

# BOROSIL GLASS WORKS LIMITED

Corporate Identification No. (CIN) – L99999MH1962PLC012538

Registered Office: Khanna Construction House, 44, Dr. R. G. Thadani Marg, Worli, Mumbai, Maharashtra – 400018

Website: [www.borosil.com](http://www.borosil.com); E mail : [borosil@borosil.com](mailto:borosil@borosil.com)

## NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 AND RULE 22 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

Dear Members,

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 (the “**Companies Act**”), read with the Companies (Management and Administration) Rules, 2014 (the “**Management Rules**”) including any statutory modification or re-enactment thereof for the time being in force, and other applicable provisions, if any, that the resolution appended below for the buyback of equity shares of Borosil Glass Works Limited (the “**Company**”) is proposed to be passed as a Special Resolution by way of Postal Ballot / Electronic voting.

The Board of Directors of the Company at its meeting held on September 11, 2015 (“**Board Meeting**”) has, subject to the approval of the Members of the Company, by way of special resolution, approved buyback of not exceeding 6,96,000 (Six Lacs and Ninety Six Thousand only) equity shares of the Company, from all the Members holding equity shares of the Company on a proportionate basis through the “Tender Offer” route as prescribed under the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended from time to time at a price of ₹ 2,500 (Rupees Two Thousand and Five Hundred only) per equity share payable in cash for an aggregate amount of ₹174 crores (Rupees One hundred and Seventy Four Crores only).

Pursuant to Section 68(2) (b) of the Companies Act, and other applicable legal provisions, it is necessary to obtain the consent of the Members holding equity shares of the Company by way of a special resolution for the proposed buyback of equity shares. Further, as per Section 110 of the Companies Act read with Rule 22(16)(g) of the Management Rules, the consent of the Members is required to be obtained for the buyback by means of postal ballot. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the resolution appended below. An explanatory statement pursuant to Section 102 of the Companies Act and other applicable legal provisions, pertaining to the said resolution setting out the material facts and the reasons therefor, is also appended. The said resolution and explanatory statement are being sent to you along with a postal ballot form (the “**Postal Ballot Form**”) for your consideration. Pursuant to Rule 22(5) of the Management Rules, the Company has appointed Virendra Bhatt, Practicing Company Secretary as the Scrutinizer for the Postal Ballot process.

The Members holding equity shares of the Company are requested to carefully read the instructions enclosed with the Postal Ballot Form and return the said Form duly completed in the attached self-addressed, postage prepaid envelope, if posted in India, so as to reach the Scrutinizer at the Registered Office of the Company at Khanna Construction House, 44, Dr R. G. Thadani Marg, Worli, Mumbai, Maharashtra - 400018, not later than close of working hours (5 pm IST) on Friday, October 30, 2015. Please note that any Postal Ballot Form(s) received after the said date will be treated as not having been received. Also, the e-voting module will be disabled after the business hours i.e. 5 pm IST on Friday, October 30, 2015 for voting by the Members holding equity shares of the Company. The postage will be borne and paid for by the Company. E-Voting facility is also provided to all Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Forms. Members holding equity shares of the Company are requested to follow the procedure as stated in the notes and instructions for casting of votes by e-voting. The Members holding equity shares of the Company have both the options of voting i.e. by e-voting and through Postal Ballot Form. Kindly note that while exercising their vote, Members holding equity shares of the Company can opt for only one of the two modes of voting i.e. either through Postal Ballot Form or e-voting. If you are opting for e-voting, then do not vote through Postal Ballot Form and vice versa.

The Scrutinizer will submit his report to the Chairman or in his absence a person authorized by him in writing, after completion of scrutiny of Postal Ballot (including e-voting) in a fair and transparent manner. The results of the Postal Ballot will be announced on or before November 6, 2015 and will be displayed at the Registered Office and Corporate Office of the Company and will also be published in newspapers and communicated to BSE Limited (the “**BSE**”) where the equity shares of the Company are listed. The results of the Postal Ballot will also be displayed on the Company’s website: [www.borosil.com](http://www.borosil.com) and on the website of Central Depository Services (India) Limited (“**CDSL**”). The date of declaration of the results of the Postal Ballot shall be the date on which the Resolution would be deemed to have passed, if approved by the requisite majority. The Members are requested to consider and, if thought fit, pass the following resolution:

## **SPECIAL BUSINESS:**

### **Approval for Buyback of Equity Shares**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (the **“Companies Act”**) and in accordance with Article 57 of the Articles of Association of the Company, the Companies (Share Capital and Debentures) Rules, 2014 (the **“Share Capital Rules”**) to the extent applicable, and in compliance with Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, as amended (the **“Buyback Regulations”**), including any amendments, statutory modifications or re-enactments, for the time being in force and, subject to the approval of members by postal ballot and further, subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which expression shall include any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution), the Board hereby approves the buyback by the Company of its fully paid-up equity shares of ₹ 10/- each not exceeding 6,96,000 equity shares (representing 23.15% of the total number of equity shares in the paid up equity share capital of the Company) at a price of ₹ 2,500 per equity share (Rupees Two Thousand and Five Hundred Only) (**“Buyback Offer Price”**) payable in cash for an aggregate amount of ₹ 174 crores (Rupees One Hundred and Seventy Four Crores only) (**“Buyback Offer Size”**) which is less than 25% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2015 from the equity shareholders of the Company, as on the record date, on a proportionate basis through the **“Tender offer”** route as prescribed under the Buyback Regulations (**“Buyback”**).

**RESOLVED FURTHER THAT** the Buyback, to the extent permissible under law and subject to all applicable legal provisions, be implemented using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015.

**RESOLVED FURTHER THAT** such Buyback may be made out of the Company’s free reserves and / or such other sources as may be permitted by law through “Tender Offer” route and as required by the Buyback Regulations and the Companies Act; the Company may buyback equity shares from all the existing Members holding equity shares of the Company on a proportionate basis, provided 15% (fifteen percent) of the number of equity shares which the Company proposes to buyback or number of equity shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders, as prescribed under Regulation 6 of the Buyback Regulations.

**RESOLVED FURTHER THAT** the Buyback from non-resident Members holding equity shares of the Company, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) and shareholders of foreign nationality, if any, etc. shall be subject to such approvals if, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the power(s) conferred hereinabove as it may in its absolute discretion deem fit, to any Director(s) / Officer(s) / Authorised Representative(s) / Committee (**“Buyback Committee”**) of the Company in order to give effect to the aforesaid resolutions, including but not limited to finalizing the terms of the Buyback like record date, entitlement ratio, the timeframe for completion of Buyback; appointment of merchant bankers, Brokers, Solicitors, Depository Participants, advertising agencies and other advisors / consultants / intermediaries / agencies, as may be required, for the implementation of the Buyback; Preparation, signing and filing of the public announcement, the Draft letter of offer / Letter of Offer with the Securities and Exchange Board of India, the stock exchanges and other appropriate authorities and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the Securities and Exchange Board of India, Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder; and to initiate all necessary actions for preparation and issue of various documents including letter of offer, obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, extinguishment of dematerialized shares and physical destruction of share certificates in respect of the equity shares bought back by the Company, and such other undertakings, agreements, papers, documents and correspondence, under the Common Seal of the Company, as may be required to be filed in connection with the Buyback with the Securities and Exchange Board of India, Reserve Bank of India, BSE Limited (**“BSE”**), Registrar of Companies, Depositories and / or other regulators and statutory authorities as may be required from time to time.

**RESOLVED FURTHER THAT** nothing contained herein shall confer any right on the part of any shareholder to offer and / or any obligation on the part of Company or the Board or the Buyback Committee to buyback any shares, and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such buyback, if so permissible by law.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

By Order of the Board of Directors  
For **BOROSIL GLASS WORKS LTD**

Lovelina Faroz  
Company Secretary & Compliance Officer

Mumbai, September 11, 2015

**NOTES:**

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Resolution annexed hereto and forms part of this Notice.
2. All relevant documents are available for inspection of the shareholders at the Company's Registered Office on any working day except Saturday between 10.00 a.m. to 4.00 p.m. upto October 30, 2015.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013  
FORMING PART OF THE NOTICE**

With an objective of rewarding Members holding equity shares of the Company, through return of surplus cash, the Board at its meeting held on September 11, 2015 has approved the proposal of recommending buyback of equity shares as contained in the resolution in the Notice. As per the relevant provisions of the Companies Act and other applicable provisions of Companies Act and Buyback Regulations, the Explanatory Statement contains relevant and material information to enable the Members holding equity shares of the Company to consider and approve the Special Resolution on the Buyback of the Company's equity shares.

Requisite details relating to the Buyback are given below:

**a) Objective of the Buyback**

Share buyback is the acquisition by a company of its own shares. The objective is to return surplus cash to the Members holding equity shares of the Company. The Board at its meeting held on September 11, 2015, considered the accumulated free reserves as well as the cash liquidity reflected in the audited accounts for the financial year ending March 31, 2015 and considering these, the Board decided to allocate a sum of ₹ 174 crores (Rupees One Hundred and Seventy Four Crores only) for distributing to the Members holding equity shares of the Company through the Buyback.

After considering several factors and benefits to the Members holding equity shares of the Company, the Board decided to recommend Buyback of not exceeding 6,96,000 equity shares (representing 23.15% of the total number of equity shares in the paid-up equity share capital of the Company) at a price of ₹ 2,500 per equity share for an aggregate consideration of ₹ 174 crores (Rupees One Hundred and Seventy Four Crores only). Buyback is a more efficient form of distributing surplus cash to the Members holding equity shares of the Company, inter-alia, for the following reasons:

- i. The Buyback will help the Company to distribute surplus cash to its Members holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to Members;
- ii. The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of 15% of the outlay to small shareholders. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as “small shareholder”;

- iii. The Buyback would help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- iv. The Buyback gives an option to the Members holding equity shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback Offer or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buyback Offer, without additional investment;
- v. The Buyback Offer price of ₹ 2,500 (Rupees Two Thousand and Five Hundred only) per Equity Share represents a premium of 9.4% over the volume weighted average price of the Equity Shares on BSE for 3 months preceding the date of intimation to the BSE for the Board Meeting to consider the proposal of the Buyback and 2.6% over the volume weighted average price of the Equity Shares on BSE for 2 weeks preceding the date of intimation to the BSE for the Board Meeting to consider the proposal of the Buyback.

**b) Method to be adopted for the Buyback**

The Buyback shall be on a proportionate basis from all the Members holding equity shares of the Company through the "Tender Offer" route, as prescribed under the Buyback Regulations. The Buyback will be implemented in accordance with the Companies Act and the Share Capital Rules to the extent applicable, and on such terms and conditions as may be deemed fit by the Company.

As required under the Buyback Regulations, the Company will announce a record date (the "Record Date") for determining the names of the Members holding equity shares of the Company who will be eligible to participate in the Buyback.

In due course, each shareholder as on the Record Date, will receive a Letter of Offer along with a Tender / Offer Form indicating the entitlement of the shareholder for participating in the Buyback.

The equity shares to be bought back as a part of the buyback is divided in two categories:

- (a) Reserved category for small shareholders; and
- (b) the general category for all other shareholders.

As defined in the Buyback Regulations, a "small shareholder" is a shareholder who holds equity shares having market value, on the basis of closing price on BSE as on Record Date, of not more than ₹ 2,00,000 (Rupees Two Lacs).

In accordance with Regulation 6 of the Buyback Regulations, 15% (fifteen percent) of the number of equity shares which the Company proposes to buyback or number of equity shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders as part of this Buyback. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder".

Based on the holding on the Record Date, the Company will determine the entitlement of each shareholder to tender their shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of equity shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs.

Shareholders' participation in Buyback will be voluntary. Members holding equity shares of the Company can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Members holding equity shares of the Company may also accept a part of their entitlement. Members holding equity shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

The maximum tender under the Buyback by any shareholder cannot exceed the number of equity shares held by the shareholder as on the Record Date.

The equity shares tendered as per the entitlement by Members holding equity shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. The settlement of the tenders under the Buyback is expected to be done using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015.

Detailed instructions for participation in the Buyback (tender of equity shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Members holding equity shares of the Company as on the Record Date.

**c) Maximum amount required under the Buyback and the sources of funds from which the Buyback would be financed**

The maximum amount required under the Buyback will be ₹ 174 crores (Rupees One Hundred and Seventy Four Crores only). The Buyback would be financed out of free reserves of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet.

The Company confirms that as required under Section 68(2) (d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up equity share capital and free reserves after the Buyback.

**d) Buyback Price and the basis of arriving at the Buyback Price**

The equity shares of the Company are proposed to be bought back at a price of ₹ 2,500 (Rupees Two Thousand and Five Hundred only) per equity share (the “**Buyback Offer Price**”). The Buyback Offer Price has been arrived at after considering various factors such as the average closing prices of the equity shares of the Company on BSE where the equity shares of the Company are listed, the net worth of the Company and the impact of the Buyback on the key financial ratios of the Company. The Buyback Offer price of ₹ 2,500 (Rupees Two Thousand and Five Hundred only) per Equity Share represents a premium of 9.4% over the volume weighted average price of the Equity Shares on BSE for 3 months preceding the date of intimation to the BSE for the Board Meeting to consider the proposal of the Buyback and 2.6% over the volume weighted average price of the Equity Shares on BSE for 2 weeks preceding the date of intimation to the BSE for the Board Meeting to consider the proposal of the Buyback.

**e) Number of shares that the Company proposes to buyback and the time limit for completing the Buyback**

The Company proposes to Buyback not exceeding 6,96,000 equity shares of face value of ₹ 10 each of the Company. The Buyback is proposed to be completed within 12 months of the date of Special Resolution approving the proposed Buyback.

**f) Compliance with Section 68(2)(c) of the Companies Act**

The aggregate paid-up share capital and free reserves as at March 31, 2015 is ₹ 696.35 crores. Under the provisions of the Companies Act, the funds deployed for the Buyback cannot exceed 25% of the total paid-up capital and free reserves of the Company i.e. ₹ 174.09 crores. The maximum amount proposed to be utilized for the Buyback, is approximately ₹ 174 crores and is therefore within the limit of 25% of the Company's total paid-up equity capital and free reserves as per the audited Balance Sheet as at March 31, 2015.

Further, under the Companies Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of equity shares that can be bought back in the current financial year is 7,51,500 equity shares. Since the Company proposes to Buyback upto 6,96,000 equity shares, the same is within the aforesaid 25% limit.

**g) The aggregate shareholding of the Promoters and of Persons who are in Control of the Company, the Directors of the Promoter where Promoter is a Company and of Directors and Key Managerial Personnel of the Company as on the date of this Notice:**

(1) Shareholding of the companies / entities forming part of the Promoter Group and Persons in Control:

Sr. No.	Name	Equity Shares	% of shareholding
1	Bajrang Lal Kheruka	1,08,405	3.61
2	Pradeep Kumar Kheruka	1,08,405	3.61
3	Shreevar Kheruka	25,050	0.83
4	Mrs. Kiran Kheruka	1,02,137	3.40
5	Mrs. Rekha Kheruka	77,087	2.56
6	Gujarat Fusion Glass LLP* (Previously - Gujarat Fusion Glass Limited – converted into LLP with effect from April 3, 2014)	14,28,956	47.54
7	Croton Trading Pvt. Ltd.	2,50,798	8.34
8	Fennel Investment & Finance Pvt. Ltd.	1,24,057	4.13
9	Sonargaon Properties LLP	4,983	0.17
<b>Total</b>		<b>22,29,878</b>	<b>74.18</b>

## (2) Shareholding of the Directors of the Promoter Group Companies (mentioned in point 1 above):

Sr. No.	Name	Equity Shares	% of shareholding
1	Bajrang Lal Kheruka	1,08,405	3.61
2	Pradeep Kumar Kheruka	1,08,405	3.61
3	Mrs. Kiran Kheruka	1,02,137	3.40

## (3) Shareholding of the Directors or Key Managerial Personnel of the Company:

Sr. No.	Name	Designation	Equity Shares	% of shareholding
1	Bajrang Lal Kheruka	Executive Chairman	1,08,405	3.61
2	Pradeep Kumar Kheruka	Vice-Chairman, Non - Executive Director	1,08,405	3.61
3	Shreevar Kheruka	Managing Director & CEO	25,050	0.83
4.	Rajesh Chaudhary	Chief Financial Officer	15	0.00

- h) Except for the transactions disclosed below, there were no transactions either purchase / sale / transfer - undertaken by persons referred to in (g) above during the period of last twelve months preceding the date of the Board Meeting at which the Buyback was approved and from the date of the Board Meeting till the date of this Notice:

Sr. No.	Date	Name of the promoter entity	Number of Equity shares acquired /sold	Cost of Acquisition/Sale consideration (₹ Crores)	Remarks
1	February 26, 2015	Bajrang Lal Kheruka	31,990	5.36	Open Market Purchase
2	February 26, 2015	Pradeep Kumar Kheruka	31,990	5.36	Open Market Purchase
3	February 26, 2015	Gujarat Fusion Glass LLP	63,980	10.68	Open Market Sale

## i) Details of the date and price of acquisition of the equity shares that promoters intend to tender are set-out below:

One of the promoter group entities namely Gujarat Fusion Glass LLP (GFG) vide its letter dated September 11, 2015 has expressed its intention to participate in buyback to the extent of its shareholding in the Company as on the Record Date, or such lower number of shares as required in compliance with the Buyback Regulations / terms of the Buyback. The detail of acquisition of equity shares in the Company by Gujarat Fusion Glass LLP is as follows:

Sr. No.	Date of Acquisition / Disposal	No. of Equity Shares Acquired / (Sold)	Cost of Acquisition	Remarks
			(₹ Crores)	
1.	10.12.1988	8,86,594	4.52	Acquired from Corning Glass Works, USA (Refer Note 1)
2.	1990-91	3,39,856	0.90	Net Acquisition of Shares during 1990-91 (Refer Note 2)
3.	24.03.2007	1,49,156	4.12	Shares acquired pursuant to conversion of warrants issued on preferential basis
4.	30.09.2009	1,17,330	0.47	Acquired by Freetown Traders Private Limited during 1996-97 which was amalgamated with GFG pursuant to the court order dated August 28, 2009
5.	26.02.2015	(63,980)	(0.28)	Sale on market to other promoters
<b>Total Current Holding</b>		<b>14,28,956</b>		<b>Average Cost per Share – INR 68.34</b>

**Notes:**

- This cost of acquisition does not include the stamp duty charges and other expenses incurred post acquisition.
  - As per the audited balance sheet for the year ended March 31, 1991. Supporting documents for acquisition / disposal of shares are not available.
  - In the financial year 1996-97, 1,226,450 equity shares held by Gujarat Fusion Glass LLP in our Company were reclassified in its books from "Stock-in-trade" to "Investments (At Cost)". Post this reclassification, the Company follows FIFO method of accounting for its investments. Accordingly, the cost of shares sold and current holding has been calculated based on this method.
- j) The Company confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

- k) The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:
- (i) That immediately following the date of the Board Meeting and the date on which the results of the Postal Ballot will be declared, there will be no grounds on which the Company can be found unable to pay its debts;
  - (ii) That as regards the Company's prospects for the year immediately following the date of the Board Meeting as well as the year immediately following the date on which the results of the Postal Ballot will be declared, approving the Buyback and having regards to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Meeting approving the Buyback or within a period of one year from the date on which the results of the Postal Ballot will be declared, as the case may be;
  - (iii) In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act.
- l) **Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency:**
- The text of the Report dated September 11, 2015 received from Chaturvedi & Shah, Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote

**11<sup>th</sup> September, 2015**

**The Board of Directors**

**Borosil Glass Works Limited**

**Auditors' Report on Buy Back of Shares pursuant to the requirement of Schedule II to Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998**

1. This report is issued in accordance with your mandate letter dated 10<sup>th</sup> September, 2015
2. We have been engaged by Borosil Glass Works Limited (the "Company") to perform a reasonable assurance engagement on determination of the amount of permissible capital payment in connection with the proposed buy back by the Company of its equity shares in pursuance of Section 68 and 70 of the Companies Act, 2013 (the "Act") and regulations as specified in the 'Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998' and amendments thereto (the "Regulations") and on the opinions expressed by the Board of Directors of the Company, as required under the Regulations.

#### **Board of Directors Responsibility**

3. The Board of Directors of the Company is responsible for the following:
  - i) The amount of capital payment for the buy-back is properly determined; and
  - ii) It has made a full inquiry into the affairs and prospects of the Company and has formed the opinion that the Company will not be rendered insolvent within a period of one year from the date on which the results of the postal ballot for buyback will be declared.

#### **Auditor's Responsibility**

4. Pursuant to the requirement of the Regulations, it is our responsibility to obtain reasonable assurance on the following "Reporting Criteria":
  - i. whether the amount of capital payment for the buy-back is within the permissible limit computed in accordance with the provisions of Section 68 of the Act; and
  - ii. whether the Board of Directors has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from date on which the results of the postal ballot will be declared.
5. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. Within the scope of our work, we performed the following procedures:
  - i) Examined authorization for buy back from the Articles of Association of the Company;

- ii) Examined that the amount of capital payment for the buy-back is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;
  - iii) Examined that the ratio of the aggregate of secured and unsecured debt owed by the Company, if any, is not more than twice the paid-up capital and its free reserves after such buy-back;
  - iv) Examined that all the shares for buy-back are fully paid-up;
  - v) Inquired into the state of affairs of the Company with reference to the audited standalone financial statements of the Company as at and for the year ended March 31, 2015 which has been prepared by the Management of the Company; and examined budgets and projections prepared by the Management;
  - vi) Examined minutes of the meetings of the Board of Directors;
  - vii) Examined Directors' declarations for the purpose of buy-back and solvency of the Company; and
  - viii) Obtained appropriate representations from the Management of the Company.
6. We conducted our examination in accordance with the Guidance Note on Special Purpose Audit Reports and Certificates.
7. The financial statements referred to in paragraph 5 (v) above, have been audited by us on which we issued an unmodified audit opinion vide our report dated May 25, 2015.

Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

### **Opinion**

8. As a result of our performance of aforementioned procedures, we report that:
- i. The amount of capital payment of Rs. 17,400.00 Lacs for the buyback of shares in question, as stated in the certified extract of the minutes of the Board of Directors' meeting held on September 11, 2015, is within permissible capital payment of Rs. 17,408.71 lacs as calculated based on the audited standalone financial statements for the year ended 31<sup>st</sup> March, 2015 in Annexure I and initialed by us for identification purpose only, which in our opinion, is properly determined in accordance with Section 68 of the Act; and
  - ii. The Board of Directors in their meeting held on September 11, 2015 has formed the opinion, as specified in Clause (x) of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from date on which the results of the postal ballot for buyback will be declared.

### **Restrictions on Use**

9. Our work was performed solely to assist you in meeting your responsibilities with reference to the Regulations. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.
10. This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable the Board of Directors of the Company to include in (i) Explanatory statement to be included in the postal ballot notice to be circulated to the shareholders and (ii) the Public Announcement to be made to the shareholders of the Company, both of which will be filed with (a) Securities and Exchange Board of India, (b) the BSE Limited, (c) the Registrar of Companies as required by the Regulations, (d) the National Securities Depository Limited and the Central Depository Services (India) Limited for the purpose of extinguishment of equity shares, (e) the merchant bankers for the purpose of buyback (f) Reserve Bank of India (along with documents to be filled for obtaining necessary clearance for buy back from Non Resident Indian) and with (g) other regulatory agency with our prior approval and should not be used for any other purpose (iii) The draft letter of offer to be filed with Securities and Exchange Board of India and Stock Exchanges; and (iv) The letter of offer to be given to the shareholders.

Chaturvedi & Shah, Chartered Accountants does not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report, explanatory statement to be included in the postal ballot notice or Public Announcement or the draft letter of offer or letter of offer which includes our report, is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



For Chaturvedi & Shah  
Chartered Accountants  
Firm Registration Number: 101720W  
R. Koria  
Partner  
Membership Number: 35629

Place : Mumbai  
Date: 11<sup>th</sup> September, 2015

**Annexure I - Statement of Permissible Capital Payment for Buyback of Equity Shares:**

<b>Particulars</b>	<b>Rs. in Lacs</b>
Issued, Subscribed and Paid-up share capital as at March 31, 2015 (30,06,000 equity shares of Rs. 10/- each fully paid-up)	300.60
Free reserves as at March 31, 2015:	
- General Reserve	1,515.73
- Statement of Profit and Loss	67,818.50
<b>Total</b>	<b>69,634.83</b>
Maximum amount permissible for buy-back i.e. 25% of the total paid-up capital and free reserves	17,408.71

**For and on behalf of Borosil Glass Works Limited**

**Shreevar Kheruka**  
**Managing Director**

Unquote

**m) As per the provisions of the Buyback Regulations and the Companies Act:**

- The Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback;
- The Company shall not raise further capital for a period of one year from the closure of Buyback offer except in discharge of its subsisting obligations;
- The special resolution approving the Buyback will be valid for a maximum period of one year from the date of passing the said special resolution (or such extended period as may be permitted under the Companies Act or the Buyback Regulations or by the appropriate authorities). The exact time table for the Buyback shall be decided by the Board (or its duly constituted Committee) within the above time limits;
- The equity shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance;
- The Company shall not withdraw the Buyback after the public announcement of the offer to Buyback is made;
- The Company shall not buyback locked-in equity shares and non-transferable equity shares till the pendency of the lock-in or till the equity shares become transferable; and
- The directors, managers, key managerial personnel of the Company and their respective relatives do not have any interest, financial or otherwise, in the proposed resolution for Buyback of equity shares, except to the extent of their shareholding.

For any clarifications related to the Buyback process, Members holding equity shares of the Company may contact any one of the following:

- Company: Mr. Arun Kumar, Vice - President – Legal & Secretarial, Tel : +91 22 67406308; Email: arun.kumar@borosil.com
- Ambit Corporate Finance Private Limited (Manager to the Buyback): Mr. Praveen Sangal, Tel : +91 22 39821911 / 39821819; Email: praveensangal@ambitpte.com

All the material documents referred to in the Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board resolution for the Buyback, the Auditors Report dated September 11, 2015 and the audited accounts for the period from April 1, 2014 to March 31, 2015 are available for inspection by the Members of the Company at its Registered Office on any working day between 10 am and 4 pm up to the last date of receipt of Postal Ballot Form specified in the accompanying Notice.

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its Members holding equity shares of the Company. The Directors, therefore, recommend passing of the Special Resolution as set out in the accompanying Notice.

None of the Directors or any key managerial personnel of the Company is, in anyway, concerned or interested, either directly or indirectly in passing of the said resolution, save and except to the extent of their shareholding in the Company.

By Order of the Board of Directors  
For **BOROSIL GLASS WORKS LTD**

Lovelina Faroz  
Company Secretary & Compliance Officer

Mumbai, September 11, 2015

### NOTES AND INSTRUCTIONS

1. For the purpose of offering E-Voting facility, the Company has entered into an agreement with CDSL. E-voting is optional for Members. A Member who wish to vote by Postal Ballot Form (instead of e-voting) can use the enclosed Postal Ballot Form or download it from [www.borosil.com](http://www.borosil.com)

#### A. Casting of Vote in Electronic Form (E-Voting):

- (i) The remote e-voting period begins on Thursday, October 1, 2015 (9.00 a.m. IST) and ends on Friday, October 30, 2015 (5.00 p.m. IST). During this period, shareholders' of the Company, holding equity shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 18, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on "Shareholders Login"
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the serial number (printed on the postal ballot form) in the PAN field.</li> <li>• In case the serial number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>Dividend / Bank Details / DOB</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Borosil Glass Works Limited to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case of any grievances in connection with voting by electronic means the shareholders can contact Mr. Arun Kumar, Vice – President, Legal & Secretarial at his email [arun.kumar@borosil.com](mailto:arun.kumar@borosil.com) or contact him at 022 67406308.
- (xx) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution/Authority letter in PDF format in the system for the scrutinizer to verify the same. Further, they are requested to send the scanned copy of the Board Resolution/ Authority letter to the email id of Scrutinizer ([bhattivirendra1945@yahoo.co.in](mailto:bhattivirendra1945@yahoo.co.in)), RTA ([ravi@unisec.in](mailto:ravi@unisec.in)) and Company ([investor.relations@borosil.com](mailto:investor.relations@borosil.com)).
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## **B. Casting of Vote through Postal Ballot Form**

- i. Members desiring to cast their vote in Postal Ballot Form are requested to execute the Postal Ballot Form as per the instructions stated therein and send the same in the enclosed self-addressed postage prepaid envelope.
- ii. The vote can be cast by recording the assent in the Column FOR and dissent in the Column AGAINST by placing a tick mark (✓) in the appropriate column.
- iii. The Member need not use all the votes nor needs to cast all the votes in the same way.

- iv. Members are requested not to send any other paper / document along with the Postal Ballot Form in the enclosed self-addressed postage prepaid envelope. If sent, the same paper / document would not be acted upon.
2. Members can download the Postal Ballot Form from the link <http://www.evotingindia.com> or [www.borosil.com](http://www.borosil.com); or seek a duplicate Postal Ballot Form from Universal Capital Securities Private Ltd., the Registrar and Share Transfer Agent from their office at 21/25 Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400 093, fill in the details and send the same to the Scrutinizer.
3. Kindly note that the Members can opt only one mode of voting i.e. either by Postal Ballot Form or e-voting. If you are opting for e-voting, then do not vote by Postal Ballot Form also and vice versa. However, in case a Member has voted both by Postal Ballot Form as well as e-voting, then voting done through e-voting shall prevail and voting done by Postal Ballot Form will be treated as invalid.
4. The Company has appointed Mr. Virendra Bhatt, Practicing Company Secretary, as a Scrutinizer for conducting the entire Postal Ballot process in a fair and transparent manner.
5. You are requested to carefully read the instructions printed on the Postal Ballot Form and return the Form (no other Form or photo copy is permitted) duly completed, in the enclosed self-addressed postage prepaid envelope, so as to reach the Scrutinizer at the Registered Office of the Company at Khanna Construction House, 44 Dr. R. G. Thadani Marg, Worli, Mumbai, Maharashtra - 400018 on or before the close of working hours (5.00 pm IST) on Friday, October 30, 2015. No other request/ details furnished in the Self Addressed envelope will be entertained.
6. The Postal Ballot Forms received after close of working hours (5.00 pm IST), Friday, October 30, 2015 will be treated as if the same has not been received from the Member.
7. The Scrutinizer will submit his report, to the Chairman or in his absence to any other person authorized by him, after completion of scrutiny of Postal Ballot in a fair and transparent manner. The results of the Postal Ballot will be announced on or before Friday, November 6, 2015 and will be displayed at the Registered Office and Corporate Office of the Company and will also be published in newspapers and communicated to BSE Limited where the equity shares of the Company are listed. The results of the Postal Ballot will also be displayed on the Company's website: [www.borosil.com](http://www.borosil.com) and website of CDSL.

# Borosil Glass Works Limited

CIN – L99999MH1962PLC012538

Regd. Office: Khanna Construction House, 44, Dr. R. G. Thadani Marg, Worli, Mumbai, Maharashtra – 400018.

Tel.: (022) 6740 6300 Fax: (022) 6740 6514

Website: www.borosil.com; E mail : borosil@borosil.com

## POSTAL BALLOT FORM

(Kindly refer to the instructions specified overleaf before filling the form)

### Serial No.

- Name and Registered address of the sole / first named Member/ Beneficial Owner (In block letters)
- Name(s) of the Joint holder(s) if any (In block letters)
- Registered Folio No. / DPID No./Client ID No.\*  
(\*applicable to Members holding Shares in dematerialized form)
- No. of Equity Shares held
- I/We hereby exercise my/our vote in respect of the Special Resolution as proposed to be passed through Postal Ballot for the business stated in the Notice of the Company dated 11th September, 2015, by sending my/our assent or dissent to the said Resolution by placing tick (✓) mark at the appropriate box below.

Item No.	Description	No. of Shares	I/ We assent to the Resolution (FOR)	I/ We dissent to the Resolution (AGAINST)
1.	Special Resolution under Sections 68, 69 and 70 of the Companies Act, 2013 for buyback of a maximum of 6,96,000 equity shares of the Company (representing 23.15% of the total number of equity shares in the paid up equity share capital of the Company) from all the equity shareholders on a proportionate basis through the "Tender Offer" route as prescribed under the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 at a price of ₹ 2500/- per equity share aggregating ₹ 174 crores (Rupees One Hundred and Seventy Four Crores only).			

Place : \_\_\_\_\_  
Date : \_\_\_\_\_  
(Signature of the Member/ Power of Attorney holder)

Last date for receipt of Postal Ballot Forms by Scrutinizer is 30th October, 2015

P.T.O.

## INSTRUCTIONS

1. This Postal Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
2. A Member can opt for only one mode of voting, ie. either through e-voting or by Postal Ballot Form. If a Member casts vote by both modes, then voting done through e-voting shall prevail and Postal Ballot Form shall be treated as invalid.
3. For detailed instructions on e-voting, please refer to the notes and instructions appended to the Notice.

### **Process and manner for Members opting to vote by using the Postal Ballot Form:**

1. A Member(s) desirous to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Virendra Bhatt, Practicing Company Secretary, in the enclosed self-addressed postage prepaid envelope. Postage will be borne by the Company. Envelope containing Postal Ballot Form, if deposited in person or sent by courier at the expense of the Member(s) will also be accepted.
2. Please convey your assent/ dissent in this Postal Ballot Form. The assent or dissent received in any other form shall not be considered valid.
3. The self-addressed envelope bears the name and postal address of the Scrutinizer appointed by the Board of Directors of the Company.
4. The Postal Ballot Form should be completed and signed by the Member (as per the specimen signature registered with the Company or furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL), in respect of shares held in the physical form or dematerialized form respectively). In case of joint holding, this Form must be completed and signed by the first named Member and in his /her absence, by the next named Member.
5. Unsigned, incomplete or incorrectly ticked Postal Ballot Forms shall be rejected.
6. Duly completed Postal Ballot Forms should reach the Scrutinizer not later than Friday, 30<sup>th</sup> October, 2015 (5.00 p.m. IST). Postal Ballot Form received after this date will be strictly treated as if the same has not been received from the Member.
7. In the case of shares held by Institutions, Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution / Authorisation together with the specimen signature(s) of the duly authorised signatories.
8. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than Friday, 30<sup>th</sup> October, 2015 (5.00 p.m. IST).
9. The exercise of vote through Postal Ballot is not permitted through a proxy.
10. Members are requested to fill the Postal Ballot Form in indelible ink (and avoid filling it by erasable writing medium(s) like pencil).
11. Voting rights shall be reckoned on the paid-up value of the equity shares registered in the name(s) of the Member(s)/list of beneficial owners as received from NSDL/CDSL on the cut-off date i.e. Friday, 18<sup>th</sup> September, 2015.
12. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage prepared envelope. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.
13. There will be one Postal Ballot Form for every Folio/ Client ID, irrespective of the number of joint holders.
14. The Scrutinizer's decision on the validity of the Postal Ballot will be final.
15. The results of voting shall be declared on or before 6<sup>th</sup> November, 2015. The results declared along with Scrutinizer's Report shall be placed on Company website [www.borosil.com](http://www.borosil.com) and on the website of CDSL and communicated to BSE Limited where the shares of the Company are listed. The results will also be displayed at the Registered and Corporate Office of the Company.