Notes to the Financial Statement for the year ended 31st March, 2018

Note :1 CORPORATE INFORMATION

Gujarat Borosil Limited ("the Company") is a limited Company domiciled and incorporated in India and its shares are publicly traded on the Bombay Stock Exchange (BSE), in India. The registered office of the Company is situated at Village - Govali, Taluka - Jhagadia, District - Bharuch 393001, Gujarat.

Company is engaged in manufacturing of extra clear patterned glass and Low Iron Solar Glass for application in Photovoltaic panels, Flat plate collectors and Green houses.

The financial statements of the Company for the year ended 31st March, 2018 were approved and adopted by board of directors in their meeting dated 10th May, 2018.

Note :2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities that are measured at fair value and Assets held for sale measured at lower of carrying amount or fair value less cost to sale.

The financial statements are presented in Indian Rupees (Rs.), which is the Company’s functional and presentation currency. All amounts are rounded to the nearest lacs and two decimals thereof, except when otherwise indicated.

Note :3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, Plant and Equipment

Property, Plant and Equipment are carried at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Cost includes purchase price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In case of Property, Plant and Equipment, the Company has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as “Capital Work-in-Progress” and expenses incurred relating to it, net of income earned during the development stage, are disclosed as pre-operative expenses under “Capital Work-in-Progress”.

Depreciation on the Property, Plant and Equipment is provided using straight line method over the useful life of the assets as specified in Schedule II to the Companies Act, 2013 except in respect of depreciation on rollers charged over a period of three year and following assets where the useful life is different as per technical evaluation than those prescribed in Schedule II.

Particulars	**Useful life considered for depreciation**
Tempering line 3 :-	10 Years

Freehold land is not depreciated.

The asset's residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

Property, Plant and Equipment are eliminated from financial statements, either on disposal or when retired from active use. Gains / losses arising in the case of retirement/disposal of Property, Plant and Equipment are recognised in the statement of profit and loss in the year of occurrence.

Notes to the Financial Statement for the year ended 31st March, 2018

3.2 Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the Intangible Assets. In case of Intangible Assets the Company has availed the carrying value as deemed cost on the date of transition i.e. 1st April, 2015.

Identifiable Intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Computer Softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised on a straight line method over the period of useful lives or period of three years, whichever is less. The assets' useful lives are reviewed at each financial year end.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

3.3 Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding liability is included in the Balance Sheet as a finance lease liability. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by lessor are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

3.4 Inventories

Inventories are valued at the lower of cost and net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. The cost of raw materials, stores, spares & consumables and packing materials are computed on the weighted average basis. Scrap (cullet) are valued at raw materials cost. Cost of work in progress and finished goods is determined on absorption costing method.

3.5 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Notes to the Financial Statement for the year ended 31st March, 2018

3.6 Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets:

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

3.7 Discontinued operation and Non-Current Assets (or disposal groups) Held for Sale

Discontinued operation

A discontinued operation is a component of the Company that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

Held for Sale

Non-Current Assets are classified as Held for Sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-Current Assets are classified as Held for Sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the statement of profit and loss as a separate line item. On classification as Held for Sale, the assets are no longer depreciated. Assets and liabilities classified as Held for Sale are presented separately as current items in the Balance Sheet.

3.8 Financial instruments –

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

I) Financial Assets -Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Financial assets - Subsequent measurement

For the purpose of subsequent measurement financial assets are classified in two broad categories:-

a) Financial assets at fair value

b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit and loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

Notes to the Financial Statement for the year ended 31st March, 2018

A financial asset that meets the following two conditions is **measured at amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

a) **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flow.

b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at **fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

a) **Business model test:** The financial asset from is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

Financial assets - Derecognition

A financial assets (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

a) The rights to receive cash flows from the asset have expired, or

b) The Company has transferred its rights to receive cash flow from the asset.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

II) Financial Liabilities - Initial recognition and measurement:

The financial Liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial Liabilities - Subsequent measurement:

Financial Liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Notes to the Financial Statement for the year ended 31st March, 2018

Financial Liabilities - Financial guarantee contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined and the amount recognised less cumulative amortisation.

Financial liability - Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Non-Cumulative Non Convertible Redeemable Preference

Non-Cumulative Non Convertible Redeemable Preference are separated into liability and equity components based on the terms of the contract. The Non-Cumulative Non Convertible Redeemable Preference, the fair value of the liability component is determined using a market rate. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on redemption.

Transaction costs are apportioned between the liability and equity components of the Non-Cumulative Non Convertible Redeemable Preference based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

3.9 Provisions, Contingent Liabilities, Contingent assets and Commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.10 Dividend Distribution:

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in other equity.

3.11 Revenue recognition and other income:

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer as per the terms of the contracts, usually on delivery of the goods, and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. It also includes excise duty, if applicable, and excludes value added tax / sales tax and Goods and Service Tax. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Sale of Services:

Revenue from sale of services is recognised as per the terms of the contract with customer based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably. Percentage of completion method requires the Company to estimate the services performed to date as a proportion of the total services to be performed.

Other Operating Income:

Incentives on exports and other Government incentives related to operations are recognised in the statement of profit and loss after due consideration of certainty of utilization/receipt of such incentives.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income:

Dividend Income is recognised when the right to receive the payment is established.

Rental income:

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included as other income in the statement of profit or loss.

3.12 Foreign currency transaction and translation:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.13 Employee Benefits

Short term employee benefits are recognized as an expense in the statement of profit and loss of the year in which the related services are rendered.

Leave encashment being a defined benefit plan is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the year in which they arise.

Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

The cost of providing gratuity, a defined benefit plans, is determined using the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial

Notes to the Financial Statement for the year ended 31st March, 2018

gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in statement of profit and loss.

Remeasurements of defined benefit plan in respect of post employment and other long term benefits are charged to the other comprehensive income in the year in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

3.14 Borrowing Costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

3.15 Taxes on Income

Tax expense represents the sum of current tax (including MAT and income tax for earlier years) and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.16 Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year.

Notes to the Financial Statement for the year ended 31st March, 2018

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.17 Current and non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs (MCA).

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Expected to be realised within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is:

a) Expected to be settled in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Due to be settled within twelve months after the reporting period, or

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its operating cycle.

3.18 Fair value measurement:

The Company measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

Notes to the Financial Statement for the year ended 31st March, 2018

3.19 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable rights to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable rights must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

Note:4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

4.1 Property, Plant and Equipment and Intangible Assets:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

4.2 Income Tax:

The Company reviews at each Balance Sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the standalone financial statements.

4.3 Contingencies:

Management has estimated the possible outflow of resources at the end of each annual financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

4.4 Impairment of Financial Assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4.5 Impairment of Non-Financial Assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Notes to the Financial Statement for the year ended 31st March, 2018

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

4.6 Defined benefits plans:

The Cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4.7 Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

4.8 Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

4.9 Fair value measurement of financial instruments:

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes to the Financial Statement for the year ended 31st March, 2018

Note - 5 Property, Plant and Equipment **(Rs. in Lacs)**

Particulars	Freehold-Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computer	Total	Capital-Work-in-Progress
Cost									
As at 1st April, 2016	118.13	1,598.47	9,903.53	27.70	45.65	69.97	33.58	11,797.03	229.25
Additions	-	12.77	355.86	0.84	47.79	9.24	13.91	440.41	3,700.08
Disposals / Transfer	-	-	-	-	4.39	0.32	5.50	10.21	229.28
As at 31st March, 2017	**118.13**	**1,611.24**	**10,259.39**	**28.54**	**89.05**	**78.89**	**41.99**	**12,227.23**	**3,700.05**
Additions	-	1,458.49	3,560.30	0.72	4.49	34.50	11.60	5,070.10	1,428.62
Disposals / Transfer	-	-	339.03	0.27	-	2.37	1.41	343.08	5,003.38
As at 31st March, 2018	**118.13**	**3,069.73**	**13,480.66**	**28.99**	**93.54**	**111.02**	**52.18**	**16,954.25**	**125.29**
Accumulated Depreciation									
As at 1st April, 2016	-	77.22	1,258.36	2.06	5.60	12.87	5.28	1,361.39	
Depreciation for the year	-	57.47	1,339.37	2.95	8.75	12.91	15.15	1,436.60	
Disposals	-	-	-	-	1.35	-	-	1.35	
As at 31st March, 2017	**-**	**134.69**	**2,597.73**	**5.01**	**13.00**	**25.78**	**20.43**	**2,796.64**	
Depreciation for the year	-	96.01	1,518.64	3.01	13.13	16.45	11.29	1,658.53	
Disposals	-	-	81.10	0.15	-	1.42	1.15	83.82	
As at 31st March, 2018	**-**	**230.70**	**4,035.27**	**7.87**	**26.13**	**40.81**	**30.57**	**4,371.35**	
Net Carrying Amount									
As at 31st March, 2017	**118.13**	**1,476.55**	**7,661.66**	**23.53**	**76.05**	**53.11**	**21.56**	**9,430.59**	**3,700.05**
As at 31st March, 2018	**118.13**	**2,839.03**	**9,445.39**	**21.12**	**67.41**	**70.21**	**21.61**	**12,582.90**	**125.29**

5.1 Property, Plant and Equipment includes assets pledged as security (Refer Note No. 23 and 25).

5.2 Refer Note No. 37.3 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment and Intangible Assets.

5.3 Additions to Plant and Equipment include Borrowing Cost of Rs. 56.28 Lacs (Previous year Rs. Nil).

5.4 Details of pre-operative expenditure as a part of Capital-Work-in-Progress.

(Rs. in Lacs)

Particulars	**31st March 2018**	**31st March 2017**
Power and Fuel	7.21	0.29
Employee Benefits Expense	4.41	1.94
Testing Charges	-	8.96
Travelling and Conveyance Expenses	3.06	6.49
Loading, Unloading and Freight	2.23	1.73
Legal and Professional Fees	0.39	57.20
Rates & Taxes	2.95	-
Bank Charges	2.11	9.88
Insurance	-	2.03
Finance Cost and Others Borrowing Cost	38.20	18.08
Pre-operative expenses for the year	60.56	106.61
Add :- Pre-operative expenses upto previous year	106.61	-
	167.17	106.61
Less :- Allocated during the year to Property, Plant and Equipment	167.17	-
	-	**106.61**

5.5 In accordance with the Indian Accounting Standard (Ind AS -36) on “Impairment of Assets”, the management during the year carried out an exercise of identifying the assets that may have been impaired in accordance with the said Ind AS . On the basis of review carried out by the management, there was no impairment loss on Property, Plant and Equipment during the year ended 31st March, 2018.

Notes to the Financial Statement for the year ended 31st March, 2018

Note - 6 Intangible Assets

(Rs. in Lacs)

Particulars	Computer Software*	Intangible Assets under Development
Cost		
As at 1st April, 2016	15.24	2.74
Additions	11.70	21.41
Disposals / Transfer	-	7.53
As at 31st March, 2017	26.94	16.62
Additions	39.95	22.33
Disposals / Transfer	-	38.95
As at 31st March, 2018	**66.89**	**-**
Amortisation	5.43	
As at 1st April, 2016	2.16	
Amortisation charge for the year		
As at 31st March, 2017	7.59	
Amortisation charge for the year	9.01	
As at 31st March, 2018	**16.60**	
Net Carrying Amount		
As at 31st March, 2017	19.35	16.62
As at 31st March, 2018	**50.29**	**-**

* Other than self generated

Note - 7 Non-Current Financial Assets - Investments

(Rs. in Lacs)

	Particulars	As at 31st March, 2018	As at 31st March, 2017
	Investment in Limited Liability Partnership		
	Investment in Capital -Swapan Properties LLP (Unquoted)		
	Investments carried at fair value through profit & loss	-	0.90
	Share in Profit /(Loss) - Nil (Previous Year 18%)		
	(Dissolved w.e.f. 1st January, 2018)		
	Total	**-**	**0.90**

7.1 Aggregate amount of unquoted Investments is Rs. Nil (Previous Year Rs. 90 Lacs).

Note - 8 Non-Current Financial Assets - Others

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good :		
Margin Money Deposits-Having maturity more than 12 months	63.07	52.44
Security Deposits with Government and Others	52.47	52.57
Total	**115.54**	**105.01**

Notes to the Financial Statement for the year ended 31st March, 2018

Note - 9 Other Non-Current Assets

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good:		
Capital Advances	460.40	634.55
MAT Credit Entitlement	921.47	608.59
Prepaid Expenses	13.32	1.17
Amount paid under protest (Refer Note No. 37.1)	45.31	636.06
Total	**1,440.50**	**1,880.37**

9.1 Presently the Company is liable to pay MAT under Section 115JB of the Income Tax Act, 1961 (the Act) and the amount paid as MAT is allowed to be carried forward for set off against the future tax liabilities computed in accordance with the provisions of the Act, other than Section 115JB, in next fifteen years. Based on the future projection of the performance, the Company will be liable to pay the income tax computed as per provisions, other than under Section 115JB, of the Act. Accordingly as advised in Guidance note on "Accounting for Credit available in respect of Minimum Alternate Tax under the Income Tax Act 1961" issued by the Institute of Chartered Accountants of India, Rs. 312.88 Lacs (Previous year Rs. 449.25 Lacs) being the excess of tax payable under Section 115JB of the Act, over tax payable as per the provisions other than Section 115JB of the Act, has been considered as MAT credit entitlement and credited to statement of profit and loss. The total MAT credit as at 31st March, 2018 is Rs. 921.47 Lacs (Previous year Rs. 608.59 Lacs).

Note - 10 Inventories

(Rs. in Lacs)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
Raw Materials		937.65		892.41
Work-in-Progress		186.33		728.88
Finished Goods				
Goods-in-Transit	7.59		-	
Others	96.22	103.81	346.00	346.00
Stores, Spares and Consumables		713.81		667.98
Packing Materials		169.97		120.29
Scrap (Cullet)		216.27		64.92
Total		**2,327.84**		**2,820.48**

10.1 Basis of valuation refer Accounting policy No 3.4

10.2 For Inventories hypothecation as security (Refer Note No. 23 and 25)

Notes to the Financial Statement for the year ended 31st March, 2018

Note - 11 Financial Assets - Current Investments

Particulars	As at 31st March, 2018 No of units	As at 31st March, 2017 No of units	Face Value (In Rs.)	As at 31st March, 2018 (Rs. in Lacs)	As at 31st March, 2017 (Rs. in Lacs)
Current Investments (carried at fair value through profit and loss)					
Mutual Funds:					
Unquoted Fully Paid Up					
a. ICICI Prudential Flexible Income Plan - Growth	5,52,794.94	-	100.00	1,842.56	-
b. ICICI Prudential Flexible Income Plan - Direct Growth	3,61,504.54	-	100.00	1,211.33	-
Total	**9,14,299.48**	**-**		**3,053.89**	**-**

11.1 Aggregate amount of unquoted Investments is Rs. 3053.89 Lacs (Previous Year Rs. Nil).

Note - 12 Current Financial Assets - Trade Receivables

(Rs. in Lacs)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
Unsecured :				
Considered Good	2,445.22		2,676.12	
Considered Doubtful	23.61		13.05	
	2,468.83		2,689.17	
Less : Provision for Doubtful Debts	23.61	2,445.22	13.05	2,676.12
Total		**2,445.22**		**2,676.12**

Note - 13 Cash and Cash Equivalents

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balances with Banks in current accounts	36.24	31.53
Cash on Hand	16.14	16.16
Total	**52.38**	**47.69**

13.1 For the purpose of the statement of cash flow, cash and cash equivalents comprise the followings:

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Balances with Banks in current accounts	36.24	31.53
Cash on Hand	16.14	16.16
Total	**52.38**	**47.69**

Note - 14 Bank Balances Other than Cash and Cash Equivalents

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Earmarked Balances with bank :		
Fixed deposit with Banks - Pledged as Margin Money	112.56	174.04
Total	**112.56**	**174.04**

Notes to the Financial Statement for the year ended 31st March, 2018

Note 15 Current Financial Assets - Loans

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good :		
Loan to Employees	7.25	7.69
Total	**7.25**	**7.69**

Note 16 - Current Financial Assets - Others

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good :		
Interest Receivables	14.03	8.78
Security Deposits	2.72	9.26
Receivable from Related Party (Refer Note No. 43.1)	-	17.31
Others	2.10	574.39
Total	**18.85**	**609.74**

16.1 Others for the year includes Duty Draw Back, Insurance and other receivables and Others for the previous year includes refund of gas transportation charges (Refer Note No.29.1), Duty Draw Back, Insurance and other receivables.

16.2 Receivable from Related Parties Includes amounts of Rs. Nil (Previous year Rs. 4.24 Lacs) due from private Companies in which directors of the companies are director (Refer Note No.43.1).

Note - 17 Other Current Assets

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured, Considered Good :		
Export Incentives Receivable	79.94	51.81
Advances against supplies	148.20	245.02
Balance with Government Authorities	20.21	96.48
Prepaid Expenses	55.31	44.98
Others	47.74	102.27
Total	**351.40**	**540.56**

17.1 Others Includes mainly VAT Refund and other receivables.

Note 18 - Equity Share Capital

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Authorised		
12,00,00,000 (Previous Year :- 9,20,00,000) Equity Shares of Rs. 5/- each	6,000.00	4,600.00
Unclassified Share Capital	-	400.00
Preference Share Capital		
90,00,000 - 9% Non-Cumulative Non Convertible Redeemable Preference Shares of Rs. 100/- each (Previous Year :- 90,00,000)	9,000.00	9,000.00
Total	**15,000.00**	**14,000.00**

Notes to the Financial Statement for the year ended 31st March, 2018

Issued, Subscribed & Fully paid-up		
6,82,07,500 (Previous Year :- 6,82,07,500) Equity Shares of Rs. 5/- each fully paid up	3,410.38	3,410.38
Total	**3,410.38**	**3,410.38**

18.1 Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	No of Shares	(Rs. in Lacs)	No of Shares	(Rs. in Lacs)
Shares outstanding at the beginning of the year	6,82,07,500	3,410.38	6,82,07,500	3,410.38
Shares outstanding at the end of the year	6,82,07,500	3,410.38	6,82,07,500	3,410.38

18.2 Terms/Rights attached to Equity Shares :

The Company has only one class of shares referred to as equity shares having a par value of Rs. 5/- per share. Holders of equity shares are entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

18.3 Details of Shareholder holding more than 5% of Equity Share Capital :

Name of Shareholder	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Fennel Investment & Finance Pvt. Ltd.	22,600,000	33.13	22,600,000	33.13
Borosil Glass Works Limited	17,222,376	25.25	17,222,376	25.25
Pradeep Kumar Kheruka	11,300,000	16.57	11,300,000	16.57

18.4 There are no shares reserved for issue under options and contracts / commitments.

18.5 Paid and Proposed dividend of Rs. Nil (Previous Year Rs. Nil).

Note 19 - Other Equity **(Rs. in Lacs)**

Particulars		As at 31st March, 2018		As at 31st March, 2017
Equity Component of Preference shares issued (Net of Tax)				
Balance as per last Balance Sheet		2,504.31		2,504.31
Capital Reserve				
Balance as per last Balance Sheet		32.02		32.02
Securities Premium Reserve				
Balance as per last Balance Sheet		57.71		57.71
Surplus arising on giving effect to BIFR Order				
Balance as per last Balance Sheet		1,996.41		1,996.41
Retained Earnings				
Balance as per last Balance Sheet	(1,780.62)		(3,209.04)	
Add: Profit for the year	691.93	(1,088.69)	1,428.42	(1,780.62)
Other Comprehensive Income (OCI)				
Balance as per last Balance Sheet	(25.24)		(8.61)	
Add: Movement in OCI (Net) during the year	4.24	(21.00)	(16.63)	(25.24)
		3,480.76		**2,784.59**

Notes to the Financial Statement for the year ended 31st March, 2018

19.1 Nature and Purpose of Reserve

1 **Capital Reserve :** Capital reserve was created by way of
(i) Subsidy received from State of Gujarat.
(ii) Forfeiture of shares for non payment of allotment money/call money.
The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

2 **Surplus arising on giving effect to BIFR Order**
This surplus was recognised in pursuant to implementation of the order of Board for Industrial and Financial Reconstruction (BIFR) in respect of the scheme for the rehabilitation of the company. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

3 **Securities Premium Reserve**
Securities premium reserve was created when shares were issued at premium. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

4 **Equity Component of Preference shares issued**

The difference between the fair value of preference shares on the date of issue and the transaction price is recognised as a deemed equity component.

The fair value of the financial liability has been estimated by considering comparable market interest rates adjusted to the facts and circumstances relevant to the Company.

Note 20 - Non Current Financial Liabilities - Borrowings

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Unsecured		
Liability component of compound financial instrument		
90,00,000 - 9% Non-Cumulative Non Convertible Redeemable Preference Share of Rs. 100 each	-	9,364.71
Total	**-**	**9,364.71**

20.1 9% Non-Cumulative Non Convertible Redeemable Preference Share (Preference Share) (as disclosed in Note No. 25).

a) Preference Share shall be redeemable not later than 7 years from the date of issue i.e. 17th March, 2012 with an option to the Company to redeem the same at any time by giving two months prior notice in writing to holders. The terms of Preference shares were changed from Cumulative to Non-Cumulative vide special resolution passed by the Shareholders on 26th August, 2015 through Postal ballot.

b) The Preference Share have the priority in case of payment of dividend and in case of winding up, repayment of Capital and arrears of dividend.

c) Dividend on Preference Share Capital aggregating to Rs. 2791.64 Lacs is in arrear for the period from 17.03.2012 to 26.08.2015.

Notes to the Financial Statement for the year ended 31st March, 2018

20.2 Preference shareholders holding more than 5% of Preference share capital :

Name of Shareholder	As at 31st March, 2018		As at 31st March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Borosil Glass Works Limited	9,000,000	100.00	9,000,000	100.00

20.3 Reconciliation of number of Preference Share outstanding at the beginning and at the end of the year :

Particulars	As at 31st March, 2018 No of Shares	As at 31st March, 2017 No of Shares
Shares outstanding at the beginning of the year	9,000,000	9,000,000
Shares outstanding at the end of the year	9,000,000	9,000,000

20.4 Paid and Proposed Preference Share dividend of Rs. Nil (Previous Year Rs. Nil).

20.5 Terms/Rights attached to Preference Shares :

a) The Preference shareholder have acquired voting rights due to non-payment of dividend for two years in pursuant to second proviso to section 47 (2) of the Companies Act, 2013.

b) The holder of Preference Shares will have priority over Equity Shares for repayment of capital, in the event of liquidation of the company before redemption of Preference Shares.

Note 21 - Non Current Financial Liabilities - Provisions

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provisions for Employee Benefits		
Leave Encashment	91.11	60.95
Total	**91.11**	**60.95**

Note 22 - Income Tax

22.1 Current Tax :-

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Current Tax for the year	235.03	449.25
Income tax for the earlier year	109.14	(3.06)
MAT credit entitlement	(312.88)	(449.25)
Total Current Tax	**31.29**	**(3.06)**

Notes to the Financial Statement for the year ended 31st March, 2018

22.2 The major components of Tax Expense for the year ended 31st March, 2018 and 31st March, 2017 are as follows:

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Recognised in Statement of Profit and Loss:		
Current Tax (Refer note no. 22.1)	31.29	(3.06)
Deferred Tax:-Relating to origination and reversal of temporary differences	(55.10)	814.01
Total Tax Expenses	**(23.81)**	**810.95**

22.3 Reconciliation between tax (income)/expenses and accounting profit multiplied by tax rate for the year ended 31st March, 2018 and 31st March, 2017:

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Accounting profit before tax	668.12	2239.37
Applicable tax rate	34.61%	34.61%
Computed Tax Expenses	**231.22**	**775.00**
Tax effect on account of:		
Unrealised foreign exchange difference on capital borrowing and Indexation benefits on Property, Plant and Equipment	64.80	20.05
Fair value changes on financial instruments	(9.30)	(6.32)
Allowances of expenses on payment basis	-	15.29
Deduction not allowed under the Income Tax Act	23.10	9.99
Changes in Income Tax rates of subsequent year	(355.72)	-
Deduction under chapter VI A	(9.20)	-
Non consideration of surcharge for MAT Credit	31.29	-
Income tax for earlier years	-	(3.06)
Income tax (income) / expenses recognised in Statement of Profit and Loss	**(23.81)**	**810.95**

Notes to the Financial Statement for the year ended 31st March, 2018

22.4 Deferred tax relates to the following:

(Rs. in Lacs)

Particulars	Balance Sheet		Statement of profit and loss	
	As at 31st March, 2018	As at 31st March, 2017	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Property, Plant and Equipment, Intangible Assets and Assets Held for Sale	1,556.52	1,781.27	(224.75)	(273.72)
Financial Instruments-Assets	9.39	-	9.39	(6.32)
Provision for doubtful debts	(6.88)	(4.52)	(2.36)	(2.97)
Inventories	(5.01)	(5.96)	0.95	9.36
Disallowance Under the Income Tax Act, 1961	(51.23)	(46.61)	(4.62)	(2.85)
Non-Cumulative Non Convertible Redeemable Preference Share	365.62	839.65	(474.03)	(360.10)
Financial Instruments-Liabilities	(20.67)	(70.82)	50.15	149.49
Unabsorbed depreciation utilised	-	(592.42)	592.42	1,296.61
Deferred Tax Liabilities / (Assets)	**1,847.74**	**1,900.59**	**(52.85)**	**809.50**

22.5 Reconciliation of deferred tax liabilities (Net):

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening balance as at 1st April	1,900.59	1,091.09
Deferred Tax expenses recognised in statement of profit and loss	(55.10)	814.01
Deferred Tax expenses recognised in OCI	2.25	(4.51)
Closing balance as at 31st March	**1,847.74**	**1,900.59**

Note - 23 Current Financial Liabilities - Borrowings

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Secured Loan from Bank		
Buyer's Credit	947.31	1,332.95
Export Packing Credit	-	43.87
Working Capital Facility	48.16	24.19
Total	**995.47**	**1,401.01**

23.1 Buyers' credit is primary secured by charge on the current assets and further secured by all the Property, Plant and Equipment of the Company (Present & Future) situated at Village Govali, Distt- Bharuch and carries Interest @ 12 month EURIBOR plus 27 BPS.

23.2 a) Working Capital Facility from bank are secured by Hypothecation on all stock and book debts of the Company and additionally secured by way of second charges on Property, Plant and Equipment of the Company.

b) Interest rate on Working Capital Facility - Base Rate + 1% i.e.9.50%.

23.3 Export Packing Credit Facility from bank was secured by Hypothecation on all stock and book debts of the Company and additionally secured by way of second charges on Property, Plant and Equipment of the Company.

Notes to the Financial Statement for the year ended 31st March, 2018

Note 24 - Current Financial Liabilities - Trade Payables

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Micro, Small and Medium Enterprises	-	-
Others	1,101.48	990.98
	1,101.48	**990.98**

24.1 Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information as available with the Company and the details of amount outstanding due to them are as given below:

(Rs. in Lacs)

	Particulars	As at 31st March, 2018	As at 31st March, 2017
a)	Principal amount outstanding	-	-
b)	Interest due thereon	-	-
c)	Interest paid by the Company in terms of Section 16 of MSMED 2006, along with amount of the payment made to the suppliers beyond the appointed day during the year .	-	-
d)	Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED 2006.	-	-
e)	Interest accrued and remaining unpaid	-	-
f)	Further interest remaining due and payable in the succeeding years.	-	-
		-	**-**

Note 25 - Current Financial Liabilities - Others

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Current Maturity of Long Term Borrowings		
-Non-Current Borrowings (Refer Note No. 25.1)	-	683.97
-Liability component of compound financial instrument		
90,00,000 - 9% Non-Cumulative Non Convertible Redeemable Preference Share	10,535.30	-
Interest Accrued but not Due on Borrowing	0.66	1.83
Creditors for Capital Goods	346.25	550.83
Security Deposits	52.06	52.10
Other Payables	430.87	411.98
Total	**11,365.14**	**1,700.71**

25.1 Term Loan of Rs. Nil (Previous year Rs. 683.97 Lacs) was secured by way of exclusive charge on current assets of the company and further secured by way of charge on the property, plant and equipment of the Company (present & future) situated at village Govali, Dist Bharuch.

25.2 Other Payables mainly includes outstanding liability for expenses and payable to employees.

Notes to the Financial Statement for the year ended 31st March, 2018

Note 26 - Other Current Liabilities

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Advance from Customers	153.54	72.33
Statutory liabilities	228.84	59.46
Export Obligation Liability	39.97	39.97
Total	**422.35**	**171.76**

Note 27 - Current Provisions

(Rs. in Lacs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Provisions for Employee Benefits		
Gratuity (Funded) (Refer Note No. 38)	12.81	17.00
Leave Encashment	5.99	3.96
Others		
Provision for Excise duty (Refer Note No. 39)	-	40.85
Total	**18.80**	**61.81**

27.1 In Previous year, the Company had recognised liabilities based on substantial degree of estimation for Excise Duty payable on clearance of goods lying in stock. During the period till 30th June, 2017, Rs. 40.85 Lacs was utilised for clearance of goods. Excise duty is discontinued with effect from 1st July, 2017 upon implementation of Goods and Service Tax (GST).

Note 28 - Revenue From Operations

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Sale of Products (Including Excise duty)	19,835.04	18,729.70
Other Operating Revenue	146.19	103.11
Revenue from Operations	**19,981.23**	**18,832.81**

28.1 Sale of products up to 30th June 2017 includes excise duty, which is discontinued with effect from 1st July, 2017 upon implementation of Goods and Service Tax (GST). In accordance with 'Ind AS 18 – Revenue', GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the year is not comparable with those of previous year.

Notes to the Financial Statement for the year ended 31st March, 2018

Note 29 - Other Income

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Interest Income from financial assets measured at amortised cost		
- Fixed Deposits with banks	15.37	6.65
- Others	213.12	18.22
Gain on Sale of Current Investments (Net)	0.92	52.41
Gain on financial instruments measured at fair value through profit or loss (Net)	53.72	-
Share in Profit from LLP	0.02	0.15
Gain on foreign currency transactions (Net)	-	59.35
Sundry Credit Balance Written Back (Net)	12.11	2.96
Miscellaneous Income	55.23	583.01
Total	**350.49**	**722.75**

29.1 Miscellaneous income for the year includes Refund of Electricity duty of Rs. 53.55 Lacs and for the previous year includes a refund of Rs 559.38 Lacs from "Gas Authority of India Limited" (GAIL) on account of downward revision in gas transportation charges for the period from November 2008 to March 2016.

Note 30 - Changes in Inventories of Finished Goods and Work-in-Progress

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018		For the Year Ended 31st March, 2017	
Finished Goods				
Opening Stock	346.00		201.52	
Less: Closing Stock	103.81	242.19	346.00	(144.48)
Work-in-Progress				
Opening Stock	728.88		267.97	
Less: Closing Stock	186.33	542.55	728.88	(460.91)
Total		**784.74**		**(605.39)**

Note 31 - Employee Benefits Expense

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Salaries, Wages & allowances	2,117.09	2,018.89
Contribution to Provident and Other Funds (Refer Note No. 38)	120.61	99.79
Staff Welfare Expenses	136.46	109.73
Total	**2,374.16**	**2,228.41**

Notes to the Financial Statement for the year ended 31st March, 2018

Note 32 - Finance Costs

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Interest Expenses on financial liabilities measured at amortised cost	1,287.48	1,108.19
Exchange differences regarded as an adjustment to Borrowing Costs	89.43	-
Total	**1,376.91**	**1,108.19**

32.1 Above includes, Interest of Rs. 18.87 Lacs (Previous Year Rs. 12.77 Lacs) on late payment of Advance Tax.

Note 33 - Depreciation and Amortization Expense

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Depreciation of Property, Plant and Equipment (Refer Note No. 5)	1,658.53	1,436.60
Amortisation of Intangible Assets (Refer Note No. 6)	9.01	2.16
Total	**1,667.54**	**1,438.76**

Note 34 - Other Expenses

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Manufacturing Expenses		
Stores, Spares and Consumables Consumed	611.20	478.61
Packing Materials Consumed	1,154.12	1,082.09
Power and Fuel	3,426.91	3,156.72
Processing charges	76.34	96.26
Repairs and Maintenance		
- Plant and Machinery	236.56	167.01
- Buildings	18.61	11.98
- Others	105.30	67.19
Selling and Distribution Expenses		
Sales Promotion and Advertisement Expenses	151.68	79.61
Freight Outward	1,456.46	1,366.93
Commission	69.65	17.79
Cash Discount	69.47	123.01
Administrative and General Expenses		
Insurance	64.68	49.58
Rent	19.66	19.52
Rates and Taxes	12.36	12.50
Legal and Professional Fees	268.18	238.27
Travelling and Conveyance Expenses	304.55	272.62
Payment to Auditor (Refer note no. 34.2)	28.66	17.94

Notes to the Financial Statement for the year ended 31st March, 2018

Research and Development Expenses		-		19.95
Corporate Social Responsibility Expenditure (Refer note no. 34.1)		33.40		15.00
Security Expenses		41.41		31.59
Excise duty of earlier years		197.35		-
Loss on foreign currency transactions (Net)		26.28		-
Directors Sitting Fees		17.10		11.44
Bad Debts	4.78		5.00	
Less: Provision Written Back	-	4.78	4.48	0.52
Provision for Doubtful Debts		10.56		13.05
Loss on Discard/sale of Property, Plant and Equipment (Net)		11.31		2.62
Loss on Assets Held for Sale		-		124.00
Bank Charges		37.26		52.85
Miscellaneous Expenses		185.93		149.68
Total		**8,639.77**		**7,678.33**

Note 34.1 Notes related to Corporate Social Responsibility Expenditure (CSR):

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs. 32.88 Lacs (Previous Year Rs. 22.52 Lacs).

(b) Expenditure related to CSR is Rs. 33.40 Lacs (Previous Year Rs. 15.00 Lacs) and Rs. Nil (Previous year Rs. 7.52 Lacs) remained unspend.

Details of expenditure towards CSR given below: **(Rs. in Lacs)**

	Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
(i)	Cost of shipping of the artwork and logistics of the exhibition	12.40	-
(ii)	Promoting education and making available safe drinking water	21.00	-
(iii)	Promoting health care including preventive health care	-	5.00
(iv	Promoting education	-	10.00
	Total	**33.40**	**15.00**

Note 34.2 - Details of Payment to Auditor

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Payments to the auditor as:		
Auditor	18.00	13.50
For taxation Matters	-	-
For Company law matters	-	-
For Certifications	5.25	3.35
For other services	5.00	-
For reimbursement of expenses	0.41	1.09
Total	**28.66**	**17.94**

Notes to the Financial Statement for the year ended 31st March, 2018

Note - 35 Exceptional Items:-

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Loss on sale of Property, Plant and Equipment	195.37	-
Total	**195.37**	**-**

35.1 During the year, the Company has sold Captive Power Plant (Gas Based Genset) at a loss of Rs. 195.37 Lacs which has been shown as an exceptional item.

Note - 36 Earning Per Share

(Rs. in Lacs)

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Net Profit Attributable to Equity Shareholders for Basic EPS and Diluted EPS (Rs. In Lacs)	691.93	1,428.42
Weighted Average Number of Equity Shares Outstanding During the year for Basic EPS and Diluted EPS (in Nos.)	6,82,07,500	6,82,07,500
Basic and Diluted Earning per share of Rs. 5 each (in Rs.)	1.01	2.09
Face Value per Equity Share (in Rs.)	5.00	5.00

Note - 37 Contingent Liabilities and Commitments

37.1 Contingent Liabilities (To the extent not provided for) Claims against the Company not acknowledged as debts

(Rs. in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017
Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)		
- Excise (amount paid under protest of Rs. Nil Lacs (Previous Year Rs. 590.08 Lacs)	-	1,252.13
- Income Tax	332.20	332.20
- Sales Tax	565.79	550.84
- Cenvat Credit/Service Tax (amount paid under protest of Rs. 1.18 Lacs (Previous Year Rs. 1.85 Lacs)	11.30	52.99
- Others (amount paid under protest of Rs. 44.13 Lacs (Previous Year Rs. 44.13 Lacs)	112.98	72.51
Guarantees		
- Bank Guarantees	546.48	409.57
Others		
1 Letter of Credits	341.18	144.90
2 Bonus (refer note no. 37.4)	18.45	18.45

37.2 Management is of the view that above litigations will not materially impact the financial position of the Company.

Notes to the Financial Statement for the year ended 31st March, 2018

37.3 Commitments

(Rs. in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017
Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts)		
-- Related to Property, Plant and Equipment	1,662.49	852.82
-- Related to Intangible Assets	-	11.82

37.4 The Payment of Bonus (Amendment) Act, 2015 envisages enhancement of eligibility limit and Calculation Ceiling under section 12 from Rs. 3500 to Rs. 7000 or the minimum wage for the scheduled employment, as fixed by the appropriate Government, whichever is higher. The Payment of Bonus (Amendment) Act, 2015 have come into force on the 1st April 2014. However the same is challenged in the Hon'ble High Courts of few states by some parties and those high courts have provided stay on the retrospectively impact of the same and accordingly same amount shown as contingent liability.

38 Employee Benefits

38.1 As per Ind AS-19 'Employee Benefits', the disclosure of Employee benefits as defined in the Ind AS are given below:

(a) Defined Contribution Plan:

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

(Rs. in Lacs)

Particulars	2017-18	2016-17
Employer's Contribution to Provident Fund	53.43	47.59
Employer's Contribution to Pension Scheme	34.00	33.25

The contribution to provident fund is made to Employees' Provident Fund managed by Provident Fund Commissioner.

(b) Defined Benefit Plan:

The employees' Gratuity Fund is managed by the Birla Sun Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as the gratuity.

Particulars	Gratuity (Funded)	
	As at 31st March 2018	As at 31st March 2017
Actuarial assumptions		
Mortality Table	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Salary growth	5.00%	5.00%
Discount rate	7.55%	7.25%
Expected returns on plan assets	7.55%	7.25%
Withdrawal rates	2% at younger ages reducing to 1% at older ages	2% at younger ages reducing to 1% at older ages

Notes to the Financial Statement for the year ended 31st March, 2018

(Rs. in Lacs)

Particulars	Gratuity (Funded)	
	2017-18	2016-17
Movement in present value of defined benefit obligation		
Obligation at the beginning of the year	242.66	217.60
Current service cost	22.98	20.05
Past service cost	9.80	-
Interest cost	16.92	16.38
Benefits paid	(13.18)	(21.53)
Actuarial (gain)/loss on obligation	(12.46)	10.16
Obligation at the end of the year	**266.72**	**242.66**
Movement in present value of plan assets		
Fair value at the beginning of the year	225.66	193.19
Interest Income	16.52	17.48
Expected Return on Plan Assets	(0.09)	11.52
Employer Contribution	25.00	25.01
Benefits paid	(13.18)	(21.54)
Fair value at the end of the year	**253.91**	**225.66**
Amount recognised in Statement of Profit and Loss		
Current service cost	22.98	20.05
Past service cost and loss on curtailments and settlement	9.80	-
Interest cost	0.40	(1.10)
Total	**33.18**	**18.95**
Amount recognised in the other comprehensive income		
Components of actuarial gain/losses on obligations:		
Due to financial assumptions	(6.96)	12.56
Due to experience adjustments	(5.50)	(2.40)
Return on plan assets excluding amounts included in interest income	0.09	(11.52)
Total	**(12.37)**	**(1.36)**

(c) Fair Value of assets

(Rs. in Lacs)

Particulars	Fair Value of Asset	
	2017-18	2016-17
Birla Sun Life Insurance Corporation of India	253.91	225.66
Total	**253.91**	**225.66**

(d) Net Liability Recognised in the balance sheet

(Rs. in Lacs)

Amount recognised in the balance sheet	As at 31st March 2018	As at 31st March 2017
Present value of obligations at the end of the year	266.72	242.66
Less: Fair value of plan assets at the end of the year	253.91	225.66
Net liability recognised in the balance sheet	**12.81**	**17.00**

(e) The estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply & demand in the employment market. The above information is certified by the actuary.

Notes to the Financial Statement for the year ended 31st March, 2018

38.2 Sensitivity analysis: **(Rs. in Lacs)**

Particulars	Changes in assumptions	Effect on Gratuity Obligation Increase/ (Decrease)
For the year ended 31st March, 2017		
Discount rate	+.5%	(10.53)
	-0.5%	11.25
Salary growth rate	+.5%	11.30
	-0.5%	(9.82)
Withdrawal rate (W.R.)	W.R. x 110%	0.65
	W.R. x 90%	(0.65)
For the year ended 31st March, 2018		
Discount rate	+.5%	(11.01)
	-0.5%	11.76
Salary growth rate	+.5%	11.56
	-0.5%	(10.79)
Withdrawal rate (W.R.)	W.R. x 110%	0.66
	W.R. x 90%	(0.66)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the Balance Sheet.

38.3 Risk exposures

1) **Actuarial Risk:** This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate, than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate, than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

2) **Investment Risk:** For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

3) **Liquidity Risk:** Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the Company there can be strain on the cash flows.

4) **Market Risk:** Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Notes to the Financial Statement for the year ended 31st March, 2018

5) **Legislative Risk:** Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

38.4 Details of Asset-Liability Matching Strategy:-

Gratuity benefits liabilities of the company are funded. There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

38.5 The expected payments towards contributions to the defined benefit plan is within one year.

38.6 The expected payments towards to the gratuity in future years:

(Rs. in Lacs)

Year Ended	Expected payment
31st March, 2019	21.41
31st March, 2020	15.71
31st March, 2021	18.49
31st March, 2022	15.78
31st March, 2023	21.53
31st March, 2024 to 31st March, 2028	160.05

38.7 The average duration of the defined benefit plan obligation at the end of the reporting period is 13.70 years (31 March 2017: 13.79 years).

Note - 39 Provisions

Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:-

Movement in provisions:-

(Rs. in Lacs)

Nature of provision	Provision for Doubtful Debts	Excise duty	Total
As at 31st March, 2016	**4.48**	**17.82**	**22.30**
Provision during the year	13.05	40.85	53.90
Payment during the year	-	(17.82)	(17.82)
Provision reversed during the year	(4.48)	-	(4.48)
As at 31st March, 2017	**13.05**	**40.85**	**53.90**
Provision during the year	10.56	-	10.56
Payment during the year	-	(40.85)	(40.85)
Provision reversed during the year	-	-	-
As at 31st March, 2018	**23.61**	**-**	**23.61**

Note- 40 The settlement with Worker's Union expired on 31st December, 2009 and 31st December, 2015, the Company has signed settlement agreement with workers on 21st March, 2013 and 20th August, 2016. The wages payable as per the settlement agreement to workers who have still not accepted the settlement amount from 1st January, 2010 to 31st March, 2018 amounts to Rs. 248.14 Lacs (Previous Year Rs. 216.32 Lacs), which have provided in the books of accounts.

Notes to the Financial Statement for the year ended 31st March, 2018

Note- 41 The Company was carrying a portion of items of certain Property, Plant and Equipment of Sheet Glass plant which were sold/discarded in 2013-14. As one of the buyer who had agreed to lift this portion of Property, Plant and Equipment and had given security deposit failed to perform the contract, the Company has finally sold the same during the year. Deposit received from the earlier buyer is lying in liabilities pending litigation.

(Rs. in Lacs)

Particulars	**As at 31st March 2018**	**As at 31st March 2017**
Asset Held for Sale	-	24.49
	-	**24.49**

Previous year the fair value of the above was determine using bidding method. This is level 2 measurement as per the fair value hierarchy

Note - 42 Company had filed application for exemption for electricity duty on power used in Solar glass plant. The exemption has been partially granted and the same has been accounted. However, exemption in respect of electricity used from Captive Power Plant in the solar glass plant is pending to be disposal and accounting of the same will be done on disposal of said application.

Note - 43 **Related party disclosure**

In accordance with the requirements of Ind AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are as detail below:

43.1 List of Related Parties :

a) Associate Companies

Borosil Glass Works Limited

(25.25% of the equity share of the Company)

b) Fellow subsidiaries

Hopewell Tableware Private Limited

Klasspack Private Limited

c) Key Management Personnel

Mr. B. L. Kheruka – Chairman. (Non-Executive Director)

Mr. Rajesh Chaudhary - Whole-time Director (upto 31st March, 2018)

Mr. Sunil Kumar Roongta (Chief Financial Officer)

Mr. Kishor Talreja (Company Secretary)

d) Relative of Key Management Personnel

Mr. P. K. Kheruka - Relative of Mr. B. L. Kheruka

Mr. Shreevar Kheruka - Relative of Mr. B. L. Kheruka

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

Cycas Trading LLP

Vyline Glass Works Limited

Window Glass Limited

Borosil Foundation

Chotila Silica Pvt. Ltd.

Notes to the Financial Statement for the year ended 31st March, 2018

(Rs. in Lacs)

Nature of Transactions	Name of the Related Party	2017-18	2016-17
Transactions with associates:			
Purchase of Goods	Borosil Glass Works Limited	5.49	1.06
Rent Paid	Borosil Glass Works Limited	15.64	15.60
Reimbursement of expenses to	Borosil Glass Works Limited	1.26	19.56
Reimbursement of expenses from	Borosil Glass Works Limited	10.99	26.01
Transactions with fellow subsidiary:			
Sale of Goods	Hopewell Tableware Private Limited	2.11	7.24
Purchase of Goods	Hopewell Tableware Private Limited	-	2.40
Reimbursement of expenses from	Klasspack Private Limited	0.28	0.95
	Hopewell Tableware Private Limited	3.42	4.75
Reimbursement of expenses to	Hopewell Tableware Private Limited	7.50	-
Transactions with other related parties:			
Sale of Goods	Vyline Glass Works Ltd.	0.15	0.36
Purchase of Goods	Vyline Glass Works Ltd.	1.04	7.63
	Chotila Silica Pvt Ltd	267.05	1.95
Rent Paid	Cycas Trading LLP	2.64	2.16
Office Rent/Maintenance charges	Window Glass Limited	2.84	2.28
Donation Given for CSR activities	Borosil Foundation	22.40	0.10
Managerial Remuneration	Mr. Rajesh Chaudhary	48.10	89.65
	Mr. Sunil Roongta	35.40	30.66
	Mr. Kishor Talreja	18.53	15.45
Reimbursement of expenses to	Vyline Glass Works Limited	-	0.48
Reimbursement of expenses from	Vyline Glass Works Limited	9.73	17.35

(Rs. in Lacs)

Nature of Transactions	Name of the Related Party	As at 31st March 2018	As at 31st March 2017
Balances with associates:			
Current Financial Assets - Others	Borosil Glass Works Limited	-	2.80
Balances with fellow subsidiary:			
Current Financial Assets - Others	Klasspack Private Limited	-	0.87
	Hopewell Tableware Private Limited	-	3.37
Balance with other related parties:-			
Current Financial Assets - Others	Vyline Glass Works Ltd.	-	10.02
Current Financial Liabilities - Trade Payables	Window Glass Limited	-	0.19
	Chotila Silica Pvt. Ltd.	-	4.52

43.2 Compensation to key management personnel of the Company (Rs. in Lacs)

Nature of transaction	2017-18	2016-17
Short-term employee benefits	111.31	138.81
Post-employment benefits	11.39	9.04
Total compensation paid to key management personnel	**122.70**	**147.85**

Notes to the Financial Statement for the year ended 31st March, 2018

43.3 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at year-end are unsecured, unless specified and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 44 - Fair Values

44.1 Financial Instruments by category:

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities that are recognised in the financial statements.

a) Financial Assets measured at fair value: **(Rs. in Lacs)**

Particulars	As at 31st March 2018	As at 31st March 2017
Financial Assets designated at fair value through profit or loss:-		
- Investments	3,053.89	0.90
	3,053.89	**0.90**

b) Financial Assets designated at amortised cost:- **(Rs. in Lacs)**

Particulars	As at 31st March 2018		As at 31st March 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets designated at amortised cost:-				
- Trade Receivable	2,445.22	2,445.22	2,676.12	2,676.12
- Cash and cash equivalents	52.38	52.38	47.69	47.69
- Bank Balance other than cash and cash equivalents	112.56	112.56	174.04	174.04
- Loans	7.25	7.25	7.69	7.69
- Others	134.39	134.39	714.75	714.75
	2,751.80	**2,751.80**	**3,620.29**	**3,620.29**

c) Financial Liabilities designated at amortised cost:-

(Rs. in Lacs)

Particulars	As at 31st March 2018		As at 31st March 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities designated at amortised cost:-				
- Borrowings	995.47	995.47	10,765.72	10,765.72
- Trade Payable	1,101.48	1,101.48	990.98	990.98
- Other Financial Liabilities	11,365.14	11,365.14	1,700.71	1,700.71
	13,462.09	**13,462.09**	**13,457.41**	**13,457.41**

44.2 Fair Valuation techniques used to determine fair value

The Company maintains procedures to value its financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

i) Fair value of cash and cash equivalents, other bank balances, trade receivables, trade payables, current loans, current borrowings, deposits and other current financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.

ii) The fair values of non-current Security Deposits and Margin money are approximate at their carrying amount due to interest bearing features of these instruments.

iii) Fair values of mutual fund are derived from published NAV (unadjusted) in active markets for identical assets.

Notes to the Financial Statement for the year ended 31st March, 2018

44.3 Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

i) **Level 1 :-** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the Balance Sheet date.

ii) **Level 2 :-** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

iii) **Level 3 :-** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table provides hierarchy of the fair value measurement of Company's asset and liabilities, grouped into Level 1 (Quoted prices in active markets), Level 2 (Significant observable inputs) and Level 3 (Significant unobservable inputs) as described below:

(Rs. in Lacs)

Particulars	31st March, 2018		
	Level 1	Level 2	Level 3
Financial Assets designated at fair value through profit or loss:-			
- Investments	3,053.89	-	-

(Rs. in Lacs)

Particulars	31st March, 2017		
	Level 1	Level 2	Level 3
Financial Assets designated at fair value through profit or loss:-			
- Investments *	-	-	0.90

* Considered as book value as per latest financial statements of the investee and no material impact on fair valuation

Note 45 - Financial Risk Management objective and policies

The Company is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the Company under policies approved by the board of directors. This Risk management plan defines how risks associated with the Company will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Company. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term.

Notes to the Financial Statement for the year ended 31st March, 2018

45.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments.

The sensitivity analyses relate to the position as at 31st March 2018 and 31st March 2017.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as at 31st March, 2018 and 31st March, 2017.

(a) Foreign exchange risk and sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company transacts business primarily in USD and EURO. The Company has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. The Company regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions.

The following table demonstrates the sensitivity in the USD and EURO to the Indian Rupee with all other variables held constant. The impact on the Company’s profit before tax due to changes in the fair values of monetary assets and liabilities is given below:

Unhedged Foreign currency exposure as at 31st March, 2017	Currency	Amount in FC	(Rs. in Lacs)
Trade Receivables	USD	79,158	51.32
Trade Receivables	EURO	3,48,105	241.05
Trade Payables	USD	4,51,979	293.06
Trade Payables	EURO	4,80,646	332.84
Borrowings and interest thereon	USD	18,57,419	1,204.32
Borrowings and interest thereon	EURO	12,39,443	858.27

Unhedged Foreign currency exposure as at 31st March, 2018	Currency	Amount in FC	(Rs. in Lacs)
Trade Receivables	USD	38,351	24.94
Trade Receivables	EURO	3,99,639	322.20
Trade Payables	USD	4,31,955	280.96
Trade Payables	EURO	2,64,851	213.53
Borrowings and interest thereon	EURO	11,75,820	947.97

Foreign currency sensitivity

2% increase or decrease in foreign exchange rates will have the following impact on profit before tax:-

(Rs. in Lacs)

Particulars	2017-18		2016-17	
	2% Increase - Profit / (Loss)	2% Decrease - Profit / (Loss)	2% Increase - Profit / (Loss)	2% Decrease Profit / (Loss)
USD	(5.12)	5.12	(28.92)	28.92
EURO	(16.79)	16.79	(19.00)	19.00
Increase / (Decrease) in profit before tax	**(21.91)**	**21.91**	**(47.92)**	**47.92**

Notes to the Financial Statement for the year ended 31st March, 2018

b) Interest rate risk and sensitivity :-

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company having short term borrowings in the form of buyers credit and working capital facility. There is a fixed rate of interest in case of buyers credit hence, there is no interest rate risk associated with the borrowings. The Company is exposed to interest rate risk associated with working capital facility due to floating rate of interest.

The table below illustrates the impact of a 2% increase in interest rates on interest on financial liabilities assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

(Rs. in Lacs)

Particulars	2017-18		2016-17	
	2% Increase - Decrease in PBT	2% Decrease - Increase in PBT	2% Increase - Decrease in PBT	2% Decrease - Increase in PBT
Working Capital Facility	(0.96)	0.96	(0.48)	0.48
Foreign Currency Term Loan - ECB	-	-	(13.68)	13.68
Increase / (Decrease) in profit before tax	**(0.96)**	**0.96**	**(14.16)**	**14.16**

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

c) Commodity price risk:-

The Company is exposed to the movement in price of key consumption materials in domestic and international markets. The Company entered into contracts for procurement of material, most of the transactions are short term fixed price contract and hence Company is not exposed to significant risk.

45.2 Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

a) Trade Receivables:-

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. No single customer accounted for 10% or more of revenue in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non performance by any of the counterparties.

Notes to the Financial Statement for the year ended 31st March, 2018

b) Financial instruments and cash deposits:-

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. Credit risk from balances with bank is managed by the Company's finance department. Investment of surplus funds are also managed by finance department. The Company does not maintain significant cash in hand. Excess balance of cash other than those required for its day to day operations is deposited into the bank.

For other financial instruments, the finance department assesses and manage credit risk based on internal assessment. Internal assessment is performed for each class of financial instrument with different characteristics.

45.3 Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies operating cash flows and short term borrowings in the form of buyers credit and working capital to meet its needs for funds. Company does not breach any covenants (where applicable) on any of its borrowing facilities. The Company has access to a sufficient variety of sources of funding as per requirement.

The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(Rs. in Lacs)

Particulars	on Demand	Maturity				Total
		0 - 3 Months	3 - 6 Months	6 - 12 months	More than 1 year	
As at 31st March, 2017						
Long term borrowings	-	-	-	-	9,364.71	9,364.71
Short term borrowings	24.19	-	43.87	1,332.95	-	1,401.01
Trade Payable	-	990.98	-	-	-	990.98
Other	335.32	803.19	204.56	357.64	-	1,700.71
Total	**359.51**	**1,794.17**	**248.43**	**1,690.59**	**9,364.71**	**13,457.41**
As at 31st March, 2018						
Short term borrowings	48.16	-	-	947.31	-	995.47
Trade Payable	-	1,101.48	-	-	-	1,101.48
Other	365.20	251.83	212.15	10,535.96	-	11,365.14
Total	**413.36**	**1,353.31**	**212.15**	**11,483.27**	**-**	**13,462.09**

45.4 Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

Notes to the Financial Statement for the year ended 31st March, 2018

Note 46 - Capital Management

For the purpose of Company's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt divided by total capital (equity plus net debt). Net debt are non-current and current debts as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

(Rs. in Lacs)

Particulars	As at 31st March 2018	As at 31st March 2017
Total Debt	11,530.77	11,449.69
Less:- Cash and cash equivalent	52.38	47.69
Less:- Current Investments	3,053.89	-
Net Debt	**8,424.50**	**11,402.00**
Equity (Equity Share Capital plus Other Equity)	6,891.14	6,194.97
Total Capital (Equity plus net debts)	**15,315.64**	**17,596.97**
Gearing ratio	**55.01%**	**64.80%**

Note 47 - Segment Information

47.1 The Company is engaged only in the business of manufacture of Flat Glass which is a single segment in terms of Indian Accounting Standard 'Operating Segments (Ind AS-108).

47.2 **Revenue from Operations** **(Rs. in Lacs)**

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
India	16,349.10	16,223.08
Outside India	3,632.13	2,609.73
Total	**19,981.23**	**18,832.81**

47.3 No single customer has accounted for more than 10% of the Company revenue for the year ended 31st March, 2018 and 31st March 2017.

47.4 No Non-Current Assets of the Company is located outside India as on 31st March, 2018 and 31st March 2017.

Note 48 - Standards issued but not effective :

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

a) Issue of Ind AS 115 - Revenue from Contracts with customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. The core principles of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Notes to the Financial Statement for the year ended 31st March, 2018

b) Amendment to Existing issued Ind AS

The MCA has also notified certain amendments to the following Accounting Standards:

i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

ii. Ind AS 12 - Income Taxes

Applications of the above standards are not expected to have any significant impact on the Company's financial statements.

Note 49 - The Management and authorities have the power to amend the Financial Statements in accordance with section 130 and 131 of The Companies Act, 2013.

Note 50 - Previous Year figures have been regrouped and reclassified wherever necessary.

As per our report of even date		For and on behalf of the Board of Directors
For CHATURVEDI & SHAH		
Chartered Accountants	**Sunil Kumar Roongta**	**B. L. Kheruka**
(Firm Registration no. 101720W)	Chief Financial Officer	Chairman
		DIN-00016861
R. Koria		
Partner		
Membership No. 035629	**Kishor Talreja**	**Ramaswami Velayudhan Pillai**
Place : Mumbai	Company Secretary	Whole-time Director
Date : 10th May, 2018	Membership No. F7064	DIN-00011204