. SHARE TRANSFER SYSTEM:

Share Transfers in physical form are to be lodged with Universal Capital Securities Pvt. Ltd., Registrar and Transfer Agents at the above mentioned address. The transfers are normally processed on a fortnightly basis from the date of receipt if the relevant documents are complete in all respect. Share Transfer Committee approves the transfers.

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant [DP] regarding change of address, change of Bank / Bank Account number, nomination, etc.

**XV. DISTRIBUTION OF EQUITY SHAREHOLDING AS ON MARCH 31, 2012:**

[Nominal and paid up value of each share ₹ 1]

Number of shares held	Number of shareholders	% of shareholders	Number of shares held	% of shareholding
1 - 500	3742	43.972	948441	1.764
501 - 1000	2666	31.328	2552543	4.749
1001 - 2000	827	9.718	1437358	2.674
2001 - 3000	356	4.183	965928	1.797
3001 - 4000	145	1.704	543759	1.012
4001 - 5000	237	2.785	1160211	2.158
5001 - 10000	262	3.079	2106816	3.920
10001 and above	275	3.231	44036644	81.926
<b>Total</b>	<b>8510</b>	<b>100.000</b>	<b>53751700</b>	<b>100.000</b>

**XVI. BY CATEGORIES OF SHARE HOLDERS AS ON MARCH 31, 2012:**

Category	No. of Shares held	% of shareholding
<b>1. Promoters</b>		
Haldyn Corporation Limited	26576255	49.44
N. D. Shetty [Executive Chairman]	753960	1.40
Persons acting in concert	863180	1.61
<b>2. Non – Promoters</b>		
Mutual Funds and UTI	12000	0.02
Corporate bodies	5390608	10.03
Foreign Institutional Investors	100000	0.19
Indian Public	16301525	30.33
NRI / OCB	3254530	6.05
Clearing Members	499642	0.93
<b>Total</b>	<b>53751700</b>	<b>100.00</b>

**XVII. DEMATERIALISATION OF SHARES:**

The Company has arrangements with the National Securities Depository Ltd. [NSDL] as well as the Central Depository Services [India] Ltd. [CDSL] for demat facility. 95.18 % of the paid up share capital is held in dematerialised form as on March 31, 2012.

**XVIII. DEMAT & PHYSICAL SHARES:**

Particulars	As at March 31, 2012	%
Number of Shares held at NSDL	45875310	85.35
Number of Shares held at CDSL	5283980	9.83
Number of Shares held in Physical form	2592410	4.82
<b>Total</b>	<b>53751700</b>	<b>100.00</b>

**XIX. DECLARATION BY THE MANAGING DIRECTOR OF COMPLIANCE WITH THE CODE OF CONDUCT:**

I, hereby declare that all the Directors and Senior Management personnel have affirmed compliance of the Code of Conduct adopted by the Company and confirmation to that effect has been received.

**For and on behalf of the Board**

Place : Mumbai  
Dated: May 30, 2012

**T. N. Shetty**  
Managing Director



# AUDITORS' CERTIFICATE

## REGARDING COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE NO. 49 [VI] OF THE LISTING AGREEMENT WITH STOCK EXCHANGE

To  
The Members of  
**Haldyn Glass Limited**  
[Formerly known as Haldyn Glass Gujarat Limited]

We have examined the compliance of conditions of 'Corporate Governance' by Haldyn Glass Limited for the year ended March 31, 2012, as stipulated in Clause 49 [VI] of the Listing Agreement of the Company with the Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the 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 representations 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 [VI] of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievances was pending for a period of one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For CHATURVEDI SOHAN & CO.**  
Chartered Accountants  
**Firm Registration No: 118424W**

**Place : Mumbai**  
**Dated : May 30, 2012**

**Sohan Chaturvedi**  
Partner  
**Membership No. 30760**

# AUDITORS' REPORT

To  
The Members of  
**Haldyn Glass Limited**

[Formerly known as Haldyn Glass Gujarat Limited]

1. We have audited the attached Balance Sheet of Haldyn Glass Limited [Formerly known as Haldyn Glass Gujarat Limited] as at 31st March, 2012 and the annexed Statement of Profit and Loss and Cash Flow Statement for the year ended on that date. 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 the 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 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. Companies [Auditor's Report] Order, 2003 issued by the Central Government of India in terms of sub-section [4A] of Section 227 of the Companies Act, 1956. We give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that;
  - [a] We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - [b] 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 such books.
  - [c] The Balance Sheet and Statement of Profit & Loss and the Cash flow Statement dealt with by this report is in agreement with the books of account.
  - [d] In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash flow Statement dealt with by this report comply with the accounting standards referred to in sub-section [3C] of section 211 of the Companies Act, 1956.
  - [e] On the basis of the written representations received from the directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2012 from being appointed as a director in terms of clause [g] of sub section [1] of section 274 of the Companies Act, 1956.
  - [f] In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
    - b. In the case of Statement of Profit and Loss, of the Profit for the year ended on that date.
    - c. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For CHATURVEDI SOHAN & CO.**

Chartered Accountants

**Firm Registration No: 118424W**

**Place : Mumbai**  
**Dated : May 30, 2012**

**Sohan Chaturvedi**  
Partner  
**Membership No. 30760**

## ANNEXURE TO THE AUDITORS' REPORT

[Referred to in paragraph 3 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.
  - [b] The Company has physically verified certain assets during the year in accordance with a program of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - [c] In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
- II. In respect of Inventories :
  - [a] As explained to us, the inventories have been physically verified by the management at periodic intervals. In our opinion, the frequency of verification is reasonable.
  - [b] In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to size of the Company and the nature of its business.
  - [c] In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company and have been properly dealt with in the books of account.
- III. In respect of loans, secured or unsecured granted or taken by the Company to/from the Companies, firms or other parties covered in the register maintained u/s. 301 of the Companies Act, 1956 :
  - [a] The Company has not granted any loans secured or unsecured to any such party accordingly clause iii [b] [c] and [d] of the Order is not applicable.
  - [b] The Company has taken loans from one such party during the year in respect of which maximum balance outstanding during the year is ₹ 700 Lakhs and year end balance is ₹ 400 Lakhs.
  - [c] In our opinion and according to the information and explanation given to us, the terms and conditions are not prima facie prejudicial to the interest of the Company.
  - [d] As per the information and explanation given to us, the above loans were repayable after two years and there is no defined repayment schedule.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the purchase of fixed assets and for rendering of service. *However, considering the misappropriation of Company's funds by few employees during the year, the management is in process to further strengthening the internal control system.*
- V. In respect of transactions entered in the Register maintained in pursuance of section 301 of the Companies Act, 1956 :
  - [a] To the best of our knowledge and belief and according to the information and explanations given to us, transactions that needed to be entered into the register have been so entered.
  - [b] In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at that time.
- VI. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public. Therefore, the provisions of section 58A and 58AA of the Companies Act, 1956, and Rules framed there under and the directives issued by the Reserve Bank of India are not applicable.
- VII. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- VIII. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies [Cost Accounting Records] Rules, 2011 prescribed by the Central Government under Section 209[1][d] of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

**IX.** According to the information and explanations given to us in respect of statutory and other dues :

- [a] The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income tax, Sales tax, Service tax, Cess and other material statutory dues as applicable, during the year with the appropriate authorities.
- [b] There were no Rules relating to the Amount of Cess payable by the company under section 441A of the Act have been notified by the Central Government. Hence, we are unable to comment on this particular issue.
- [c] According to information and explanations given to us, there are no undisputed amounts payable in respect of income tax, service tax, custom duty and excise duty at the year end for the period of more than six month from the date they become payable.
- [d] Disputed dues in respect of Sales Tax – aggregating to ₹ 437.95 Lakhs - pending before Sales Tax Authorities [including appeal to be filed] have not been deposited since the matters are pending before relevant Appellate Authorities, as listed below:

Authority where the dispute is pending	Assessment Year	Amount [₹ Lakhs]
DCST Appeal – 2, Vadodara	1995-1996 to 2003-2004	739.55
Less : Liability recognized		301.60
<b>Balance</b>		437.95
Commissioner of Income Tax [A]	2008-2009	186.06

- X.** The Company does not have accumulated losses as at 31<sup>st</sup> March 2012 and has not incurred cash losses during the year covered by our audit and in the immediately preceding financial year.
- XI.** Based on our audit procedures and as per the information and explanation given to us by the management, we are of the opinion that the Company has not defaulted in the repayment of dues of financial institutions, banks.
- XII.** In our opinion and according to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII.** The provisions of any special statute as specified under Clause 4[xiii] of the Order are not applicable to the Company.
- XIV.** In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investment. The company has maintained proper records of transactions and contracts in respect of investment in shares and timely entries have been made therein. The Company has held all the investments in its own name.
- XV.** According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- XVI.** In our opinion and according to the information and explanation given to us and on overall basis, the Term loans have been applied for the purpose for which they have been obtained.
- XVII.** Based on the information and explanations given to us and on an overall examination of the balance sheet of the Company in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
- XVIII.** The Company has not made any preferential allotment during the year.
- XIX.** As the Company has not issued any debentures during the year accordingly, clause 4[xix] of the Order is not applicable to the Company.
- XX.** The Company has not raised any money by public issue during the year hence clause 4[xx] of the order is not applicable to the Company.
- XXI.** Instances of misappropriation of the Company's funds by some senior employees were noticed during the year. The Company has lodged a police complaint and initiated appropriate legal action. Investigations are in progress. The amount involved is not presently quantifiable.

**For CHATURVEDI SOHAN & CO.**  
Chartered Accountants  
Firm Registration No: 118424W

Place : Mumbai  
Dated : May 30, 2012

**Sohan Chaturvedi**  
Partner  
Membership No. 30760

## BALANCE SHEET AS AT MARCH 31, 2012

₹ Lakhs

Particulars	Note No.	As at March 31, 2012	As at March 31, 2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	537.52	537.52
Reserves and Surplus	3	7,472.29	5,515.27
		8,009.81	6,052.79
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	401.62	1,110.08
Deferred Tax Liabilities [Net]	5	774.95	828.37
Other Long Term Liabilities	6	123.53	143.73
Long Term Provisions	7	29.17	16.92
		1,329.27	2,099.10
<b>Current Liabilities</b>			
Short Term Borrowings	8	1,257.53	1,550.90
Trade Payables	9	1,094.69	983.65
Other Current Liabilities	10	459.70	1,202.28
Short Term Provisions	11	428.64	162.76
		3,240.56	3,899.59
<b>Total</b>		<b>12,579.64</b>	<b>12,051.48</b>
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Fixed Assets:	12		
Tangible Assets		6,898.95	7,033.77
Capital Work-in-progress		79.28	224.64
		6,978.23	7,258.41
Non-Current Investments	13	6.22	6.22
Long Term Loans and Advances	14	161.47	177.48
Other Non-Current Assets	15	43.31	2.39
		211.00	186.09
<b>Current Assets</b>			
Inventories	16	1,175.48	1,010.00
Trade Receivables	17	2,912.57	2,314.99
Cash and Bank Balances	18	1,097.20	1,136.11
Short term Loans and Advances	19	205.16	145.88
		5,390.41	4,606.98
<b>Total</b>		<b>12,579.64</b>	<b>12,051.48</b>
<b>The notes are an integral part of these financial statements.</b>		<b>1 to 38</b>	

As per our Report of even date

For **Chaturvedi Sohan & Co.**  
Chartered Accountants  
Firm Registration No: 118424W

**Sohan Chaturvedi**  
Partner  
Membership No. 30760

Place : Mumbai  
Date : May 30, 2012

For and on behalf of the Board

**N. D. Shetty** Executive Chairman  
**T. N. Shetty** Managing Director  
**F. S. Broacha** Director

**A. A. Lambay** Company Secretary

Place : Mumbai  
Date : May 30, 2012

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

₹ Lakhs

Particulars	Note No.	Year Ended March 31, 2012	Year Ended March 31, 2011
<b>INCOME</b>			
Gross Revenue from Operations	20	19,262.09	16,770.88
Less : Excise Duty		1,862.91	1,554.13
Net Revenue from Operations		17,399.18	15,216.75
Other Income	21	294.12	60.33
<b>Total Income</b>		<b>17,693.30</b>	<b>15,277.08</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	22	5,703.89	4,990.51
Purchases of Stock-in-Trade	23	13.57	45.19
Changes in Inventories	24	[184.78]	35.50
Employee Benefits Expense	25	1,360.37	1,179.25
Finance Cost	26	363.39	465.27
Depreciation		822.69	986.20
Other Expenses	27	6,233.18	5,606.98
<b>Total Expenses</b>		<b>14,312.31</b>	<b>13,308.90</b>
<b>Profit before Tax</b>		<b>3,380.99</b>	<b>1,968.18</b>
Less : <b>Tax Expenses</b>			
Current Tax		1,008.50	434.00
Deferred Tax Liability/[Asset]		[53.42]	[51.90]
Wealth Tax		0.98	0.91
		<b>956.06</b>	<b>383.01</b>
<b>Profit for the year</b>		<b>2,424.93</b>	<b>1,585.17</b>
Prior Period Expenses [Income]	28	[1.85]	—
Income tax of Earlier period		1.22	—
<b>Balance carried to Balance Sheet</b>		<b>2,425.56</b>	<b>1,585.17</b>
<b>Earning Per Equity Share:</b>	29		
Basic / Diluted [Face Value ₹ 1 per share]		4.51	2.95
<b>The notes are an integral part of these financial statements.</b>	<b>1 to 38</b>		

As per our Report of even date

For **Chaturvedi Sohan & Co.**  
Chartered Accountants  
Firm Registration No: 118424W

**Sohan Chaturvedi**  
Partner  
Membership No. 30760

Place : Mumbai  
Date : May 30, 2012

For and on behalf of the Board

**N. D. Shetty** Executive Chairman  
**T. N. Shetty** Managing Director  
**F. S. Broacha** Director

**A. A. Lambay** Company Secretary

Place : Mumbai  
Date : May 30, 2012

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

₹ Lakhs

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
<b>I. Cash Flow from Operating Activities</b>		
Net Profit Before tax and Extra ordinary Items	3,380.99	1,968.18
Adjustment for :		
Depreciation	822.69	986.20
Interest Received	[15.07]	[8.16]
Dividend Received	[1.39]	[1.21]
Prior Period Income / [Expenses]	1.85	—
Loss / [Profit] on sale / Discard of Fixed Assets	3.40	[19.69]
<b>Operating Profit before Working Capital Changes</b>	<b>4,192.47</b>	<b>2,925.32</b>
Adjustment for :		
Trade and other Receivables	[597.58]	[210.52]
Inventories	[165.48]	[103.85]
Short Term Loans and Advances	[59.28]	[45.57]
Long Term Loan & Advances	16.01	28.02
Other Non Current Assets	[40.92]	[2.39]
Other Current Liabilities	[742.58]	838.27
Short Term Provisions	265.88	22.63
Long Term Provisions	12.25	16.92
Trade Payables	111.04	[498.40]
<b>Cash generated from operations</b>	<b>2,991.81</b>	<b>2,970.43</b>
Tax Paid	1,010.70	434.91
<b>Net Cash from Operating Activities</b>	<b>[A] 1,981.11</b>	<b>2,535.52</b>
<b>II. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	[575.87]	[678.87]
Sale of Fixed Assets	29.96	124.80
Interest Received	15.07	8.16
Dividend Received	1.39	1.21
<b>Net Cash used in Investing Activities</b>	<b>[B] [529.45]</b>	<b>[544.70]</b>
<b>III. Cash Flow from Financing Activities</b>		
Change in Long Term Borrowings	[708.46]	[1,608.63]
Other Long Term Borrowings	[20.20]	49.43
Change in Short Term Borrowings	[293.37]	710.10
Equity Dividend	[403.14]	[134.38]
Taxes on Dividend	[65.40]	[22.32]
<b>Net Cash from Financing Activities</b>	<b>[C] [1,490.57]</b>	<b>[1,005.80]</b>
<b>Net Increase In Cash and Cash Equivalents [A+B+C]</b>	<b>[38.91]</b>	<b>985.02</b>
<b>Cash and Cash Equivalents As At The Beginning of The Year</b>	<b>1,136.11</b>	<b>151.09</b>
<b>Cash and Cash Equivalents As At The End of The Year</b>	<b>1,097.20</b>	<b>1,136.11</b>

As per our Report of even date

For **Chaturvedi Sohan & Co.**  
Chartered Accountants  
Firm Registration No: 118424W

**Sohan Chaturvedi**  
Partner  
Membership No. 30760

Place : Mumbai  
Date : May 30, 2012

For and on behalf of the Board

**N. D. Shetty** Executive Chairman  
**T. N. Shetty** Managing Director  
**F. S. Broacha** Director

**A. A. Lambay** Company Secretary

Place : Mumbai  
Date : May 30, 2012

# NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

## NOTE 1

### SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basis of Preparation of Financial Statements

The Financial Statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956. The Company generally follows mercantile system of accounting and recognises significant items of Income and Expenditure on accrual basis.

#### 2. Use of Estimates

The presentation of financial statements require estimates and assumption to be made which affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of income and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

#### 3. Fixed Assets

Fixed Assets are stated at cost [net of income and recoverable taxes], including the amount added on revaluation less accumulated depreciation and impairment loss, if any. The expenditure during construction period and the cost of financing till the Assets are put to use are allocated to the cost of respective assets.

#### 4. Depreciation

The Company is providing depreciation on Fixed Assets on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 except in respect of Captive Power Plant where depreciation is provided on Written Down Value Method. ERP Software is depreciated over a period of 6 years and Furnaces are depreciated over a period of 5 years being their respective estimated useful lives.

#### 5. Investments

Long-term investments are stated at cost. Provision for diminution in the value of such investments is made only if the decline is of a permanent nature.

#### 6. Inventories

Inventories are valued at cost except for finished goods, which are valued at lower of cost or market value. Cost comprises of all costs of purchase [net of CENVAT], cost of conversion and other costs incurred in bringing the inventory to their present location and condition. Cost of raw materials, stores and spares, packing materials and other products are determined on FIFO method basis.

#### 7. Sales

Sales include Excise duty and exclude Sales Tax.

#### 8. Foreign Exchange Transactions

Transactions in Foreign Currencies are recorded at the exchange rate prevailing on the date of transaction. Premium on Forward Cover Contracts in respect of import of Materials is charged to the Statement of Profit and Loss over the period of the Contract. Foreign Currency Monetary items of Loans, Current Assets and Current Liabilities as at the Balance Sheet date are converted to Rupees at the Exchange Rate on that date. The resultant net loss or income is accounted in the Statement of Profit and Loss.

#### 9. Excise Duty

Excise duty is accounted on the basis of payments made in respect of goods cleared and provision made for goods lying in Excise Bonded Warehouse.

#### 10. Employee retirement Benefits

##### Short Term employee benefits:

All short term employee benefits such as salaries, wages, bonus, allowances, medical, ex-gratia which fall due within 12 months of the period in which the employee renders the related services which entitles him to avail such benefits and non-accumulating



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

compensated absences [like sick leave and maternity leave] are recognised on an undiscounted basis and charged to the Statement of Profit and Loss.

### Defined contribution plan:

Company's contributions to Provident Fund paid / payable during the year are charged to the Statement of Profit and Loss .

### Defined Benefit Plan:

Company's liability under the Payment of Gratuity Act is determined by actuarial valuation made at the end of each financial year using the projected unit credit method. Liability for leave encashment is determined by actuarial valuation based on accumulated leave credit allowed to be carried forward and outstanding as on the Balance Sheet date.

### 11. Lease

Operating Lease rentals are charged to the Statement of Profit and Loss over the lease term.

### 12. Borrowing Cost

Borrowing costs that are attributable to qualifying assets are capitalised. All other borrowing costs are charged to the Statement of Profit and Loss.

### 13. Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortisation.

### 14. Provisions and 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 Financial Statements. Contingent assets are neither recognised nor disclosed in the financial statements.

### 15. Impairment of assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which asset is identified as impaired.

₹ Lakhs

	As at March 31, 2012	As at March 31, 2011
<b>NOTE 2</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised :</b>		
15,00,00,000 Equity Shares of ₹ 1 each [P.Y. 15,00,00,000 Equity Shares of ₹ 1 each]	1,500.00	1,500.00
	<b>1,500.00</b>	<b>1,500.00</b>
<b>Issued, Subscribed and Paid Up :</b>		
5,37,51,700 Equity Shares of ₹ 1 each [P.Y. 5,37,51,700 Equity Shares of ₹ 1 each]	537.52	537.52
<b>Total</b>	<b>537.52</b>	<b>537.52</b>

### 1. Reconciliation of number of shares outstanding at the beginning and at the end of the year

	As at March 31, 2012		As At March 31, 2011	
	No. of Shares	₹ Lakhs	No. of Shares	₹ Lakhs
No. of Shares at the beginning of the year	53,751,700	537.52	53,751,700	537.52
Add : Issue of Shares during the year	—	—	—	—
No. of Shares at the end of the year	53,751,700	537.52	53,751,700	537.52

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### 2. List of Share Holders Holding more than 5% of Share Capital

	No. of Shares	% of Holding	No. of Shares	% of Holding
– Haldyn Corporation Limited	26,576,255	49.44%	26,576,255	49.44%

### 3. Terms and Rights attached to equity shares

- [i] The Company has only one class of Equity Shares having a par value of ₹ 1 per share. Each holder of Equity Shares is entitled to one vote per share.
- [ii] They are also entitled to dividend if proposed by the Board of Directors and approved by the shareholders in the ensuing Annual General Meeting except in case of interim dividend.
- [iii] In the event of liquidation the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their share holding.

₹ Lakhs

	As at March 31, 2012	As at March 31, 2011
<b>NOTE 3</b>		
<b>RESERVES AND SURPLUS</b>		
<b>Capital Redemption Reserve</b>	82.00	82.00
<b>Securities Premium Reserve</b>	592.75	592.75
<b>Revaluation Reserve</b>	235.08	235.08
<b>General Reserve</b>		
As per Last Balance Sheet	1,025.00	850.00
Add: Transferred from Statement of Profit and Loss	1,000.00	175.00
	2,025.00	1,025.00
<b>Surplus in Statement of Profit and Loss</b>		
As per Last Balance Sheet	3,580.44	2,326.97
Add : Profit for the year	2,425.56	1,585.17
Less: Transfer to General Reserve	1,000.00	175.00
Less: Proposed Dividend	403.14	134.38
Less: Dividend Distribution Tax	65.40	22.32
	4,537.46	3,580.44
<b>Total</b>	<b>7,472.29</b>	<b>5,515.27</b>

### NOTE 4

#### LONG TERM BORROWINGS

##### [A] Secured Loan

##### Term Loan

– From Banks	—	1,269.17
Less : Current Maturities transferred to Other Current Liabilities [refer note 10]	—	863.33
	—	405.84

##### Vehicles Loan

– From Banks	0.77	11.54
– From others	3.64	5.29

	4.41	16.83
Less: Current Maturities transferred to Other Current Liabilities [refer note 10]	2.79	12.59

	1.62	4.24
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## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

	₹ Lakhs	
	As at March 31, 2012	As at March 31, 2011
<b>[B] Unsecured Loans</b>		
Loans and Advances from Related Party	400.00	700.00
<b>Total</b>	<b>401.62</b>	<b>1,110.08</b>
<b>Unsecured Loan from related party</b>		
Haldyn Corporation Limited	400.00	700.00

### Nature of Security and terms of repayment for Loans

- Secured loan from banks consist of Deferred Payment Liabilities for Vehicles which are secured by hypothecation of specific moveable assets. The loans are repayable in 59 equated monthly installment of ₹ 0.07 Lakhs together with interest commencing from May 5, 2008 and carries interest rate of 11.32%.
- Secured loan from others consist of loan from TATA Capital for acquisition of Vehicles which are secured by hypothecation of moveable assets. The loans are repayable in 36 equated monthly installment of ₹ 0.19 Lakhs together with interest commencing from December 25, 2010 and carries interest rate of 9.27%.

Unsecured Loan from related party carries interest rate of 10% and 12% for ₹ 100 Lakhs and ₹ 300 Lakhs respectively and is repayable after two years.

	₹ Lakhs	
	As at March 31, 2012	As at March 31, 2011
<b>NOTE 5</b>		
<b>DEFERRED TAX LIABILITIES [NET]</b>		
<b>Liabilities</b>		
Related to Fixed Assets	804.33	813.62
Others	—	44.71
	<b>804.33</b>	<b>858.33</b>
<b>Assets</b>		
Disallowances as per Section 43B and Section 40[a] of the Income Tax Act	[29.38]	[29.96]
<b>Total</b>	<b>774.95</b>	<b>828.37</b>

### NOTE 6

#### OTHER LONG TERM LIABILITIES

Security Deposits	123.53	143.73
<b>Total</b>	<b>123.53</b>	<b>143.73</b>

### NOTE 7

#### LONG TERM PROVISIONS

Provision for Employee Benefits [refer note 34]	29.17	16.92
<b>Total</b>	<b>29.17</b>	<b>16.92</b>

### NOTE 8

#### SHORT TERM BORROWINGS

##### Secured Loans

Loans Repayable on demand		
- Working Capital Loans from Banks	1,257.53	1,550.90
<b>Total</b>	<b>1,257.53</b>	<b>1,550.90</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### Nature of Security and terms of Loan

- Working capital facilities from Banks are secured by hypothecation of entire current assets of Company, present and future, on pari passu basis along with a second charge on the entire fixed assets of the Company.
- Working capital loans carry interest rate ranging from 3.5% to 4.5% above Bank's base rate, payable on monthly rests.

₹ Lakhs

	As at March 31, 2012	As at March 31, 2011
<b>NOTE 9</b>		
<b>TRADE PAYABLES</b>		
Trade Payables	1,056.30	940.08
Advance From Customers	38.39	43.57
<b>Total</b>	<b>1,094.69</b>	<b>983.65</b>

Out of the said amount, ₹ 52.68 lakhs [March 31, 2011: ₹ Nil] pertain to micro, small and medium enterprises as defined under Micro, Small, and Medium Enterprises Development Act, 2006 based on the information available with the Company. There is no interest payable to such parties as at March 31, 2012 [March 31, 2011: ₹ Nil].

<b>NOTE 10</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long Term Debts [refer note 4]	2.79	875.92
Interest Accrued and due on Borrowings	12.82	20.32
Unpaid Dividends	5.52	5.58
Statutory Liabilities	234.30	142.13
Others	204.27	158.33
<b>Total</b>	<b>459.70</b>	<b>1,202.28</b>

<b>NOTE 11</b>		
<b>SHORT TERM PROVISIONS</b>		
Provision for Employee Benefits [refer note 34]	23.75	24.81
Proposed Dividend	403.14	134.38
Provision for Wealth Tax	1.75	3.57
<b>Total</b>	<b>428.64</b>	<b>162.76</b>

### NOTE 12

₹ Lakhs

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Balance as at April 1, 2011	Addition during the year	Deduction during the year	Balance as at March 31, 2012	Accumulated depreciation as at April 1, 2011	Depreciation during the year	Depreciation on deduction during the year	Accumulated depreciation upto March 31, 2012	Balance as at March 31, 2012	Balance as at March 31, 2011
Freehold Land	309.59	—	—	309.59	—	—	—	—	309.59	309.59
Buildings	1,898.78	77.74	—	1,976.52	480.58	60.51	—	541.09	1,435.43	1,418.20
Plant & Machineries	8,546.61	584.95	31.04	9,100.52	3,613.79	717.99	24.05	4,307.73	4,792.79	4,932.82
Furniture & Fittings	189.42	11.80	—	201.22	90.97	9.46	—	100.43	100.79	98.45
Office Equipments	77.85	3.36	—	81.21	21.94	3.65	—	25.59	55.62	55.91
Computers	187.45	7.98	—	195.43	120.80	21.98	—	142.78	52.65	66.65
Vehicles	192.60	35.40	33.92	194.08	40.45	9.10	7.55	42.00	152.08	152.15
<b>Total</b>	<b>11,402.30</b>	<b>721.23</b>	<b>64.96</b>	<b>12,058.57</b>	<b>4,368.53</b>	<b>822.69</b>	<b>31.60</b>	<b>5,159.62</b>	<b>6,898.95</b>	<b>7,033.77</b>
Previous Year	10,937.74	589.45	124.89	11,402.30	3,402.12	986.20	19.79	4,368.53	7,033.77	—
Capital Work-in-Progress									79.28	224.64
<b>Total</b>									<b>6,978.23</b>	<b>7,258.41</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

₹ Lakhs

	As at March 31, 2012	As at March 31, 2011
<b>NOTE 13</b>		
<b>NON CURRENT INVESTMENTS</b>		
<b>Other than Trade Investments</b>		
<b>In Equity Instruments</b>		
<b>Quoted Fully Paid up</b>		
2080 - IDBI Bank Limited of ₹ 10 each [P.Y. 2080 Equity Shares of ₹ 10 each]	1.69	1.69
40000 - F.D.C Limited of ₹ 1 each [P.Y. 40000 Equity Shares of ₹ 1 each]	2.00	2.00
15000 - IPCA Laboratories Limited of ₹ 2 each [P.Y. 15000 Equity Shares of ₹ 2 each]	2.02	2.02
<b>Unquoted Fully Paid up</b>		
25 - The Shamrao Vithal Co.Op. Bank Limited of ₹ 25 each [P.Y. 25 Equity Shares of ₹ 25 each]	0.01	0.01
500 Suvarna Sahakari Bank Limited [P.Y. 500 Equity Shares of ₹ 100 each]	0.50	0.50
<b>Total</b>	<b>6.22</b>	6.22
Aggregate Book Value of Quoted Investments	5.71	5.71
Aggregate Market Value of Quoted Investments	83.73	88.80
Aggregate Book Value of Unquoted Investments	0.51	0.51
<b>Basis of Valuation</b>		
Non-Current Investments are valued at cost less provision for diminution in value of investment other than temporary in nature.		
<b>NOTE 14</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
<b>[Unsecured, Considered Good]</b>		
Capital Advances	—	15.99
<b>Security Deposits</b>		
– To Others	43.73	45.33
– To Related Parties	100.00	100.00
	143.73	145.33
<b>Others</b>		
– Advance Income Tax [Net of Provision]	17.74	16.16
<b>Total</b>	<b>161.47</b>	177.48
<b>Details of Loans and Advances to Related Parties</b>		
Haldyn Corporation Limited	100.00	100.00
<b>NOTE 15</b>		
<b>OTHER NON CURRENT ASSETS</b>		
Fixed Deposits [Pledged with Bank] [refer note 18]	43.31	2.39
<b>Total</b>	<b>43.31</b>	2.39
The fixed deposits consists ₹ 42 Lakhs pledged against pending litigation filed by the Company.		

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

₹ Lakhs

	As at March 31, 2012	As at March 31, 2011
<b>NOTE 16</b>		
<b>INVENTORIES</b>		
Raw Materials	212.30	221.13
Work-in-Progress	32.43	28.22
Finished Goods	424.73	244.16
Packing Material, Stores and Spares	444.21	459.35
Others	61.81	57.14
<b>Total</b>	<b>1,175.48</b>	<b>1,010.00</b>
Inventories are valued at cost except for finished goods, which are valued at lower of cost or market value. Cost comprises of all costs of purchase [net of CENVAT], cost of conversion and other costs incurred in bringing the inventory to their present location and condition.		
<b>NOTE 17</b>		
<b>TRADE RECEIVABLES</b>		
<b>[Unsecured, Considered Good]</b>		
Due for a period exceeding Six Months	56.15	8.26
Others	2,856.42	2,306.73
<b>Total</b>	<b>2,912.57</b>	<b>2,314.99</b>
<b>NOTE 18</b>		
<b>CASH AND BANK BALANCES</b>		
<b>Cash and cash equivalents</b>		
– Cash on hand	7.41	3.71
Balance with Bank :-		
– In Current accounts	46.83	525.73
– Cheques on hand	0.04	—
– Deposits with bank	1,000.00	549.99
	<b>1,046.87</b>	<b>1,075.72</b>
<b>Other bank balances</b>		
Earmarked balances with banks [unpaid dividend]	5.52	5.58
In Fixed deposits [Pledge with banks]		
– Bank deposits held less than 12 months	35.00	51.10
– Bank deposits held for More than 12 months	45.71	2.39
	<b>80.71</b>	<b>53.49</b>
Less:- Non current portion transferred to other non current assets [refer note 15]	43.31	2.39
	<b>37.40</b>	<b>51.10</b>
<b>Total</b>	<b>1,097.20</b>	<b>1,136.11</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

₹ Lakhs

	As at March 31, 2012	As at March 31, 2011
<b>NOTE 19</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
Interest accrued on deposits	2.45	3.64
Other Advances recoverable in Cash or in kind or for value to be received	79.75	38.49
Balance with Government Authorities	122.96	103.75
<b>Total</b>	<b>205.16</b>	<b>145.88</b>

<b>NOTE 20</b>		
<b>GROSS REVENUE FROM OPERATIONS</b>		
Sale of Products	19,220.74	16,703.61
Other Operating Revenues	41.35	67.27
<b>Total</b>	<b>19,262.09</b>	<b>16,770.88</b>

<b>NOTE 21</b>		
<b>OTHER INCOME</b>		
Interest Received	15.07	8.16
Dividend Received	1.39	1.21
Net Gain on Foreign Currency Transaction and Translation	12.85	—
Net Gain on Sale of Fixed Assets	—	19.69
Other Miscellaneous Receipts #	264.81	31.27
<b>Total</b>	<b>294.12</b>	<b>60.33</b>

# Other miscellaneous receipts include sundry balances written back ₹ 255.03 Lakhs [P.Y. ₹ 0.91 Lakhs]

<b>NOTE 22</b>		
<b>COST OF MATERIALS CONSUMED</b>		
Cullet	2,863.82	2,505.62
Minerals	851.88	759.95
Chemicals	1,988.19	1,724.94
<b>Total</b>	<b>5,703.89</b>	<b>4,990.51</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

₹ Lakhs

	Year Ended March 31, 2012	Year Ended March 31, 2011
<b>NOTE 23</b>		
<b>PURCHASES OF STOCK-IN-TRADE</b>		
Store Material	13.57	45.19
<b>Total</b>	<b>13.57</b>	<b>45.19</b>
<b>NOTE 24</b>		
<b>CHANGES IN INVENTORIES</b>		
<b>[a] At the end of the year</b>		
[i] Finished Goods	424.73	244.16
[ii] Work-in-Progress	32.43	28.22
<b>Total [a]</b>	<b>457.16</b>	<b>272.38</b>
<b>[b] At the beginning of the year</b>		
[i] Finished Goods	244.16	281.92
[ii] Work-in-Progress	28.22	25.96
<b>Total [b]</b>	<b>272.38</b>	<b>307.88</b>
<b>Total [b-a]</b>	<b>[184.78]</b>	<b>35.50</b>
<b>NOTE 25</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Allowances	1,265.17	1,081.45
Contribution to P.F. and Other Funds	29.29	38.29
Welfare and Other Amenities	65.91	59.51
<b>Total</b>	<b>1,360.37</b>	<b>1,179.25</b>
<b>NOTE 26</b>		
<b>FINANCE COSTS</b>		
Interest Expenses	336.35	423.56
Other Borrowing Costs	27.04	41.71
<b>Total</b>	<b>363.39</b>	<b>465.27</b>



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

₹ Lakhs

	Year Ended March 31, 2012	Year Ended March 31, 2011
<b>NOTE 27</b>		
<b>OTHER EXPENSES</b>		
<b>[a] Manufacturing Expenses</b>		
Consumption of Packing Material, Stores and Spare Parts	2,184.73	1,933.72
Power and Fuel	2,168.83	1,840.99
Repairs to Machineries	295.45	449.79
Repairs to Buildings	18.73	139.32
Other Manufacturing Expenses	105.64	90.45
<b>Total [a]</b>	<b>4,773.38</b>	4,454.27
<b>[b] Selling and Distribution Expenses</b>		
Sales Promotion and Advertisement Expenses	125.83	136.47
Brokerage, Discount and Commission	0.39	5.00
Carriage Outwards	6.28	12.01
Royalty	176.83	151.64
Bad Debts	—	100.39
Other Selling and Distribution Expenses	181.08	80.84
<b>Total [b]</b>	<b>490.41</b>	486.35
<b>[c] Administrative and General Expenses</b>		
Rent	65.06	54.53
Rates, Taxes and Fees	15.78	11.95
Insurance	43.93	42.41
<b>Payment to Auditors:</b>		
– Audit Fees	7.00	7.00
– Tax Audit Fees	1.75	1.75
– Other Services	1.25	1.25
Director's Sitting Fees	1.85	1.45
Commission to Non Executive Directors	36.67	21.00
Travelling and Conveyance	197.93	187.95
Legal and Professional Charges	135.02	98.75
Repair & Maintenance - Others	86.79	95.65
Net Loss on Foreign Currency Transaction and Translation	—	4.48
Net Loss on Sale of Fixed Assets	3.40	—
Miscellaneous Expenses	372.96	138.19
<b>Total [c]</b>	<b>969.39</b>	666.36
<b>Total [a] + [b] + [c]</b>	<b>6,233.18</b>	5,606.98

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

All amounts in ₹ Lakhs except share data

	Year Ended March 31, 2012	Year Ended March 31, 2011
<b>NOTE 28</b>		
<b>PRIOR PERIOD ITEMS</b>		
Prior Period Expenses	0.45	—
Prior Period Income	[2.30]	—
<b>Prior Period Expenses/[Income]</b>	<b>[1.85]</b>	<b>—</b>
<b>NOTE 29</b>		
<b>BASIC AND DILUTED EARNINGS PER EQUITY SHARES</b>		
<b>[a] For the purpose of calculation of Basic and Diluted Earnings Per Share, the following amounts are considered :</b>		
Net Profit After Tax	2,424.93	1,585.17
Less : Expenses/[Income] of earlier years	[1.85]	—
Amount available for Equity Shareholders	2,426.78	1,585.17
<b>[b] Weighted Average No. of Equity Shares Outstanding during the year</b>		
– For Basic EPS	53,751,700	53,751,700
– For Diluted EPS	53,751,700	53,751,700
<b>[c] Earning Per Share</b>		
Basic / Diluted	4.51	2.95
Face Value Per Equity Share [₹]	1.00	1.00
<b>[d] Reconciliation between number of shares used for calculating basic and diluted earning per share</b>		
Weighted average number of Shares used for calculating Basic EPS	53,751,700	53,751,700
Add: Potential Equity Shares	—	—
Weighted average number of Shares used for calculating Diluted EPS	53,751,700	53,751,700
<b>NOTE 30</b>		
<b>CIF VALUE OF IMPORTS</b>		
Stores & Spares	31.29	15.80
I.S. Accessories	58.46	124.41
Refractories	7.94	—
Lubricants	23.56	20.07
Capital Goods	141.48	323.35
<b>Total</b>	<b>262.73</b>	<b>483.63</b>
<b>NOTE 31</b>		
<b>EXPENDITURE IN FOREIGN CURRENCY</b>		
Travelling Expenses	29.79	23.72
Other Matters	0.96	2.35
<b>Total</b>	<b>30.75</b>	<b>26.07</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

	As at March 31, 2012		As At March 31, 2011	
	₹ Lakhs	%	₹ Lakhs	%
<b>NOTE 32</b>				
<b>VALUE OF RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED</b>				
<b>Raw Materials Consumed</b>				
Imported	—	—	—	—
Indigenous	5,703.89	100.00	4,990.51	100.00
<b>Total</b>	<b>5,703.89</b>	<b>100.00</b>	<b>4,990.51</b>	<b>100.00</b>
<b>Spare Parts and Components Consumed</b>				
Imported	138.20	6.33	108.74	5.62
Indigenous	2,046.53	93.67	1,824.98	94.38
<b>Total</b>	<b>2,184.73</b>	<b>100.00</b>	<b>1,933.72</b>	<b>100.00</b>

₹ Lakhs

	Year Ended March 31, 2012	Year Ended March 31, 2011
<b>NOTE 33</b>		
<b>EARNINGS IN FOREIGN CURRENCY</b>		
FOB Value of Exports	47.56	34.14
<b>Total</b>	<b>47.56</b>	<b>34.14</b>

₹ Lakhs

	Year Ended March 31, 2012		Year Ended March 31, 2011	
	Gratuity - Funded	Leave Encashment	Gratuity - Funded	Leave Encashment
<b>NOTE 34</b>				
<b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b>				
<b>A. Expenses recognised in the Statement of Profit &amp; Loss for the year</b>				
1. Current Service Cost	6.98	42.89	2.84	22.34
2. Interest cost on Defined Benefit Obligation as on end of the previous year	4.09	1.52	2.93	0.99
3. Expected return on Plan Assets	[4.15]	—	[3.69]	—
4. Actuarial [Gain] / Loss	[17.43]	[29.34]	5.38	[13.82]
5. Expenses / [Gains] recognised in the Statement of Profit & Loss	[10.51]	15.07	7.46	9.51
<b>B. Net Asset [Liability] recognised in Balance Sheet as at end of the year</b>				
1. Present value of Defined Benefit Obligation as at end of the year	48.66	32.16	47.76	20.93
2. Fair value of Plan Assets as at end of the year	64.26	—	44.39	—
3. Asset / [Liability] recognised in Balance Sheet	[15.60]	32.16	3.37	20.93

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

₹ Lakhs

	Year Ended March 31, 2012		Year Ended March 31, 2011	
	Gratuity - Funded	Leave Encashment	Gratuity - Funded	Leave Encashment
<b>C. Change in Defined Benefit Obligation during the year</b>				
1. Present value of Defined Benefit Obligation as at end of the previous year	47.76	20.93	36.60	13.34
2. Current Service cost	6.99	42.89	2.84	22.34
3. Interest cost	4.09	1.52	2.93	0.99
4. Actuarial [Gain] / Loss	[16.85]	[29.34]	5.38	[13.82]
5. Benefits paid	6.67	[3.84]	—	[1.92]
6. Present value of Defined Benefit Obligation as at end of the year	48.66	32.16	47.75	20.93
<b>D. Change in Plan Assets during the year</b>				
1. Present value of Plan Assets as at end of the previous year	44.38	—	37.85	—
2. Expected return on Plan Assets	4.16	—	3.69	—
3. Actuarial Gain / [Loss]	—	—	—	—
4. Actual Company contribution	6.67	3.84	2.84	1.92
5. Benefits paid	[6.37]	[3.84]	—	[1.92]
6. Plan Assets as at end of the year	48.84	—	44.38	—
<b>E. Actuarial assumptions</b>				
1. Discount rate	8.00%	8.00%	8.00%	8.00%
2. Turnover rate	8.22%	8.22%	8.22%	8.22%
3. Salary escalation rate	3.00%	8.00%	3.00%	8.00%

₹ Lakhs

	Year Ended March 31, 2012	Year Ended March 31, 2011
<b>NOTE 35</b>		
<b>CONTINGENT LIABILITIES</b>		
Guarantees issued by Banks on behalf of the Company	—	9.11
Estimated amount of Contracts remaining to be Executed on Capital Account [Net of Advances ₹ 4.13 Lakhs PY. ₹ 13.86 Lakhs]	5.89	44.68
Letters of Credit Outstanding	163.27	295.47
Sales Tax demands [₹ 5.04 lakhs Paid and shown in advance]	443.00	443.00
Commitment under Export Promotion Capital Goods [EPCG] Scheme	729.39	1,217.67
Demand for Income Tax appealed by the Company [Based on the opinion received and various judgements no provision has been considered necessary in this regard.]	151.79	320.59

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### NOTE 36

#### LIST OF RELATED PARTIES & RELATIONSHIPS

Information in accordance with Accounting Standard 18 issued by the Institute of Chartered Accountants of India on 'Related Parties Disclosures'

Enterprise over which key managerial personnel and their relatives are having significant influence or control [Other related party]

Haldyn Corporation Limited

Key Management Personnel and their Relatives:

– Mr. N. D. Shetty	Executive Chairman
– Mr. Tarun N. Shetty	Managing Director
– Mrs. Vinita R. Ajila	Director
– Mr. Rohan Y. Ajila	Director
– Mrs. S. N. Shetty	Relative

#### List of Related Parties Transactions:

₹ Lakhs

Transactions	Other Related party	Key Management Personnel and Relatives	Total	Outstandings As on 31.03.2012
Hire Charges	—	<b>3.15</b>	3.15	—
	—	<b>[3.15]</b>	[3.15]	—
Purchase of Goods	<b>2,012.07</b>	—	2,012.07	—
	<b>[1,616.46]</b>	—	[1,616.46]	—
Sale of Goods	<b>8.50</b>	—	8.50	—
	<b>[8.78]</b>	—	[8.78]	—
Directors remuneration	—	<b>253.68</b>	253.68	62.34
	—	<b>[218.26]</b>	[218.26]	[36.95]
Board Meeting fees & Out of Pocket expenses	—	<b>0.20</b>	0.20	—
	—	<b>[0.40]</b>	[0.40]	—
Royalty #	<b>242.15</b>	—	242.15	—
	<b>[151.64]</b>	—	[151.64]	—
Rent #	<b>74.46</b>	—	74.46	—
	<b>[54.02]</b>	—	[54.02]	—
Unsecured Loan received	—	—	—	400.00
	—	—	—	[700.00]
Interest on Unsecured Loan	<b>68.50</b>	—	68.50	—
	<b>[76.00]</b>	—	[76.00]	—
Deposit paid	—	—	—	100.00
	—	—	—	[100.00]

# Inclusive of Service Tax

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

₹ Lakhs

	Year Ended March 31, 2012	Year Ended March 31, 2011
<b>NOTE 37</b>		
<b>VEHICLES TAKEN ON OPERATING LEASE</b>		
The total future minimum lease rentals payable at the Balance Sheet date		
For a period not later than one year Lease Rentals are charged on the basis of agreed terms	<b>3.15</b>	9.71

### NOTE 38

#### OTHERS

- [a] During the year, Company has given donation to Bhartiya Janta Party of ₹ 3 Lakhs.
- [b] The Company operates in one reportable business segment i.e. Glass Bottles / Containers. Exports made during the years are not significant. Hence, information in accordance with Accounting Standard 17 issued by the Institute of Chartered Accountants of India on 'Segment Reporting' is not given.
- [c] Instances of purported misappropriation of the Company's funds / property by some senior employees were noticed during the year. Accordingly, the Company lodged a complaint with the police against the alleged offenders. Pursuant to the ongoing investigation by EOW, the Company expects to recover the misappropriated funds / property in due course.
- [d] The Company was adopting pre-revised Schedule VI to the Companies Act 1956, for preparation and presentation of its financial statements upto financial year 2010-11. During the year the financial statements are prepared and presented as per revised Schedule VI notified under the Companies Act 1956.
- The previous year's figures have been regrouped, reclassified and rearranged wherever necessary to make them comparable with that of current year's figures.
- [e] In the opinion of the management, Current Assets, Loans and Advances are of the value stated, if realised in the ordinary course of business.

As per our Report of even date

For **Chaturvedi Sohan & Co.**  
Chartered Accountants  
Firm Registration No: 118424W

**Sohan Chaturvedi**  
Partner  
Membership No. 30760

Place : Mumbai  
Date : May 30, 2012

For and on behalf of the Board

**N. D. Shetty** Executive Chairman  
**T. N. Shetty** Managing Director  
**F. S. Broacha** Director

**A. A. Lambay** Company Secretary

Place : Mumbai  
Date : May 30, 2012

# Haldyn Glass Limited

**Registered Office :** Village Gavasad, Taluka Padra, District: Vadodara Pin Code : 391430  
Tel. : +91-2662-2423339, Email : baroda@haldyn.com

## REQUEST FOR E-COMMUNICATION REGISTRATION

Dear Shareholder,

The Ministry of Corporate Affairs vide its circular Nos 12/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 commenced the "Green Initiative in Corporate Governance" thereby allowing paperless Compliances by Companies through electronic mode. Further, in line with recent circular ref no. CIR/CFD/DIL/2011 dated 05.10.2011 issued by the securities and Exchange Board of India [SEBI] and consequent changes in the listing agreement; Companies can send Annual Report in electronic mode to shareholders who have registered their email addresses for the purpose.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a Greener Environment. This is a golden opportunity for every shareholder at Haldyn Glass Limited to contribute to the Corporate Social Responsibility initiative of the Company.

We therefore, invite all the shareholders to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode. You can also download the attached registration form our website [www.haldynglass.com](http://www.haldynglass.com)

**Let's be part of this Green Initiative !**

**Please Note that as a member of the Company you will be entitled to receive all such communication in physical form, upon request.**

With regards,

**A. A. Lambay**

Company Secretary and Compliance Officer

### E-COMMUNICATION REGISTRATION FORM

Folio No / DP ID and Client ID \_\_\_\_\_

Name of the 1<sup>st</sup> Registered Holder \_\_\_\_\_

Name of the Joint Holder[s] \_\_\_\_\_

Registered Address \_\_\_\_\_

E Mail ID[to be registered] \_\_\_\_\_

I/We shareholder[s] of Haldyn Glass Limited agree to receive communication from the Company in electronic Mode. Please register my above e-mail ID in your records for sending communication through e-mail.

Date \_\_\_\_\_

Signature \_\_\_\_\_

**Note :** Shareholder[s] are requested to keep the Company informed as and when there is any change in the e-mail Address.









**Q U A L I T Y P O L I C Y**

***“We shall satisfy our customers by consistently meeting their requirements on time and rendering support they expect from us”***

***To achieve the above, we shall***

***manufacture products to laid down specifications***

***provide reliable products at cost effecient prices***

***deliver goods on time***



## Haldyn® Glass Limited

[Formerly Haldyn Glass Gujarat Limited]



**Registered Office & Works:** Village Gavasad, Taluka Padra, District Vadodara - 391 430.  
Tel.: +91 2662 242339-42; Fax: +91 2662 245081  
E-mail: baroda@haldyn.com

**Administrative Office:** 9 Gayatri Commercial Complex, Marol Naka,  
Andheri Kurla Road, Andheri (East), Mumbai - 400 059.  
Tel.: +91 22 2851 5220-22/2850 8080-81  
Fax: +91 22 2851 4634, Email: bombay@haldyn.com

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