



NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the members of SEZAL GLASS LTD. will be held on Friday, September 30, 2011 at 11.00 AM, at 'Banquet Hall', Ground Floor, Goregoan Sports Club, Link Road, Malad (West), Mumbai – 400 064 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2011, Balance Sheet as on that date, and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Hasmukh N. Shah, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Dilip K. Patel, who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint auditors M/s. S S Puranik & Associates, Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of Thirteenth Annual General Meeting till the conclusion of the next Annual General Meeting and to authorise the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS:

5. To Consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to Section 13, 16 and 94(1) (b) and other applicable provisions of the Companies Act, 1956 (including any modification or re-enactment

thereof); the provisions of the Articles of Association of the Company and also subject to the regulations prescribed in this behalf by the Government of India and further subject to the guidelines, regulations and clarifications issued by the Securities and Exchange Board of India (SEBI) for the time being in force, and the Listing Agreement entered into by the Company with the Stock Exchanges, where the shares of the Company are listed and subject to such other statutory approvals, consents, permissions and sanctions, consent and approval of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the **"Board"**, which term shall include any duly constituted and authorized committee thereof), to consolidate Ten (10) Equity Shares of Re. 1/- (Rupee One only) each into One (1) Equity Share of Rs. 10/- (Rupees Ten only) each and to fix a record date for the purpose.

"RESOLVED FURTHER THAT in consolidation of ten Equity Shares of Re. 1/- each into one Equity Share of Rs. 10/- each, the Board shall not issue any fractional shares/certificates, but the total number of the equity shares representing such fractions shall be transferred to a person or persons appointed by the Board as trustee/trustees for and on behalf of such fractional equity shareholders, who would, otherwise have been entitled to such fractional shares/certificates. The trustee shall be provided with details of the persons entitled for fraction shares/certificates so as to enable the trustee to distribute the net proceeds of the sale of such fractional shares, amongst the members/ shareholders in proportion to their respective fractional entitlement thereto after payment of all expenses of the sale and other related expenses.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to inform the Registrar and Transfer Agents of the Company and the depositories, to take the necessary action to give effect to this resolution, to file necessary corporate action forms with Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited, such that the consolidated Equity Shares would be credited to the demat/electronic accounts of shareholders and also to issue, wherever applicable, new share certificates representing the consolidated shares with new distinctive numbers, in the aforesaid proportion subject to the rules as laid down in the Companies (Issue of Shares Certificates) Rules, 1960 with an option to either exchange the new physical share certificates in lieu of cancellation of the old physical share certificates or without physically exchanging the share certificates, by treating the old physical share certificates as deemed to be cancelled. The Board be and is hereby also authorised to inform the stock exchanges to give effect of the consolidation of shares of the Company.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required in the said connection.

“RESOLVED FURTHER THAT pursuant to Section 16 and other applicable provisions of the Companies Act, 1956, Clause (V) of the Memorandum of Association of the Company be and is hereby altered by deleting the same and substituting in place there of the following new Clause V:-

V. The Authorised Share Capital of the Company is Rs. 60,00,00,000/- (Rupees Sixty Crores Only) divided into 6,00,00,000/- (Six Crores) Equity Shares of Rs. 10/- (Rupees Ten Only) each with rights, privileges and conditions attaching thereon as are provided by the Articles of Association of the company for the time being, with power to increase and reduce the capital of the Company and to divide the share in the capital for the time being into several classes and to attach thereto respectively and such preferential deferred, qualified or special rights, privileges or conditions as may be determined by in accordance

with the Articles of Association of the Company and to vary, modify or abrogate such rights, privileges or conditions in such manner as may be for time being provided by the Articles of Association of the Company.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to delegate all or any of the powers herein conferred by this resolution to any director or directors or to any committee of director(s) or any other office or officers of the company and to do all such acts, matters, things and deeds and to take all such steps and do all such things and give all such directions as the Board may consider necessary, expedient or desirable including forming of trust and to authorize the trustee/trustees to take delivery of fractional shares and to sell such fractional shares transferred to him/them and also to settle any questions or difficulties or doubts that may arise in regard to the offer/issue, allotment and further to do all such acts deeds, matters and things and to finalise and execute all documents and writings as may be necessary, proper, desirable or expedient as the Board, in its absolute discretion, may deem fit and take all such steps which are incidental and ancillary in this regard.”

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

“RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 310 and all other applicable provisions of the Companies Act, 1956 (the Act), (including any statutory modifications or re- enactment thereof for the time being in force), read with Schedule XIII of the Act and subject to the approval of the Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re – appointment of Mr. Amrrut S. Gada as the Managing Director of the Company for a term of 5 years from the 1st April, 2011 on the existing terms and conditions including remuneration.

“RESOLVED FURTHER THAT any of the directors of the company be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, proper, desirable or appropriate to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 310 and all other applicable provisions of the Companies Act, 1956 (the Act), (including any statutory modifications or re-enactment thereof for the time being in force), read with Schedule XIII of the Act and subject to the approval of the Central Government, if necessary, and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re-appointment of Mr. Dhirraj S. Gada as the Joint Managing Director of the Company for a term of 5 years from the 1st October, 2011 on the existing terms and conditions including remuneration.

“RESOLVED FURTHER THAT any of the directors of the company be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, proper, desirable or appropriate to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), the provisions of the Foreign Exchange Management Act, 1999 (FEMA), the Foreign Exchange Management (Transfer or Issue of Security by a person Resident Outside India) Regulations, 2000, the issue of Foreign Currency Convertible Bonds and Ordinary shares (through Depository Receipt Mechanism) Scheme, 1993, and subject to such approvals, permissions, consents and sanctions as may be necessary from the

Government of India (GOI), Reserve Bank of India (RBI) or any other authorities, institutions or bodies as may be relevant (hereinafter collectively referred to as “the appropriate authorities”), and the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the Company’s shares are listed and in accordance with the regulations and guidelines issued by the GOI, RBI, Securities and Exchange Board of India (SEBI) and any competent authorities and clarifications issued thereon from time to time and subject to all other necessary approvals, permissions, consents and sanctions of concerned statutory and other authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as ‘the Board’, which term shall include any Committee thereof), consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot in one or more tranches whether rupee denominated or denominated in foreign currency, in the course of domestic or international offerings or Qualified Institutional Placements (QIP) in one or more international markets and/or Indian market, to Domestic Institutions, Foreign Institutions, Non-Resident Indians, Indian Public Companies, Bodies Corporate, Mutual Funds, Banks, Insurance Companies, Pension Funds, Qualified Institutional Buyers (QIBs) as defined by SEBI (Issue Of Capital And Disclosure Requirements) Regulations, 2009, (SEBI ICDR Regulations), Indian and/or Multilateral Financial Institutions, and/or any other categories of investor whether they be shareholders of the Company or not (collectively called the “Investors”), through public issue(s) through prospectus, offering circular or placement document and/or on a private placement basis and/or QIP within the meaning of Chapter VIII of SEBI ICDR Regulations or a combination thereof at such time or times, at such price or prices, at a discount or premium to the market price, in such manner and on such terms and conditions including security, rate of interest etc. as may be decided by and deemed

appropriate by the Board in its absolute discretion including the discretion to determine the categories of investors to whom the offer, issue and allotment shall be made to the exclusion of all categories of Investors at the time of such issue and allotment considering the prevailing market conditions and other relevant factors wherever necessary in consultation with the Lead Manager or other Advisors, as the Board in its absolute discretion may deem fit and appropriate, Equity Shares, Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Participatory Notes (PNs), Foreign Currency Convertible Bonds (FCCBs), Equity Shares through Depository Receipt Mechanism and/ or securities other than warrants convertible into or exchangeable with Equity Shares (hereinafter collectively referred to as "Securities"), or any combination of securities secured or unsecured such that the total amount raised through the aforesaid securities should not exceed Rs. 200 Crores. (Rupees Two Hundred Crores Only.)

"RESOLVED FURTHER THAT in case of a QIP pursuant to Chapter VIII of SEBI ICDR Regulations, the allotment of securities shall only be to QIBs within meaning of Chapter VIII of SEBI ICDR Regulations and such securities shall be fully paid-up and the allotment of such securities shall be completed within 12 months from the date of the relevant shareholder's resolution or such other time as may be allowed by SEBI ICDR Regulations from time to time.

"RESOLVED FURTHER THAT relevant date for the determination of applicable price for the issue of QIP Securities shall be the date on which Board of the Company decide to open the proposed issue, or the date on which the holder of securities which are convertible into or exchangeable with equity shares at a later date becomes entitled to apply for the said shares, as the case may be ("Relevant Date").

"RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the

capital market including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional equity shares or variation of the conversion price of the securities during the tenure of such securities and the Board be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose off such of the securities that are not subscribed.

"RESOLVED FURTHER THAT;

- i. The securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of the Company; and
- ii. The underlying Equity Shares shall rank pari passu with the existing Equity Shares of the Company;

"RESOLVED FURTHER THAT the Board or a Committee thereof duly authorized in this regard by the Board be and is hereby authorized on behalf of the Company to finalize the pricing, terms and conditions relating to the issue of aforesaid securities, determine the form, terms and timing of the issue(s), including the class of investors to whom the securities are to be allotted, number of securities to be allotted in each tranche, issue price, face value, premium amount on issue, listing on one or more stock exchanges in India and/ or abroad as the Board or Committee in its absolute discretion deem fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/ or abroad to do all such acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the Issue(s).

"RESOLVED FURTHER THAT the Board or a committee thereof duly authorized in this regard by the Board, be and is hereby severally authorized to appoint Lead Managers, Merchant bankers, Underwriters, Guarantors, Financial and/or Legal Advisors, Depositories, Custodian, Principal Paying / Transfer/Conversion Agents, Listing Agents,

Registrars, Trustees and all other agencies, whether in India or abroad, and to finalize the terms and conditions (including the payment of fees, commission, out of

pocket expenses and their charges subject to requisite approvals of RBI) if any, of the aforesaid appointments and remunerate them by way of commission, brokerage, fees or the like and also to renew or terminate the appointments so made, as the Board/Committee may in its absolute discretion think fit and also to enter into and execute all such arrangements, agreements, memorandum, documents etc. with such agencies and also to seek the listing of such securities on one or more Indian and International Stock Exchange(s).

“RESOLVED FURTHER THAT the Board or a committee thereof duly authorized in this regard by the Board be and is hereby authorized to issue and allot such number of Equity shares as may be necessary in accordance with the terms of the offering, all such equity shares ranking pari passu with the existing Equity Shares of the Company in all respect.

“RESOLVED FURTHER THAT any director or directors of the Company or any other officers of the Company as may be authorized by the Board be and is hereby authorized to sign, execute and issue consolidated receipt(s) for the securities, listing applications, various agreements including but not limited to subscription agreement(s), depository agreement(s), trustee agreement(s), undertaking(s), deeds, declarations and to do all such things, deeds and acts and to comply with all the formalities as may, in the opinion of such authorized person, be required in connection with or incidental to the aforesaid offering of securities, including post issue formalities.

“RESOLVED FURTHER THAT all acts, deeds and things already done by the Board or by any delegated officer of the Company in this regard be and is hereby confirmed, approved and ratified.”

By order of Board of Directors

Registered Office:
201/202, Abhilasha, 2nd Floor,
S. V. Road, Kandivali (West),
Mumbai - 400067
Date: August 12, 2011

Ashwin S. Shetty

G. M. Compliance, Company Secretary

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** PROXY IN ORDER TO BE VALID AND EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Register of Members and Transfer Books will remain closed from Tuesday the 27th September, 2011 to Friday the 30th September, 2011 (both days inclusive).
3. Explanatory statement, pursuant to section 173(2) of the Companies Act, 1956, is attached hereto, and shall form part of this notice.
4. Members of the Company who have not encashed their dividend for the earlier years are requested to lodge their claims with the Company.
5. Members are advised to avail of nomination facility in respect of shares held by them. Nomination forms can be obtained from the Investors Services Department of the Company.
6. Members are requested to:-
 - a. Intimate the Company, changes if any in their registered addresses at an early date for shares held in physical form. For shares held in electronic form, changes, if any may be please be communicated to the respective DPs.
 - b. Quote ledger folio numbers/DP ID and Client ID numbers in all their correspondence.
 - c. Approach the Company for consolidation of various ledger folios into one.
 - d. To avoid inconvenience, get the share transferred in joint names, if they are held in single name and/or appoint nominee.

7. Members desirous of obtaining any information concerning the accounts and operation of the Company are requested to address their communication to the Registered Office of the Company, so as to reach at least 10 days before the meeting, so that the information can be made available at the meeting, to the extent possible.
8. Members, who hold shares in electronic form, are requested to bring their DP and Client Id numbers at the meeting for easier identification.
9. The Annual Report 2010-11 of the Company circulated to the members of the Company will be made available on the Company's website at www.sezalglass.com and also on the website of the respective stock exchanges at www.nseindia.com and www.bseindia.com.

Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of items of Special Business mentioned in the notice.

Item No. 5:

Taking into consideration the anticipated growth of the Company in future, it is proposed to reorganise the capital structure of the Company by consolidating the equity shares from Re. 1/- each to Rs. 10/- each. The restructuring will help the Company to give a better picture of Earning Per Share (EPS) to the equity shareholders of the Company and also in better servicing to shareholders.

Moreover the Board of Directors of your Company is of the view that many Financial Institutions and Private Equity Funds are not inclined to invest in such low priced stock as ours, inspite of the fact that present share price of the Company is approximately three times of its face value of Re. 1/- each.

It is hence proposed that, to rebuild the image of the Equity Share of the Company the denomination of the face value of each Equity Share of the Company be changed from Re. 1/- each to Rs. 10/- each i.e. every 10 (Ten) Equity Shares of the Company be consolidated into 1 (One) Equity Share of the Company.

The authority is sought to be given to Board of Directors to fix the Record date and issue fresh Equity Shares of the denomination of Rs. 10/- each to the members in place of existing Equity Shares of Re. 1/- each. In case of members

having fractional shares not divisible by 10, the same will be transferred to trust which will be formed by the Board for this purpose. All the fractional shares will be transferred as on the record date. The trust will consolidate the fractional shares transferred to it and will sell the total shares. The proceeds of the total shares will be paid to respective shareholders after deducting the expenses incurred in this regard, if any. The said resolution, if passed, will have the effect of the allowing the Board to do all such matters and deeds as are necessary to effect the said matter.

The Authorized Share Capital of the Company is Rs. 600 Million divided into 60,00,00,000 Equity Shares of Re. 1/- each. Considering the proposed consolidation of shares, it is necessary to amend Clause V of the Memorandum of Association.

The Directors of the Company can be considered to be concerned with or interested in this Resolution only to the extent of their respective shareholding or shareholding of their relatives or entities in which they are interested, if any.

The Board recommends passing of the said resolution.

Item No. 6:

Mr. Amrrut S. Gada was re-appointed as the Managing Director of the Company for a period of Five years with effect from 1st April, 2006 at the Annual General Meeting of the Company held on 30th September, 2006.

Considering his valuable contribution and vast experience the Board of Directors at their meeting held on 14th April, 2011 re-appointed Mr. Amrrut S. Gada as Managing Director of the Company for a further period of five years from 1st April, 2011 on the existing terms and conditions including remuneration.

Brief profile of Mr. Amrrut S. Gada in terms of Clause 49 of the Listing Agreement, is provided elsewhere in this notice.

The re-appointment of Mr. Amrrut S. Gada as Managing Director is subject to the approval of the members.

None of the Directors except Mr. Amrrut S. Gada himself, Mr. Dhirraj S. Gada and Mr. Aashish D. Kariaa as the relatives of Mr. Amrrut S. Gada are considered as Interested Directors in the above resolution.

Item No. 7:

Mr. Dhirraj S. Gada was re-appointed as the Joint Managing Director of the Company for a period of 3 years with effect from 1st October, 2008 at the Annual General Meeting of the Company held on 15th September, 2009.

Considering his valuable contribution and vast experience the Board of Directors at their meeting held on 12th August, 2011 re-appointed Mr. Dhirraj S. Gada as Joint Managing Director of the Company for a further period of five years from 1st October, 2011 on the existing terms and conditions including remuneration.

Brief profile of Mr. Dhirraj S. Gada in terms of Clause 49 of the Listing Agreement, is provided elsewhere in this notice.

The re-appointment of Mr. Dhirraj S. Gada as Joint Managing Director is subject to the approval of the members.

None of the Directors except Mr. Dhirraj S. Gada himself, Mr. Amrrut S. Gada and Mr. Aashish D. Kariaa as the relatives of Mr. Dhirraj S. Gada are considered as Interested Directors in the above resolution.

Item No. 8:

Keeping in view the business requirements and the ability to compete with the peer groups in domestic and international markets, your Company needs to strengthen its financial position by augmenting long term resources from time to time. The proposed Special Resolution seeks the enabling authorisation of the Members to the Board of Directors, without the need of any further approval from the members, to undertake the Qualified Institutional Placement ("QIP") with the Qualified Institutional Buyers ("QIB"), in accordance with the provisions of Chapter VIII of the SEBI (Issue Of Capital And Disclosure Requirements) Regulations, 2009, (SEBI ICDR Regulations). Pursuant to the above, the Board may, in one or more tranches, create, issue, offer and allot equity shares/depository receipts/foreign currency convertible bonds and/or other appropriate securities upto an amount not exceeding Rs. 200 Crores (Rupees Two Hundred Crores Only.) inclusive of premium in the course of domestic/international offering. Such securities are proposed to be issued to any

eligible person including but not limited to resident investors (whether individuals, mutual funds, incorporated bodies, institutions or otherwise), Foreign Financial Institutions and Qualified Institutional Buyers, etc. The said QIP by the Board of Directors ('Board') shall be subject to the provisions of the Chapter VIII of SEBI ICDR Regulations including the pricing.

The relevant date for the determination of the applicable price for the issue of QIP Securities shall be the date of the meeting in which the Board of the Company decides to open the proposed issue or in case of securities which are convertible into or exchangeable with equity shares at a later date, the date on which the holder of such securities becomes entitled to apply for the said shares, as the case may be.

Section 81 (1A) of the Companies Act, 1956 and listing agreement entered with the Stock Exchanges, provide, inter-alia, that where it is proposed to increase the Subscribed Share Capital of Company by allotment of further shares may be offered to any person, whether or not those persons include the person who on the date of offer are the holders of the Equity shares of the Company, in proportion to the capital paid up on those shares as of that date unless the member decide otherwise. The Special Resolution seek the consent and the authorisation of the Members of the company to make the proposed issue of Securities, in consultation with the Lead Manager, Legal Advisors and the other intermediaries and in the event it is decided to issue the Securities convertible into equity shares, to issue to the holders of such convertible securities in such a manner and in such a number of equity shares on conversion as may be required to be issued in accordance with terms of issue, keeping in view the prevailing market conditions and in accordance with applicable provisions of rules, regulations or guidelines.

The Board of Directors accordingly recommends the resolution set out at Item No. 8 of the accompanying notice for the approval of the Members.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution, except to the extent of their shareholding.

PROFILE OF DIRECTORS BEING REAPPOINTED AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT ENTERED INTO WITH THE STOCK EXCHANGES

Particulars	Mr. Hasmukh N. Shah	Mr. Dilip K. Patel	Mr. Amrrut S. Gada	Mr. Dhirraj S. Gada
Date of Birth	September 30, 1964	October 20, 1947	May 03, 1970	October 15, 1973
Date of Appointment	November 13, 2010	August 12, 2011	Since Inception	Since Inception
Qualification	B. Com., LL.B., ACS, FCA. Also Completed Business Consultancy Studies Program by JBIMS under Mumbai University.	Chemical Engineer from IIT, Kanpur and Completed requirements for Master's in Financial Management from Bajaj Institute, Mumbai.	Intermediate.	F.M.B.A. (Family Management Business Administration) from NMIMS, Mumbai.
Expertise in Specific functional areas	Taxation Laws, Corporate Laws, Audit and Corporate Finance.	Finance, Business Management and Strategic Planning.	Business Management.	Marketing, Human Resources and Corporate Communications.
Other Directorships held	-	<ol style="list-style-type: none"> 1. Eurotex Industries & Exports Limited 2. Malladi Drugs & Pharmaceuticals Limited 3. Godavari Drugs Limited 4. Polyset Plastics Pvt. Limited 5. Celestial Biologicals Limited 6. Solar Explosives Limited 7. Minex Metallurgical Company Limited 8. Relcon Infracorps Limited 	<ol style="list-style-type: none"> 1. Sezal Insurance Broking Limited 2. Sezal Finance Limited 3. Sezal Realty and Infrastructure Limited 4. Sezal International Limited 5. Sezal Entertainment and Media Limited 6. Sezal Firebaan Glass Private Limited 7. Synergy Float Glass Private Limited 8. Bonanza Float Glass Private Limited 	<ol style="list-style-type: none"> 1. Sezal Insurance Broking Limited 2. Sezal Finance Limited 3. Sezal Realty and Infrastructure Limited 4. Sezal International Limited 5. Sezal Entertainment and Media Limited 6. Sezal Firebaan Glass Private Limited 7. Synergy Float Glass Private Limited 8. Bonanza Float Glass Private Limited
Membership of Committees	-	<p>AUDIT COMMITTEE</p> <ol style="list-style-type: none"> 1. Godavari Drugs Limited* 2. Solar Explosives Limited 3. Relcon Infracorps Limited <p>SHARE TRANSFER COMMITTEE</p> <ol style="list-style-type: none"> 1. Godavari Drugs Limited 2. Relcon Infracorps Limited <p>REMUNERATION COMMITTEE</p> <ol style="list-style-type: none"> 1. Malladi Drugs & Pharmaceuticals Limited 2. Solar Explosives Limited <p>*Chairman</p>		
No. of Shares held	-	-	1,82,05,000 Shares	1,19,00,000 Shares

GREEN INITIATIVE

To,
The Members,

Re: Intimation of email address for receipt of documents electronically

Your Company, being a responsible corporate citizen, welcomes and support the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India (MCA) vide its circular nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011. The above initiative will help in conserving paper which is a natural resource as also result in substantial savings on printing and posting of annual reports and other documents of your Company. In terms of the enabling provisions of these Circulars, the Company will henceforth effect electronic delivery of Annual reports and other corporate communications to the members at their email address registered for the said purpose.

For supporting this initiative, if you hold shares in:

Electronic Form, please intimate your email address to your Depository participant (DP) or if you do not wish to register your email id with DP then intimate your email address on **compliance@sezalglass.com**. The same will be deemed to be your registered email address for serving notices/annual report/other corporate documents etc.

Physical Form, please send a letter duly signed by the first/sole holder as per the specimen signature recorded with Company's Registrar & Transfer Agents(RTA) quoting the full name and folio number at the following address:

Link Intime India Pvt Ltd

Unit: Sezal Glass Ltd.

C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai 400 078.

(A format for registering your email id is given below)

Kindly note that if you do not register your email address, a physical copy of the annual report and other corporate documents will be sent to you free of cost as per current practice. Such documents will also be displayed on the Company's website www.sezalglass.com

We strongly recommend to you to opt for electronic mode of communication which will go a long way in supporting this 'Green Initiative' and contribute towards making the world cleaner and greener as our contribution to Corporate Social Responsibility.

For **Sezal Glass Ltd.**

Ashwin S. Shetty

G. M. Compliance, Company Secretary



FORMAT FOR REGISTERING EMAIL ID:

I/We, holding shares of Sezal Glass Ltd. wish to receive all documents/ notices etc. from the Company through e-mail and the Company is hereby advised to record my/our below mentioned e-mail id for this purpose.

Folio No. :

E-mail ID :

Thanking You,

.....

Signature of Joint Holder(s)
(as per specimen signature registered)

.....

Signature of First Holder
(as per specimen signature registered)





Registered Office: 201/202, Abhilasha, 2nd Floor, S. V. Road, Kandivali (West), Mumbai- 400067.

ATTENDANCE SLIP

I hereby record my presence at the Thirteenth Annual General Meeting of the Company at 'Banquet Hall', Ground Floor, Goregoan Sports Club, Link Road, Malad (West), Mumbai – 400 064 on Friday, September 30, 2011 at 11.00 AM

Name of the Member

Registered Folio No. No. of Shares

Client Id No.

DP ID No.

Name of the Proxy

.....
Signature of the Member or Proxy

Note: The Member/Proxy/Representative attending the Thirteenth Annual General Meeting of the Company is requested to bring this slip duly filled in and present the same at the entrance to the Meeting.



Registered Office: 201/202, Abhilasha, 2nd Floor, S. V. Road, Kandivali (West), Mumbai- 400067.

PROXY FORM

I / We.....of.....in the District of.....being a member /members of the above named Company hereby appoint.....of.....in the District ofor failing to him/her.....ofin the District of.....as my/our proxy/proxies to vote for me/us on my/our behalf at the Thirteenth Annual General Meeting of the Company to be held at 'Banquet Hall', Ground Floor, Goregoan Sports Club, Link Road, Malad (West), Mumbai – 400 064 on Friday, September 30, 2011 at 11.00 AM and at any adjournment thereof.

Signed this.....day of.....2011

Registered Folio No.....

Client Id No.....

DP ID No.....

No. of Shares.....

Affix
Re.1/-
Revenue
Stamp

.....
Signature of the Member

Note : This Proxy Form in order to be effective should be duly filled in, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting. The Proxy need not be a member of the Company.





The Next Begins **NOW**

Forward-looking Statements

The report contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words like 'plans', 'expects', 'anticipates', 'believes', 'intends', 'estimates', or other similar expressions as they relate to Company or its business are intended to identify such forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. The Company undertakes no obligation or responsibility to publicly amend, update, modify or revise any forward-looking statements, on the basis of any new information, future event, subsequent development or otherwise.



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Change is good;
don't be afraid of it.

- Jack Welch





Change is inevitable. For some it is reactionary while some preempt it and initiate steps to adapt to it.

After commissioning our float glass plant we started 2010-11 on a positive note. However, a delay of six months in commissioning resulted in cost overrun. This led to a build-up of debt, which in turn resulted in higher interest liability in wake of revision of interest rates in 2010-11. Moreover, on account of galloping inflation, the cost of key inputs increased consistently without improvement in realisations of float glass. The results were visible during 2010-11. In the first full year of operations at our float glass plant, we registered a six -fold increase in net sales at ` 2.80 bn. More than 85% of it was driven by float glass operations. However on account of higher input cost and interest obligation, we registered a net loss of ` 639.01 million, as compared to a net profit of ` 25.27 mn in 2009-10.

The change had already become visible.

With less than anticipated demand from the real estate and retail sectors coupled with ballooning input and financial costs, the margins began to deplete. We had a difficult choice to make - either to continue pumping huge amount of money to operate our dream project and in turn cause irreparable damage to the



company's financial health; or to think beyond personal aspirations and build a robust company.

It was time to embrace the Change than to resist it.

On 31st May 2011, we sold the Float glass unit to Saint-Gobain Glass India Limited as a going concern on a slump sale basis for a gross consideration of ₹ 6.86 bn. It has enabled us to repay bank debts and in turn, strengthen our debt equity ratio from 5.04:1 as on 31st March 2011 to 0.40:1 as on 30th June 2011. At the same time, it provided us with cash reserves, a boon in challenging times; to pursue our future expansion plans.

Whenever a chapter ends, a new one begins.

With a presence of more than a decade in the industry, we have imbibed valuable experience and established our credentials across the architectural glass value chain – from float glass production to processing to retailing. Armed with intellectual capital, a strong balance sheet, an established brand and a highly motivated team; the time has come to think ahead. We are committed to pave the way for larger value creation by the company in the future.

**For us, the
next begins
NOW.**

The background of the page is a photograph of a modern building's interior, featuring a glass and steel structure with a curved staircase. A large yellow callout box is positioned in the center, containing the text "Today we are here...".

**Today we
are here...**



Our origin

- Incorporated in 1998
- Established by Gada family, lead by Mr. Amrutt S. Gada, a first generation entrepreneur, and presently the Chairman & Managing Director of the Company

Our journey till now

- Evolved into a reputed glass processor in the first decade of operations
- Extended into retailing of home and office interiors with Sezal Encasa
- Briefly forayed into float glass manufacturing and exited the business in May 2011; sold the float glass plant to Saint-Gobain Glass India Limited
- Achieved a Market Share of 15% with a dealer network of more than 7,000 pan-India in the first year of operations itself.
- Also exported glass of International quality in the first year of operations.

Our presence

- Head quartered in Mumbai, Maharashtra
- A world class Glass processing unit located in Silvassa, Union Territory
- Two Sezal Encasa showrooms located in Mumbai, Maharashtra

Our team

- 560 employees
- 7,000 dealers

Our share

- Went Public in 2008-09
- Listed on the National Stock Exchange (Scrip code – SEZAL GLASS) and the Bombay Stock Exchange (Scrip code – 532993) in India

Our brands





Vision

It is this vision of the Sezal Group to create a brand image for Sezal that evokes a sense of awe, blind faith and inspiration and to achieve for itself the position of industry leader in the field of value addition business of processed glass, by investing into integrated operations and deliver world-class products.

Processes, operating systems and procedures shall be adopted with the objective of surpassing the exacting international standards for product and systems.

Creating and multiplying wealth of the company with continuous expansion for a better future of all stakeholders.



Mission

- To bring to our customers the benefits of industry leading technology from concepts to realisation.
- To provide to our customers the best of glass solutions.
- To set standards in service to customers.

2010-11 was a busy year

Operational highlights

- Processed 250,451 sq. mtrs of glass; 10% up
- Sold 152,462 sq. mtrs of glass
- Produced 145,403 MT of Flat Glass
- Sold 129,505 MT of Flat Glass
- Added 95 employees
- Introduced new products like Firebaan fire-rated glass and Tinted glass

Financial highlights

- Total revenues up six times to `2.8 bn
- EBIDTA up by 21% to `106.12 mn
- PAT registered a decrease from `25.27 mn to `(639.01 mn)

Five Year financial performance table

(` in Million)

Financial Performance	2010-11	2009-10	2008-09	2007-08	2006-07
PROFIT & LOSS ACCOUNT					
Gross Sales	2796.26	448.97	371.10	440.82	336.66
Total Income	2941.92	511.73	515.94	589.38	393.57
Depreciation	400.91	26.53	25.00	21.64	12.23
Interest	667.38	38.05	37.65	38.84	15.72
Profit Before Taxation	(962.17)	13.15	31.72	64.23	40.03
Profit After Taxation	(639.01)	25.27	21.22	46.51	27.08
Earnings Per Share	-	0.78	0.81	2.48	2.77
BALANCE SHEET					
Fixed Assets	8403.43	6681.63	3895.68	1313.44	659.52
Investments	0.89	0.60	0.60	0.60	0.10
Net Current Assets	370.95	110.16	309.74	260.44	88.82
Net Differed Tax Asset	312.20	-	-	-	-
Loan Funds	6236.15	5175.51	2761.76	1035.92	305.04
Net Differed Tax Liability	-	10.96	24.78	25.40	20.51
Profit & Loss A/c	549.81	-	-	-	-
Net Worth	3401.15	1605.92	1419.48	513.16	422.89
Share Capital	335.50	288.00	280.00	188.06	103.35
Share Warrant / Share Application Money	14.50	42.00	0.00	0.00	296.70
Reserve and Surplus	3051.15	1275.92	1139.49	325.11	22.84
Net Worth	3401.15	1605.92	1419.49	513.17	422.89



Chairman's overview

Mr. Amrrut S. Gada
Chairman & Managing Director

Doing the best at this moment puts
you in the best place for the next moment.
- Oprah Winfrey

Dear Members,

The core principle of every business is value creation. Everything else emanates from this core principle. When we set out to create a reputed company, we wanted to concentrate on understanding the glass industry in-depth so as to efficiently utilise our knowledge to shape up a sustainable future; which we did, by emerging among the leading glass processors in the country. We emerged as a preferred supplier to the largest builders, architects and interior designers. This further enabled us to broaden our understanding of the real estate industry and its components.

Then came the next phase. We focused on climbing up the value chain with Sezal Encasa, the first of its kind lifestyle mall in India, dedicated to each and every aspect of home and office decor. It provided us a platform to utilise our intellectual capital gained by interacting with architects, customers and interior designers over the years. The focus was on providing the best global brands under one roof. Today we have two showrooms of Sezal Encasa, set-up in an area of 35,000 sq. ft.

Having achieved forward integration - from glass processing to retailing of glass products, we chose to foray into manufacturing of float glass. In 2008-09, we went public to raise funds for the float glass plant. Despite a young team, we went ahead to establish the first indigenous world class float glass plant in Bharuch. This 550 pull tonnes per day, state of the art plant was built using the world-renowned European Technology. The project was successfully completed in February 2010. On account of six-months delay in commissioning of the plant, the company suffered a cost over-run of ₹ 1.8 bn. However, we achieved a 100% capacity utilisation of the plant within six months of operations and achieved a Market Share of about 15% Pan India in the first year of operations.

2010-11 was a difficult year. The high Indian growth story led to galloping inflation, which in turn resulted in revision of interest rates by the RBI on several occasions in the financial year alone. This put brakes on the spending capacity of a large section of Indians, resulting in slowdown in real estate sector. The input cost including

the gas price continued to rise, while the price of float glass remained stable thereby leading to decrease in margins.

Our float glass plant was a dream that was conceived and built by each one of us at Sezal. With the cost pressures becoming more evident, it was time for us to act before the impending risk evolved into an inevitable crisis.

Being a public limited company, with a family of more than 12,000 shareholders, the Board is the Trustee of the hard-earned public money. It is our duty to ensure that every investment translates into value-creation for the stakeholders. In doing so, one has to think beyond personal dreams and sentiments. As a result, we chose to revitalise the company's financial health by exiting the float glass business. Our effective Risk Management Practices and strong Corporate Governance measures helped us foresee the depleting financial health of the Company and take timely remedial measures and avert a crisis.

On May 31st, 2011 we signed binding business transfer agreement with Saint-Gobain Glass India Limited, to sell our float glass unit as a going concern on slump sale basis for a cash consideration of ₹ 6.86 bn. Our passion, dedication and efforts that went into making our dream project was rewarded well. On one hand, our association with Saint-Gobain proved our float glass unit's value proposition; on the other hand it proved our capability of delivering and operating a global-scale project.

The sale of the unit also resulted in reinvigorating our financial strength. We emerged as a 100% debt-free company with adequate cash reserve for the future course of growth. The future is fast approaching and is brighter. We have emerged as a robust organisation with in-depth industry experience across the value chain; having a credible and young team of professionals; and presence in two fast growing businesses – glass processing and retailing.

The next phase of growth has started taking shape as you read this. India is growing steadily but surely. Rising per capita income, favourable demographic parameters, increasing urbanisation and increased disposable income remain the long-term growth parameters for the real estate sector. We at Sezal have created a strong foundation for each of our present businesses, which have been boosted with revitalised financials and handsome cash reserves.

We shall continue to unearth growth in the glass business by concentrating on the value-added and retailing segment. The process of value-creation has already begun. And we would as usual, continue leading the change towards a better future; towards sustainable growth; towards expanding stakeholders' value. For we are aiming at the **next. Now.**

Amrrut S. Gada

Chairman & Managing Director

Board of Directors

Non – executive Directors



Mr. Atul S. Bharani
Director



Mr. Hasmukh N. Shah
Director



Mr. R. Rengarajan
Director



Mr. Dilip K. Patel
Director

Executive Directors and Corporate Management



Mr. Amrutt S. Gada
Chairman and Managing Director



Mr. Dhirraj S. Gada
Joint Managing Director



Mr. Miitesh K. Gada
Executive Director



Mr. Aashish D. Kariaa
Executive Director

Committees of Directors

Audit Committee	Remuneration Committee	Shareholders Committee
Mr. Hasmukh N. Shah Chairman	Mr. Atul S. Bharani Chairman	Mr. R. Rengarajan Chairman
Mr. Atul S. Bharani	Mr. Hasmukh N. Shah	Mr. Atul S. Bharani
Mr. R. Rengarajan	Mr. R. Rengarajan	Mr. Miitesh K. Gada
Mr. Dhirraj S. Gada		

Advisory Board

Mr. Shailesh Bathiya

Mr. Mitil Chokshi

Ms. Mita Dixit

Mr. Ralf Czeszcha

Mr. Hasmukh Daftary



Now: Robust foundation

In the last decade, we have evolved from a 200 sq. ft shop to a Company of a turnover of nearly `3 bn. Much of the evolution has taken place in the previous three years. We have always believed that any strong building can solely be built over a robust foundation. Having a background in trading of glass and glass items, we paced our growth to first cater to the glass processing business.

Competing in an erstwhile unorganised space taught us an important lesson – ‘quality above all’. As a result, even though the processes and the costs were at times unviable to a company of our size, we invested in state-of-the-art equipment and machinery in a phased manner. The results were evident. We registered a topline of `44 mn in 2007-08 as compared to `4 mn in 2000-01. The results translated not only into numbers but also into client appreciation. It was time to gain pace.

We entered into retailing space since it was a synergistic extension of our glass processing vertical. Having interacted with diverse clients, architects and interior designers, we realised that the customers had constraints in choice, and not resources. Realising this opportunity, we set up India’s first dedicated home and office interiors mall.



Next: Scale up businesses

As a backward integration to our business model, we also forayed into float glass manufacturing. On account of world-class quality, we were able to exit the business timely by selling the unit to Saint-Gobain Glass India Ltd., without impairing the fiscal health of the company.

That brings us to now. Today, we are a financially sound company having two robust businesses – value addition glass processing and retailing. Our brief foray into float glass has rewarded us with thorough knowledge in project management, plant operations and the value chain. The foundation has been built.

Going forward, we seek to translate our knowledge into value-creation through our existing businesses. We believe that each business is now stable and would need to be scaled up to capitalise the opportunities being presented by rising consumerism, large demand for quality aesthetics and increased brand consciousness among the Indian consumers. The next has already begun for us.



Now: Diverse clientele

Owing to our ability to provide superior quality, each and every time across our businesses, we have garnered respect among our diverse clientele. Our focus and expertise in offering niche as well as regular solutions, customised to the client's need, budget and end usage has enabled us become a preferred solutions provider to reputed architects and interior designers across the country.

During 2010-11, we supplied more than 150,000 sq. mtrs of processed glass. We have catered to highly reputed companies such as Reliance Industries, Lodha, Brigade Group, Aakruti Hotels, K. Raheja, etc. We have developed capability to offer diverse processes and finishes to the glass ranging from 3 mm to 19 mm. This enables our processing glass division gauge new opportunities in terms of repeat and referral clients.

Having set up Sezal Encasa, we focused on clearly defining the scope of the retail business and its target customers. The idea behind this retail showrooms was to cater to an exclusive clientele with exclusive and wide range world-class products in the sphere of interior décor. As a result, the brands to be showcased were selected carefully. We partnered global brands



Next: Widen reach

such as Duravit and Roca. The diverse products addressing each and every aspect of home interiors – from bedrooms to bathrooms to livingrooms to kitchen to artefacts to paintings – were sourced from top of the line brands globally.

Having built up a substantial clientele today, we are ready and confident for tomorrow. The next focus for us would be to broaden our revenues from each of the business verticals. Our product development vertical would continue playing an active role, in not only introducing newer processes and finishes. We are currently undertaking a study to define our foray into newer products in glass. We would also focus on increasing our revenues per client, either by offering them value added products (increased realisation), or by increasing the business volume.

The retail business has already started gaining traction. We already have two Sezal Encasa showrooms at present. Going forward, we wish to expand the operations from Mumbai to other tier 2 and 3 cities, with an aim to capitalise on the latent demand in housing and real estate.

Going forward, we would widen our reach and broaden our product portfolio without compromising on the quality and efficiency parameters that we have set over the years. The next is fast approaching and we are leading it.



Now: Reputed brands

Having established the process credibility, it was important for us to create a brand across our business verticals. Catering to a consumer-linked segment, a reputed brand not only creates a novel identity in the minds of the customers but also translates into better margins.

We cater to segments, that have been traditionally unorganised. To change the results, one had to change the game itself. When the value-proposition was measured in terms of price, we focused on defining 'superior quality' as the key differentiator. We opted for the best-in-the-world Machines and technology (European), even though we had an option of installing Chinese-made machines (at half the cost!).



Next: Improve brand recall

We offered a wide range of products and in time with their popularity with the customers, invested in brand building. Today, we offer in-house brands in glass processing - Solid glass, Kool glass, Armor glass, Fort glass, Tone glass, Firebaan, Lunaro, Eco series and Fresca. In the décor segment, we have developed own bands like Oyster and Aainaa. Our innovative products have established a decent brand recall with our immediate customers.

Our understanding of the brands and consumer preferences developed over the years empowered us to build our float glass brand 'Sezal Glass' in a short time.

Going forward, we would invest comprehensively in garnering a larger market share for our branded products. We believe that in an evolving market space, where the end customer is actively involved at each step of the way in home and office decors, the branded segment is going to be a huge beneficiary. We are ready for the next, as it arrives.



Now: Intellectual capital

Over the years, glass has evolved into an essential construction material for a greener, new age office as well as home. Unlike bricks and mortar, the usage of glass is still at an evolutionary stage. This presents an attractive opportunity for an experienced player like us.

We have gained a vast expertise in understanding glass across its value chain – from float glass manufacturing to processing to end retailing. Our team comprising of young and experienced have developed best in glass processes with inbuilt cost efficiency that makes us confident in creating and delivering greater value to our stakeholders.

With the increased usage of the glass as a green material, owing to its ability to save power, ensure insulation and deliver aesthetic value to a structure, the potential in processing and retailing has increased manifold. Look around, and glass is everywhere – from offices to airports to bus bodies to partitions to lounges to hotels to solar cells to phone screens – the potential is simply endless. With each usage comes a new process. For a company as ours, which takes pride in intellectual capital, the horizon is widening with each passing day.



Next: Deliver value

Until now, we have been solely focused on float segment, while automotive industry presents a bigger-margin opportunity. Our understanding of the value chain would empower us foray into this segment in the coming years. At the same time, we have started focusing on new age potential user segment like solar photovoltaic cells.

In absence of float glass unit we shall be better equipped to remain cost-efficient simply on account of large capacity build-up in the Indian float glass industry. We believe that the industry would continue witnessing higher competition going forward, which will enable us retain our cost-efficiency relating to the key input as float glass.

Going forward, the focus will be to capitalise on our knowledge and market intellect. Our confidence emanates from the team that we have woven over the years and our ability to create value, as we did in the previous decade.

Showcasing Sezal Encasa







Management Discussion and Analysis

ECONOMIC OVERVIEW

The global economy continued to stage recovery during 2010-11, led by BRICs nations. The growth in developed economies such as US and European countries remained elusive and slow on account of higher unemployment, phasing out of stimulus packages and rising oil prices. However, the developing economies had to face their own challenges in terms of rising inflation, increased interest rates and impact of oil price volatility.

Weathering the turbulent global slowdown, the Indian economy managed commendable expansion of 8.0 per cent in 2009-10 and 6.8 per cent in 2008-09. During the financial year ended March 31, 2011, the growth has been reported as over 8.6 per cent. It is now widely believed that India could well be on course to be the third largest economy in the world in a couple of years, overtaking Japan. Besides, it is expected that, after 2020, India's growth would be faster than that of even China.

GLASS INDUSTRY OVERVIEW

Global overview

- The global market for flat glass in 2009 was approximately 52 mn tonnes, growing at 4 percent to 5 percent a year.
- Of total global market demand in 2009, ~ 29 mn tonnes represented high quality float glass, 3 mn tonnes for sheet glass and 2 mn tonnes for rolled glass. The remaining 19 mn tonnes reflects demand for lower quality float, produced mainly in China.
- In 2009, 40 per cent of float glass went into new buildings and the same proportion into refurbishment for buildings.
- Approximately 5 mn tonnes of the flat glass produced globally was automotive glass.
- Approximately 2.3 mn tonnes of flat glass was consumed in special applications. The most notable of these is solar energy.

- Considering high quality float alone, the industry is relatively consolidated, with four companies accounting for a majority of global capacity
- Europe, China and North America, together account for over 70 per cent of high quality float demand.
- Following manufacture, a portion of the high quality float glass and rolled glass produced globally is further processed by laminating, toughening and coating for use typically in insulating glass units or automotive glazing.

Demand overview

- Over the long term demand is growing steadily in most regions.
- The global recession has caused a demand contraction in 2009. Recovery is uncertain and return to 2007 levels is not expected until 2012.
- Global capacity utilization is expected to be around 90 per cent in the medium term.

Indian overview

The total float glass manufactured in India is approximately one million tonnes per annum and almost 77 per cent is consumed domestically. Per capita consumption is only 0.8 kg as against 8 kgs in China and 10 kgs in USA.

The Indian Glass Industry has been growing at about 10 per cent per annum in the past decade. The drivers of growth have been the Architectural and Automotive sectors. The past decade has seen not only sustained growth rates in the market but also significant cost inflation in fuel, raw materials, freight and overheads. This has impacted the profit margins of the industry.

The glass processing industry

The float glass in order to be usable has to be processed for lending it with various properties. These processes not only enhance the life and aesthetic appeal of the glass, but also customize it for the intended use. The Indian glass processing industry is highly unorganized. The glass processing units are required to be located in proximity to the major float glass producing centers as well as the markets of consumption to minimize losses on account of breakages and logistics cost. The most commonly used processed glass is used as architectural glass for window

panes/doors in real estate segment. However, to ensure that they survive the rough handling, wear and tear or are customized to support better cooling or exposure to heat, there are various processes that are implemented on the glass.

The processes

- Heat strengthened glass
- Fully toughened glass
- Insulated glass
- Noise insulating glass
- Laminated glass
- Decorative glass
- Fire resistant glass

REAL ESTATE SECTOR - THE KEY GROWTH DRIVER

Key demand drivers

Residential	Office Space	Retail	Hotels
<ul style="list-style-type: none"> • Increase in urbanization & working population • High disposable incomes & aspiration levels • Easier access to finance • Fiscal Incentives on house loans 	<ul style="list-style-type: none"> • India accepted as most attractive destination for IT & BPO services 	<ul style="list-style-type: none"> • Entry of global brands • Organised retailing only 2% of total retail Industry • India ranked as second most attractive retail destination by AT Kearney 	<ul style="list-style-type: none"> • Increased business travel- both domestic & foreign due to buoyant economic growth & growing FDI • 2004 saw record tourist arrivals of 3 mn, By 2020, India is expected to be a leading tourist destination in South Asia with more than 8 mn tourist arrivals

As per a report released by the McKinsey Global Institute (MGI)—India’s urban awakening: Building inclusive cities, sustaining economic growth—on April 2010, the country’s urban population will soar to 590 mn by 2030, from 340 mn in 2008. India’s cities could generate 70 per cent of the net new jobs created by 2030, produce more than 70 per cent of the country’s gross domestic product (GDP), and stimulate a near four-fold increase in per capita income. It also says that India needs to invest US\$ 1.2 trillion over next 20 years to modernise urban infrastructure and keep pace with the growing urbanisation. The growth prospects and price stability of smaller cities are attracting large-scale real estate development. According to CRISIL Research, the sale of new residential apartments in 10 such smaller Indian cities is estimated to be around US\$ 4 billion in 2012.

COMPANY OVERVIEW

About the Company

Established in 1998 by Gada family, led by Mr. Amrutt Gada, a first generation entrepreneur, Sezal Glass ranks among the leading glass processing solution companies in India. As a forward integration strategy, the company opened its own exclusive home lifestyle mall – Sezal Encasa in Mumbai, offering a wide range of home interior products from globally reputed brands Headquartered in Mumbai, the company has a world-class glass-processing unit in Silvassa and two Sezal Encasa showrooms in Mumbai.

Key highlights 2010-11

- The company’s revenues crossed ` 2 bn, in the first full year of operations of the float glass plant

- Total revenues up six times to ₹ 2.8 bn
- EBIDTA up by 21 per cent to ₹ 106.12 mn
- PAT registered a decrease from ₹ 25.27 mn to ₹ (639.01) mn

Major developments during the year

2010-11 was a challenging year for the industry. Robust economic growth during the year also led to increased inflation, leading to hardening of interest rates on three occasions. On one hand, rising inflation led to increased input prices; on the other increased financial cost led to contraction of margins. The year also witnessed ~40 per cent lower demand for real estate in Mumbai – one of the key markets for the company. However, decent increase in the demand for real estate across India resulted in sustained demand for processed glass. The retail operations of the company witnessed sustained increase on account of its wide range and quality of products.

The operational challenges were met by adapting to some as well as countering others. The company stressed on cost control measures by tapping and improving controllable factors. During the year under review, the company also consolidated its operations and undertook measures to increase production efficiencies across its units, to counter the challenges.

Float glass operations

As a backward integration strategy, the company ventured into production of float glass. It became the first indigenous float glass manufacturer in India with the commencement of its float glass plant in Bharuch, Gujarat in February 2010. The Financial Year 2010-11 was the first complete year of operations for the float glass plant. The unit, spread across 150 acres, was built using state-of-the-art European Technology.

The year 2010-11 was the first complete year of operations for the unit. The plant was built at a total project cost of ₹ 6.56 bn. With the hardening of interest rates on one side and the increasing prices of key inputs like Silica Sand, Fuel Cost, Soda Ash etc., despite stable realization, led to huge losses for the company. Besides, the capacity build-up in the float glass sector has become so large that it has resulted in limiting the realisation on the float glass. The company believes that such pressures would continue in the industry going forward, thereby

would limit the increase in revenues going forward in the business. As a result, the company decided to exit the float glass business. In May 2011, the company sold the Bharuch plant to Saint-Gobain Glass India Limited for ₹ 6.86 bn. This move has not only resulted in the company being practically debt-free but also led to a availability of adequate cash reserves, which would be used to fund the future growth plans.

Processing operations

The company commenced its business as a glass processing company. With an experience of over a decade, the company has been able to carve a niche for itself in the industry. Being located in Silvassa, Dadra & Nagar Haveli, the company's world-class unit enjoys proximity to key markets of Gujarat and Maharashtra. The company's ability to offer superior value and customized products has led to its evolution to a preferred solutions provider with renowned real estate companies, interior designers and architects. Located within a built-up area of 11,000 sq.m., the unit offers varied processes and solutions on glass; across stages – from pre-processing to processing to décor.

The unit houses machines from globally renowned companies, like Tamglass (Finland), Bystronic (Germany), Z. Bavelloni (Italy), Lisecc (Austria) and Intermac (Italy) and other European manufacturers. The company has invested in these high cost machines despite the cost, to ensure delivery of better quality to its clients.

Décor

To augment its product portfolio and at the same time monetize its skills in creating products, the company initiated production of décor items like basins, artworks, mirrors, and other decorative glass showpieces. With access to customer's expectations and inputs gathered at its retail stores, the company through its décor products identifies and offers solutions that's its customers wish for.

The impact of closure of float glass business

The company ventured into float glass business as a backward integration in the value chain – from forefront to float. The strategy was based on the merits of scale as well as secured material for the glass processing operations. However, on operating the plant, it was evident the amount of efforts and costs it entailed; the



benefits were not aligned to the same. With the massive capacity build-up in the sector, the average price for float glass will be under check in the medium term. It will ensure that the processing business stays unaffected, both in terms of supply of raw material as well as the price of the inputs.

Retail Division

Sezal Encasa is the flagship retail division chain of the company. The company presently has two showrooms, both located in Mumbai. Each Sezal Encasa showroom is the most expansive retail format that offers exclusive products across brands and across price points. The showrooms house quality products catering to the lifestyle, decorative items, showpieces, interiors for home and office interiors including Ceramics, Sanitary ware & Bath Fittings from Europe, Classic and Exemplary Arts, Artefacts & Sculptures of modern and Indian Heritage, Decorative Lights, wallpapers, Artefacts, or Glass and Glass Products. The showrooms showcase global luxury brands like Pergo Floors, RAK, Kohler, Duravit, Roca, Artimiede, Dorma, Jaguar, Spyder etc.

With the infusion of liquidity into the company with the sale of Bharuch float glass plant; the company would aggressively expand its retail operations to other cities in the next two-three years.

SWOT ANALYSIS

Strengths

- Established credentials and gained expertise as the first indigenous float glass manufacturer
- Qualified and expert team of professionals and management
- Post sale of float glass plant, the company enjoys good liquidity to pursue its future plans
- Debt-free company; adequate room for leveraging
- Continuous innovation and quality control
- Established reputation in niche retail and glass processing – Value Addition Business.

Weakness

- With the sale of float glass business, the topline of the company will be sub `100 mn, leading to erosion of size in the medium term

Opportunities

- The real estate sector ex-Mumbai is growing at a fast pace; will propel the demand for the company's products
- With the acquired liquidity, the company would be able to focus on its core business verticals – retail and processing much effectively

Threats

- Competition from local players in glass processing

HUMAN RESOURCES

The Company employed 560 people as on 31.03.2011. The Company believes in the highest standards of people management and personal growth. It instills in each of the members of the Sezal family a feeling of ownership, responsibility and performance to the par of excellence in each of the operations pertaining to production and servicing. The Company aspires to set the highest standards of internationally benchmarked human resource practices, which would be exemplary for other manufacturers. The industrial relations were cordial and the management thoroughly acknowledges the support from the employees at all levels.

INTERNAL CONTROL SYSTEM

The Company has an adequate system of internal controls to safeguard and protect from loss, unauthorized use or disposition of its assets. All transactions are properly authorized, recorded and reported to the management. The Company is following all the Accounting Standards for properly maintaining the books of accounts and reporting of financial statements. The Company has a full-fledged Internal Audit department and has also appointed external Internal Auditors to review various areas of the operations of the Company. The audit reports are reviewed by the management and the Audit Committee of the Board periodically.

RISKS AND CONCERNS

The Company is exposed to normal industry risk factors of competition, economic cycle and uncertainties in the international and domestic markets and credit risk. The Company manages these risks, by maintaining a conservative financial profile and by following prudent business and risk management practices.



Directors' Report

Dear Shareholders,

The Directors are delighted to present their Thirteenth Annual Report of the Company and Audited Accounts for the year ended March 31, 2011.

1. FINANCIAL RESULTS

The financial performance of the Company for the financial year ended March 31, 2011 is summarized below:

	(` in million)	
	Year 2010-11	Year 2009-10
Sales and Operating Income	2796.26	448.98
Other Income	30.47	60.04
Total Income	2826.73	509.02
Increase/(Decrease) in stock	115.19	2.71
Gross Income	2941.92	511.73
Operating Expenditure	2835.80	423.87
Profit Before Interest & Depreciation	106.12	87.86
Less : Interest	667.38	38.05
Less : Depreciation/amortization	400.91	26.53
Net Profit Before Tax and Exceptional Items	(962.17)	23.28
Less: Exceptional Items		
Loss on Imported Machinery returned to supplier	-	10.13
Net Profit/(Loss) Before Tax	(962.17)	13.15
Less : Current Tax	-	1.70
Less : Deferred Tax	(323.16)	(13.82)
Net Profit/(Loss) After Tax	(639.01)	25.27
Less: Prior year expenses	4.98	3.34
Add : Balance b/f from previous year	94.17	72.24
Amount Available for appropriations	(549.82)	94.17
Balance Carried to Balance Sheet	(549.82)	94.17

2. OPERATIONAL REVIEW.

During the year under review, with the production of float glass coming on stream your Company recorded a growth in top line. Income from operations went up from ` 448.98 Million in F.Y. 2009 -10 to ` 2796.26 Million in 2010 -11 recording a growth of more than 6 times the previous years figures.

Profit before Depreciation, Interest and Tax stood at ` 106.12 Million in the F.Y. 2010 -11 as against the preceding year's figure of ` 87.86 Million.

However the Company posted a net loss of ` 639.01 Million during the year under review as compared to a net profit of ` 25.27 Million in the F.Y. 2009 – 10. The said loss is mainly due to the highly capital intensive nature of the float glass business as well as change in the industry dynamics during the year under review.

3. SALE OF FLOAT GLASS BUSINESS UNDERTAKING

Your Company has entered into a Binding Business Transfer Agreement dated May 31, 2011 with Saint-Gobain Glass India Limited for sale and transfer of its Float Glass business undertaking including the manufacturing assets at Jhagadia, Dist. Bharuch, State of Gujarat as a going concern on a slump sale basis, on the terms and conditions as stipulated therein.

The Company's float glass manufacturing plant came on stream in March 2009 after a delay of about six months from the envisaged date of commencement of production. This delay had led to a cost over run of about ` 1.8 billion, thereby leading to additional bank loan for the project. During the last two financial years there was a steep increase in competition due to unprecedented additional capacities being added, thereby limiting the growth opportunities in the float glass business. Rising raw material & utilities costs, with no upward movement in the sale price of the finished goods, had made it difficult for the Company to operate at ideal economies of scale required for operating the float glass business which was further resulting in negative growth and dilution of shareholders value. The financial position of the Company deteriorated, during the financial year under review. The Board of Directors of the Company had therefore proposed that before the state of business affairs of the Company is further eroded, it was advisable to sell the business undertaking of the Company and concentrate and expand its existing Processing of value addition glass business as well as introduce diversified business activities which will increase shareholders value. Therefore, in the best interest of the shareholders of the Company as well as other stakeholders, the Company decided to sell its float glass business undertaking as a going concern on slump sale basis. The Company has executed a Binding Business Transfer Agreement with Saint – Gobain Glass India Limited for a lump sum consideration of ` 6860 Million subject to the terms, conditions and provisions set forth in the Business Transfer Agreement.

The approval of the shareholders of the Company for the sale of the Business Undertaking was obtained by passing a resolution by way of Postal Ballot. The result of the Postal Ballot was announced on May 30, 2011.

4. SHARE CAPITAL

Authorised Share Capital of the Company was increased from ` 450 million to ` 600 million divided into 60,00,00,000 Equity Shares of Re. 1/- each.

The Paid up Share Capital of the Company has increased from ` 288 million to ` 335.50 million divided into 33,55,00,000 Equity Shares of Re.1/- each.

During the year the Company has sub- divided the face value of its equity shares from the existing ` 10/- each to Re. 1/- each.

The Company during the year issued and allotted to Brand Equity Treaties Limited (BETL) 2,00,00,000 (Two crores) Equity Shares of Re. 1/- each at an issue price of ` 9/- per share on preferential basis in accordance with the provisions of the Securities & Exchange Board of India (SEBI) ICDR Regulations 2009.

The Company during the year converted 2,75,00,000 Convertible Warrants of Re.1/- each at an issue price of ` 4/- each into equivalent equity shares of Re. 1/- each at an issue price of ` 4/- each to one of its promoter group entity M/s. Sezal Realty and Infrastructure Limited.

5. DIVIDEND

Your Directors have not recommended any dividend on the equity shares for the financial year 2010 – 2011 in view of the setting up of the high capital intensive Float glass project and the consequent loss on account of high depreciation and interest during the year under review.

6. DIRECTORS

During the year Mr. Mitil R. Chokshi, Ms. Vimla M. Shah and Mr. Praful N. Satra, Independent Directors resigned from the Board of Directors of the Company. The Board hereby accords its sincere appreciation and gratitude for the valuable contribution and services rendered by the Directors who resigned during the year.

Mr. Hasmukh N. Shah and Mr. R. Rengarajan have been appointed as the Directors of the Company with effect from November 13, 2011 in order to fill in the casual vacancy created by the resignation of Mr. Mitil R. Chokshi and Ms. Vimla M. Shah.

Mr. Dilip K. Patel has been appointed as the Director of the Company with effect from August 12, 2011 in order to fill in the casual vacancy created by the resignation of Mr. Praful N. Satra.

The Board has subject to the approval of the members of the company, approved the re-appointment of Mr. Amrutt S. Gada as the Managing Director of the Company, for a further period of 5 years from April 01, 2011.

The Board has subject to the approval of the members of the company, approved the

reappointment of Mr. Dhirraj S. Gada as Joint Managing Director of the company, for a further period of 5 years from October 01, 2011.

At the ensuing Annual General Meeting Mr. Hasmukh N. Shah and Mr. Dilip K. Patel retire by rotation and being eligible, offer themselves for re-appointment.

7. EMPLOYEES

Your Directors place on record their deep appreciation for the contribution made by the employees of the Company at all levels. Our industrial relations continue to be cordial.

None of the employees of the Company has received remuneration exceeding the limits prescribed under the amended Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

8. PUBLIC DEPOSITS

Public Deposits outstanding at the year end were ₹ 168.60 million and the number of depositors were 4019. At the end of the financial year under review, there were 41 deposits aggregating ₹ 1.16 million which matured but remained unclaimed as on that date.

9. AUDITORS REPORT

Explanation for Point no. 9(a), 9(b) and 11 Auditors' report.

Cost escalation due to start up delay of Company's Float Glass Project, steep increase in input cost and higher interest cost on account of credit crunch etc., have resulted in cash loss situation. This has impacted cash cycles, which in turn lead to delays in servicing of debts and payment of PF, Income Tax TDS and CST liabilities. However, as on date of Directors' report the Company has paid interest and quarterly installments of term loans and also Income Tax TDS outstanding as at the Balance Sheet date.

10. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in Sub-Section (2AA) of Section 217 of The Companies Act, 1956, your Directors, hereby confirm that:

- In the preparation of the annual accounts for the year ended on 31st March 2011, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- They have selected the accounting policies in consultation with the Statutory Auditors and have 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 as at 31st March, 2011 and of the profits or loss of the Company for that period;

- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- The annual accounts for the year ended 31st March, 2011 have been prepared on a going concern basis.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information on Conservation of Energy, Technology Absorption and foreign Exchange is given as Annexure I to this report.

12. CORPORATE GOVERNANCE REPORT

Corporate Governance and General Shareholder Information forms part of this Annual Report as Annexure II and III.

13. AUDITORS

Your Company's Statutory Auditors M/s. S. S. Puranik and Associates, Chartered Accountants, Mumbai retire at the conclusion of the forth coming Annual General Meeting.

Your Company has received a letter from them to the effect that their re-appointment, if made will be in accordance with the provisions of Section 224 (1B) of the Companies Act, 1956.

14. ACKNOWLEDGEMENT

Your Directors would like to convey their appreciation to Banks, Financial Institutions, Government Authorities, Customers, Vendors, Fixed Deposit Holders and Members for their enormous personal efforts as well as their collective contribution received during the year under review and their confidence in its management.

For and on behalf of the Board of Directors

Amrrut S. Gada

Chairman and Managing Director

Place: Mumbai
Date: August 12, 2011

ANNEXURE I TO THE DIRECTORS' REPORT

CONSERVATION OF ENERGY, etc u/s 217 (1) (e)

Additional Information in terms of Section 217(1)(e) of the Companies Act, 1956, dealing with Conservation of Energy, Research & Development and Technology Absorption & Innovation.

1. CONSERVATION OF ENERGY

Power and fuel consumption per unit of production

Power and fuel consumption	Units	2010-11	2009-2010
Electricity Purchased	(KWH) Units	3937290	5,822,596
Total Amt	` Mn	23.48	39.04
Rate Per Unit	`	5.96	6.70
Captive Generation D. G. Sets (KWH)	(KWH) Units	15091250	3,434,820
Total Amount (Fuel, Mobil Oil & additives)	` Mn	46.1	0.69
Rate Per KWH	`	3.05	0.20
Natural Gas	SM ³	28463878	170,702
Total Amount	` Mn	543.53	70.67
Rate Per SM ³	`	19.095	413.9787
Diesel Consumption Ltrs.	Litres	60006	19661
Total Amount	` Mn	2.47	0.73
Rate Per Litre	`	41.20	37.24
LPG Gas	H ₂	NIL	31200
Total Amount	` Mn	NIL	1.34
Rate Per kg.	`	NIL	43
H ₂	M ³	767640	-
Total Amount	` Mn.	54.64	-
Rate Per M ³	`	71.18	-
N ₂	M ³	13620526	-
Total Amount	` Mn.	61.41	-
Rate Per M ³	`	4.50	-

2. TECHNOLOGY ABSORPTION

The Company continues its efforts by internal up-gradation program on Research and Development.

3. FOREIGN EXCHANGE EARNING AND OUTGO

PARTICULARS	2010-11	2009-10
(₹ in million)		
EXPENDITURE IN FOREIGN EXCHANGE		
a. Value of Raw Materials imported on CIF basis	94.86	82.69
b. Spares	1.81	4.89
c. Machinery	170.16	675.97
d. Foreign Travels	0.70	0.38
e. Machinery Repairs & Servicing Charges	-	1.71
f. Advances written off	-	0.18
g. Interest on FCNR Loan	1.33	8.67
h. Professional & consultancy Fees & Expenses (Capitalised)	5.00	6.41
i. Loss due to Exchange rate fluctuation	15.15	10.41
Total	289.01	791.31
EARNING IN FOREIGN EXCHANGE		
Exports Sales (F. O. B.)	131.34	0.83
Commission received	-	1.05
Gain on Exchange rate fluctuation	4.75	8.40
Total	136.09	10.28



ANNEXURE II TO THE DIRECTORS' REPORT

Corporate Governance Report

**(AS PER CLAUSE 49 OF THE LISTING AGREEMENT
ENTERED INTO WITH THE STOCK EXCHANGES)**

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company firmly believes that only good Corporate Governance will generate value on a sustained basis to all its stakeholders as it builds confidence and trust, which eventually leads to more stable and sustained resource flows and long term partnership with its investors and other stakeholders.

Corporate Governance primarily concerns transparency, full disclosure of material facts, accountability and professionalism in all our activities, independence of Board and fair play with all stakeholders and compliance with the laws and regulations and creating a motivated work force enables effective management of our Company.

The Company will endeavor to constantly comply with and to continuously improve on these aspects with an overall view to earn the trust and respect of the Members, lenders and other stakeholders

II. BOARD OF DIRECTORS (BOARD)

Composition

The Board of Directors of the Company consists of eminent persons with considerable expertise and experience in various fields. The Board consists of Executive and Non Executive Directors. Every member of the Board including the Non Executive Directors has full access to any information related to the Company.

The Board of Directors is headed by Executive Chairman and consists of total 8 Directors comprising of 4 Non Executive Directors and all of them are Independent Directors representing an optimum mix of professionalism, knowledge and experience in their respective fields.

Name of the Director	Category	Number of Board Meetings during the year 2010-2011		Whether attended last AGM	Number of Directorships in other Public Companies*	Number of Committee positions held in other Public Companies**	
		Held	Attended			Chairman	Member
Mr. Amrnut S. Gada	Chairman and Managing Director, Promoter Director	4	4	Yes	5	-	-
Mr. Dhirraj S. Gada	Joint Managing Director, Promoter Director Executive,	4	4	Yes	5	-	-
Mr. Miitesh K. Gada	Promoter Director	4	4	Yes	3	-	-
Mr. Aashish D. Kariaa	Executive Director	4	3	Yes	1	-	-
Mr. Atul S. Bharani	Non Executive, Independent	4	3	Yes	1	-	1
Mr. Praful N. Satra (Resigned on 10/02/11)	Non Executive, Independent	4	3	Yes	-	-	-
Ms. Vimla M. Shah (Resigned on 13/11/10)	Non Executive, Independent	4	0	No	-	-	-
Mr. Mital R. Chokshi (Resigned on 13/11/10)	Non Executive, Independent	4	2	Yes	-	-	-
Mr. Hasmukh N. Shah***	Non Executive, Independent	4	1	-	-	-	-
Mr. R. Rengarajan***	Non Executive, Independent	4	2	-	-	-	-
Mr. Dilip K. Patel****	Non Executive, Independent	4	-	-	7	1	3

* Directorship excluding Foreign Company and Section 25 Company.

** Membership/ Chairmanship in Audit and Shareholders/Investors Grievance Committee only considered.

*** Mr. Hasmukh N. Shah and Mr. R. Rengarajan were appointed as Independent Directors with effect from 13/11/2010.

**** Mr. Dilip K. Patel was appointed as Independent Director with effect from 12/08/2011.

Board Meetings

During the financial year 2010-2011, four meetings of Board of Directors were held on 19/05/2010, 12/08/2010, 13/11/2010 and 10/02/2011 with the time gap between any two consecutive meetings being not more than four months. The necessary quorum was present for all the meetings.

The important decisions taken at the Board meetings are promptly communicated to concerned departments. Action Taken Report on the decision/minutes of the previous meeting is placed at the succeeding meeting of the Board/Committee for noting.

Resolution by Circular

During the year there were 3 nos. of resolutions passed by circulation on 14/04/2010, 23/03/2011 and 30/03/2011.

- 14/04/2010 :
1. Resolution for change of name of the Company.
 2. Resolution for calling Extra Ordinary General Meeting.
- 23/03/2011 :
- Resolution for allotment of 2,00,00,000 Equity Shares of Re. 1/- each at an issue price of ` 9/- each to Brand Equity Treaties Limited.
- 30/03/2011 :
- Resolution for allotment of 2,75,00,000 Equity Shares of Re. 1/- each at an issue price of ` 4/- each to Sezal Realty and Infrastructure Limited.

III COMMITTEES OF DIRECTORS

A. Mandatory Committees

i. Audit Committee of Directors (Audit Committee)

Composition

The Audit Committee comprises of experts specializing in accounting / financial management. The present Audit Committee of the Board comprises of Mr. Hasmukh N. Shah – Chairman, Mr. Atul S. Bharani – Member, Mr. R. Rengarajan – Member and Mr. Dhirraj S. Gada – Member. Mr. Ashwin S. Shetty, G.M. Compliance, Company Secretary acts as Secretary of the Committee.

The Chairman and Managing Director, Executive Directors, Internal Auditors and Statutory Auditors are the invitees to the Audit Committee Meetings.

Terms of Reference : The Terms of Reference/Powers of the Audit Committee are as under:

A. Powers of the Audit Committee :

- I. The audit committee shall meet at least four times in a year.
- II. The audit committee shall have powers to;

- a) To investigate any activity within its terms of reference.
- b) To seek information from any employee.
- c) To obtain outside legal or other professional advice.
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

B. The role of the audit committee include the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Monitoring of issue Proceeds.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of

the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case the same is existing
- Carrying out any other function as is mentioned in the terms of reference.
- The Audit Committee shall also review the following information:
 - a) Management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions submitted by management;
 - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d) Internal audit reports relating to internal control weaknesses; and
 - e) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee

The Audit Committee met 4 times during the financial year on 19/05/2010, 12/08/2010, 13/11/2010 and 10/02/2011. The necessary quorum was present for all the meetings.

Attendance of the each member of Audit Committee Meetings held during the year as follows;

Name of the Director	Category	Number of Audit Committee Meetings during the year 2010-2011	
		Held	Attended
Mr. Hasmukh N. Shah*	Non Executive, Independent	4	1
Mr. Dhirraj S. Gada	Joint Managing Director, Promoter Director	4	4
Mr. Atul S. Bharani**	Non Executive, Independent	4	0
Mr. R. Rengarajan*	Non Executive, Independent	4	2
Mr. Mitil R. Chokshi (Resigned on 13/11/10)	Non Executive, Independent	4	2
Mr. Praful N. Satra (Resigned on 10/02/11)	Non Executive, Independent	4	3

* Mr. Hasmukh N. Shah and Mr. R. Rengarajan were appointed as Chairman and Member respectively with effect from 13/11/2010.

** Mr. Atul S. Bharani was appointed as member with effect from 27/05/2011.

Mr. Mitil R. Chokshi, the then Chairman of the Audit Committee was present at the last Annual General Meeting held on September 20, 2010.

ii Shareholders/Investors Grievance Committee of Directors (Shareholders/Investors Grievance Committee) Composition

The Shareholders/Investors Grievance Committee has been constituted to attend to and to redress the investors' grievances.

The committee comprises of Mr. R. Rengarajan – Chairman, Mr. Atul S. Bharani – Member and Mr. Miitesh K. Gada – Member.

Mr. Ashwin S. Shetty, G.M Compliance, Company Secretary is the "Compliance officer" as per the Securities & Exchange Board of India SEBI (Regulations) and Listing Agreement.

The Shareholders/Investors Grievance Committee looks in to the redressal of Shareholders and Investors Complaints/ Grievances. The committee also looks into the matter concerning the issue of duplicate Share Certificate, complaints regarding transfer of shares, non receipt of dividend and Annual Report, Dematerialization of Share Certificate etc. The Committee also oversees the performance of Registrar & Transfer Agents and recommends measures for overall improvement in the quality of investor services.

Investors' Complaints

The Company and Link Intime Private Limited, Registrar & Share Transfer Agent (RTA), attend to all grievances of the investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc.

During the year the company did not receive any complaint.

During the year the committee met thrice on 12/08/2010, 13/11/2010 and 10/02/2011. The necessary quorum was present for all the meetings.

Attendance of the each member of Shareholders/Investors Grievance Committee Meetings held during the year as follows;

Name of the Director	Category	Number of Shareholders/Investors Grievance Committee Meetings during the year 2010-2011	
		Held	Attended
Mr. R. Rengarajan*	Non Executive, Independent	3	2
Mr. Atul S. Bharani	Non Executive, Independent	3	2
Mr. Miitesh K. Gada	Executive, Promoter Director	3	3
Ms. Vimla M. Shah (Resigned on 13/11/10)	Non Executive, Independent	3	0

*Mr. R. Rengarajan was appointed as Chairman with effect from 13/11/2010.

B. Non Mandatory Committee

i Remuneration Committee of Directors (Remuneration Committee)

Composition

The Remuneration Committee comprises of Mr. Atul S. Bharani – Chairman, Mr. Hasmukh N. Shah– Member, Mr. R. Rengarajan– Member.

During the year the committee met once on 12/08/2010. The necessary quorum was present for the meeting.

Attendance of the each member of Remuneration Committee Meeting held during the year as follows;

Name of the Director	Category	Number of Remuneration Committee Meeting during the year 2010-2011	
		Held	Attended
Mr. Atul S. Bharani	Non Executive, Independent	1	1
Mr. Hasmukh N. Shah*	Non Executive, Independent	1	0
Mr. R. Rengarajan**	Non Executive, Independent	1	0
Ms. Vimla M. Shah (Resigned on 13/11/10)	Non Executive, Independent	1	0
Mr. Praful N. Satra (Resigned on 10/02/11)	Non Executive, Independent	1	1

* Mr. Hasmukh N. Shah was appointed as Member with effect from 13/11/2010.

** Mr. R. Rengarajan was appointed as Member with effect from 31/05/2011.

The Terms of reference :

- a) To recommend to the Board, the remuneration packages of the Company's Managing/Joint Managing/ Deputy Managing/ Whole time / Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.); and
- b) To authorise at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole-time/ Executive Directors, including pension rights and any compensation payment;

Remuneration Policy

The Company while deciding the remuneration package of the senior management members takes into consideration the following points:

1. Employment Scenario
2. Remuneration package and practices in the industry
3. Performance of Company and individual performance

The remuneration paid to the directors is given below:

Name of Directors	Sitting Fees (`)	Salary and Perquisites (`)	Total (`)
Mr. Amrrut S. Gada	0	45,00,000	45,00,000
Mr. Dhirraj S. Gada	0	36,00,000	36,00,000
Mr. Miitesh K. Gada	0	30,00,000	30,00,000
Mr. Aashish D. Kariaa	0	27,00,000	27,00,000
Mr. Atul S. Bharani	30,000	0	30,000
Mr. Praful N. Satra	45,000	0	45,000
Ms. Vimla M. Shah	0	0	0
Mr. Mitil R. Chokshi	30,000	0	30,000
Mr. Hasmukh N. Shah	15,000	0	15,000
Mr. R. Rengarajan	30,000	0	30,000

None of the Non-Executive Independent Directors has any pecuniary interest in the Company, except for Sitting Fees and Commission, if any, paid / payable to them by the Company.

ii. Advisory Board of the Company (Advisory Board)

The Advisory Board of the Company consists of eminent people in the field of business and industry. The main purpose of this Advisory Board is to provide management advice about the direction the Company should follow in order to effectively govern the Organisation.

Composition

Sr. No.	Members of Advisory Board	Date of Appointment
1.	Mr. Hasmukh Daftary	December 20, 2010
2.	Mr. Ralf Czescha	December 20, 2010
3.	Mr. Mitil Chokshi	December 20, 2010
4.	Ms. Mita Dixit	January 14, 2011
5.	Mr. S. H. Bathiya	December 20, 2010

IV MANAGEMENT

The management of the Company has developed and implemented policies, procedures and practices that attempt to translate the Company's future plans into reality. The management also identifies, measures, monitors and minimizes the risk factors in the business and ensures safe, sound and efficient operations. These are internally supervised and monitored through the Management Committee Meetings of the leadership team held regularly at Mumbai as well as the factory premises.

V MANAGEMENT, DISCUSSIONS AND ANALYSIS REPORT

The Management Discussion and Analysis Report form a part of the Annual Report.

VI CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

As required by Clause 49(V) of the Listing Agreement, the CEO and CFO certification of the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting has been obtained from Mr. Amrrut S. Gada (Chairman & Managing Director / CEO) and Mr. A. Venkatramanan (CFO).

VII INTERNAL CONTROL SYSTEMS

The company has both external and internal audit systems in place. Auditors have access to all records and information of the Company. The Board and the management periodically review the findings and recommendations of the Auditors and take necessary corrective actions wherever necessary.

The Board recognizes the work of the Auditors. Independent check on the information received for the management on the operations and performance of the Company. The integrity and reliability of the internal control systems are achieved through clear policies and procedures, process automation, careful selection, training and development of employees and an organization structure that segregates responsibilities.

VIII RISK MANAGEMENT FRAMEWORK

The Company has in place a mechanism to inform the Board about the risk assessment and minimisation procedures and periodical review to ensure that management controls risk through means of a properly defined framework.

IX CODE OF CONDUCT

The Company has adopted a Code of Conduct for Directors, including Non-Executive Directors and Senior Management of the Company, as per the requirement of Clause 49 I (D) of the Listing Agreement. The Company has received confirmations from all the Directors and Senior Management of the Company regarding compliance with the Code of Conduct for the year ended on March 31, 2011. A certificate from Mr. Amrrut S. Gada, Chairman and Managing Director, to this effect, is attached to this Report. The Code of Conduct can be viewed on the website of the Company www.sezalglass.com

X WHISTLE BLOWER POLICY

The Company is committed to provide an open, honest and transparent working environment and seeks to eliminate fraudulent activities in its operations. Though, the Company has not adopted Whistle Blower Policy, the Company follows an open door policy wherein all the employees are free to express their feedback, suggestions and/or complaints.

XI CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

Pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, the Company has adopted a Code of Conduct for Prevention of Insider Trading with effect from August 25, 2008. Mr. Ashwin S. Shetty, G.M Compliance, Company Secretary, is the Compliance Officer. This Code of Conduct is applicable to all Directors and such identified employees of the Company as well as of the group companies who are expected to have access to unpublished price sensitive information relating to the Company.

XII GENERAL BODY MEETINGS

a. The details of last three Annual General Meetings (AGMs) held are as follows:

Year	No. of AGM	Date and Time of AGM	Venue
2007-2008	10	27/09/08 at 11.00 A.M.	'Banquet Hall', Ground Floor, Goregoan Sports Club, Link Road, Malad (West), Mumbai – 400 064
2008-2009	11	15/09/09 at 11.30 A.M.	Walchand Hirachand Hall, Indian Merchants Chamber, IMC Building, IMC Marg, Churchgate, Mumbai – 400 020
2009-2010	12	20/09/10 at 11.00 A.M.	'Banquet Hall', Ground Floor, Goregoan Sports Club, Link Road, Malad (West), Mumbai – 400 064

b. Special Resolutions passed in the last three Annual General Meeting are as follows:

- i. At 10th AGM held on 27/09/2008 - Alteration of Articles of Association of Company.
- ii. At 11th AGM held on 15/09/2009 -
 - a. Shifting of the place for keeping Statutory Registers of the Company.
 - b. Preferential allotment of Warrants.
 - c. Issue of Equity on Private Placement.
- iii. At 12th AGM held on 20/09/2010 –
 - a. Issue of Equity on Private Placement.
 - b. Variation in the remuneration of Mr. Amrrut S. Gada, Chairman and Managing Director of the Company.
 - c. Variation in the remuneration of Mr. Dhirraj S. Gada, Joint Managing Director of the Company.
 - d. Variation in the remuneration of Mr. Miitesh K. Gada, Executive Director of the Company.
 - e. Variation in the remuneration of Mr. Aashish D. Kariaa, Executive Director of the Company.

c. Postal Ballot / Special Resolutions:

The Company undertook a Postal Ballot for the purpose of obtaining approval of the Shareholders for sale of Architectural Glass Processing Business Undertaking and/or Float Glass Manufacturing Business Undertaking.

Mr. Milind Kalekar, Practicing Company Secretary was appointed as the scrutinizer for the Postal Ballot process.

The last date of receipt of the Postal Ballot forms was till the close of business hours, i.e., at 5.00 p.m. on May 28, 2011. The Scrutinizer submitted his report to the Chairman on May 29, 2011.

The voting pattern of the Postal Ballot was as follows:

Particulars	No. of postal ballot forms	No. of shares	% of total paid up equity capital
(a) Total postal ballot forms received	334	18,67,68,229	55.66
(b) Less: Invalid postal ballot forms (as per register)	52	14,68,055	0.43
(c) Net valid postal ballot forms (as per register)	282	18,53,00,174	55.23
(d) Postal ballot forms with assent for Resolution	232	18,51,65,683	55.19
(e) Postal ballot forms with dissent for Resolution	50	1,34,491	0.04

The above resolution was carried with requisite majority.

XIII DISCLOSURES

a. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed elsewhere in this Annual Report.

- b. The Company has not entered into any other transaction of a material nature with the Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company at large.
- c. With regard to matters related to capital markets, the Company has complied with all requirements of the Listing Agreement as well as SEBI regulations and guidelines. No penalties were imposed or strictures passed against the Company by the Stock Exchanges, SEBI or any other statutory authority during the last three years in this regard.
- d. Disclosures have also been received from the senior managerial personnel relating to the financial and commercial transactions in which they or their relatives may have a personal interest. However, none of these transactions have potential conflict with the interests of the Company at large.

XIV MEANS OF COMMUNICATION

- a. The Quarterly / Annual Financial Results of the Company are published in the Free Press Journal and Navshakti.
- b. The following are also promptly displayed on the Company's website www.sezalglass.com in the 'Investor Relations' Section.:
 - Financial Results, Shareholding Pattern, Annual Report and the Presentations, as and when made, to the Stock Exchanges.
 - Official press releases as and when made.
 - Letters / intimation to Stock Exchanges as and when made.
- c. Information about the Financial Results, Shareholding Pattern and other specified details are now electronically filed through the Corporate Filing and Dissemination System (CFDS) as required under the Listing Agreement. Investors can view this information by visiting the website www.corpfilings.co.in.
- d. The Management's Discussion and Analysis forms part of the Directors' Report as Annexure II.

XV UNCLAIMED SHARES ACCOUNT:

The Company had in terms of the provisions of Clause 5A of the Listing Agreement opened a Drop Cases Account with LKP Securities Limited.

The detail of the said account is as follows;

Particulars	No. of Share Holders	Outstanding Shares
At the beginning of year (Face value ` 10/-)	14	1232
Shareholders who approached for transfer of Shares during the Year and transfer made to the rightful Shareholders during the year	0	0
Balance outstanding (Face value Re. 1/-)	14	12320

Note: The Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

XVI GENERAL SHAREHOLDERS INFORMATION

'General Shareholder Information' forms part of the Directors' Report as Annexure III.

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 12, 2011

Amrrut S. Gada
Chairman and Managing Director

ANNEXURE III TO THE DIRECTORS' REPORT

GENERAL SHAREHOLDER INFORMATION

(As required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

1. 13TH ANNUAL GENERAL MEETING

Day, Date and Time : Friday, September 30, 2011 and 11.00 A.M.
Venue : 'Banquet Hall', Ground Floor, Goregoan Sports Club, Link Road, Malad (West),
Mumbai – 400 064.

2. BOOK CLOSURE:

Tuesday, September 27, 2011 till Friday, September 30, 2011 (both days inclusive)

3. FINANCIAL CALENDAR

First Quarter Result : First/Second week of August, 2011
Second Quarter Results : First/Second week of November, 2011
Third Quarter Results : First/Second week of February, 2012
Annual Results : Third/Fourth week of May, 2012
Annual General Meeting : August, 2012

4. LISTING ON STOCK EXCHANGES

The Company's securities are listed on the following Stock Exchanges of India having nation-wide trading terminals:

National Stock Exchange of India Limited (NSE)	Bombay Stock Exchange Limited (BSE).
Exchange Plaza, Plot No. C/1	Phiroze Jeejeebhoy Towers
G Block, Bandra – Kurla Complex	Dalal Street, Mumbai – 400 001
Bandra (E), Mumbai 400 051	

The Company has paid the listing fees for the Financial Year 2011-2012 to the aforesaid Stock Exchanges.

5. STOCK CODES

NSE CODE : SEZALGLASS
BSE CODE : 532993
International Securities Identification Number (ISIN) : INE955I01028
Corporate Identity Number (CIN) – allotted by the
Ministry of Corporate Affairs : L26100MH1998PLC117437

6. CUSTODIAL FEES TO DEPOSITORIES

The Annual Custodial Fees for the Financial Year 2010 – 11 has been paid to the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL)

7. MARKET PRICE DATA: HIGH/ LOW IN EACH MONTH OF THE FINANCIAL YEAR

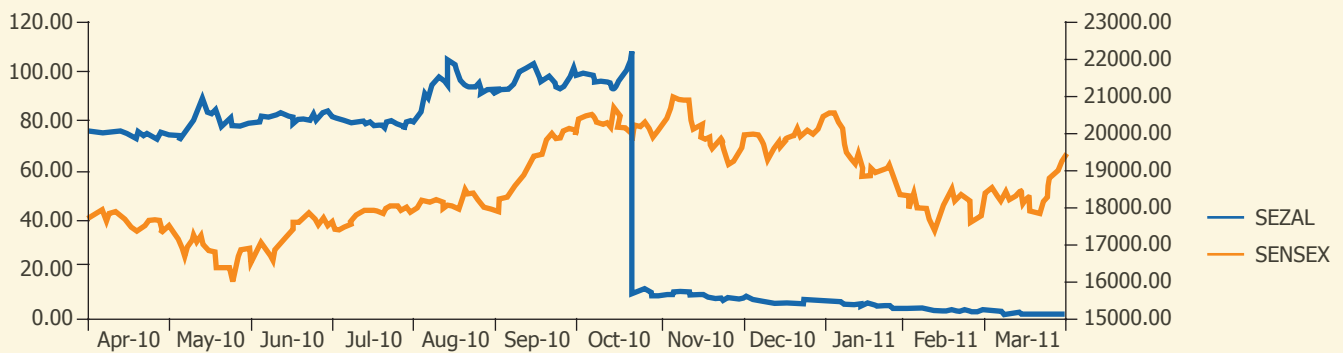
(In ₹ Per Share)

	National Stock Exchange (NSE)		Bombay Stock Exchange (BSE)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April 2010	79.40	73.10	79.80	72.25
May 2010	92.00	72.00	92.40	72.40
June 2010	86.05	77.00	86.55	78.30
July 2010	85.00	76.10	85.00	77.15
August 2010	114.00	78.15	110.50	80.00
September 2010	103.90	90.45	103.40	90.00
October 2010	109.40	10.00	110.75	10.00
November 2010	11.95	8.70	11.90	8.80
December 2010	9.70	6.60	9.70	6.60
January 2011	7.90	5.00	7.90	5.04
February 2011	5.35	3.45	5.30	3.35
March 2011	4.05	2.75	4.05	2.75

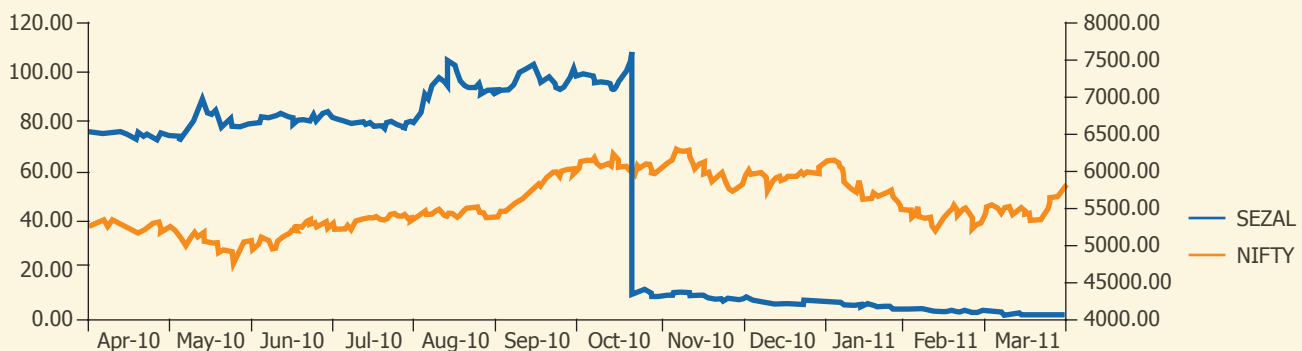
Source : NSE and BSE Websites.

*The Equity Share of ₹ 10 (Rupees Ten only) each has been sub divided into 1 (one) Equity Share of Re. 1 (Rupee One only) each vide Ordinary Resolution passed at the 12th Annual General Meeting held on September 20, 2010.

SEZAL V/S BSE SENSEX: APR. 2010 TO MAR. 2011



SEZAL V/S NSE NIFTY: APR. 2010 TO MAR. 2011



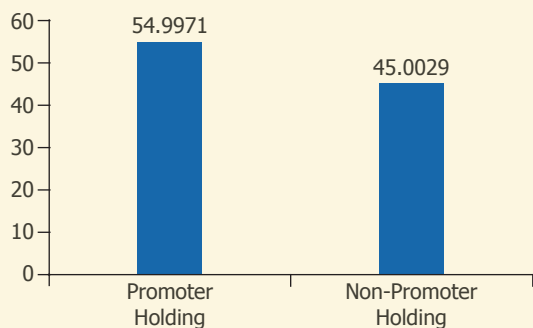
MONTHLY SHARE PRICE PERFORMANCE IN COMPARISON TO BROAD BASED INDICES – NSE NIFTY AND BSE SENSEX AS ON 31ST MARCH, 2011.

	Percentage Change		Percentage Change	
	SEZAL PRICE	NIFTY	SEZAL PRICE	SENSEX
April 2010	54.46	6.35	44.06	6.79
May 2010	-6.99	0.56	-0.07	-0.10
June 2010	13.65	-3.64	11.28	-3.39
July 2010	2.85	4.44	3.83	4.35
August 2010	-7.84	1.08	-4.76	1.31
September 2010	15.74	0.62	14.31	0.65
October 2010	9.62	11.61	9.35	11.47
November 2010	-89.91	1.03	-90.00	0.89
December 2010	-12.00	-3.63	-11.00	-3.66
January 2011	-10.23	5.22	-11.46	5.59
February 2011	-34.18	-10.36	-33.38	-10.65
March 2011	-25.00	-2.80	-27.24	-2.40

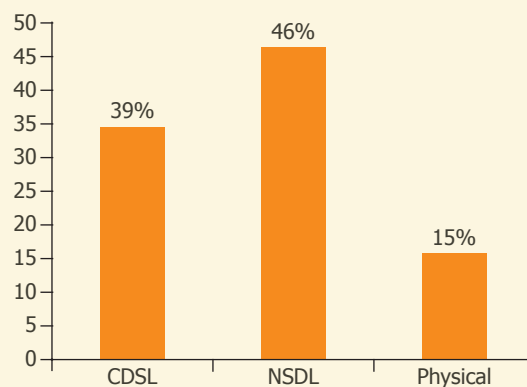
Source : NSE and BSE Websites.

*The Equity Share of ₹ 10 (Rupees Ten only) each is sub divided into 1 (one) Equity Share of Re. 1 (Rupee One only) each vide Ordinary Resolution passed at the 12th Annual General Meeting held on September 20, 2010.

SHAREHOLDING PATTERN



DEMATERIALISATION OF SHARES



8. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2011

Category	Total No. of Shares	Percentage
A Promoters' Holding		
1 Promoters		
Indian Promoters	172260170	51.3443
Foreign Promoters	NIL	NIL
2 Person Acting in Concert	12255000	3.6528
Total	184515170	54.9971
B Non- Promoters' Holding		
3 Institutional Investors		
a. Mutual Funds and UTI	NIL	NIL
b. Banks, Financial Institutions, Insurance Companies	NIL	NIL
c. FIIs	95950	0.0286
Total	95950	0.0286
4 Others		
a. Private Corporate Bodies	48162024	14.3553
b. Indian Public	95152771	28.3615
c. NRIs/OCBs	381321	0.1136
d. Clearing Members	7188444	2.1426
e. Trusts	4320	0.0013
Total	150888880	44.9743
Grand Total	335500000	100.0000

9. DISTRIBUTION OF SHAREHOLDINGS AS ON 31ST MARCH, 2011

CATEGORIES	TOTAL NUMBER OF SHAREHOLDERS	PERCENTAGE	TOTAL NUMBER OF SHARES HELD	PERCENTAGE
1 - 5000	10301	88.1859	11253470	3.3542
5001 - 10000	496	4.2462	4074589	1.2145
10001 - 20000	281	2.4056	4351442	1.2970
20001 - 30000	107	0.9160	2649121	0.7896
30001 - 40000	52	0.4452	1859151	0.5541
40001 - 50000	67	0.5736	3178278	0.9473
50001 - 100000	128	1.0958	10521256	3.1360
Above 100000	249	2.1317	297612693	88.7072
Total	11681	100.0000	335500000	100.0000

10. LIQUIDITY

The Company's Equity Shares are actively traded on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE) where the Company's Shares are listed.

11. PLANT LOCATION

Processing Plant:

Plot No 259/10/1, Village Dadra,
Union Territory of Dadra Nagar and Haveli,
District Silvassa.

Tel : 0261-2669981

Fax: 0261-2669981

12. RETAIL DIVISION

Sezal Encasa, 173/174, S. V. Road,
Near Seasons Hotel, Kandivali (West),
Mumbai – 400 067

Tel : +91 – 22 – 28665100

Sezal Encasa, 342/2737,
Motilal Nagar No. 2, Link Road,
Opp. Bangur Nagar,
Goregaon (West), Mumbai - 400 090

Tel : +91 – 22 – 28712123

+91 – 22 – 65730782

13. ADDRESS FOR CORRESPONDENCE

a. Registered Office

Sezal Glass Ltd.
201/202, Abhilasha, S.V. Road,
Kandivali (West), Mumbai 400 067
Tel: +91 – 22 – 28633383/84/85
Fax: +91 – 22 – 28633390
Website : www.sezalglass.com

b. Corporate Office

Sezal Glass Ltd.
Sezal Encasa,
173/174, Near Seasons Hotel,
S. V. Road, Kandivali (West)
Mumbai- 400 067.
Tel: +91 – 22 – 28665100
Fax: +91 – 22 – 28665102
Email: investor.relations@sezalglass.com

14. REGISTRAR & TRANSFER AGENT (RTA)

Link Intime India Private Limited
C- 13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai 400 078.

Tel: +91 – 22 – 25960320

Fax: +91 – 22 – 25960328

15. OTHER CORPORATE INFORMATION

Bankers

State Bank of Patiala

Punjab National Bank

State Bank of Mysore

Indian Overseas Bank

State Bank of India

Bank of India

Punjab and Sind Bank

Axis Bank Limited

State Bank of Indore

Karur Vysya Bank Limited

Allahabad Bank

Statutory Auditors

M/s. S S Puranik & Associates

Internal Auditors

Pipalia Singhal & Associates

Corporate Advisors

S. H. Bathiya & Co.

Declaration by the Chairman and Managing Director

UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING COMPLIANCE WITH CODE OF CONDUCT

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for business ethics, as applicable to them, for the Financial Year ended on March 31, 2011.

For **SEZAL GLASS LTD.**

Amrrut S. Gada

Chairman and Managing Director

Mumbai

Friday, August 12, 2011

Certification by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Board of Directors of
SEZAL GLASS LTD.

Dear Sirs,

- a) We have reviewed the financial statements and the cash flow of Sezal Glass Ltd. ('the Company') for the year ended March 31, 2011 and to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into between the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) Significant changes in the internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed suitably in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Yours truly

AMRRUT S. GADA

Chairman and Managing Director

A. VENKATARAMANAN

CFO

Mumbai

Friday, August 12, 2011

Certificate on Corporate Governance

To
The Members of Sezal Glass Limited
201/202, 2nd Floor, Abhilasha,
S. V. Road, Kandivali (West),
Mumbai – 400 067

We have examined all relevant records of SEZAL GLASS LIMITED (hereinafter referred to as "the Company") for the purpose of certifying compliance of the conditions of Corporate Governance, for or in respect of the financial year ended 31st March, 2011, as stipulated in Clause 49 of the Listing agreement(s) entered into with the Stock Exchanges in India.

We have conducted our examination on the basis of the relevant records and documents maintained or kept by the Company and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof. Further, this is neither an audit nor an expression of opinion or affirmation on the financial statements of the Company or the compliances under other Laws, for the time being, in force and as may be applicable to the Company.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has, in all material respect, complied with the conditions of Corporate Governance as stipulated in the said Clause 49 of the Listing Agreement, excepting that the composition of the Board of Directors as at 31st March, 2011, was not in accordance of the norms/ conditions as laid down or prescribed by or under Clause 49 of the Listing Agreement. However, this is to state that the Company has, as on the date of this Certificate, complied with the said mandatory norms/ conditions under that Clause, with regard to the composition of the Board.

For **M.G. KALELKAR ASSOCIATES**
Company Secretaries

MILIND G. KALELKAR
Proprietor
FCS-3854, CP-1877

Mumbai
Date: August 12, 2011

AUDITORS' REPORT

To the members of **SEZAL GLASS LTD.**

We have audited the attached Balance Sheet of **SEZAL GLASS LTD.** (formerly known as SEJAL ARCHITECTURAL GLASS LIMITED) as at March 31, 2011, the Profit and Loss Account and also the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and report that:

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we enclose in the Annexure a Statement on the matters specified in paragraph 4 & 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above :
 - 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 have been kept by the Company, so far as appears from our examination of such books;
 - c) The Company's Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report, are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the Directors and taken on record by the Board of Directors of the Company, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a Director in terms of Section 274(1) (g) of the Companies Act, 1956;
3. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with the other notes appearing thereon in Schedule 22 give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - (ii) in the case of the Profit and Loss Account, of the Loss for the year ended on that date and
 - (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **S S PURANIK & ASSOCIATES**
Chartered Accountants
FRN 127731W

SHRIPAD S PURANIK
Partner
M.Ship No. 030670

Mumbai,
May 27, 2011

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in Paragraph 1 of thereof]

1. In respect of Fixed Assets:
 - a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its fixed assets. However, the fixed assets register is being updated to reconcile with the General Ledger.
 - b) As explained to us, the assets have been physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) During the year, the Company has not disposed off any substantial part of fixed assets, which will affect the going concern status of the Company.
2. In respect of Inventories:
 - a) As informed to us, the inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedure of physical verification of inventories followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventory. No material discrepancies have been noticed on verification of inventories as compared to book records.
 - d) Proper procedure however should be in place to assess the non-moving and obsolete items in the inventory.
3. In respect of Loans taken or granted:
 - a) Company has granted unsecured loans amounting to Rs.258.23 Lacs to Companies, firms or other parties listed in the Register under section 301 of the Companies Act, 1956. Out of these loans, a sum of Rs.258.23 Lacs was outstanding as at the end of the year. Maximum balance in these accounts during the year was Rs.258.23 Lacs.
 - b) The Company had taken loans amounting to Rs.1373.62 Lacs from seven parties during the year in addition to the loans taken and outstanding as at the beginning of the year, from Companies, firms or other parties listed in the Register under section 301 of the Companies Act, 1956. Out of these loans, a sum of Rs.155.50 Lacs was outstanding as at the end of the year. Maximum balance in these accounts during the year was Rs.2158.61 Lacs.
- c) In our opinion, the rates of interest wherever paid or charged, to the parties covered in the Register under section 301 of the Companies Act, 1956, were not prejudicial to the Interests of the Company.
- d) In our opinion, since no specific stipulations as to the terms of repayment were agreed upon, this clause does not apply.
4. In our opinion and according to the information and explanations given to us, and as reported by the Internal Auditors of the Company, the internal control procedures, commensurate with the size of the Company and the nature of its business with regard to the purchases of inventory, fixed assets and with regard to sale of goods, need to be strengthened. Measures should be taken to improve upon the weaknesses observed during the course of the Internal Audit.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
(b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 58A & 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the Deposits accepted from public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, on the Company.
7. On the basis of the internal audit reports broadly reviewed by us, we are of the opinion that the Company has an internal audit system commensurate with its size and nature of its business. The compliance of internal audit observations needs to be strictly observed.
8. According to the information and explanations given to us and to the best of our knowledge and belief,

ANNEXURE TO THE AUDITORS' REPORT

[Referred to in Paragraph 1 of thereof] (Contd.)

the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the products of the Company.

9. a) The company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance and Customs Duty, Excise Duty, Cess, wealth tax and other material statutory dues as applicable to it. **However, there have been delays in payment of Provident Fund, Income Tax i.e. Tax Deducted at source (TDS) under various heads. Central Sales Tax has not been paid by the company for the prior year.**

- b) In our opinion and according to information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty, and Cess were in arrears as at 31st March 2011 for the period of more than six months from the date they became payable, **except Income Tax Deducted at Source (TDS) amounting to Rs.79.75 Lacs And Central Sales tax – Rs.62 Lacs. The Company has however paid this Income Tax (TDS) after the balance sheet date.**

According to the information and the explanations given to us, there are no dues outstanding of Sales Tax, Custom Duty, Wealth Tax, Excise Duty, or Cess and other statutory dues applicable to it, which have not been deposited on account of any dispute.

10. In our opinion, the Company has accumulated losses at the end of the financial year and it has incurred cash losses in the financial year under report. The Company did not suffer any cash losses during the immediately preceding financial year.
11. **In our opinion and according to the explanations given to us, there have been delays in repayment of Quarterly Instalments of Term Loans (Principle) taken from the banks amounting to Rs.1209.50 Lacs. Also that there have been regular delays in monthly payment of Interest on the said Term Loans to banks. Interest in respect of some of the banks for the months of January, February and March 2011 amounting to Rs.1098.76 Lacs was yet to be paid as at the Balance Sheet date.**

There are no borrowings from Financial Institutions. No debentures have been issued by the company.

12. In our opinion and according to the information

and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the Provisions of any special statute as specified under clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of paragraph 4 of the Order are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has not given any Guarantees for loans taken by another company from Banks and hence the provisions of this clause do not apply.
16. In our opinion, the term loans have been applied for the purpose for which these were raised.
17. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that the Company has not utilised its working capital funds for acquiring Long Term assets. No long term funds have been used to finance short term assets.
18. According to the information and explanations given to us, the Company has, during the year, made preferential allotment of (i) 2,75,00,000 equity shares of the face value of Re.1/- each, at a premium of Rs.3/- per share, to the parties covered in the register maintained under section 301 of the Companies Act, 1956, being the core Promoters and Promoter Companies.
19. The company has not issued any debentures during the year and hence the provisions of clause (xix) of paragraph 4 of the Order are not applicable to the company.
20. During the year covered by our Audit, the Company has not raised any money by way of a public issue.
21. According to the information and the explanations given to us, no fraud on or by the Company has been noticed or reported during the year. However, we are unable to determine / verify as to whether any such reporting has been made, during the year.

For **S S PURANIK & ASSOCIATES**

Chartered Accountants

FRN 127731W

SHRIPAD S PURANIK

Partner

M.Ship No. 030670

Mumbai,
May 27, 2011

BALANCE SHEET AS AT MARCH 31, 2011

PARTICULARS	Schedules	(Rs.)	
		AS AT MARCH 31, 2011	AS AT MARCH 31, 2010
SOURCES OF FUNDS			
a) SHAREHOLDERS' FUNDS			
Share Capital	1	335,500,000	288,000,000
Share Warrant Money		14,500,000	42,000,000
Reserves & Surplus	2	3,051,147,791	1,275,920,360
b) LOAN FUNDS			
Secured Loans	3	5,514,337,558	4,602,071,383
Unsecured Loans	4	721,810,480	573,436,929
c) DEFERRED TAX LIABILITY (NET)			
	5	-	10,958,506
TOTAL		9,637,295,829	6,792,387,178
APPLICATION OF FUNDS			
a) FIXED ASSETS			
Gross Block	6	8,876,880,223	975,738,789
Less : Depreciation		523,780,848	122,875,562
Net Block		8,353,099,375	852,863,227
Capital Work-In-Progress		50,330,739	5,828,763,750
		8,403,430,114	6,681,626,977
b) INVESTMENTS			
	7	894,486	600,000
c) DEFERRED TAX ASSET (NET)			
	5	312,203,176	-
d) CURRENT ASSETS, LOANS & ADVANCES			
Inventories	8	581,918,395	297,868,875
Sundry Debtors	9	328,701,264	219,131,868
Loans and Advances	10	667,791,496	500,102,618
Cash and Bank Balances	11	26,951,210	108,635,117
	A	1,605,362,366	1,125,738,478
LESS : CURRENT LIABILITIES & PROVISIONS			
Liabilities	12	1,227,292,096	1,008,582,306
Provisions	13	7,116,429	6,995,972
	B	1,234,408,524	1,015,578,278
Net Current Assets	(A-B)	370,953,841	110,160,201
Profit And Loss Account As Per Account Annexed		549,814,212	-
		9,637,295,829	6,792,387,178
Notes to Accounts	22		

The Schedules referred above form an integral part of the financial statements

As per our report of even date attached

For **S S PURANIK & ASSOCIATES**

Chartered Accountants

FRN : 127731W

Shripad S Puranik

Partner

Membership No. 030670

Place : Mumbai

Date : May 27, 2011

For and on behalf of Board

Amrrut S. Gada

Chairman and Managing Director

Dhirraj S. Gada

Joint Managing Director

Ashwin S. Shetty

G.M. Compliance, Company Secretary

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

(Rs.)

	Schedules	Year ended March 31, 2011	Year ended March 31, 2010
INCOME :			
Sales and Operating Income	15	2,796,259,591	448,976,898
Other Income	16	30,472,310	60,040,097
Increase/(Decrease) in Stock	17	115,186,701	2,712,903
		2,941,918,603	511,729,898
EXPENDITURE :			
Raw Materials Consumed	18	1,892,223,059	157,588,763
Labour Charges		10,895,562	5,731,879
Cost of Sales of Traded Goods	19	90,449,771	118,979,508
Operating and Other Expenses	20	842,231,969	141,566,699
		2,835,800,361	423,866,849
Profit/(Loss) before Interest, Depreciation & Tax		106,118,242	87,863,049
Interest and Finance Cost	21	667,381,664	38,050,035
Depreciation and Amortisation		400,905,287	26,532,424
Profit/(Loss) before Tax and Exceptional Items		(962,168,709)	23,280,590
Loss on Imported Machinery		-	10,127,744
Profit/(Loss) Before tax		(962,168,709)	13,152,845
Less : Provision for Taxation for the year			
- Current Tax		-	1,700,000
- Deferred Tax (Asset)/Liability		(323,161,682)	(13,818,086)
Net Profit/(Loss) After Tax		(639,007,027)	25,270,931
Less : Prior period adjustments (Net)		4,980,750	3,337,792
		(643,987,777)	21,933,139
Add : Balance Brought Forward		94,173,565	72,240,428
Less : Transferred to General Reserve		-	-
Balance carried to Balance Sheet		(549,814,212)	94,173,567
Earning Per Share			
	Basic	-	0.78
	Diluted	-	0.77
Notes to Accounts	22		

The Schedules referred above form an integral part of the financial statements

As per our report of even date attached

For **S S PURANIK & ASSOCIATES**

Chartered Accountants

FRN : 127731W

Shripad S Puranik

Partner

Membership No. 030670

Place : Mumbai

Date : May 27, 2011

For and on behalf of Board

Amrrut S. Gada

Chairman and Managing Director

Dhirraj S. Gada

Joint Managing Director

Ashwin S. Shetty

G.M. Compliance, Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011

(Rs.)

	2010-11		2009-10	
CASH FLOW FROM OPERATING ACTIVITIES				
Profit Before Tax, Extraordinary Items	(962,168,709)		13,152,845	
Add Exceptional Item	-		10,127,744	
				23,280,589
Adjustments for:				
Add:				
Depreciation	400,905,287		26,532,424	
Interest Paid	667,381,664		31,902,414	
Dividend & Dividend Tax Written Back	-	106,118,242	-	58,434,838
Less:				
Dividend Income	15,000		15,000	
Interest on Bank Deposits	9,931,622		2,546,754	
Other Incomes	20,525,688	30,472,310	57,478,342	60,040,097
Operating Profit Before Working Capital Changes		75,645,931		21,675,330
Working Capital Changes				
Add/(Deduct)				
(Increase)/Decrease In Inventories	(284,049,520)		(158,101,798)	
(Increase)/Decrease In Trade & Other Receivables	(109,569,396)		913,628	
(Increase)/Decrease Loans & Advances	(167,688,878)		33,085,046	
Increase/(Decrease) In Current Liabilities	218,709,790	(342,598,005)	327,189,799	203,086,675
Cash Generated From Operations		(266,952,073)		224,762,005
Prior Year Adjustments		(4,980,750)		3,337,792
Income Taxes & FBT Paid		120,457		10,531,907
Net Cash Flow from Operating Activities (a)		(271,812,367)		210,892,306.42

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011 (Contd.)

(Rs.)

	2010-11	2009-10
CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure (Net of Revaluation Reserve)	(495,807,425)	(2,802,224,878)
Other Investments	(294,486)	
Preoperative Expenses for Float Glass Project		90,497,894
Dividend Income	15,000	15,000
Interest on Bank Deposits	9,931,622	2,546,754
Other Incomes	20,525,688	57,478,342
Net Cash Used In Investing Activities (b)	(465,629,600)	(2,651,686,887)
CASH FLOW FROM FINANCING ACTIVITIES		
Increase In Share Capital	47,500,000	8,000,000
Share Warrant Money Received	(27,500,000)	42,000,000
Net Secured Borrowings	912,266,173	1,936,924,483
Equity Shares Alloted		
Share Premium Received (net)	242,500,000	
Fixed Deposits	87,869,669	68,367,000
Inter Corporate Deposits	60,503,882	487,515,421
Interest & Finance Charges (Net of Interest Capitalised)	(667,381,664)	(31,902,414)
Equity Dividend		
Net Cash used In Financing Activities (c)	655,758,060	2,510,904,490
Net Increase/(Decrease) In Cash and Cash Equivalents (a+b+c)	(81,683,908)	70,109,909
Cash and Cash Equivalents- Opening Balance	108,635,118	38,525,209
Cash and Cash Equivalents- Closing Balance	26,951,210	108,635,118
Net Increase/(Decrease) In Cash and Cash Equivalents	81,683,908	70,109,909
Notes to Accounts	22	

The Schedules referred above form an integral part of the financial statements

As per our report of even date attached

For **S S PURANIK & ASSOCIATES**

Chartered Accountants

FRN : 127731W

Shripad S Puranik

Partner

Membership No. 030670

Place : Mumbai

Date : May 27, 2011

For and on behalf of Board

Amrrut S. Gada

Chairman and Managing Director

Dhirraj S. Gada

Joint Managing Director

Ashwin S. Shetty

G.M. Compliance, Company Secretary

SCHEDULES ATTACHED TO & FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

PARTICULARS	AS AT MARCH 31, 2011	(Rs.) AS AT MARCH 31, 2010
SCHEDULE 1 :		
SHARE CAPITAL :		
Authorised :		
60,00,00,000 Equity Shares of Re.1/- each (Previous year 45,000,000 Equity Shares of Rs.10/- each)	600,000,000	450,000,000
Issued, Subscribed & Paid-Up :		
33,55,00,000 Equity Shares of Re.1/- each, fully paid up (Previous year 28,800,000 Equity Shares of Rs.10/- each)	335,500,000	288,000,000
TOTAL	335,500,000	288,000,000
SCHEDULE 2 :		
RESERVES AND SURPLUS :		
General Reserve :		
Balance Brought Forward	17,693,900	17,693,900
Add : Transferred From Profit & Loss Account	-	-
	17,693,900	17,693,900
Revaluation Reserve		
On Revaluation of Land & Building	1,626,900,998	-
Securities Premium		
Balance Brought Forward	1,164,052,893	1,140,052,893
Received During the Year On Allotment	242,500,000	24,000,000
	1,406,552,893	1,164,052,893
Profit & Loss Account		
As Per Account Annexed	-	94,173,567
TOTAL	3,051,147,791	1,275,920,360
SCHEDULE 3 :		
SECURED LOANS :		
Term Loans from Banks		
a) For Float Glass Plant Secured by first charge on the entire fixed assets of the company on first pari passu basis with all term loan/corporate loan lenders and second pari passu charge over the entire current assets of the company	4,414,798,311	3,802,404,853
b) For Processing Division Secured by first charge on the entire fixed assets of the company on first pari passu basis with all term loan/corporate loan lenders and second pari passu charge over the entire current assets of the company (Term Loan Instalments payable during the next period of one year Rs.65.94 Crores)	135,680,310	281,013,255
c) Against Hypothecation of Vehicles	6,489,002	11,073,617
Cash Credit Facility From Banks		
Working capital facilities are secured against hypothecation of entire current assets of the company on first pari passu charge basis and second pari passu charge on the entire fixed assets of the company All the above credit facilities are further collateral secured by Personal Guarantees of Five Promoter Directors of the Company.	892,150,607	382,847,043
Buyers Credit	65,219,328	124,732,615
TOTAL	5,514,337,558	4,602,071,383

SCHEDULES ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

PARTICULARS	(Rs.)	
	AS AT MARCH 31, 2011	AS AT MARCH 31, 2010
SCHEDULE 4 :		
UNSECURED LOANS :		
Inter Corporate Deposits	496,089,708	492,705,929
Others	57,120,103	-
Fixed Deposits		
- From Public	155,120,669	70,558,000
- From Shareholders	13,480,000	10,173,000
TOTAL	721,810,480	573,436,929
SCHEDULE 5 :		
DEFERRED TAX LIABILITY :		
Deferred Tax Liabilities		
Balance Brought Forward	10,958,506	24,776,592
Add : Provision for the Current Year	(323,161,682)	(13,818,086)
TOTAL	(312,203,176)	10,958,506

SCHEDULES

 ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

Description of Assets	Gross Block - At Cost				Depreciation/Amortisation			Net Block		
	As at 01.04.2010	Revaluation Reserve	Additions	Deductions	As at 31.03.2011	As at 01.04.2010	For the Period	Withdrawn during the year	As at 31.03.2011	As at 31.03.2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
SCHEDULE 6 :										
FIXED ASSETS										
Freehold Land	37,894,368	724,797,837	170,509,111	-	933,201,316	-	-	-	933,201,316	37,894,368
Buildings	146,827,603	902,103,161	751,515,754	-	1,800,446,518	14,549,483	23,092,743	-	1,762,804,292	132,278,120
Plant & Machinery	288,844,187	-	3,769,280,673	1,837,193	4,056,287,667	76,676,381	234,871,724	-	3,744,739,563	212,167,806
Furnace	-	-	1,370,184,282	-	1,370,184,282	-	114,119,460	-	1,256,064,822	-
Electrical Installations	9,693,142	-	201,542,211	-	211,235,353	2,659,018	8,181,827	-	200,394,508	7,034,124
Office Equipments	17,214,165	-	955,545	-	18,169,710	3,242,510	1,865,344	-	13,061,856	13,971,655
Furniture & Fixtures	28,709,294	-	5,037,668	-	33,746,962	4,803,252	1,963,601	-	26,980,109	23,906,042
Computers	7,888,681	-	6,862,620	-	14,751,301	3,800,958	1,455,599	-	9,494,744	4,087,723
Ware house	427,263,364	-	189,767	-	427,453,131	14,935,255	14,271,814	-	398,246,062	412,328,109
Vehicles	11,403,986	-	-	-	11,403,986	2,208,705	1,083,176	-	8,112,105	9,195,281
T O T A L	975,738,791	1,626,900,998	6,276,077,629	1,837,193	8,876,880,225	122,875,562	400,905,287	-	8,353,099,375	852,863,229
Capital Work-In-Progress	-	-	-	-	-	-	-	-	50,330,739	-
Previous Year	1,027,915,951	-	9,905,189	62,082,351	975,738,789	86,430,706	40,477,949	4,033,093	852,863,226	941,485,246

Note : The company has revalued Land and Buildings as at 31.03.2011. The resultant addition on revaluation has been credited to revaluation reserve. Depreciation on Building has been calculated on the original cost as the Company has revalued the Building as of 31.3.2011.

**SCHEDULES ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)**

PARTICULARS	AS AT MARCH 31, 2011	(Rs.) AS AT MARCH 31, 2010
SCHEDULE 7 :		
INVESTMENTS :		
(Long Term Non Quoted, Non-Trade, at cost)		
Shares of The Cosmos Co-Op Bank Ltd (5000 Shares of Rs. 20/- each)	100,000	100,000
Investment in Gold Coins	44,486	-
25000 Equity Shares of Sezal Firebaan Glass Pvt Ltd @ Rs.10/- each (Long Term Quoted, Non-Trade, at cost)	250,000	-
SBI Infrastructure Fund (Market Value Rs. 468,500/-)	500,000	500,000
TOTAL	894,486	600,000
SCHEDULE 8 :		
INVENTORIES :		
(At cost or market value whichever is lower)		
Raw Material, Stores & Spares	261,476,120	191,896,430
Stock of Trading Material	40,412,134	36,674,203
Work-In-Progress	27,323,102	14,558,333
Finished Goods	215,440,364	30,728,098
Stores & Spares	37,266,675	24,011,811
TOTAL	581,918,395	297,868,875
SCHEDULE 9 :		
SUNDRY DEBTORS :		
(Considered good unless otherwise stated)		
Debts outstanding for a period exceeding six months	76,780,404	44,398,658
Other debts	251,920,860	174,733,210
TOTAL	328,701,264	219,131,868
SCHEDULE 10 :		
LOANS & ADVANCES :		
(Unsecured, Considered good)		
Deposits	47,694,010	45,945,772
Advances Recoverable in cash or in kind or for value to be received	139,092,161	221,461,766
Advance Given to Suppliers	385,715,160	188,800,553
Other Loans & Advances	16,480,416	3,576,180
Inter Corporate Deposits	78,023,006	39,050,000
Amounts due from Group Companies/Firms	786,743	1,268,347
TOTAL	667,791,496	500,102,618
SCHEDULE 11 :		
CASH & BANK BALANCES :		
Cash on hand	2,251,138	1,701,479
Balances with :		
Scheduled Banks	3,489,560	12,663,041
Fixed Deposits with Scheduled Bank	10,686,345	69,450,000
Margin with Scheduled Bank Against L/C & Bank Guarantees	10,524,167	24,820,597
TOTAL	26,951,210	108,635,117

SCHEDULES ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

PARTICULARS	(Rs.)	
	AS AT MARCH 31, 2011	AS AT MARCH 31, 2010
SCHEDULE 12 :		
CURRENT LIABILITIES :		
Sundry Creditors		
Sundry Creditors for Material	455,873,596	61,174,369
Sundry Creditors for Expenses	244,961,752	9,333,107
Sundry Creditors for Capital goods	197,993,621	661,717,856
Bills Payable	120,458,155	-
Advance from Customers	43,876,046	46,120,764
TDS Payable	29,429,149	31,349,551
Sales Tax Payable	5,924,525	5,998,031
Excise Duty & Other Taxes Payable	716,132	-
Trade & Other Deposits	81,033,445	174,070,678
Other Liabilities	46,924,981	18,716,771
Unpaid Dividend	100,693	100,814
Dividend Tax Payable	-	365
TOTAL	1,227,292,096	1,008,582,306

SCHEDULE 13 :		
PROVISIONS :		
Income Tax Provision		
Balance Brought Forward	1,694,122	10,526,029
Add : Provision/(Reversal) during the year	-	1,700,000
	1,694,122	12,226,029
Less : Taxes Paid	668,768	10,531,907
	1,025,354	1,694,122
Provision for Gratuity	1,650,474	857,903
Provision for Leave Encashment	2,012,498	1,894,149
Provision for Contingencies	2,428,103	2,549,798
Balance Carried Forward	6,091,075	5,301,850
TOTAL	7,116,429	6,995,972

SCHEDULES ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

PARTICULARS	(Rs.)	
	AS AT MARCH 31, 2011	AS AT MARCH 31, 2010
SCHEDULE 14 :		
MISCELLANEOUS EXPENDITURE :		
Bank Charges & Commission	-	32,414,168
Buyers Credit Charges	-	46,310,142
Conveyance Expenses	-	10,801,239
Directors Remuneration	-	15,979,582
Electricity Charges	-	58,967,681
Interest Paid	-	596,711,821
Legal & Professional Charges	-	59,123,073
Loan Processing & UP Front Fees	-	29,618,902
Project Consultancy Charges	-	34,470,087
Rent	-	1,326,929
Salary	-	79,753,114
Service Tax & Other Credits	-	22,917
Staff Welfare	-	480,710
Stamping & Registration Expenses	-	11,295,384
Telephone Charges	-	2,042,008
Travelling Expenses	-	39,665,997
Water Charges	-	3,140,738
Other Miscellaneous Pre-operative Expenses	-	21,593,110
Printing & Stationery	-	2,249,877
Insurance Premium	-	7,606,870
Sales Promotion	-	12,722,302
TOTAL	-	1,066,296,651
Less transferred to Capital Work In Progress	-	1,066,296,653
SCHEDULE 15 :		
SALES AND OPERATING INCOME :		
Gross Sales	2,918,862,399	318,361,775
Less : Excise Duty and Education Cess on Manufactured Goods	231,505,154	24,826,949
Net Sales	2,687,357,245	293,534,826
Sales - Trading	108,902,347	156,545,722
Excise Duty on Trading	-	1,103,651
	108,902,347	155,442,071
TOTAL	2,796,259,591	448,976,898
SCHEDULE 16 :		
OTHER INCOME :		
Interest Received	9,931,622	2,546,754
Gain due to Foreign Rate Variation	4,748,910	8,496,379
Miscellaneous Income	5,689,033	1,219,979
Commission and Discounts Received	482,449	2,377,018
Sundry Credit balances written back	2,801,319	6,553,034
Claim for Damages	1,796,186	2,771,165
Dividend on Shares	15,000	15,000
Sales Tax Written Back	-	36,060,767
DEPB Rebate	5,007,791	-
TOTAL	30,472,310	60,040,097

SCHEDULES ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

PARTICULARS	(Rs.)	
	AS AT MARCH 31, 2011	AS AT MARCH 31, 2010
SCHEDULE 17 :		
INCREASE/(DECREASE) IN FINISHED STOCK :		
Opening Stock	100,253,663	2,272,650
Closing Stock	215,440,364	4,985,553
TOTAL	115,186,701	2,712,903
SCHEDULE 18 :		
RAW MATERIALS CONSUMED :		
Opening Stock	224,478,516	97,597,529
Add : Purchases	1,020,453,158	186,631,858
Clearing & Forwarding Charges	201,824,444	11,805,944
	1,446,756,118	296,035,331
Less: Closing Stock	326,065,897	138,446,568
TOTAL	1,120,690,221	157,588,763
SCHEDULE 19 :		
COST OF SALES OF GOODS TRADED :		
Opening Stock	36,700,235	39,169,195
Add : Purchases	94,161,670	127,935,710
	130,861,905	167,104,906
Less: Transfer to Raw Material Stock	-	11,805,944
Less: Closing Stock	40,412,134	36,319,454
TOTAL	90,449,771	118,979,508

SCHEDULES ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

PARTICULARS	(Rs.)	
	AS AT MARCH 31, 2011	AS AT MARCH 31, 2010
SCHEDULE 20 :		
OPERATING AND OTHER EXPENSES :		
Salaries, Wages & Bonus	117,445,413	43,824,733
Directors' Remuneration	12,775,000	2,005,000
Advertisement Expenses	7,303,261	1,285,203
Commission Paid	4,240,225	2,482,312
Computer & Software Expenses	468,764	84,506
Conveyance	553,443	222,833
Travelling Expenses (Including Foreign Travel Rs.924,591/- Previous year Rs.939,439/-)	22,922,803	3,385,638
Donations	2,123,314	255,353
Electrical Expenses	5,035,135	319,480
Export Expenses	5,276,089	3,629,708
Security Charges	1,924,641	375,031
Insurance	16,030,228	1,829,675
Loss due to Foreign Exchange Rate Variation	15,145,498	10,408,047
Postage & Courier Charges	965,574	305,508
Power and Fuel	23,945,552	14,313,975
Printing and Stationery	3,378,184	1,444,668
Legal & Professional Fees	16,561,470	3,306,892
Auditors' Remuneration	1,128,333	573,090
Rent, Rates & Taxes	5,660,208	1,855,750
Repairs and Maintenance:		
Plant and Machinery	7,620,799	2,234,429
Others	7,972,562	1,155,605
Selling & Distribution Expenses	148,769,926	949,610
Seminars & Exhibition Expenses	-	1,993,156
Stores and Spares Consumed	17,943,870	-
Staff Welfare	5,566,220	1,854,046
Membership & Subscription Fees	769,038	93,450
Sundry Advances Written Off	-	7,062,822
Sundry Expenses	32,273,696	12,050,631
Telephone Charges	2,971,938	2,429,568
Transportation Charges	336,968,966	16,623,143
Vehicle Expenses	8,191,215	1,018,128
Loss on Sale of Assets	-	755,816
Assets Written Off	-	686,386
Service Tax Paid	10,300,606	752,507
TOTAL	842,231,969	141,566,699
SCHEDULE 21 :		
INTEREST AND FINANCE COST :		
Cash Discount	39,059,244	149,042
Interest on Bills Discounting	2,507,383	1,334,257
Interest on Working Capital Loans	61,399,492	2,191,409
Interest on FCNRB Loans	4,423,769	22,404,738
Interest on Term Loans	426,928,892	1,001,170
Interest on Car Loans	5,998,571	100,000
Interest on Buyers Credit	3,242,321	681,859
Interest on Trade Deposits	5,663,101	-
Interest Others (Unsecured Loans)	96,008,043	2,080,238
Bank Charges	22,150,850	8,107,322
TOTAL	667,381,664	38,050,035

SCHEDULES ATTACHED TO & FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2011.

SCHEDULE 22 :

A. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

1 Significant Accounting Policies:

(a) Basis of Preparation of Financial Statements:

- The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP"), the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and the guidelines prescribed by the Securities and Exchange Board of India (SEBI). The Company has been consistent in its accounting policies. Change in the accounting policies, however is disclosed separately.

The management, while preparing the financial statements, has made certain assumptions and estimates affecting the balances in assets, liabilities, income and expenses, during the period under report; e.g. Capitalization of Float Glass Plant at Jhagadia, Bharuch, provision for contingencies, future obligations under retirement benefit. These estimates and assumptions are subject to variation at different periods and are thus adjusted accordingly in the financial statements of respective reporting periods.

(b) Valuation of Inventory:

- Finished Goods are valued at lower of cost plus appropriate share of production overheads or net realisable value which ever is less. Raw Materials & Consumable Stores and Stock of Traded Goods are valued on First In First Out (FIFO) basis. Glass cut pieces are valued at average rate of raw material of respective thickness and quality. Glass cullet is valued at average of cost of production of cullet generated and average purchase price of cullet purchased and lying in stock.

(c) Cash Flow Statement:

- The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard (AS-3) on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the company.
- Cash and Cash Equivalents presented in the Cash Flow Statement comprise of cash on hand and balances in current accounts with bank.

(d) Fixed Assets:

- The Fixed Assets are stated at cost, inclusive of inward freight, duties and taxes (Net off Set offs claimed), installation and commissioning expenses, incidental expenses incurred for the assets to be gainfully put to use, less accumulated depreciation. Where the assets are installed and commissioned, but fail to deliver the required results to the satisfaction of the company's management, the same are not capitalized and are carried forward to the next year as Capital WIP. Revenue expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial activity are treated as pre operative expenses to be charged off after the commencement of commercial activity. Intangible assets are recorded at the consideration paid for acquisition.

(e) Depreciation on Fixed Assets:

- Depreciation is provided on straight line basis at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on additions to Fixed Assets is provided on pro-rata basis for the number of days the asset has been put to use.

(f) Revenue Recognition:

- Income and Expenditure are generally accounted on accrual basis as they are earned or incurred except in cases of uncertainties, as envisaged by the management. Sales are recognized when goods are removed from the Company's premises and are accounted, net off excise duty, sales tax, VAT, sales returns and trade discounts/credits.
- As regards free samples, the goods dispatched from the Plant to the Marketing Division of the company are deemed to have been fully distributed free of cost to prospective customers of the company.
- Export Sales are accounted by converting the Foreign Currency amount at the rate of exchange fixed by the Customs Authority. On realisation of export proceeds, the difference between the amount realised and the amount booked is charged off / back to Profit & Loss Account as loss /gain due to exchange rate difference.
- Interest income is accounted on the basis of

SCHEDULES ATTACHED TO & FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

SCHEDULE 22 : (Contd.)

proportionate period of investment, considering the amount of investment and the rate of interest.

- e. Dividend income on investments is accounted, as and when the same has accrued and become due to the company.

(g) Foreign Currency Transactions:

- Exchange differences are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing rate.
- Exchange differences that arise on settlement of monetary items and / or on reporting of the same at each balance sheet date, as per the closing rate, are written off / back to Profit and Loss Account.
- Any premium or discount arising at the inception of the forward exchange contract is recognized as income or expense over the life of the contract.

(h) Investments :

Investments are stated at cost. Temporary diminution in value of investments is not provided for.

(i) Employee Benefits:

a. Short Term Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as a short term employee benefits. Benefits such as salaries, wages, contractual labour charges and short term compensated absences etc. are recognised in the period in which the employee/contractual labour renders the related service. Any other payments under relevant labour statutes, wherever applicable, are reimbursed to the outsourced agencies and charged off to the Profit & Loss Account in the year of payment.

b. Post Retirement benefits:

Provident Fund

The contribution to Employee Provident Fund is charged off to Profit & Loss account on accrual basis.

Gratuity

The Company has opted for Group Gratuity Scheme of LIC of India for its staff members. The

Renewal premium is calculated as of 1st April of the year. The same is debited to Profit & Loss Account as and when accrued. During the year under review the company has provided gratuity liability as per the actuarial valuation of gratuity as per AS 15 (Revised).

Leave Encashment

During the year under review the company has provided for Leave Encashment as per the actuarial valuation of leave encashment as per AS 15 (Revised).

(j) Borrowing Costs:

- Borrowing costs that are attributable to the acquisition or construction of an asset are capitalised as part of cost of such asset till such time the asset is ready for its intended commercial use.
- Other borrowing costs are charged off to Revenue Account in the year in which they are incurred.

(k) Earnings Per Share:

Basic and Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year as required by AS 20 – Earnings per Share.

(l) Investment in Joint Venture:

The company has entered into a Joint Venture Agreement with CGI International, an internationally successful Company, manufacturing Fire Resistant Glass. For this purpose, Sezal Firebaan Glass Private Limited, was incorporated under the Companies Act, 1956. At present, the Company holds 25,000 Equity Shares of the face Value of Rs.10/- each in Sezal Firebaan Glass Private Limited i.e. 50% of the present paid up capital of Sezal Firebaan Glass Private Limited.

(m) Taxes on Income :

- Current Tax is determined as the amount of tax payable in respect of taxable income for the period.
- Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

SCHEDULES ATTACHED TO & FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

SCHEDULE 22 : (Contd.)

(n) Provisions, Contingent Liabilities and Contingent Assets:

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

(o) Impairment of Assets:

The carrying values of cash generating assets at each balance sheet date are assessed for impairment of respective assets. If the assessment indicates impairment, then the impairment loss i.e. excess of carrying value of assets over its recoverable amount, is provided in the books of account. In case impairment loss provided in prior accounting periods is likely to be reversed, fully or partially, due to reassessment of recoverable value of impaired assets, the same is reversed and recognised in Profit & Loss Account as income.

receiving approval from the Company Law Board.

- b) The shareholders of the company have, in an Extra Ordinary General Meeting held by the company, approved the subdivision of equity shares of the company of the face value of Rs.10/- per share to 10 shares of Re.1/- per share.
- c) The Float Glass Manufacturing Plant at Jhagadia, Bharuch, has been capitalised effective June 01, 2010 after the Float Glass Production was stabilised.
- d) The Company has revalued its Land and Buildings to project the actual value of its immoveable property as at 31st March, 2011. The resultant increase in its value as per the valuation report given by Mr. Shyam Agrawal, approved Government Valuer has been correspondingly credited to revaluation reserve which amounted to Rs. 72,47,97,837/- for Land and Rs. 90,21,03,161/- for Building aggregating to Rs. 162,69,00,998/-. Depreciation on the incremental value of Buildings has not been provided for as the same was accounted as of 31st March, 2011.
- e) The Authorised Capital of the company has been increased from Rs.45 Crores to Rs.60 Crores during the year. However, the increase in Authorised Capital is yet to be communicated to the Registrar of Companies.

B. NOTES TO THE ACCOUNTS:

1. a) The name of the company was changed from 'Sejal Architectural Glass Limited' to "SEZAL GLASS LIMITED" in terms of the special resolution passed at the Extra Ordinary General Meeting of the Shareholders of the Company held on May 15, 2010 and on
2. Contingent Liabilities :
Contingent liabilities not provided for in respect of

	2010-11	2009-10
Claims by Gujrat Gas Company for Minimum Guaranteed Off take	1,02,30,88,698	9,00,00,000
Bank Guarantees Outstanding	16,18,64,622	9,96,71,016
Customs duty payable for default in completing export obligation against advance license - Processing Division	1,59,86,329	80,20,538
Customs duty payable for default in completing export obligation under EPCG - Processing Division (US \$ 93,958.62 @ Rs. 45 = US \$ 1)	42,28,138	Nil
Claims by parties towards damages	58,93,917	58,93,917
Claims by parties not acknowledged as debt	4,25,00,000	4,00,00,000
Income Tax Department demands	Nil	20,35,473
Bank charges debited to unpaid Dividend A/c with bank	51,555	51,555

SCHEDULES

 ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

SCHEDULE 22 : (Contd.)

3. Disclosure Pursuant to Accounting Standard AS 15 (Revised):

Gratuity

The company has accounted employee benefits as per Accounting Standard 15 (Revised) on Employee Benefits (Revised) issued by the Institute of Chartered Accountants of India.

Presentation in Balance Sheet as per actuarial valuation as at March 31, 2011

Net Asset/(Liability) recognised in the balance sheet as at March 31, 2011

	31.03.2011	31.03.2010
Present value of funded obligations -A	34,00,642	24,78,429
Fair Value of Plan Assets -B	17,50,168	16,20,526
(Deficit)/Surplus – (A-B)	(16,50,474)	(8,57,903)
Net Asset/Liability		
Assets		
Liabilities	(16,50,474)	8,57,903
Net Liability	(16,50,474)	(8,57,903)
Asset Information		
Insurer Managed Funds 100 %	17,50,168	16,20,526
Principal Assumptions		
Discount Rate	8.40%	8.30%
Expected Rate of Return on Plan Assets	7.50 %	7.50 %
Salary Escalation	7.00 %	7.00 %

a) Discount Rate:

The discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

b) Expected Rate of Return on Plan Assets :

This is based on our expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

c) Salary Escalation Rate:

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Leave Encashment

Actuarial Valuation of Leave Encashment Liability as required by Accounting Standard 15 (Revised) has been done for the first time during the year ended March 31, 2010.

	31.03.2011	31.03.2010
4. Estimated amounts of contracts remaining to be executed on capital accounts and not provided for.	1148	1089

SCHEDULES ATTACHED TO & FORMING PART OF THE BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

SCHEDULE 22 : (Contd.)

5. Related Party Disclosures:

Disclosure as required by the Accounting Standard 18, "Related Party Disclosure" is given below:

a) Names of Related Parties and Nature of Relationship:

- i) Subsidiary : N.A.
 ii) Key Management Personnel : Wholetime Directors and relatives of the Key Management Personnel with whom the Company had transactions

Key Management Personnel (Whole Time Directors)	Relative of Key Management Personnel
Shri Amrut S. Gada	Shri Shavjjibhai V. Gada, Father
	Smt. Diwaliben S. Gada, Mother
	Smt. Bhavna A. Gada, Wife
Shri Dhirraj S. Gada	Shri Shavjjibhai V. Gada, Father
	Smt. Diwaliben S. Gada, Mother
	Smt. Anju D. Gada, Wife
Shri Miitesh K. Gada	Shri Kanji V. Gada, Father
	Smt. Navalben K. Gada, Mother
	Smt. Preeti M. Gada, Wife
Shri Aashish D. Kariaa	

iii) Entities over which Key Management Personnel [Wholetime Directors] are able to exercise significant influence:

Sezal Glass Craft Private Limited
 Sezal International Limited
 Sezal Insurance Broking Limited
 Sezal Glass House
 Sezal Realty and Infrastructure Limited
 Sezal Finance Limited
 Bhanu Cosmetics & Packaging Limited
 Hero Paper Stores
 Hero Multi Pap Private Limited
 White Flag Media and Communications Limited

iv) Joint Venture - Sezal Firebaan Glass Private Limited

SCHEDULES

 ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

SCHEDULE 22 : (Contd.)

b) Transactions with Related Parties:

(Rs.)

Transactions details	Volume of transactions for the year ended	
	31.03.2011	31.03.2010
Expenses		
Purchase of Material	21,03,971	36,33,796
Purchase of Assets	Nil	57,54,509
Remuneration of Whole Time Directors		
Shri Amrrut S. Gada	45,00,000	24,00,000
Shri Dhirraj S. Gada	36,00,000	21,00,000
Shri Miitesh K. Gada	30,00,000	18,00,000
Shri Aashish D. Kariaa	27,00,000	18,00,000
Directors' Sitting fees	1,50,000	1,85,000
Interest Paid on Deposits	5,29,328	1,06,93,902
Advance Given	25,00,000	4,92,460
Investment in Sezal Firebaan Glass Pvt. Ltd.	2,50,000	NIL
Advance to Sezal Firebaan Glass Pvt. Ltd.	12,36,866	NIL
Income		
Inter Corporate Deposits received (Net)	30,25,000	5,89,05,000
Sale of Goods	48,87,828	63,88,093

6. Events Occurring After the Balance Sheet Date:

The company is considering a possibility of transfer of its manufacturing units by way of sale, lease or otherwise. In order to take prior approval of shareholders for this major decision, the company opted for voting by Postal Ballot by the shareholders. The result of voting by Postal Ballot, after the Scrutinizers verify the ballot reports, shall be available on or after 28th May, 2011.

7. Additional information as prescribed under Part II of Schedule VI of the Companies Act, 1956 in respect of production / inventories

a) Sales, Opening Stock and Closing Stock of Finished Goods.

(Rs. in Lacs)

	SALES		OPENING STOCK		CLOSING STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
Processing (Sq. Mtrs.)	263571	2825.78	1427	49.85	1059	35.40
	(253704)	(3086.87)	(1366)	(22.72)	(1427)	(49.85)
Float Glass (Tons)	139620	24140.01	-	-	12665	2119.00
	(-)	(-)	(-)	(-)	(-)	(-)
TOTAL	-	26965.79	-	49.85	-	2154.40
	(-)	(3086.87)	(-)	(22.72)	(-)	(49.85)

Note: The Sales quantity is as per the invoices raised on parties. In respect of Sales of Insulated Glass for Processing Division, two or more pieces are combined, the size billed is of single piece only.

Figures in bracket denote previous year figures

SCHEDULES

 ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

SCHEDULE 22 : (Contd.)

b) Raw Materials Consumed

		(Rs.)	
		Quantity (Sq.Mtrs)	Value
GLASS	Current Year	4,08,973	1,856.54
	Previous Year	(3,66,542)	(1575.88)

c) Information Relating to Licensed Capacity and Production

	As at 31.3.2011	As at 31.3.2010
Insulating Glass		
Licensed Capacity in Sq. Mtrs.	495000	495000
Installed # Capacity in Sq.Mtrs.	495000	495000
*Actual Production in Sq. Mtrs.		
Tempering Glass		
Licensed Capacity in Sq	630000	630000
Installed # Capacity in Sq.Mtrs.	630000	630000
*Actual Production in Sq.Mtrs.		
Laminated Glass		
Licensed Capacity in Sq	600000	600000
Installed # Capacity in Sq.Mtrs.	600000	600000
*Actual Production in Sq.Mtrs.		
Float Glass		
Licensed Capacity in Tons	200750	Nil
Installed # Capacity in Tons	200750	Nil
Actual Production in Tons	152285	Nil

* The above three products viz. Insulating Glass, Tempering Glass and Laminated Glass involve independent as well as interlinked processes. These involve combination of different sizes of glass and processes. Hence, the exact quantity of production of each category cannot be ascertained and is not comparable with either the sales quantities or the quantities in stock.

As certified by the Management and being a technical matter accepted by the Auditors as correct

d) Sales, Opening Stock and Closing Stock of Traded Finished Goods

A. PROCESSING DIVISION

	(Rs. in Lacs)					
	SALES		OPENING STOCK		CLOSING STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
Glass	-	-	-	-	-	-
	(-)	(-)	(39,222)	(118.05)	(-)	(-)

a. Figures in brackets pertain to previous year and the quantities are expressed in terms of square metres.

B. FLOAT DIVISION

	(Rs. in Lacs)					
	SALES		OPENING STOCK		CLOSING STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
Glass	367	80.32	126	36.24	63	22.74
	(2711)	(590.89)	(-)	(-)	(126)	(36.24)

a. Figures in brackets pertain to previous year and the quantities are expressed in terms of metric ton.

SCHEDULES ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

SCHEDULE 22 : (Contd.)

C. SEZAL ENCASA

(Rs. in Lacs)

	SALES		OPENING STOCK		CLOSING STOCK	
	Qty.	Value	Qty.	Value	Qty.	Value
Art & Artifacts (Nos.)	1468	23.65	6184	49.98	2165	36.38
	(3654)	(47.23)	(6498)	(46.61)	(6184)	(49.98)
Decorative Lights (Nos.)	10841	112.40	15006	92.07	10371	79.15
	(14195)	(109.61)	(9987)	(90.24)	(15006)	(142.24)
Glass	-	6.27	-	28.53	-	18.11
(Sq.Ft./Sq.Mtrs./ Nos.)	(-)	(67.24)	(-)	(-)	(-)	(28.53)
Premium Tiles	38958	134.60	16739	37.04	21027	77.18
(Boxes & Nos)	(130164)	(183.00)	(8307)	(21.77)	(16739)	(37.04)
Sanitary Ware (Nos.)	27638	503.39	3825	111.70	6144	143.13
	(26021)	(399.32)	(2130)	(99.73)	(3825)	(111.70)
Furniture (Nos.)	5205	141.02	-	-	766	24.1
	(-)	(-)	(-)	(-)	(-)	(-)
Other	2238	87.36	223	7.60	171	2.17
	(440)	(16.17)	(44)	(0.50)	(223)	(7.60)
TOTAL	-	1008.70	-	298.39	-	362.10
	(-)	(755.33)	(-)	(258.85)	(-)	(298.39)

Value Of Raw Materials Consumed :

Processing plant –

(Rs.)

	FY 2010-11		FY 2009-10	
	%	Value	%	Value
(Includes Consumable stores)				
Imported	49.40	9,14,76,188	54.76	8,12,57,373
Indigenous	50.60	9,37,15,235	45.24	6,71,18,601
TOTAL	100.00	18,51,91,423	100.00	14,83,75,974

Float Glass Plant –

(Rs.)

	FY 2010-11		FY 2009-10	
	%	Value	%	Value
(Includes Consumable stores)				
Imported	1.01	1,59,66,831	-	-
Indigenous	98.99	1,69,10,64,805	-	-
TOTAL	100.00	1,70,10,31,636	-	-

SCHEDULES

 ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

SCHEDULE 22 : (Contd.)

	Year ended 2010-11	Year ended 2009-10
8. CIF value of Imports		(Rs.)
Consumable Spares	18,12,227	48,92,344
Raw Material	9,48,60,804	8,26,88,092
Machinery Purchased	170161351	67,59,71,890
9. Expenditure in Foreign Currency		
Travelling Expenses	7,04,506	3,84,755
Repairs & Maintenance	Nil	17,11,283
Loss due to Exchange Rate Fluctuation	1,51,45,498	1,04,08,047
Bank Charges	Nil	9,823
Interest on FCNR Loans	13,28,864	86,79,531
Professional/Consultancy fees and expenses (capitalized)	50,02,681	64,07,946
Advances written off	Nil	177,988
10. Earnings in Foreign Currency		
F.O.B value of Sales	13,13,39,591	8,31,824
Gain due to Exchange Rate Fluctuation	47,48,910	83,96,379
Commission received	Nil	10,47,849

11. Segment Reporting :

Segment wise Revenue, Results and Capital employed for the year ended March 31, 2011

a) Primary Segment: Business Segment

	(Rs. in Lacs)				
	Processing	Retail	Float	Total	
Revenue					
Sales and other Income	2010-11	2,961.60	1,008.70	24,308.91	28,279.22
	2009-10	3,673.27	822.59	621.43	5,117.29
Segment Result	2010-11	(156.73)	(260.44)	(2,530.70)	(2,947.87)
	2009-10	449.32	(97.60)	65.46	417.18
Interest Expense	2010-11	209.11	22.83	6,441.88	6,673.82
	2009-10	280.83	38.18	-	319.02
Income Taxes	2010-11	-	-	-	3,231.61
	2009-10	(121.18)	-	-	(121.18)
Net Profit	2010-11	(391.08)	(285.03)	(8,995.39)	(6,439.87)
	2009-10	289.65	-135.78	65.46	219.33
Segment Assets	2010-11	14,200.95	10,494.42	65,552.47	90,247.84
	2009-10	6,342.28	1,812.01	60,563.59	68,717.89
Unallocable Corporate Assets	2010-11	-	-	-	3,122.03
	2009-10	-	-	-	-
Total Assets	2010-11	14,200.95	10,494.42	65,552.47	90,247.84
	2009-10	6,342.28	1,812.01	60,563.59	68,717.89
Segment Liabilities	2010-11	14,200.95	10,494.42	65,552.47	90,247.84
	2009-10	6,342.28	1,812.01	60,563.59	68,717.89
Unallocable Corporate Liabilities	2010-11	-	-	-	-
	2009-10	(97.00)	-	-	(97.00)
Total Liabilities	2010-11	14,200.95	10,494.42	65,552.47	90,247.84
	2009-10	6,342.28	1,812.01	60,563.59	68,717.89
Capital Expenditure	2010-11	80.72	42.34	62,637.72	62,760.78
	2009-10	20.51	11.96	58,255.16	58,287.63
Depreciation	2010-11	188.64	35.91	3,784.50	4,009.05
	2009-10	225.26	32.92	7.13	265.32
Non Cash Expenses other than Depreciation	2010-11	-	-	-	-
	2009-10	-	-	-	-

SCHEDULES ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

SCHEDULE 22 : (Contd.)

The company has considered two Business Segments.

- (a) The Company is engaged in the business of Manufacturing of Float Glass and Processing of Glass, and also carries on retail sale activity, which is considered as primary business segment of the company in the context of Accounting Standard 17 issued by the Institute of Chartered Accountants of India.
- (b) The secondary segments are 'Domestic markets' and 'Export markets'. Since the export market revenue, is less than 10% of the total sales revenue, the same has not been disclosed for the purpose of secondary segment reporting.

12. Capitalisation of Borrowing Costs:

	(Rs.)	
	31.03.2011	31.03.2010
The Company has capitalized following expenses during the year :		
a. Interest on Term Loans and Deposits	4,35,75,059	39,23,58,460
b. Bank charges and commission	8,06,898	1,75,10,877

13. (a) Advances recoverable in cash or kind include:

	(Rs.)	
	31.03.2011	31.03.2010
i) Claims against a company under the same management	1,10,23,661	1,10,23,661
ii) Interest free deposit with a dealer	40,50,000	40,50,000
iii) Difference in the Control a/cs and Subsidiary ledger accounts	33,65,823	Nil

	(Rs.)	
	31.03.2011	31.03.2010
13. (b) Advances given to suppliers include amount due from M/s Lisec Middle East FZE towards cost of imported machinery returned to them during the previous years.	3,72,01,978	3,72,01,978

14. Managerial Remuneration

	(Rs.)	
	31.03.2011	31.03.2010
A REMUNERATION PAID TO THE WHOLETIME DIRECTORS:		
a) Salary & Allowances	1,38,00,000	81,00,000
b) Contribution to Provident Fund & Other Funds	Nil	Nil
TOTAL	1,38,00,000	81,00,000

Note : Of the above Rs. 1,025,000/- (P.Y.61,50,000/-) have been allocated to Float Glass Project as pre-operative expenses

SCHEDULES ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

SCHEDULE 22 : (Contd.)

14. Managerial Remuneration (Contd.)

	(Rs.)	
	31.03.2011	31.03.2010
B COMPUTATION OF NET PROFIT UNDER SECTION 198 OF THE COMPANIES ACT, 1956.		
Profit before Taxation as per Profit & Loss A/c	(96,21,68,709)	1,31,52,845
Add : Depreciation as per accounts	40,09,05,287	2,65,32,424
Managerial Remuneration	1,38,00,000	81,00,000
Loss on sale of Assets as per accounts	-	1,15,69,946
	(54,74,63,422)	5,93,55,215
Less : Depreciation calculated under section 350 of the Companies Act, 1956	40,09,05,287	2,65,32,424
Loss on Sales of Assets as per Section 349 of the Companies Act, 1956 -	-	1,15,69,946
Net Profit in terms of Section 198 of Companies Act, 1956	(94,83,68,709)	2,12,52,845
Maximum Remuneration payable to Wholetime Directors @ 10% of Net Profit as computed above as per the Companies Act, 1956	-	21,25,285
Managerial Remuneration paid to Wholetime Directors	1,38,00,000	81,00,000
In view of the inadequacy of profits, the remuneration has been paid as a minimum remuneration in terms of the provisions of Schedule XIII to the Companies Act, 1956.		

15. Auditor's remuneration:

	(Rs.)	
	31.03.2011	31.03.2010
Statutory Audit	7,50,000	5,00,000
Tax Audit	1,20,000	Nil
Certification Charges	2,58,333	73,090
Certification Charges- Capitalized on Float Glass Project	Nil	2,16,887

16. Deferred Tax liability :

Provision for deferred tax liability is arrived at on the timing differences at the tax rates as applicable for the current financial year, after setting off rebate of 30% available u/s 80IB. Management feels there is a virtual certainty to earn sufficient profits in the near future to cover the deferred tax asset created as under.

Components of Deferred tax

		(Rs.)	
Nature of Timing Differences	Deferred Tax Liability as at April 1,2010	Charge/(Credit) For the Current Year	Deferred Tax Liability as at March 31,2011
A DEFERRED TAX LIABILITIES			
Difference between book and tax depreciation	4,79,73,188	39,50,65,249	44,63,56,496
Total Deferred Tax Liability A	4,79,73,188	39,50,65,249	44,63,56,496
B DEFERRED TAX ASSETS			
Disallowance u/s 43B and 40a	56,98,215	(29,72,849)	(27,25,365)
Employee Benefits	2,17,158	4,04,256	6,21,415
Carried Forward Loss	3,27,49,300	72,07,95,524	75,35,44,824
MAT Credit	16,68,068	0	16,68,068
Total Deferred Tax Asset B	4,03,32,740	71,82,26,931	75,85,59,671
Deferred Tax Liability (Net) A-B	1,09,58,507	(32,31,61,682)	(31,22,03,175)

SCHEDULES ATTACHED TO & FORMING PART OF THE
BALANCE SHEET & PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Contd.)

SCHEDULE 22 : (Contd.)

17. Earnings Per Share

Particulars	(Rs.)	
	31.03.2011	31.03.2010
Profit after tax as per Profit & Loss Account	(96,21,68,709)	2,19,33,139
Add : Extra Ordinary Item (Net of Tax)	-	84,06,534
Profit after tax as per Profit & Loss Account before Extra Ordinary and Exceptional Items	(96,21,68,709)	3,03,39,673
Weighted average of equity shares of Re.1/- each outstanding during the year (Previous year equity shares of Rs. 10/- each)		
Basic	28,85,13,698	2,81,33,699
Diluted	29,89,94,863	2,83,04,787
Earnings per share		
Basic	(-)	0.78
Diluted	(-)	0.77
Earnings per share before extra ordinary item (Net of tax)		
Basic	(-)	1.08
Dilutive	(-)	1.07

18. Balances of sundry debtors, advances and sundry creditors are subject to receipt of balance Confirmation letters.

19. The details of amounts due to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006, as per the information available with the company.

Nil Nil

20. Previous year's figures have been regrouped / re-arranged wherever necessary to conform with the current year's classification.

As per our report of even date attached
For **S S PURANIK & ASSOCIATES**
Chartered Accountants
FRN : 127731W
Shripad S Puranik
Partner
Membership No. 030670
Place : Mumbai
Date : May 27, 2011

For and on behalf of Board

Amrrut S. Gada
Chairman and Managing Director

Dhirraj S. Gada
Joint Managing Director

Ashwin S. Shetty
G.M. Compliance, Company Secretary

Book-Post

If undelivered, please return to:

SEZAL GLASS LTD.

201/202, Abhilasha, 2nd floor

S. V. Road, Kandivali (West)

Mumbai - 400 067.