

**BOARD`S REPORT**

To  
The Members,

Your Directors have pleasure in submitting their Sixth Annual Report of the Company together with the Audited Statements of Accounts for the financial year ended 31<sup>st</sup> March, 2016.

**1. STATE OF COMPANY`S AFFAIRS & FINANCIAL RESULTS**

**RIGHT ISSUE**

During the year 2015-16, the Company made right issue of Equity shares of the Company to the then shareholders of the Company, as follows:

<b>PARTICULARS</b>	<b>AMOUNT</b>
Share Capital as on 31 <sup>st</sup> March, 2015	Rs. 22,25,00,000
Amount raised by right issue on 20 <sup>th</sup> May, 2015	Rs. 2,60,00,000
Amount raised by right issue on 9 <sup>th</sup> June, 2015	Rs. 90,00,000
Share Capital after both the right issues	Rs. 25,75,00,000

**RECLASSIFICATION OF AND INCREASE IN AUTHORIZED SHARE CAPITAL**

During the year, the Company reclassified 50,00,000 equity shares of Rs.10/- each in to preference shares and also increased its authorized share capital from Rs.32,00,00,000/- to Rs.55,00,00,000/-

**CHANGE IN OWNERSHIP OF SHARES**

During the year under review on 28<sup>th</sup> January 2016 the entire Equity share capital of the Company, comprising of 2,57,50,000 Equity Shares were acquired by Borosil Glass Works Limited ("Borosil"), a company based in Mumbai and already in the business of, inter alia, consumer ware items of various sorts. Consequently, your Company has become 100% subsidiary of Borosil.

In view thereof, the Company shall be deemed to be public company in terms of sub section 71 of Section 2 of the Companies Act, 2013 for the purposes of the said Act even while, it continues to be private company in its Articles.

Further, in order to enhance the long term net worth of the Company, your Company has issued 6% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 22,00,00,000 in the month of March, 2016 and another Rs. 6,00,00,000 in the month of April, 2016 to Borosil.

The Company's financial performance for the year under review along with previous year's figures are given hereunder:

**FINANCIAL SUMMARY OR HIGHLIGHTS/ PERFORMANCE OF THE COMPANY**

**(Rs. In lacs)**

<b>Particulars</b>	<b>For the Year ended 31.03.2016</b>	<b>For the period 01.04.2015 to 27.01.2016</b>	<b>For the Year ended 31.03.2015</b>
Revenue from Operation/Turnover (Net of excise duty)	4803.66	3650.08	6943.88
Other Income	108.96	89.02	8.24
Less: Expenses during the year excluding depreciation	6438.52	5356.94	6339.38
Profit / (Loss) before tax and depreciation	(1525.91)	(1617.84)	612.74
Less: Depreciation	587.46	463.91	590.29
Profit/(Loss) before tax after depreciation	(2113.37)	(2081.76)	22.46
Add/Less: Provision of Income tax including deferred tax	(290.67)	(251.54)	5.98
Profit/(Loss) after tax	(1822.70)	(1830.22)	16.47
Amount Transferred to General Reserve	-	-	-
Earnings Per Share	(7.22)	(7.29)	0.07

During the year under review, your company incurred losses to the tune of Rs.1822.70 lacs as against Net Profit of Rs.16.47 lacs during the previous year. As can be seen from above, the major losses were incurred by the Company before change of ownership of shares. This arose partly due to major repair of its furnace in the months of June to July 2015, undertaken by the Company. Consequently, there was no production in that period. Earlier, the furnace was overdue for repair and was being run with sub optimal efficiencies. The additional line for pressware production was delayed and could be started only in December 2015. The operations were crippled due to inadequate resources and there were all around additional costs being incurred in buying as well as selling. This led to

unprofitable operations. The reasons for the losses include high cost of inputs/packing materials, losses in inventory valuation, continued fixed costs despite lower level of operations, claims from debtors due to quality and other issues, high interest cost and lower sales realization.

After acquisition of aforesaid shares by Borosil Glass Works Limited, Company management has been strengthened and requisite financing has been arranged. This has enabled clearance of most of the pressing creditors and statutory dues. Company has started to achieve all round savings in cost of inputs/packing materials and fuel costs. The Company has started to achieve substantial savings in power cost from middle of April 2016. The production of pressware has been gradually stabilized and the products are receiving positive feedback. Necessary focus is being given to improve efficiencies and output in cold end and tempering to accelerate rate of production of finished goods. The company is successfully using the distribution network of Borosil, wherever necessary, and the sales turnover has started to increase. With advertising support and promotional plans, the Company expects volumes to jump considerably. The Company expects to see substantially improved performance in the current financial year barring unforeseen circumstances.

## **2. DIVIDEND**

In view of the losses incurred by the Company during the year 2015-16, the Board does not recommend any dividend on Equity and Preference shares of the Company.

## **3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as the Company has not declared any dividend till date.

## **4. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

The following material changes and commitment occurred during the year under review affecting the financial position of the Company:

- (i) The Company has started to buy power under open access thereby generating substantial savings in power cost.
- (ii) The Company has allotted 60,00,000 Preference shares of Rs.10/- each to Borosil for meeting the working capital requirements.

**5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure I and same has been attached to this report.

**6. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company faces various risks in form of financial risks, operational risks etc. The Company understands that it needs to survive these risks in the market and hence has formulated a comprehensive policy on Risk Management, which has been adopted by the Board of Directors of the Company in its meetings held on 20<sup>th</sup> May, 2016.

**7. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

**9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All the related party transactions were entered by the Company in ordinary course of business and were at arm's length basis. The Company presents all related party transactions before the Board and wherever required before the Audit Committee of the Board specifying the nature, value, and terms and conditions of the transaction. Transactions with related parties are conducted in a transparent manner with the interest of the Company and Stakeholders as utmost priority.

Although all the related party transactions were entered by the Company in ordinary course of business and were at arm's length basis, but there was a contract which attracted the provisions of Section 188 (1) of the Companies Act, 2013 read with Rules thereto. The disclosure in Form AOC-2 is attached herewith as an Annexure II.

**10. A) EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. Suitable explanation on the matters to which attention has been drawn by Auditors has been provided in the accounts.

**B) CHANGE IN AUDITORS**

M/s Vinod Kunal and Associates, Chartered Accountants have resigned effective from the date of ensuing Annual General Meeting owing to their pre-occupation.

It is proposed to appoint M/s S. D. Pathak and Associates, Chartered Accountants, Mumbai (Firm Registration No. 107783W) who have given certificate to the effect that their appointment if made, would be within the prescribed limits under section 139, 141 of the Companies Act, 2013 and consent letter to act as Statutory Auditors of the Company and are eligible for such appointment as Statutory Auditor of the Company for a period of 5 years from the date of ensuing Annual General Meeting, subject to ratification by the shareholder at the every Annual General Meeting.

**C) SECRETARIAL AUDIT**

The provisions relating to submission of Secretarial Audit Report are not applicable to the Company for the financial year ended 31<sup>st</sup> March, 2016.

**11. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provision relating to constitution of Nomination and Remuneration Committee has become applicable to the Company in terms of Section 178 of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 in view of the Company becoming deemed public company.

The Company accordingly constituted Nomination and Remuneration Committee on 7<sup>th</sup> March, 2016 comprising of the following:

Name	Status	No. of meetings	
		Held	Attended
Mr. U.K. Mukhopadhyay	Chairman	1	1
Mr. Pradeep Kumar Kheruka	Member	1	0
Mr. Hemant K. Arora	Member	1	1
Mr. V. Ramaswami	Member	1	1

During the financial year 2015-16, the Committee members met once on 7<sup>th</sup> March, 2016.

The Company has also devised a policy relating to appointment of Directors, payment of Managerial remuneration as provided under Section 178(3) of the Companies Act, 2013 read with Rules thereto and the paid up share capital is more than Rs. 10 crs.

Remuneration Policy is attached herewith as an Annexure III to this report.

## 12. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in MGT-9 and is attached to this Report as Annexure IV.

## 13. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

During the financial year under review, fourteen Board meetings were held on 6<sup>th</sup> April, 2015; 30<sup>th</sup> April, 2015; 20<sup>th</sup> May, 2015; 21<sup>st</sup> May, 2015; 9<sup>th</sup> June, 2015; 6<sup>th</sup> July, 2015, 31<sup>st</sup> August, 2015; 3<sup>rd</sup> October, 2015; 9<sup>th</sup> December, 2015; 12<sup>th</sup> January, 2015, 28<sup>th</sup> January, 2016 (2 meetings were conducted on the same day), 7<sup>th</sup> March, 2016 (2 meetings were conducted on the same day).

The detail of attendance at the aforesaid meeting is as follows:

Name of Directors	Designation	No. of meetings	
		Held during their respective tenures	Attended
Mr. Swapan Kumar Guha*	Managing Director	11	11
Mr. Prem Singh Bajor*	Director	11	09
Mr. Vikram Singh*	Director	11	09
Ms. Sweety Gupta*	Director	11	11
Mr. Atul Ramswaroop Chotia*	Director	11	11
Mr. Pradeep Kumar Kheruka**	Chairman / Additional Director	4	2
Mr. Shreevar Kheruka**	Additional Director	4	4
Mr. Ashok Jain**	Managing Director	3	3
Mr. V. Ramaswami**	Additional Director	3	3
Mr. Hemant Kumar Arora <sup>#</sup>	Additional Director under Independent Category	2	2

Mr. U. K. Mukhpadhyay <sup>#</sup>	Additional Director under Independent Category	2	2
Mr. Rituraj Sharma <sup>#</sup>	Additional Director	1	0

\*Ceased to be Directors of the Company with effect from 28<sup>th</sup> January, 2016.

\*\*Appointed as Directors of the Company with effect from 28<sup>th</sup> January, 2016.

#Appointed as Directors of the Company with effect from 7<sup>th</sup> March, 2016.

The Company held more than four Board Meetings in the year as required under the Act and the gap between two Board meetings was in compliance with the provisions contained in the Companies Act, 2013.

#### **14. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submits its responsibility Statement:—

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **15. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associate Company.

However, as mentioned above, the Company has become wholly owned subsidiary of Borosil Glass Works Limited.

#### **16. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review. There are no deposits outstanding with the Company.

## **17. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year, in view of the change in ownership of shares of the company, Mr. Pradeep Kumar Kheruka, Mr. Shreevar Kheruka, Mr. Ashok Jain and Mr. V. Ramaswami were appointed as Additional Directors of the Company with effect from 28<sup>th</sup> January, 2016. On the same day, the then entire Board of Directors comprising of Mr. Swapan Kumar Guha, Mr. Prem Singh Bajor, Mr. Vikram Singh, Ms. Sweety Gupta, and Mr. Atul Ramswaroop Chotia resigned as Directors. As such, Mr. Swapan Guha Managing Director and Key Managerial Personnel also ceased to occupy such positions from the said date. Later on, Mr. Hemant Kumar Arora, a Chartered Accountant and Mr. U.K. Mukhopadhyay, retired IAS Officer, were appointed as Additional Directors in the category of Independent Directors with effect from 7<sup>th</sup> March, 2016. Mr. Rituraj Sharma, who is working as Vice President – Marketing – Consumerware of Borosil Glass Works Limited (Borosil) was also appointed as an Additional Director of the Company with effect from 7<sup>th</sup> March, 2016.

All the aforesaid, Seven (7) Additional Directors hold their offices till the date of next Annual General Meeting.

The Company has received separate notices from Borosil as shareholders of their intention to propose them respectively as Directors along with the requisite amount at the ensuing Annual General Meeting.

Further, Mr. Ashok Jain has been appointed as Managing Director and Key Managerial Personnel of the Company with effect from 7<sup>th</sup> March, 2016, subject to the approval of members of the Company at the ensuing Annual General Meeting of the Company. It is proposed to appoint Mr. Hemant Kumar Arora and Mr. U.K. Mukhopadhyay as Independent Directors of the Company with fixed tenure of five (5) years at the ensuing Annual General Meeting subject to approval of shareholders in terms of Section 149 of the Companies Act, 2013. Both the abovementioned Independent Directors have given declarations that they meet the criteria of independence as provided in Section 149 of the Companies Act, 2013.

Brief resume of all the Directors being appointed has been incorporated in the notice of Annual General Meeting.

The Company is in the process of appointment of Chief Financial Officer.

Mr. Navinder Kumar resigned as Company Secretary and Key Managerial Personnel of the Company with effect from 3<sup>rd</sup> October, 2015.

At the Board Meeting held on 3<sup>rd</sup> December, 2015, Mr. Raghav Sharma was appointed as Company Secretary and Key Managerial Personnel of the Company with the said date.



## 18. DECLARATION OF INDEPENDENT DIRECTORS

Declarations have been obtained from Mr. Hemant Kumar Arora and Mr. U.K. Mukhopadhyay to the effect that they meet the criteria of independence as provided in sub section 6 of Section 149 of the Companies Act.

## 19. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at the workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-16:

No. of complaints received : NIL  
No of complaints disposed off : NIL

## 20. HUMAN RESOURCES& INDUSTRIAL RELATIONS:

The Company has well trained workforce for its various areas of its operations, upgradation of which is being done on continuous basis for improving the plant and quality process.

In order to strengthen its marketing efforts, the Company is also recruiting suitably experienced personnel in the said department.

The industrial relations in the company's plant had been cordial throughout the year.

## 21. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 became applicable to the Company. The Company constituted an Audit Committee in the month of March, 2016 comprising of following:

Name	Status	No of meetings	
		Held	Attended
Mr. Hemant K. Arora	Chairman	1	1
Mr. Shreevar Kheruka	Member	1	1
Mr. U.K. Mukhopadhyay	Member	1	1

The committee met once in the financial year 2015-16 on 7<sup>th</sup> March, 2016.

## **22. PARTICULARS OF EMPLOYEES**

There was no employee drawing remuneration to the extent mentioned in section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **23. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

## **24. ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also place on record their appreciation for the contribution made by the former Directors of the Company who demitted their offices during the year. Your Directors also acknowledges financial and strategic support extended by Borosil Glass Works Limited, the holding company of the company.

**By Order of the Board of Directors  
FOR HOPEWELL TABLEWARE PRIVATE LIMITED**

**PLACE: Mumbai  
DATE : 20.05.2016**

**P. K. KHERUKA  
CHAIRMAN  
DIN: 00016909**

### **Enclosure:-**

1. Annexure-I Conservation of Energy
2. Annexure-II Form AOC 2
3. Annexure-III Remuneration Policy
4. Annexure-IV Annual Return

## ANNEXURE I

### Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

#### (a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	<ol style="list-style-type: none"> <li>1. Installation of VFD in 110 KW Blower for tempering unit cooling.</li> <li>2. Spinning Machine Blowers interlocked with Main Machine, to avoid idle running.</li> <li>3. Increased Capacitor Bank in Transformer No. 1 Feeder from 600 KVAR to 800 KVAR to improve power factor from 0.990 to 0.999.</li> </ol>
(ii)	the steps taken by the company for utilizing alternate sources of energy	Nil
(iii)	the capital investment on energy conservation equipments	<ol style="list-style-type: none"> <li>1. VFD for Tempering line cooling Blower : Rs 4.7 Lacs .</li> <li>2. For Spinning Machine Blower interlocking: Nil</li> <li>3. For Capacitor Bank : Rs 3.0 Lacs.</li> </ol>

#### (b) Technology absorption

(i)	the efforts made towards technology absorption	<ol style="list-style-type: none"> <li>1. To avoid accidents and downtime, Spinning Machine tripping provided with Compressed Air Pressure Low .</li> <li>2. Spinning Machine Rotary Cabinet Temperature Indicator provided , to avoid Drive failure</li> <li>3. Tempering Line Temperature controller replaced for better temperature Control.</li> </ol>
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Breakdown reduction and product quality improvement.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	<b>1. Opal glass furnace of 30 TPD, spinning machines and tempering furnace</b>

		<b>2. Increased capacity of Opal glass furnace to 40 TPD and imported new Press machine for Mold items</b>
	(b) the year of import;	<b>1. 2012-13 2. 2015-16</b>
	(c) whether the technology been fully absorbed	<b>YES</b>
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	<b>NA</b>
(iv)	the expenditure incurred on Research and Development	No capital expenditure incurred.

**(c) Foreign exchange earnings and Outgo**

Particulars with regard to foreign exchange earnings and outgo are furnished under note nos. 30 and 31 of 'Notes to the financial statements'.

**By Order of the Board of Directors  
FOR HOPEWELL TABLEWARE PRIVATE LIMITED**

**PLACE: Mumbai  
DATE : 20.05.2016**

**P. K. KHERUKA  
CHAIRMAN  
DIN: 00016909**

## ANNEXURE II

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

There are no related party contracts, arrangements or transactions of the nature mentioned in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

SR. NO	PARTICULARS	DETAILS
1	<b>Name of the related party</b>	Borosil Glass Works Limited (BGWL)
2	<b>Nature of relationship</b>	Wholly Owned Subsidiary, there are three common Directors namely Mr. P. K. Kheruka, Mr. Shreevar Kheruka and Mr. V. Ramaswami in the Company and BGWL.  BGWL with its nominee holds 100% shares in the Company
3	<b>Nature of contract/ arrangement/transaction</b>	Selling of products to BGWL
4	<b>Duration of contract/arrangement/transaction</b>	Per Year
5	<b>Salient terms of the contract or arrangement or transaction</b>	To sell the various products manufactured by the Company to BGWL for marketing of the same
6	<b>Date of approval by the Board, if any</b>	07.03.2016
7	<b>Amount of transaction during the year</b>	Upto Rs. 25 crores
8	<b>Amount paid as advances, if any</b>	As per usual business practice

**POLICY RELATING TO REMUNERATION  
FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

**OBJECTIVE:**

The remuneration policy for members of the Board of Directors, Key Managerial Personals and Other Employees has been formulated pursuant to Section 178 of the Companies Act, 2013, which strive to ensure:

- i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

**REMUNERATION OF THE BOARD OF DIRECTORS:**

The Board of Directors of the Company comprises of Executive and Non-Executive Directors, for which separate policies have been framed:

1. Executive Directors comprising of Promoter Directors and Professional Directors;
2. Non-Executive Directors comprises of Promoter (Non Independent) Director and Independent Directors

**Remuneration of Executive Directors:**

**Fixed remuneration:**

All Executive Directors viz Executive Chairman, Managing Director and Whole Time Director will have a component of Fixed Salary, which may be fixed for the whole tenure or in a graded pay scale basis. In addition, they will be entitled to usual perks which are normally offered to top level executives, such as

Furnished/Unfurnished house / House Rent Allowance, Medical / Hospitalization reimbursement, Personal accident insurance, club fees, car with driver and retrial benefits including leave encashment at the end of the tenure.

**Variable Components:**

**Commission:**

Subject to the approval of the shareholders and within the overall limits prescribed in Section 197 of the Companies Act, 2013, the Executive Directors shall be paid commission based on nature of duties and responsibilities, as may be determined by the Board of Directors on Year to Year basis.

**Reimbursement of Expenses:**

Directors will be entitled for actual entertainment boarding, lodging and travelling expenses incurred for business purposes.

The above payments shall be subject to such approvals as may be necessary under the Companies Act, 2013.

**Remuneration of Non- Executive Directors:**

**Fees:**

Shall be entitled to payment of fees for attending each Board and Committee Meetings as may be decided by the Executive Directors (members) of the Board, within the limit prescribed under the Rules made under the Companies Act, 2013. The fees may be on uniform basis, as the committee views that all directors affectively contribute to the benefit/growth of the Company.

Separate fees may be decided in respect of Board Meetings and Committee Meetings.

**Reimbursement of Expenses:**

For Non-Executive Directors actual expenses in connection with Board and committee meetings are to be reimbursed. In addition, if a Non-Executive Director is travelling on Company's business, as permitted by the Board, he/she shall be entitled for his/her travelling and lodging expenses on actual basis.

**Key Managerial Personnel:**

KMPs shall be paid salary and perquisites, like other employees of the Company based on their qualification, job experience, as may be applicable and as may be applicable to the grade, to which they belong.

**Other Employees:**

The Company has various grades starting from Officers Level to Senior Vice President. There are different departments like Marketing-Consumer Ware & Lab Ware, Finance, HR & Administration, Legal & Secretarial and IT, with departmental heads of each departments of the level of Vice President / General Manager with their respective teams/subordinates of different grades.

Initial remunerations are decided based on an employee's qualification, past experience, suitability for the job and the level for which the position is intended.

**Loans / advances to employees:**

The Company may frame policy for granting loan/advances to its employees containing such terms and conditions including regarding interest, as it may deem fit. The Company may in special cases grant loan/advances beyond the limit prescribed in the said policy. The Company may vary said policy from time to time.



**ANNEXURE IV**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31<sup>st</sup> March 2016**

**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]**

**1. REGISTRATION AND OTHER DETAILS:**

1.	CIN	U26913RJ2010PTC033403
2.	Registration Date	25/11/2010
3.	Name of the Company	<b>HOPEWELL TABLEWARE PRIVATE LIMITED</b>
4.	Category/Sub-Category of the company	Company Limited by Shares Indian Non- Government Company
5.	Address of the Registered office and contact details	D-10/50, Opposite Chitrakoot Stadium, Chitrakoot, Vaishali Nagar, Jaipur Email: <a href="mailto:info.htpl@borosil.com">info.htpl@borosil.com</a>
6.	Whether Listed Company	N.A.
7.	Name Address and Contact Details of Registrar and Transfer Agent, if any	N.A.

**2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

<b>Sr. No.</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product/ service</b>	<b>% to total turnover of the company</b>
1.	Manufacture of Table or Kitchen Glassware	23105	100

**3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY**

<b>Sr. No.</b>	<b>Name and address of the company</b>	<b>CIN/GLN</b>	<b>Holding/Subsidiary/ Associate</b>	<b>% of shares held</b>	<b>Applicable Section</b>
1.	Borosil Glass Works Limited	L99999MH1962PLC012538	Holding Company	100%	2(46)





	ADRs									
	<b>GRAND TOTAL (A+B+C)</b>	-	<b>22250000*</b>	<b>22250000</b>	<b>100</b>	-	<b>25750000*</b>	<b>25750000</b>	<b>100</b>	<b>0.00</b>

\* During the year 2015-16, allotment of 35,00,000 shares was done through right issue. The first allotment was for 26,00,000 shares on 20<sup>th</sup> May, 2015 and the 2<sup>nd</sup> allotment was for 9,00,000 shares on 9<sup>th</sup> June, 2015 resulting in increase in paid up share capital of the Company from Rs. 22,25,00,000 to Rs. 25,75,00,000.

## II. Shareholding of Promoters (Equity)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	%of total Shares of the company	%of Shares Pledged/encumbered to total shares	No. of Shares	%of total Shares of the company	%of Shares Pledged/encumbered to total shares	
1	Swapan Kumar Guha (Ceased)	1100000	4.94	3.65	0	0	0.00	100%
2	Mita Guha (Ceased)	5000	0.02	NIL	0	0	0.00	100%
3.	Supratik Guha (Ceased)	140000	0.63	NIL	0	0	0.00	100%
4.	Esha Guha (Ceased)	95000	0.43	NIL	0	0	0.00	100%
5.	Hopewell Ceramics Pvt. Ltd (Ceased)	2120000	9.53	2.47	0	0	0.00	100%
6.	Prem Singh Bajor (Ceased)	5556171	24.97	4.95	0	0	0.00	100%
7.	Vikram Singh* (Ceased)	5006329	22.50	13.21	0	0	0.00	100%
8.	Sweety Gupta (Ceased)	500810	2.25	NIL	0	0	0.00	100%
9.	Sangeeta Gupta (Ceased)	580000	2.61	NIL	0	0	0.00	100%
10.	Sachin Kumar Gupta (Ceased)	506690	2.28	NIL	0	0	0.00	100%

11.	Sri Govind Gems Pvt. Ltd (Ceased)	1750000	7.87	5.72	0	0	0.00	100%
12.	Borosil Glass Works Limited	0	0	0	25749999	100	26.00%	100%
13.	Pradeep Kumar Kheruka	0	0	0	0	0	0.00	100%
14.	Shreevar Kheruka (As Nominee BGWL)	0	0	0	1	1	0.00	100%
15.	Ashok Jain	0	0	0	0	0	0.00	100%
16.	V. Ramaswami	0	0	0	0	0	0.00	100%
	<b>TOTAL</b>	17360000	78.03	30.00	25750000	100	26.00%	100%

\*Mr. Vikram Singh was allotted with 26,00,000 equity shares pursuant to right issue on 20<sup>th</sup> May, 2015

#### Shareholding of Promoters (Preference Shares)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	%of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	%of total Shares of the company	%of Shares Pledged/ encumbered total shares	
1	Borosil Glass Works Limited*	0	0	0	22000000	100%	0	100%

\*During the year 2015-16, 2,20,00,000 6% Optionally Convertible Non-Cumulative Redeemable Preference Shares were allotted to Borosil Glass Works Limited.

**III. Change in Promoters' Shareholding (please specify, if there is no change)-**

SN	All promoters as above.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	17360000	78.02	19960000	80.32
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	28 <sup>th</sup> January, 2016 Transfer (purchase) of entire shareholding of Equity shares of then promoters to Borosil Glass Works Limited (new promoter company) consequent to acquisition of the Company by Borosil Glass Works Limited.			
	At the end of the year Borosil Glass Works Limited	0	0.00	2,57,49,999	100%
	Mr. Shreevar Kheruka (nominee of Borosil Glass Works Limited)	0	0.00	1	0.00%

SN-1	Swapan Kumar Guha (Ceased)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1100000	4.94	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	28 <sup>th</sup> January, 2016 Split of 1 share and Transfer (sale) of 1099999 shares			
	At the end of the year	0	0	0	0

SN-2	<b>Mita Guha</b> (Ceased)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5000	0.02	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	28 <sup>th</sup> January, 2016 Transfer (sale) of 5000 shares			
	At the end of the year	0	0	0	0

SN-3	<b>Supratik Guha</b> (Ceased)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	140000	0.63	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	28 <sup>th</sup> January, 2016 Transfer (sale) of 1,40,000 shares			
	At the end of the year	0	0	0	0

SN-4	<b>Esha Guha</b> (Ceased)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	95000	0.43	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for	28 <sup>th</sup> January, 2016 Transfer (sale) of 95,000 shares			

	increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year	0	0	0	0

SN-5	<b>Hopewell Ceramics Private Limited</b> (Ceased)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2120000	9.53	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	28 <sup>th</sup> January, 2016 Transfer (sale) of 21,20,000 shares			
	At the end of the year	0	0	0	0

SN-6	<b>Prem Singh</b> (Ceased)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5556171	24.97	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	28 <sup>th</sup> January, 2016 Transfer (sale) of 55,56,171 shares			
	At the end of the year	0	0	0	0

SN-7	<b>Vikram Singh</b> (Ceased)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company



			company		
	At the beginning of the year	5006329	22.50	7606329	30.61
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	<p style="text-align: center;">20<sup>th</sup> May, 2015 Allotment of 2600000 shares and 28<sup>th</sup> January, 2016 Transfer (sale) of 76,06,329 shares</p>			
	At the end of the year	0	0	0	0

SN-8	<b>Sweety Gupta</b> (Ceased)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	500810	2.25	500000	2.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	<p style="text-align: center;">20<sup>th</sup> May, 2015 Split &amp; transfer (sale) of 810 shares and 28<sup>th</sup> January, 2016 Transfer (sale) of 5,00,000 shares</p>			
	At the end of the year	0	0	0	0

SN-9	<b>Sangeeta Gupta</b> (Ceased)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	580000	2.61	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	<p style="text-align: center;">28<sup>th</sup> January, 2016 Transfer (sale) of 5,80,000 shares</p>			
	At the end of the year	0	0	0	0

SN-10	<b>Sachin Kumar Gupta</b> (Ceased)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	506690	2.28	499800	2.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	20 <sup>th</sup> May, 2015 Transfer (sale) of 6890 shares and 28 <sup>th</sup> January, 2016 Transfer (sale) of 4,99,800 shares			
	At the end of the year	0	0	0	0

SN-11	<b>Sri Govind Gems Private Limited</b> (Ceased)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1750000	7.87	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	28 <sup>th</sup> January, 2016 Transfer (sale) of 17,50,000 shares			
	At the end of the year	0	0	0	0

SN-12	<b>Borosil Glass Works Limited</b>	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	2,57,49,999	100
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment	28 <sup>th</sup> January, 2016 Transfer (purchase) of entire shareholding of Equity shares of then promoters to Borosil Glass Works Limited (new promoter company) and to its nominee.			

	/transfer / bonus/ sweat equity etc.):				
	At the end of the year	0	0.00	2,57,49,999	100%

SN-13	<b>Pradeep Kumar Kheruka</b>	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	--			
	At the end of the year	0	0	0	0

SN-14	<b>Shreevar Kheruka (As nominee of Borosil Glass Works Limited)</b>	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	1	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	28 <sup>th</sup> January, 2016 Transfer (purchase) of entire shareholding of Equity shares of then promoters to Borosil Glass Works Limited (new promoter company) and to its nominee.			
	At the end of the year	0	0.00	1	0.00

SN-15	<b>Ashok Jain</b>	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

			company		
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	--			
	At the end of the year	0	0	0	0

SN-16	<b>V. Ramaswami</b>	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	--			
	At the end of the year	0	0	0	0

**IV. Shareholding Pattern of top ten Shareholders(other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Saroj Bardiya (Ceased)	1890000	8.49%	1890000	7.34%
2.	Dr. Satyajit Chakraborty (Ceased)	1600000	7.19%	1600000	6.21%
3.	Sanghamitra Chakraborty (Ceased)	850000	3.82%	850000	3.30%
4.	Banani Chakraborty (Ceased)	200000	0.90%	200000	0.77%
5.	Suresh Kumar Gupta (Ceased)*	0	0	200100	0.78%
6.	Naveen Kumar Gupta (Ceased)#	0	0	200100	0.78%
7.	Debashis Majumdar (Ceased)	150000	0.67%	150000	0.58%

8.	Bisavjoy Chatterjee (Ceased)	100000	0.45%	100000	0.38%
9.	Sunil Mondal and Pulkesh Banerjee and Abhishek Nandi and Subrata Karmakar and Sutapa Chakraborty (Joint Share Holders) (Ceased)	0	0	100000	0.38%
10.	Inox Advisory Pvt. Ltd (Ceased)	100000	0.45%	0	0.0%
11.	Cubic Gems Private Limited (Ceased) <sup>5</sup>	0	0%	507500	1.97%

\*Mr. Suresh Kumar Gupta was allotted with 100 shares on 20<sup>th</sup> May, 2015 and 2,00,000 shares pursuant to right issue on 9<sup>th</sup> June, 2015.

#Mr. Naveen Kumar Gupta was allotted with 100 shares on 20<sup>th</sup> May, 2015 and 2,00,000 shares pursuant to right issue on 9<sup>th</sup> June, 2015

<sup>5</sup>Cubic Gems Private Limited was allotted with 5,00,000 shares pursuant to right issue on 9<sup>th</sup> June, 2015.

#### V. Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Swapan Kumar Guha (Managing Director) Ceased with effect from 28.01.2016</b>				
	At the beginning of the year	1100000	4.94%	0	0%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	28 <sup>th</sup> January, 2016 Split of 1 share and Transfer (sale) of 1099999 shares			
	At the end of the year	0	0.00%	0	0.00%
2.	<b>Atul Ramswaroop Chotia (Director) Ceased with effect from 28.01.2016</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g.	-			

	allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	-	-	-	-
3.	<b>Prem Singh Bajor (Director) Ceased with effect from 28.01.2016</b>				
	At the beginning of the year	5556171	24.97%	0	0%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-			
	At the end of the year	0	0.00%	0	0.00%
4.	<b>Sweety Gupta (Director) Ceased with effect from 28.01.2016</b>				
	At the beginning of the year	500810	2.25%	500000	2.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	20 <sup>th</sup> May, 2015 Split and Transfer (sale) of 810 shares and 28 <sup>th</sup> January, 2016 Transfer (sale) of 76,06,329 shares			
	At the end of the year	0	0.00%	0	0.00%
5.	<b>Vikram Singh (Director) Ceased with effect from 28.01.2016</b>				
	At the beginning of the year	5006329	22.50%	76,06,329	30.61%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	20 <sup>th</sup> May, 2015 Allotment of 26,00,000 shares and 28 <sup>th</sup> January, 2016 Transfer (sale) of 76,06,329 shares			
	At the end of the year	0	0.00%	0	0.00%
6.	<b>Pradeep Kumar Kheruka (Additional Director)</b>				
	At the beginning of the year	0	0.00%	0	0.00%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons				

	for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--			
	At the end of the year	0	0.00%	0	0.00%
5.	<b>Shreevar Kheruka (Additional Director) &amp; Nominee of Borosil Glass Works Limited</b>				
	At the beginning of the year	0	0	1	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	28 <sup>th</sup> January, 2016 Transfer (purchase) of share			
	At the end of the year	0	0.00%	1	0.00%
5.	<b>Ashok Jain (Managing Director &amp; Key Managerial Personnel)</b>				
	At the beginning of the year	0	0.00%	0	0.00%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--			
	At the end of the year	0	0.00%	0	0.00%
6.	<b>V. Ramaswami (Additional Director)</b>				
	At the beginning of the year	0	0.00%	0	0.00%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--			
	At the end of the year	0	0.00%	0	0.00%

## VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the year				
Principal Amount	280543312	34029995	-	314573307
Interest due but not paid	3508509	-	-	3508509
Interest accrued but not paid	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>284051821</b>	<b>34029995</b>	<b>-</b>	<b>318081816</b>
Change in Indebtedness during the financial year				
Addition	104270167	381500000	-	485770167
Reduction	80998881	375529995		456528876
Net Change	<b>23271286</b>	<b>5970005</b>	<b>-</b>	<b>29241291</b>
<b>Indebtedness at the end of the year</b>				
Principal Amount	303814598	40000000	-	343814598
Interest due but not paid	3357138	79890	-	3437028
Interest accrued but not paid	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>307171736</b>	<b>40079890</b>	<b>-</b>	<b>347251626</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

SN.	Particulars of Remuneration	Swapan Guha (Managing Director) Ceased #	Atul Ramswaroop Chotia (Executive Director) Ceased #	Sweety Gupta (Executive Director) Ceased #	Vikram Singh (Executive Director) Ceased #	Ashok Jain Managing Director & Key Managerial Personnel*	TOTAL
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,00,000	28,60,000	11,00,000	11,00,000	80645	75,40,645
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL	NIL	NIL	
2	Stock Option	NIL	NIL	NIL	NIL	NIL	
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL	
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL	NIL	
5	Others, please	NIL	NIL	NIL	NIL	80645	
	<b>Total (A)</b>	<b>24,00,000</b>	<b>28,60,000</b>	<b>11,00,000</b>	<b>11,00,000</b>	<b>80645</b>	<b>75,40,645</b>
	Ceiling as per	-	-	-	-		

# Mr. Swapan Guha, Mr. Atul Chotia, Ms. Sweety Gupta, Mr. Vikram Singh ceased to be directors of the Company with effect from 28<sup>th</sup> January, 2016 and remuneration has been paid up to January,2016.

\*Mr. Ashok Jain was appointed as Managing Director and designated as Key Managerial Personnel of the Company with effect from 7<sup>th</sup> March, 2016.

## B. REMUNERATION TO OTHER DIRECTORS

SN.	Particulars of Remuneration	Name of Directors						Total Amount
		U.K. Mukhopadhyay	Hemant Kumar Arora	Pradeep Kumar Kheruka	Shreevar Kheruka	V. Ramaswami	Rituraj Sharma	
1	<b>Independent Directors</b>							
	Fee for attending board committee meetings	60,000	60,000	N.A.	N.A.	N.A.	N.A.	1,20,000
	Commission	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (1)	60,000	60,000	N.A.	N.A.	N.A.	N.A.	1,20,000
2	<b>Other Non-Executive Directors</b>							
	Fee for attending board committee meetings	N.A.	N.A.	-	30,000	30,000	-	60,000
	Commission	N.A.	N.A.	-	-	-	-	N.A.
	Others, please specify	N.A.	N.A.	-	-	-	-	N.A.
	Total (2)	N.A.	N.A.	-	30,000	30,000	-	60,000
	Total (B)=(1+2)	60,000	60,000	-	30,000	30,000	-	1,80,000
	<b>Total Managerial Remuneration</b>	<b>60,000</b>	<b>60,000</b>	<b>-</b>	<b>30,000</b>	<b>30,000</b>	<b>-</b>	<b>1,80,000</b>
	Overall Ceiling as per the Act	-	-	-	-	-	-	-

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

SN	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Navinder Kumar* Company Secretary (Ceased)	Mr. Raghav Sharma# Company Secretary	Total
1	Gross salary	92,173	72,000	1,64,173
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	N.A.	N.A.
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.
	- as % of profit	N.A.	N.A.	N.A.
	others, specify...	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.
	<b>Total</b>	<b>92,173</b>	<b>72,000</b>	<b>1,64,173</b>

\*Payment was made to Mr. Navinder Kumar for the part of the year from 1<sup>st</sup> April, 2015 to 30<sup>th</sup> September, 2015.

# Payment was made to Mr. Raghav Sharma for the part of the year from 1<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment			-----NIL-----		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			-----NIL-----		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			-----NIL-----		
Compounding					

**VINOD KUNAL & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**Independent Auditor's Report**

**To the Members of HOPEWELL TABLEWARE PRIVATE LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **HOPEWELL TABLEWARE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its loss and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. There are no pending litigations impacting the financial position of the Company.
- ii. As there are no material foreseeable losses, under the applicable law or accounting standards and as required on long-term contracts including derivative contracts, therefore, no provision is required to be made.
- iii. No amount was required to be transferred to the Investor Education and Protection Fund by the Company.

For Vinod Kunal & Associates  
Chartered Accountants  
FRN: 011244C

Place : Mumbai  
Date : 20.05.2016

Vinod Kumar Gupta  
Partner  
M. No. 075540

## **Annexure -A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over reasonable period. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, and also as at Balance Sheet date. As explained to us, the discrepancies noticed during the physical verification of inventory were not material and have been properly dealt in the books of account.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Thus, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- (vi) The maintenance of cost records prescribed by the Central Government under section 148(1) of the Act read with rule 3 of the Companies (Cost Records and Audit) Rules, 2014 is not applicable on the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, duty of excise, cess and other material statutory dues have not been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and service tax. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, duty of excise, cess and other material statutory dues were in arrears as at



31 March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of duty of customs, income tax, sales tax, duty of excise, value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank or dues. However, during the year there was default in repayment of loan of borrowing from the bank but same were made good before the end of the financial year. As explained to us, the Company did not have any loans or borrowings from Government and have not any debenture, hence, question of default in this regard is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records, the company issued 6% optionally convertible non-cumulative redeemable preference shares during the year under review. The company has complied with the requirement of section 42 of the Companies Act, 2013 in respect of the issue of shares. The amount raised has been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For Vinod Kunal & Associates  
Chartered Accountants  
FRN: 011244C

Place : Mumbai  
Date : 20.05.2016

Vinod Kumar Gupta  
Partner  
M. No. 075540

## **Annexure - B to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub - section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Hopewell Tableware Private Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICA!').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Vinod Kunal & Associates  
Chartered Accountants  
FRN: 011244C

Place : Mumbai  
Date : 20.05.2016

Vinod Kumar Gupta  
Partner  
M. No. 075540

**HOPEWELL TABLEWARE PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2016**

(Amount in Rs.)

Particulars	Note	As at		As at
		31st March, 2016		31st March, 2015
<b>I. EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' Funds</b>				
(a) Share Capital	2	477,500,000	222,500,000	
(b) Reserves and Surplus	3	<u>-194,261,236</u>	<u>283,238,764</u>	<u>-11,991,548</u>
				<b>210,508,452</b>
<b>2 Non-Current Liabilities</b>				
(a) Long Term Borrowings	4	216,355,869	254,759,350	
(b) Deferred Tax Liabilities (Net)	11	-	8,861,624	
(c) Long Term Provisions	5	<u>2,885,704</u>	<u>219,241,573</u>	
				<b>263,620,974</b>
<b>3 Current Liabilities</b>				
(a) Short Term borrowings	6	206,186,463	161,074,719	
(b) Trade Payables	7	76,981,333	81,701,916	
(c) Other Current Liabilities	8	136,308,366	121,767,728	
(d) Short Term Provisions	9	<u>7,613,200</u>	<u>427,089,362</u>	
				<b>364,544,363</b>
<b>TOTAL</b>			<u><b>929,569,699</b></u>	<u><b>838,673,789</b></u>
<b>II. ASSETS</b>				
<b>1 Non-Current Assets</b>				
(a) Fixed Assets	10			
(i) Tangible Assets		497,650,635	412,895,514	
(ii) Intangible Assets		2,574,698	41,074	
(iii) Capital Work-in-Progress		<u>1,013,835</u>	<u>7,147,102</u>	
		<b>501,239,168</b>	<b>420,083,690</b>	
(b) Deferred Tax Assets (Net)	11	20,205,760		
(c) Long Term Loans and Advances	12	<u>11,641,999</u>	<u>533,086,927</u>	<u>1,587,856</u>
				<b>421,671,546</b>
<b>2 Current Assets</b>				
(a) Inventories	13	214,963,644	244,955,003	
(b) Trade Receivables	14	146,829,160	153,503,027	
(c) Cash and Bank Balances	15	11,272,059	6,770,602	
(d) Short Term Loans and Advances	16	<u>23,417,909</u>	<u>396,482,772</u>	<u>11,773,611</u>
				<b>417,002,243</b>
<b>TOTAL</b>			<u><b>929,569,699</b></u>	<u><b>838,673,789</b></u>
Significant Accounting Policies	1			
Notes to the financial statements	2 to 33			

As per our report of even date

For and on behalf of the Board of Directors

**Vinod Kunal & Associates**

Chartered Accountants  
(Firm Registration no. 011244C)

**Shreevar Kheruka**  
Director  
(DIN 01802416)

**P.K.Kheruka**  
Chairman  
(DIN 00016909)

**Vinod Kumar Gupta**  
Partner  
Membership no.75540

**Raghav Sharma**  
Company Secretary  
(M.No. ACS41472)

**Ashok Jain**  
Managing Director  
(DIN 00025125)

Place : Mumbai  
Date : 20.05.2016

HOPEWELL TABLEWARE PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in Rs.)

Particulars	Note	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
I. Revenue From Operations	17	545,687,889	782,126,294
Less:- Excise Duty Recovered		65,322,116	87,738,250
Net Revenue From Operations		480,365,773	694,388,044
II. Other Income	18	10,895,799	823,902
<b>III. Total Revenue (I + II)</b>		<b>491,261,572</b>	<b>695,211,946</b>
<b>IV. Expenses:</b>			
Cost of Materials Consumed	19	142,359,067	169,979,883
Changes in Inventories of Work-in-Progress and Finished Goods	20	(9,907,704)	(27,006,126)
Employee Benefits Expense	21	123,139,591	107,280,464
Finance Costs	22	83,085,885	59,774,778
Depreciation and Amortization Expense	10	58,746,321	59,028,721
Other Expenses	23	305,175,484	323,908,566
<b>Total Expenses</b>		<b>702,598,644</b>	<b>692,966,286</b>
<b>V. Profit / (Loss) Before Exceptional Item and Tax (III - IV)</b>		<b>(211,337,072)</b>	<b>2,245,660</b>
VI. Exceptional Items		-	-
<b>VII. Profit / (Loss) Before Tax (V - VI)</b>		<b>(211,337,072)</b>	<b>2,245,660</b>
<b>VIII. Tax Expense:</b>			
Deferred Tax (Credit)		(29,067,384)	598,187
<b>IX. Profit / (Loss) For The Year (VII-VIII)</b>		<b>(182,269,688)</b>	<b>1,647,473</b>
<b>X. Earnings per Equity Share of Rs.10 each (Basic and Diluted)</b>	24	<b>(7.22)</b>	0.07
Significant Accounting Policies	1		
Notes to the financial statements	2 to 33		

As per our report of even date

For and on behalf of the Board of Directors

**Vinod Kunal & Associates**

Chartered Accountants  
(Firm Registration no. 011244C)

**Shreevar Kheruka**  
Director  
(DIN 01802416)

**P.K.Kheruka**  
Chairman  
(DIN 00016909)

**Vinod Kumar Gupta**  
Partner  
Membership no.75540

**Raghav Sharma**  
Company Secretary  
(M.No. ACS41472)

**Ashok Jain**  
Managing Director  
(DIN 00025125)

Place : Mumbai  
Date : 20.05.2016

## HOPEWELL TABLEWARE PRIVATE LIMITED

### Notes to the Financial Statement for the year ended 31st March, 2016

#### Note 1 - Significant Accounting Policies

##### 1.1 BASIS OF ACCOUNTING:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 as adopted consistently by the Company. The financial statements have been prepared as a going concern basis under the historical cost convention.

##### 1.2 REVENUE RECOGNITION:

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

##### 1.3 USE OF ESTIMATES:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

##### 1.4 FIXED ASSETS:

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

##### 1.5 DEPRECIATION:

- i) Depreciation on fixed assets is provided to the extent of depreciable amount on straight line method over the useful life of assets as prescribed in Part C of Schedule II to the Companies Act, 2013 except in case of Furnace, useful life is considered 21 months.
- ii) Computer software is amortized over the useful life or period of three years whichever is less.
- iii) The lease hold land has been amortised over the lease period.
- iv) The revised carrying amount of the fixed assets identified as impaired, is amortized over the estimated residual life of the respective fixed assets.

##### 1.6 INVENTORIES:

In general, all inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprise of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. Cullet is valued at raw material cost. Stores, spares and Loose tools are valued at cost reduced for obsolete and slow moving items. Cost is calculated on the weighted average method. Cost of work in progress and finished goods is determined on absorption costing method.

##### 1.7 EMPLOYEE BENEFITS:

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the statement of profit and loss.
- iii) Compensated absences are accounted similar to the short term employee benefits.
- iv) Retirement benefits in the form of Provident Fund and Superannuation Fund are defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

**HOPEWELL TABLEWARE PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31st March, 2016**

**Note 2 - Share Capital**

Particulars	(Rs. In Lacs)	
	As at 31st March, 2016	As at 31st March, 2015
<b>Authorised</b>		
2,70,00,000 (Previous Year 3,20,00,000) Equity Shares of Rs. 10/- each	270,000,000	320,000,000
2,80,00,000 (Previous Year Nil) 6% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each	280,000,000	-
	<u>550,000,000</u>	<u>320,000,000</u>
<b>Issued, Subscribed &amp; Fully Paid up</b>		
2,57,50,000 (Previous Year 2,22,50,000) Equity Shares of Rs. 10/- each fully paid up	257,500,000	222,500,000
2,20,00,000 (Previous Year Nil) 6% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- each fully paid up	220,000,000	-
<b>Total</b>	<u><b>477,500,000</b></u>	<u><b>222,500,000</b></u>

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

Particulars	2015-16		2014-15	
	(in Nos.)	(Rs. in Lacs)	(in Nos.)	(Rs. in Lacs)
<b>Equity Shares</b>				
Shares outstanding at the beginning of the year	22,250,000	222,500,000	22,250,000	222,500,000
Add: Shares issued during the year	3,500,000	35,000,000	-	-
Shares outstanding at the end of the year	25,750,000	257,500,000	22,250,000	222,500,000
<b>Preference Shares</b>				
Shares outstanding at the beginning of the year	-	-	-	-
Add: Shares issued during the year	22,000,000	220,000,000	-	-
Shares outstanding at the end of the year	22,000,000	220,000,000	-	-

**2.2 Terms/Rights attached to Shares :**

**Equity Shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- per share. Holders of equity shares are entitled to one vote per share. 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.

**6% Optionally Convertible Non-Cumulative Redeemable Preference Shares**

The Preference Shares will carry a preferential right vis-à-vis equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up. The Preference Shares shall not participate in the surplus funds and profits on winding up which may remain after the entire capital has been repaid. It will carry a non-cumulative right to dividend. In the event of conversion, every one Preference Share of face value of Rs. 10/- each will be entitled to one Equity Share of face value of rs. 10/-. The Preference Shares shall carry voting rights as may be prescribed under the provisions of Section 47(2) of the Companies Act, 2013. The preference shares will be redeemed at face value of Rs. 10/- per share. The issuer will have an option to redeem the Preference Shares at any time. Dividend rate will be 6% p.a. (on the face value) which will remain fixed over the tenor of the Preference Shares. The tenor of Preference Shares will be 15 years. Option of conversion / redemption will be exercised by either party.

**2.3 Details of Shareholder holding more than 5% of Share Capital :**

**Equity Shares**

Name of Shareholder	As at 31st March, 2016		As at 31 March, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Borosil Glass Works Limited (Holding Company)*	25,750,000	100%	-	-
Hopewell Ceramics Private Limited	-	-	2,120,000	9.55%
Satyajit Chakrabarti	-	-	1,600,000	7.21%
Vikram Singh	-	-	5,006,329	22.55%
Saroj Bardiya	-	-	1,890,000	8.51%
Prem Singh Bajor	-	-	5,556,171	25.03%
Sri Govind Gems Private Limited	-	-	1,750,000	7.88%

\* One share is held in the name Mr Shreevar Kheruka as nominee of the Company.

**Preference Shares**

Name of Shareholder	As at 31st March, 2016		As at 31 March, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Borosil Glass Works Limited (Holding Company)	22,000,000	100%	-	-

**2.4** During the year, the Company has reclassified authorised share capital of 50,00,000 Equity shares of Rs 10/- each into 6% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs 10/- each. Further, authorised share capital has increased by 2,30,00,000 6% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs 10/- each.



**HOPEWELL TABLEWARE PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31st March, 2016**

**Note 3 - Reserves and Surplus**

Particulars	( Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
<b>Surplus in the Statement of Profit and Loss</b>		
As per Last Balance Sheet	(11,991,548)	(13,639,021)
Add: Profit / (Loss) for the year	(182,269,688)	1,647,473
<b>Total</b>	<b>(194,261,236)</b>	<b>(11,991,548)</b>

**Note 4 - Long Term Borrowings**

Particulars	( Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
<b>Secured:</b>		
Term Loans From a Bank	215,900,821	219,794,657
Vehicle Loan	455,048	934,698
<b>Unsecured:</b>		
Loans and advances - related parties	-	16,870,596
- others	-	17,159,399
<b>Total</b>	<b>216,355,869</b>	<b>254,759,350</b>

**4.1 Term Loans**

Rs.17,23,80,821/- (Includes Rs.4,47,80,000/- is shown as current portion of long term borrowings under other current liability as disclosed in Note 8) (Previous year Rs.21,85,74,657/- (Includes Rs.4,47,80,000/- is shown as current portion of long term borrowings under other current liability as disclosed in Note 8)) carrying interest 2.75% above base rate and are secured by way of Hypothecation and Mortgage of entire fixed assets (present & future) including Factory land and building located at khasara, at village Balekhan, main NH No. 1, Tehsil Chomu, Dist Jaipur. Security is further extended by way of charge on entire current asset (present and future) of the Company. Rs. 15,79,00,821/- is repayable in 15 equal quarterly installments of Rs. 98,75,000/- and last installment of Rs. 97,75,821/- and Rs. 1,44,80,000/- is repayable in 10 equal quarterly installments of Rs. 13,20,000/- and last installment of Rs. 12,80,000/-.

Rs.8,80,00,000/- (Includes Rs.2,82,00,000/- is shown as current portion of long term borrowings under other current liability as disclosed in Note 8) (Previous Year Nil) carrying interest at the rate of 2.75% above base rate (floating) and are secured by way of first hypothication of the Plant and machinery purchased out of the same Terms loans and the entire current assets of the Company hypothecated to the Bank against Working Capital limits. It is further secured by equitable mortgage of Factory land and building located at khasara, at village Balekhan, main NH No. 1, Tehsil Chomu, Dist Jaipur of HTPL. Rs.1,18,00,000/- is repayable in 2 equal quarterly installments of Rs 54,00,000/- and last installment of Rs.10,00,000/- and Rs. 7,62,00,000/- is repayable in 18 equal quarterly installments of Rs. 41,00,000/- and last installment is Rs. 24,00,000/-.

Above loans are further secured by way of pledge of 66,75,010 equity shares of Rs. 10/- each of the Company held by Borosil Glass Works Limited.

Rs.4,25,00,000/- (Includes Rs.1,40,00,000/- is shown as current portion of long term borrowings under other current liability as disclosed in Note 8) (Previous year 6,00,00,000/- (Includes Rs.1,40,00,000/- is shown as current portion of long term borrowings under other current liability as disclosed in Note 8)) carrying interest at the rate of 3.75% above base rate. and secured by way of first charge over entire fixed assets and current assets such as Raw material, store in process and finished goods, packing material, consumables store and spares book debts and current assets. It is further secured by equitable mortgage of Factory land and building located at khasara, at village Balekhan, main NH No. 1, Tehsil Chomu, Dist Jaipur. It is repayable in 11 equal quarterly installments of Rs. 35,00,000/- and last installment is Rs. 40,00,000/-.

**4.2 Vehicle Loans**

Vehicle loans from a banks / Financial Institutions are secured by respective vehicle. Current portion of long term borrowings has been disclosed under the head of Other Current Liabilities and carries interest rate in the range of 10.25%-11.50% per annum. Rs.388,130/- (Includes Rs.201,975/- is shown as current portion of long term borrowings under other current liability as disclosed in Note 8) is repayable in 22 monthly installments. Rs.226,901/- (Includes Rs.192,963/- is shown as current portion of long term borrowings under other current liability as disclosed in Note 8) is repayable in 14 monthly installments. Rs.318,747/- (Includes Rs.83,791/- is shown as current portion of long term borrowings under other current liability as disclosed in Note 8) is repayable in 40 monthly installments.

**Note 5 - Long Term Provisions**

Particulars	-	
	As at 31st March, 2016	As at 31st March, 2015
<b>Provisions for Employee Benefits</b>		
Gratuity (Unfunded) (Refer Note 21.1)	2,885,704	-
	<b>2,885,704</b>	<b>-</b>

**HOPEWELL TABLEWARE PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31st March, 2016**

**Note 6 - Short Term borrowings**

Particulars	( Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
<b>Secured:</b>		
Working Capital Loan From Bank	166,186,463	161,074,719
<b>Unsecured:</b>		
Inter Corporate Deposit from Related Party (Refer Note 27)	40,000,000	-
<b>Total</b>	<b><u>206,186,463</u></b>	<b><u>161,074,719</u></b>

6.1 Working Capital Loan (Cash Credit Limit) is secured by way of Hypothecation of entire current assets of the company i.e. Stocks, Book Debts and other current assets and carrying interest at the rate of 12.45%

6.2 Inter Corporate Deposit is carrying interest @ 9% p.a.

**Note 7 - Trade Payables**

Particulars	( Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
Micro, Small and Medium Enterprises	-	-
Others	76,981,333	81,701,916
<b>Total</b>	<b><u>76,981,333</u></b>	<b><u>81,701,916</u></b>

7.1 The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and, hence, disclosures, if any, relating to amounts unpaid as at year end together with interest and payable at required under the said Act have not been given.

**Note 8 - Other Current Liabilities**

Particulars	( Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
Current maturity of long term borrowings	87,458,729	59,813,957
Interest accrued but not due on borrowing	3,437,028	3,508,509
Dealer Deposits/Advance from Customers	10,369,438	19,225,000
Creditors for Capital Expenditure	2,666,993	-
Statutory liabilities	4,550,643	14,699,261
Other Payables*	27,825,535	24,521,001
<b>Total</b>	<b><u>136,308,366</u></b>	<b><u>121,767,728</u></b>

\* Other Payables includes mainly outstanding liabilities for expenses etc.

**Note 9 - Short - Term Provisions**

Particulars	( Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
<b>Provisions for Employee Benefits</b>		
Gratuity (Unfunded) (Refer Note 21.1)	14,740	-
Leave Encashment	1,263,155	-
<b>Others</b>		
Provision for Excise Duty on FG stocks	6,335,305	-
<b>Total</b>	<b><u>7,613,200</u></b>	<b><u>-</u></b>

9.1 Liability against excise duty on closing stocks recognised for the year is Rs. 6,335,305, which is outstanding as on 31st March, 2016. Actual outflow is expected in the next financial year.

**HOPEWELL TABLEWARE PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31st March, 2016**

**Note 10 - FIXED ASSETS**

(Rs. In Lacs)

Description	GROSS BLOCK			DEPRECIATION AND AMORTIZATION				NET BLOCK		
	As at 1st April, 2015	Additions	Deductions/ Adjustments	As at 31st March, 2016	Upto 31st March, 2015	Depreciation For the Year	Deductions/ Adjustments	Upto 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
<b>Owned Tangible Assets</b>										
Land- Freehold	9,570,236	-	-	9,570,236	-	-	-	-	9,570,236	9,570,236
Buildings	97,680,641	4,603,391	-	102,284,032	16,950,558	3,217,053	11,588,330	8,579,281	93,704,751	80,730,084
Plant and Equipment	388,351,586	141,103,937	66,574,182	462,881,341	79,515,602	89,021,125	85,883,361	82,653,366	380,227,975	308,835,984
Furniture and Fixtures	9,352,922	344,800	-	9,697,722	2,153,612	903,248	792,066	2,264,794	7,432,928	7,199,310
Vehicles	4,936,438	-	1,103,873	3,832,565	2,379,916	455,117	1,596,139	1,238,894	2,593,671	2,556,522
Office Equipment	6,802,864	1,138,229	-	7,941,093	2,799,485	1,643,045	622,511	3,820,019	4,121,074	4,003,379
<b>TOTAL (A)</b>	<b>516,694,687</b>	<b>147,190,357</b>	<b>67,678,055</b>	<b>596,206,989</b>	<b>103,799,173</b>	<b>95,239,588</b>	<b>100,482,407</b>	<b>98,556,354</b>	<b>497,650,635</b>	<b>412,895,514</b>
<b>Owned Intangible Assets *</b>										
Computer Software	99,159	3,817,300	-	3,916,459	58,085	1,289,427	5,751	1,341,761	2,574,698	41,074
<b>TOTAL (B)</b>	<b>99,159</b>	<b>3,817,300</b>	<b>-</b>	<b>3,916,459</b>	<b>58,085</b>	<b>1,289,427</b>	<b>5,751</b>	<b>1,341,761</b>	<b>2,574,698</b>	<b>41,074</b>
<b>GRAND TOTAL (A)+(B)</b>	<b>516,793,846</b>	<b>151,007,657</b>	<b>67,678,055</b>	<b>600,123,448</b>	<b>103,857,258</b>	<b>96,529,015</b>	<b>100,488,158</b>	<b>99,898,115</b>	<b>500,225,333</b>	<b>412,936,588</b>
PREVIOUS YEAR	498,194,418	19,056,204	456,776	516,793,846	44,996,407	59,028,721	167,870	103,857,258	412,936,588	
Capital Work in Progress								<b>1,013,835</b>	<b>7,147,102</b>	

**10.1** In accordance with the Accounting Standard (AS -28 ) on " Impairment of Assets" as notified by Companies ( Accounting Standards) Rules, 2006, during the year, the management carried out an exercise of identifying the assets that may have been impaired in respect of each cash generating unit in accordance with the said Accounting Standard . On the basis of this review carried out by the management, there was no impairment loss on Fixed Assets during the year ended 31st March, 2016.

**10.2** With effective from 01.04.2015, the Company has changed its method of providing depreciation on fixed assets with retrospective effect from the 'Written Down Value' method to the 'Straight Line' method, at the rates prescribed in Schedule III to the Companies Act, 2013. Management believes that this change will result in more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets. Accordingly, the Company has recognized reduction in depreciation charge of Rs.3,77,82,694/- till 31.03.2015 which is shown in depreciation adjustments column. Had the Company continued to use the earlier method of depreciation for the year 2015-16, the depreciation charge would have been Rs. 16,79,94,502/- and loss before tax would have been higher by Rs.10,92,48,181/-.

**10.3** With effect from 01.04.2015, the company has changed useful life of furnace from 60 months to 21 months on the basis of document supported by technical advisor . Management believes that this change will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of asset. Had the Company continued to use the earlier useful life for the furnace, the depreciation charge would have been Rs.1,46,80,749/- against depreciation as per new useful life of Rs. 4,44,41,373/- . Had the company continued with the previously adopted useful life, upon dismantle of the furnace there would happen to be loss, which is now reflected as increased depreciation. Hence, there is no effect on the profit or loss due say change. Company has dismantled its old furnace in the month of June 2015. Further, as per policy of the Company, useful life of new furnace is 21 months.

\* Represents Software other than self generated.

HOPEWELL TABLEWARE PRIVATE LIMITED  
Notes to the Financial Statement for the year ended 31st March, 2016

**Note 11 - Deferred Tax Assets/ (Liabilities)- Net**

Particulars	( Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
<b>Liabilities</b>		
Related to Fixed Assets	32,875,205	8,861,624
<b>Total</b>	<b>32,875,205</b>	<b>8,861,624</b>
<b>Assets</b>		
Disallowance Under Section 43B of the Income Tax Act, 1961	1,286,552	-
Depreciation Loss	51,794,412	-
<b>Total</b>	<b>53,080,964</b>	<b>-</b>
<b>Deferred Tax Assets / (Liabilities) - Net</b>	<b>20,205,760</b>	<b>(8,861,624)</b>

**Note 12 - Long - Term Loans and Advances**

Particulars	( Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
<b>(Unsecured, Considered Good) :</b>		
Capital Advances	1,177,126	-
Security Deposits	10,189,649	339,000
Advance Tax (Net)	231,405	133,753
MAT Credit Entitlement	43,819	43,819
Others	-	1,071,284
<b>Total</b>	<b>11,641,999</b>	<b>1,587,856</b>

**Note 13 - Inventories**

Particulars	( Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
(As certified by Management)		
Raw Materials	8,547,978	11,652,393
Work-in-Progress - Consumerware (Tableware)	117,214,679	91,243,379
Finished Goods - Consumerware (Tableware)	52,219,372	68,282,968
Stores, Spares and Consumables	7,388,417	9,716,669
Packing Material	14,322,558	15,096,483
Cullet	15,270,640	48,963,111
<b>Total</b>	<b>214,963,644</b>	<b>244,955,003</b>

13.1 For Mode of Valuation Refer Note 1.6

13.2 Obsolete, slow moving and defective (Sub-standard) inventories are identified at the time of physical verification of inventories and valued at net realizable value.

13.3 Cullet has been valued at raw material cost instead of raw material cost plus allocation of overhead cost. Had the company continued with the previously adopted component of the cost while valuing the Cullet, the value of Cullet as on March 31, 2016 would be higher and the net loss would have been lower by Rs. 550.33 Lacs

**Note 14 - Trade Receivable**

Particulars	( Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
<b>(Unsecured) :</b>		
<b>Due for a Period Exceeding Six Months from the due date</b>		
Considered Good	10,732,346	6,358,156
<b>Other Debts</b>		
Considered Good	136,096,814	147,144,871
<b>Total</b>	<b>146,829,160</b>	<b>153,503,027</b>

**HOPEWELL TABLEWARE PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31st March, 2016**

**Note 15 - Cash and Bank Balances**

Particulars	( Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
<b>Cash and Cash Equivalents</b>		
Balances with Banks in current accounts	599,136	773,994
Cash on Hand	99,121	189,607
<b>Total</b>	<b>698,257</b>	<b>963,601</b>
<b>Earmarked Balances with bank :</b>		
Fixed deposits pledged with banks	10,573,802	5,807,001
<b>Total</b>	<b>11,272,059</b>	<b>6,770,602</b>

**Note 16 - Short - Term Loans and Advances**

Particulars	( Amount in Rs.)	
	As at 31st March, 2016	As at 31st March, 2015
<b>(Unsecured, Considered Good, unless otherwise stated)</b>		
Deposits	432,168	631,168
Interest receivables	2,702,139	1,268,296
Advances against supplies	3,497,748	
Balance with Excise Authorities	810,316	-
Others	15,975,538	9,874,147
<b>Total</b>	<b>23,417,909</b>	<b>11,773,611</b>

16.1 Others includes mainly Sales tax incentive receivable, Cenvat receivable, prepaid expenses etc.

**HOPEWELL TABLEWARE PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31st March, 2016**

**Note 17 - Revenues from Operations**

Particulars	( Amount in Rs.)	
	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
Sale of Products - Consumerware (Tableware)	545,551,930	782,126,294
Other Operating Revenue	135,959	-
<b>Net Revenue from Operations</b>	<b>545,687,889</b>	<b>782,126,294</b>

**Note 18 - Other Income**

Particulars	( Amount in Rs.)	
	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
Interest Income on - Fixed Deposits with banks	1,537,130	649,306
Gain on foreign currency transactions (Net)	511,684	-
Sales Tax Subsidy (Refer Note 18.1)	8,092,000	-
Miscellaneous Income	754,985	174,596
<b>Total</b>	<b>10,895,799</b>	<b>823,902</b>

18.1 The company was granted eligibility certificate under Rajasthan Investment Promotion Scheme -2010 "RIPS-2010" in the year 2012, now the company has filed claim of subsidy before the appropriate authority, as designated under RIPS-2010. The company has recognized (i) 30% of VAT/CST (taxes) deposited upto 31.03.2016 as Investment Subsidy and (ii) 20% of such taxes or wages paid whichever is less has been recognized as Employment Generation Subsidy. Both these subsidies have been shown under the head "Other Income".

**Note 19 - Cost of Material Consumed**

Particulars	( Amount in Rs.)	
	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
<b>Cost of Material consumed under Broad Head</b>		
Soda Ash Light	18,824,457	17,752,408
Decal Material	14,629,816	34,791,335
Others	108,904,794	117,436,140
	<b>142,359,067</b>	<b>169,979,883</b>

**19.1 Value of Material Consumed**

Particulars	For the Year ended 31st March, 2016		For the Year ended 31st March, 2015	
	( Amount in Rs.)	% of Consumption	( Amount in Rs.)	% of Consumption
<b>Material Consumed</b>				
Imported	-	-	-	-
Indigenous	142,359,067	100%	169,979,883	100%
<b>Total</b>	<b>142,359,067</b>	<b>100%</b>	<b>169,979,883</b>	<b>100%</b>

**Note 20 - Changes in Inventories of Work-in-Progress and Stock-in-Trade**

Particulars	( Amount in Rs.)	
	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
<b>At the end of the Year</b>		
Work-in-Progress	117,214,679	91,243,379
Finished Goods	52,219,372	68,282,968
	<b>169,434,051</b>	<b>159,526,347</b>
<b>At the beginning of the Year</b>		
Work-in-Progress	91,243,379	80,619,813
Finished Goods	68,282,968	51,900,408
	<b>159,526,347</b>	<b>132,520,221</b>
<b>Total</b>	<b>(9,907,704)</b>	<b>(27,006,126)</b>

**Note 21 - Employee Benefits Expense**

Particulars	( Amount in Rs.)	
	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
Salaries, Wages & allowances	111,423,264	99,177,980
Contribution to Provident and Other Funds	6,038,079	2,948,513
Staff Welfare Expenses	5,678,248	5,153,971
<b>Total</b>	<b>123,139,591</b>	<b>107,280,464</b>

HOPEWELL TABLEWARE PRIVATE LIMITED  
Notes to the Financial Statement for the year ended 31st March, 2016

21.1 As per Accounting Standard-15 'Employee Benefits', the disclosure of Employee benefits as defined in the Accounting Standard are given below:

(a) **Defined Contribution Plan:**

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

Particulars	( Amount in Rs.)	
	2015-16	2014-15
Employer's Contribution to Provident Fund	959,175	-
Employer's Contribution to Pension Scheme	2,178,460	-

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

(b) **Defined Benefit Plan:**

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes 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.

Particulars	( Amount in Rs.)	
	2015-16	2014-15
<b>Gratuity(Unfunded)</b>		
<b>Actuarial assumptions</b>		
Mortality Table	Indian Assured Lives Mortality (2006-08) Ult	
Salary growth	10.00%	-
Discount rate	7.80%	-
<b>Movement in present value of defined benefit obligation</b>		
Obligation at the beginning of the year	-	-
Current service cost	1,451,287	-
Interest cost	-	-
Past Service Cost	1,449,157	-
Benefits paid	-	-
<b>Obligation at the end of the year</b>	<b>2,900,444</b>	<b>-</b>
<b>Short Term Provision - Current</b>	<b>14,740</b>	<b>-</b>
<b>Long Term Provision - Non Current</b>	<b>2,885,704</b>	<b>-</b>
<b>Movement in present value of plan assets</b>		
<b>Amount recognised in the income statement</b>		
Current service cost	1,451,287	-
Interest cost	-	-
Past Service Cost	1,449,157	-
<b>Total</b>	<b>2,900,444</b>	<b>-</b>

(d) **Net Liability / (Assets) Recognised in the balance sheet**

Amount recognised in the balance sheet	( Amount in Rs.)	
	2015-16	2014-15
Present value of obligations at the end of the year	2,900,444	-
Less: Fair value of plan assets at the end of the year	-	-
<b>Net liability/(Assets) recognized in the balance sheet</b>	<b>2,900,444</b>	<b>-</b>

(e) **Amounts for current and previous four periods are as follows :**

Gratuity (Unfunded)	( Amount in Rs.)				
	2015-16	2014-15	2013-14	2012-13	2011-12
Defined Benefit Obligation	2,900,444	-	-	-	-
Plan Assets	-	-	-	-	-
Surplus/(deficit)	(29,00,444)	-	-	-	-
Experience adjustment on plan Assets	-	-	-	-	-
Actuarial Loss/(Gain) due to change in assumptions	-	-	-	-	-
Experience adjustment on plan Liabilities	-	-	-	-	-

(f) 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.

**Note:** The Company has done actuarial valuation first time during the current year, hence previous year figures are not available.

HOPEWELL TABLEWARE PRIVATE LIMITED  
Notes to the Financial Statement for the year ended 31st March, 2016

Note 22 - Finance Cost

Particulars	( Amount in Rs.)	
	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
Interest Expenses - Term Loans	42,305,028	19,984,317
Interest Expenses - Others	40,780,857	39,790,461
<b>Total</b>	<b>83,085,885</b>	<b>59,774,778</b>

Note 23 - Other Expenses

Particulars	( Amount in Rs.)	
	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
<b>Manufacturing Expenses</b>		
Consumption of Stores and Spares (Refer Note 23.2)	22,359,373	17,923,686
Power and Fuel	118,083,467	121,598,999
Packing Materials Consumed	68,174,830	97,500,748
Excise Duty (Refer Note 28)	7,370,065	-
Repairs to Machinery	432,829	665,784
Repairs to Buildings	-	697,999
<b>Selling and Distribution Expenses</b>		
Sales Promotion and Advertisement Expenses	21,354,586	24,926,340
Brokerage, Discount and Commission	852,806	2,015,216
Freight Outward / Octroi	24,290,391	37,534,095
<b>Administrative and General Expenses</b>		
Rent	1,501,296	1,517,631
Rates and Taxes	2,628,622	756,894
Other Repairs	939,304	1,048,171
Insurance	582,268	982,152
Legal & Professional Fees *	7,592,664	2,013,932
Travelling	9,661,485	8,178,576
Loss on foreign currency transactions (Net)	-	35,200
Loss on sale of Fixed assets	3,225,833	54,271
Directors Sitting Fees	180,900	-
Payment to Auditors (Refer Note 23.1)	200,000	200,000
Donation	32,100	97,000
Bank Charges	2,308,984	151,491
Sundry balance written off (net)	1,782,613	11,950
Miscellaneous Expenses	11,621,068	5,998,431
<b>Total</b>	<b>305,175,484</b>	<b>323,908,566</b>

\*\*Includes legal fees of Rs. 2,208,650 towards increase in the authorized share capital of the Company.

23.1 Details of Payment to Auditors

Particulars	( Amount in Rs.)	
	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
Audit Fees	150,000	150,000
Tax Audit Fees	50,000	50,000
<b>Total</b>	<b>200,000</b>	<b>200,000</b>

23.2 Consumption of Stores and Spares

Particulars	For the Year ended 31st March, 2016		For the Year ended 31st March, 2015	
	( Amount in Rs.)	% of Consumption	( Amount in Rs.)	% of Consumption
Imported	4,292,699	16%	-	-
Indigenous	22,359,373	84%	17,923,686	100%
<b>Total</b>	<b>26,652,072</b>	<b>100%</b>	<b>17,923,686</b>	<b>100%</b>



**HOPEWELL TABLEWARE PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31st March, 2016**

**Note 24 - Earnings Per Equity share**

Particulars	For the Year Ended 31st March, 2016	For the Year Ended 31st March, 2015
Net Profit / (Loss) After Tax Attributable to Equity Shareholders for Basic EPS and Diluted EPS (Amount in Rs.)	(182,269,688)	1,647,473
Weighted Average Number of Equity Shares Outstanding During the Year for Basic EPS and Diluted EPS (in Nos.)	25,232,240	22,250,000
Basic and Diluted Earning per share of Rs. 10 each (in Rs.)	(7.22)	0.07
Face Value per Equity Share (in Rs.)	10	10

**24.1** The effects of 6% Optionally Convertible Non-Cumulative Redeemable Preference Shares on the earning per share are anti dilutive and hence, the same is ignored for the purpose of calculation of diluted earning per share.

**Note 25 - Contingent Liabilities and Commitments (To the extent not provided for)**

Particulars	As at 31st March, 2016	( Amount in Rs.) As at 31st March, 2015
<b>Contingent Liabilities</b>		
<b>Guarantees</b>		
- Bank Guarantees	10,491,000	5,750,000
<b>Others</b>		
- Bonus (Refer Note 25.2)	986,077	-
<b>Total</b>	<u><u>11,477,077</u></u>	<u><u>5,750,000</u></u>
<b>Commitments</b>		
Estimated amount of Contracts remaining to be executed on Capital Account not provided for (cash outflow is expected on execution of such capital contracts)	1,316,300	-
Commitment towards EPCG License	64,916,560	35,917,866

**25.1** Management is of the view that above litigations will not impact the financial position of the company.

**25.2** In view of change in the limit by Bonus (amendment) Act, 2015, the Company has made provision for bonus w.e.f. 01.04.2015 based on revised limits. However, no provision has been made for 2014-15 as the applicability of the revision with retrospective effect has been challenged in Honourable High Court of Kerala by some parties and stay has been granted on its retrospective operation.

**Note 26 - Financial and Derivative Instruments:**

**a** The Company has not entered into any derivative contract during the year and hence no derivative contract is outstanding.

**b Unhedged Foreign Currency exposure as on 31<sup>st</sup> March, 2016 are as under:**

Particulars	As at 31st March, 2016	( Amount in Rs.) As at 31st March, 2015
Receivables	3,745,577	611,745
Payable	1,529,883	1,737,477

**HOPEWELL TABLEWARE PRIVATE LIMITED**
**Notes to the Financial Statement for the year ended 31st March, 2016**
**Note 27 - Related Party Disclosure**
**Information on Related Parties Disclosures as per Accounting Standard (AS-18) - "Related Party Disclosures" are given below:**
**(A) List of Related Parties :**
**(a) Holding Company**

Borosil Glass Works Limited (w.e.f. 28.01.2016)

**(c) Key Management Personnel**

 P.K.Kheruka - Chairman (w.e.f 28.01.2016)  
 Ashok Jain – Managing Director (w.e.f 28.01.2016)  
 Shreevar Kheruka – Director. (w.e.f. 28.01.2016)  
 Atul Ramswaroop Chotia (Till 28.01.2016)  
 Prem Singh Shekhawat (Till 28.01.2016)  
 Swapan Guha (Till 28.01.2016)  
 Sweety Gupta (Till 28.01.2016)  
 Vikram Singh Shekhawat (Till 28.01.2016)

**(d) Relative of Key Management Personnel**

 Sachin Kumar Gupta (Till 28.01.2016)  
 Supratik Guha (Till 28.01.2016)

**(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:-**

 Gujarat Borosil Limited (w.e.f. 28.01.2016)  
 Hopewell Ceramics Private Limited (Till 28.01.2016)  
 Sri Govind Gems Private Limited (Till 28.01.2016)  
 Cubic Gems Private Limited (Till 28.01.2016)

**(B) Transactions with Related Parties :**

Name of Transactions	Name of the Related Party	( Amount in Rs.)	
		2015-16	2014-15
Sale of Goods	Hopewell Ceramics Private Limited	36,053,420	58,608,207
Purchase of Goods	Gujarat Borosil Limited	1,683,232	-
	Hopewell Ceramics Private Limited	5,446,610	713,070
Interest Expenses	Borosil Glass Works Limited	2,590,175	-
	Vikram Singh Shekhawat	1,070,548	-
	Prem Singh Shekhawat	4,681,417	-
	Sweety Gupta	169,562	-
	Sachin Kumar Gupta	1,513,736	-
Rent Expenses	Borosil Glass Works Limited	5,484	-
Reimbursement of expenses to	Borosil Glass Works Limited	427,902	-
Remuneration	Ashok Jain	80,645	-
	Vikram Singh Shekhawat	1,100,000	1,230,000
	Swapan Kumar Guha	2,400,000	2,520,000
	Atul Ramswaroop Chotia	2,860,000	1,230,000
	Sweety Gupta	1,100,000	1,230,000
	Supratik Guha	1,166,750	-
Trade Receivable	Hopewell Ceramics Private Limited	-	19,724,037
Trade Payable	Borosil Glass Works Limited	484,479	-
	Gujarat Borosil Limited	1,683,232	-
	Hopewell Ceramics Private Limited	-	662,074
Other Payable	Ashok Jain	56,451	-
	Vikram Singh Shekhawat	-	364,768
	Swapan Kumar Guha	-	155,177
	Atul Ramswaroop Chotia	-	330,189
	Sweety Gupta	-	364,768
	Mr. Supratik Guha	-	200,000
Issue of Equity Shares	Cubic Gems Private Limited	5,000,000	-
Conversion of Long term borrowings into Equity Shares	Vikram Singh Shekhawat	26,000,000	-
Long Term Borrowings taken	Prem Singh Shekhawat	-	8,000,000
	Sweety Gupta	-	2,100,000
	Vikram Singh Shekhawat	105,000,000	10,000,000
	Sachin Kumar Gupta	3,500,000	-
	Sri Govind Gems Private Limited	4,500,000	-

**HOPEWELL TABLEWARE PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31st March, 2016**

<b>Name of Transactions</b>	<b>Name of the Related Party</b>	<b>2015-16</b>	<b>2014-15</b>
Long Term Borrowings repaid	Prem Singh Shekhawat	8,037,496	8,000,000
	Vikram Singh Shekhawat	84,000,000	5,000,000
	Sweety Gupta	2,100,000	-
	Sachin Kumar Gupta	5,233,100	-
	Sri Govind Gems Private Limited	4,500,000	-
Long Term Borrowings outstanding	Sachin Kumar Gupta	-	1,733,100
	Prem Singh Shekhawat	-	8,037,496
	Vikram Singh Shekhawat	-	5,000,000
	Sweety Gupta	-	2,100,000
Short Term Borrowings taken	Borosil Glass Works Limited	260,000,000	-
Short Term Borrowing converted into 6% Optionally Convertible Non-Cumulative Redeemable Preference Shares	Borosil Glass Works Limited	220,000,000	-
Short Term Borrowing outstanding	Borosil Glass Works Limited	40,000,000	-
Other Current Liabilities - Accrued Interest	Borosil Glass Works Limited	79,890	-

**Note 28 - Excise Duty**

<b>Particulars</b>	<b>2015-16</b>	<b>2014-15</b>
Excise duty shown as a reduction from Revenue from Opearation	65,322,116	87,738,250
<b>Excise duty charged to Statement of Profit and Loss:</b>		
On Closing Stock	7,370,065	-
Others	-	-

**Note 29 - CIF Value of Imports**

<b>Particulars</b>	<b>( Amount in Rs.)</b>	
	<b>For the Year Ended 31st March, 2016</b>	<b>For the Year Ended 31st March, 2015</b>
<b>In Respect of :</b>		
Components & Spare parts	4,292,699	8,371,144
Raw material	194,590	3,951,758
Capital item	104,391,026	-

**Note 30 - Expenditure in Foreign Currency**

<b>Particulars</b>	<b>( Amount in Rs.)</b>	
	<b>For the Year Ended 31st March, 2016</b>	<b>For the Year Ended 31st March, 2015</b>
Travelling Expenses	-	254,260
Exhibition Expenses	457,863	823,755

**HOPEWELL TABLEWARE PRIVATE LIMITED**  
**Notes to the Financial Statement for the year ended 31st March, 2016**

**Note 31 - Earnings in Foreign Currency**

Particulars	For the Year Ended 31st March, 2016	( Amount in Rs.)
		For the Year Ended 31st March, 2015
FOB Value of exports	8,650,276	3,809,945

31.1 Excludes export in Indian currency.

**Note 32 Segment Reporting**

The company is primarily engaged in manufacturing and trading Consumerware (Tableware) items. As there is one reportable segment, the disclosure as required as per accounting standard on "Segment Reporting" (AS – 17) is not given.

**Note 33**

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

As per our report of even date

For and on behalf of the Board of Directors

**Vinod Kunal & Associates**

Chartered Accountants  
(Firm Registration no. 011244C)

**Shreevar Kheruka**  
Director  
(DIN 01802416)

**P.K.Kheruka**  
Chairman  
(DIN 00016909)

**Vinod Kumar Gupta**  
Partner  
Membership no.75540

**Raghav Sharma**  
Company Secretary  
(M.No. ACS41472)

**Ashok Jain**  
Managing Director  
(DIN 00025125)

Place : Mumbai  
Date : 20.05.2016

**HOPEWELL TABLEWARE PRIVATE LIMITED**  
**CASH FLOW STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

(Amount in Rs.)

PARTICULARS	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per Statement of Profit and Loss	(211,337,072)	2,245,660
<b>Adjusted for :</b>		
Depreciation and Amortisation Expense	58,746,321	59,028,721
Net Loss / (Gain) on Foreign Currency Transactions	(219,597)	
Sundry balance written off / (written back) (Net)	1,782,613	
Loss on Sale of fixed assets	3,225,833	
Finance Cost	83,085,885	59,774,778
Interest Income	(1,537,130)	(649,306)
Miscellaneous Written off & Provision	-	383,962
	<u>145,083,925</u>	<u>118,538,155</u>
<b>Operating Profit before Working Capital Changes</b>	<b>(66,253,147)</b>	<b>120,783,815</b>
<b>Adjusted for :</b>		
Trade and Other Receivables	(11,359,215)	(110,770,786)
Inventories	29,991,359	(18,313,826)
Trade and Other Payables	(12,642,020)	113,852,352
<b>Cash flow from operations</b>	<b>(60,263,023)</b>	<b>105,551,555</b>
Direct taxes paid	-	(598,187)
<b>Net Cash Flow from Operating Activities</b>	<b>(60,263,023)</b>	<b>104,953,368</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(143,384,523)	(25,914,397)
Sale of Fixed Assets	1,746,759	
Movement in Non current assets	-	(5,045,680)
Interest Income	206,574	649,306
<b>Net Cash Flow used in Investing Activities</b>	<b>(141,431,190)</b>	<b>(30,310,771)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds of Long Term Borrowings	225,770,167	-
Repayment of Long Term Borrowings	(236,528,876)	(15,253,475)
Movements in Short Term Borrowings	45,111,744	-
Fixed Deposit pledged with a Bank	(4,766,801)	-
Proceeds from issue of equity share capital	35,000,000	
Proceeds from issue of Preference share capital	220,000,000	
Finance Cost Paid	(83,157,366)	(59,774,778)
<b>Net Cash Flow from Financing Activities</b>	<b>201,428,868</b>	<b>(75,028,253)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(265,344)</b>	<b>(385,656)</b>
Opening Balance of Cash and Cash Equivalents	963,601	1,349,257
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>698,257</b>	<b>963,601</b>

Notes :

- The above Cash Flow Statements has been prepared under the "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statement".
- Bracket indicates cash outflow.
- Previous Year figures have been regrouped, reworked, reclassified and re-arranged wherever necessary.

As per our report of even date

For and on behalf of the Board of Directors

**Vinod Kunal & Associates**

Chartered Accountants  
(Firm Registration no. 011244C)

**Shreevar Kheruka**  
Director  
(DIN 01802416)

**P.K.Kheruka**  
Chairman  
(DIN 00016909)

**Vinod Kumar Gupta**

Partner  
Membership no.75540

**Raghav Sharma**  
Company Secretary  
(M.No. ACS41472)

**Ashok Jain**  
Managing Director  
(DIN 00025125)

Place : Mumbai

Date : 20.05.2016