

SEJAL GLASS LTD.

Notice

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of SEJAL GLASS LIMITED (CIN:L26100MH1998PLC117437) will be held on Tuesday, September 30, 2014 at 12.00 Noon, at 173/174, Sejal Encasa, 6th Floor, S.V. Road, Kandivali (West), Mumbai - 400 067 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2014, and the Statement of Profit and Loss Account of the Company for the year ended on that date, and the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Praful Bhanji Nisar (DIN: 00377241) who retires by rotation, and being eligible, seeks reappointment as non-retiring Independent Director.
3. To appoint consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT M/s. S.S. Puranik & Associates, Chartered Accountants (ICAI Firm Registration No. 127731W), the retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS :

4. 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 Section 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Rengarajan Ramaswamy (DIN: 03332983) an Independent Director and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years up to the

conclusion of the 21st AGM of the Company."

5. To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152, 161 and any other applicable provisions of the Companies Act, 2013 and any rules made thereunder read with Schedule IV to the Act, Mr. Praful Nisar who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. February 14, 2014 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Mr. Praful Nisar for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company, not be liable to retire by rotation, to hold office for a term of 5 (five) consecutive years up to the conclusion of the 21st AGM of the Company."

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 Section 152 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013, the approval of the Company be and is hereby accorded to vary the terms of appointment of Mr. Amrut S. Gada (DIN: 00163290) Chairman & Managing Director, by making his office liable to retire by rotation."

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 Section 152 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013, the approval of the Company be and is hereby accorded to vary the terms of appointment of Mr. Mitesh K. Gada (DIN: 00148934) Executive Director, by making his office liable to retire by rotation."

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

Notice (Contd.)

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Mr. V. V. & Associates, Cost Accountant in Practice, appointed by the Board of Directors of the Company, to conduct the audit of the Cost records of the Company for the financial year ending March 31, 2015 be paid the remuneration of Rs. 80,000/- per annum plus out of pocket expenses at actuals.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

"RESOLVED THAT in supersession of the Ordinary Resolution passed at the Annual General Meeting of the shareholders of the Company held on September 15, 2009 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby accords its consent to the Board of Directors for borrowing any sums of money from time to time from any one or more persons, firms, bodies corporate, or financial institutions whether by way of cash credit, advance or deposits, loans or bill discounting or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties whether movable or stock-in trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress or all or any of the undertakings of the Company notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, but, so, however, that the total amount up to which the monies may be borrowed by the Board of

Directors and outstanding at any time shall not exceed the sum of Rs. 750 crores (Rupees Seven Hundred And Fifty Crores Only)."

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

"RESOLVED THAT in supersession of the Ordinary Resolution passed at the Extra-ordinary General Meeting of the shareholders of the Company held on September 15, 2009 and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the shareholders of the Company be and is hereby accorded for creation by the Board of Directors on behalf of the Company, of such mortgages/ charges/ hypothecation and floating charges (in addition to the existing mortgages / charges/hypothecation created by the Company in favour of the lenders) in such form and in such manner as may be agreed to between the Board of Directors and the lenders, on all or any of the present and future immovable and / or movable properties of the Company wherever situated, of every nature and kind whatsoever to secure any Indian Rupee or foreign currency loans, Debentures, advances and all other moneys payable by the Company to the lenders concerned, subject, however, to an overall limit of Rs. 750 crores (Rupees Seven Hundred & Fifty Crores only) of loans or advances already obtained or to be obtained from, in any form including by way of subscription to debentures issued or to be issued by the Company to, any financial institution, bank, body corporate, company, insurer or to the general public."

Registered Office:

By order of the Board
173/174, 3rd Floor, Sejal Encasa,
Opp. Bata Showroom
S. V. Road, Kandivali (West)
Mumbai - 400067.
Date: August 14, 2014

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

Notice (Contd.)

NOTES

1. The Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 relating to special business is annexed hereto.
2. 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.
3. Register of Members and Transfer Books will remain closed from Monday, 22nd September, 2014 to Tuesday, 30th September, 2014 (both days inclusive).
4. Members of the Company who have not encashed their dividend for the earlier years are requested to lodge their claims with the Company. Members may note that dividends which remain unclaimed for a period of seven years from the date of transfer to the Company's Unpaid dividend account, will, as per Section 205 A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.
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. Electronic copy of the Annual Report for the financial period ended 31.03.2014 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report is being sent in the permitted mode.
10. The Annual Report 2013-14 of the Company circulated to the members of the Company will be made available on the Company's website at www.sejalglass.co.in and also on the website of the respective stock exchanges at www.nseindia.com and www.bseindia.com.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
12. As per the provisions of clause 49 of the Listing Agreement, particulars of Directors to be appointed / re-appointed at the 16th Annual General Meeting are given separately in the notice.
13. Notice of Annual General Meeting will be sent to those shareholders/beneficial owners whose name will appear in the register of members/list of beneficiaries received from the depositories as on 05th day of September, 2014.
14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to provide members facility to exercise their votes at the 16th AGM by electronic means and the business may be transacted through e-voting as per instructions below:

Date and time of commencement of voting through electronic means: September 25, 2014 at 10.00 a. m.

Notice (Contd.)

- Date and time of end of voting through electronic means beyond which voting will not be allowed: September 26, 2014 at 6.00 p.m.
- Details of Website: www.evotingindia.com
- Instructions for e-voting are given here Annexure to the Notice
- Details of Scrutinizer: M. G. KALELKAR & ASSOCIATES, Company Secretaries (FCS No. 3854 CP No. 1877)

The e-voting module shall be disabled after 6.00 p.m. on September 26, 2014. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date (record date) as on September 19, 2014.

M. G. Kalelkar & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sejalglass.co.in and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company.

Registered Office:

By order of the Board
173/174, 3rd Floor, Sejal Encasa,
Opp. Bata Showroom
S. V. Road, Kandivali (West)
Mumbai - 400067.
Date: August 14, 2014

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

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Mr. Rengarajan Ramaswamy is a non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in November, 2010. Mr. Rengarajan is Chairman of the Audit Committee, Nomination and Remuneration Committee and Shareholders'/Investor Grievance Committee, of the Board of Directors of the Company.

Mr. Rengarajan is a retired RBI officer, with a vast experience in the field of administration & training.

Mr. Rengarajan is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Rengarajan is proposed to be appointed as an Independent Director of the Company for five consecutive years for a term up to 31st March, 2019. A notice has been received from a member proposing Mr. Rengarajan as a candidate for the office of Director of the Company.

The Board considers that his continual association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Rengarajan as an independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Rengarajan as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Rengarajan, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution except and to the extent they are member of the Company.

ITEM NO. 5

The Board of Directors had appointed Mr. Praful Nisar as a Director of the Company w.e.f. February 14, 2014 pursuant to Section 161 of the Companies Act, 2013. His term of office shall not be liable to determination by retirement of directors by rotation.

Mr. Praful Nisar is having vast experience in the field of manufacturing & trading activities. Mr. Nisar is the member of the Audit Committee, Nomination and Remuneration Committee and Shareholders'/Investor Grievance

Notice (Contd.)

Committee, of the Board of Directors of the Company.

Mr. Praful Nisar is a Director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Praful Nisar is proposed to be appointed as an Independent Director of the Company for five consecutive years for a term up to 31st March, 2019. A notice has been received from a member proposing Mr. Praful Nisar as a candidate for the office of Director of the Company.

The Board considers that his continual association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Praful Nisar as an independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Praful Nisar as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Praful Nisar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution except and to the extent they are member of the Company.

ITEM NOS. 6 & 7

Mr. Amrut S. Gada, was, by way of a resolution passed at the Annual General Meeting of the Company held on September 30, 2011, re-appointed as Chairman & Managing Director of the company with effect from April 01, 2011 for a period of 5 (five) years ending on March 31, 2016 and as per the terms of such appointment, was not liable to retire by rotation.

Mr. Mitesh K. Gada, was, by way of a resolution passed at the Annual General Meeting of the Company held on September 29, 2012, re-appointed as Executive Director of the Company with effect from October 01, 2012 for a period of 5 (five) years ending on September 30, 2017 and as per the terms of such appointment, was not liable to retire by rotation.

The provisions of the Companies Act, 2013 including provisions in relation to appointment of directors have been notified with effect from 1 April 2014. In accordance with Section 152(6) of the Companies Act, 2013, the period of office of at least two-third Directors of the Company shall liable to determination by retirement by rotation. Since the provisions of Section 152(6) are not applicable

to Independent Directors, to ensure compliance with the provisions of Section 152(6), it is proposed that the terms of appointment of Mr. Amrut S. Gada and Mr. Mitesh K. Gada be amended to provide that they shall be liable to retire by rotation at the Annual General Meeting of the Company as per the provisions of Section 152(6) of the Companies Act, 2013. The other terms and conditions of their appointment including remuneration approved shall remain unchanged.

Mr. Amrut S. Gada and Mr. Mitesh K. Gada are interested in the resolutions set out respectively at Item Nos. 6 & 7 of the Notice with regard to their respective appointments.

ITEM NO. 8:

The Board, on the recommendations of the Audit Committee, has approved the appointment of the Cost Auditors, M/s. V.V & Associates at a remuneration of Rs. 80,000/- (Rupees Eighty Thousand) per annum plus out of pocket expenses, at actuals, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015.

In accordance with the provisions of the Section 148 of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors/Key Managerial Personnel/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set forth in the Item No. 8 of the Notice for approval of the members.

ITEM NO. 9:

The members of the Company at their Annual General Meeting held on September 15, 2009 had approved by way of an Ordinary Resolution under Section 293(1)(d) read with Section 293 (1)(a) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 750 Crores (Rupees seven hundred & fifty crores) and for creation of mortgages/charge/hypothecation on all present and future properties of the

Company in favour of lenders upto a limit of Rs. 750 crores (Rupees seven hundred & fifty crores).

Section 180 of the Companies Act, 2013 effective from September 12, 2013 requires that consent of the company accorded by way of a special resolution is required to borrow money in excess of the company's paid up share capital and free reserves. Further, as per the clarification issued by the Ministry of Corporate Affairs approval granted by the shareholders by way of an ordinary resolution shall be valid for one year from the date Section 180 became effective. Thus, the approval granted by members is valid up to 11th September, 2014.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) read with Section 180 (1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 9 and 10 of the Notice. The Board recommends these resolutions for approval by the members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 9 and 10.

Registered Office:

By order of the Board
173/174, 3rd Floor, Sejal Encasa,
Opp. Bata Showroom
S. V. Road, Kandivali (West)
Mumbai - 400067.

Date: August 14, 2014

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

THIS COMMUNICATION FORMS INTERNAL PART OF THE NOTICE OF 16TH ANNUAL GENERAL MEETING OF SEJAL GLASS LIMITED

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "SEJAL GLASS LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:'

For Members holding shares in Demat Form and Physical Form

PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on September 19, 2014 in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <SEJAL GLASS LIMITED> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Notice (Contd.)

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk. evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on <September 25, 2014 at 10.00 a.m.> and ends on <September 26, 2014 at 6.00 p.m.>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <September 19, 2014>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

Profile of Directors being reappointed as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

Particulars	Mr. Praful B. Nisar	Mr. R. Rengarajan
Date of Birth	January 28, 1970	September 03, 1944
Date of Appointment	February 14, 2014	November 13, 2010
Qualification	Graduate	MA (Economics),
Expertise in Specific functional areas	Industrialist	Banking, Risk Management, Structuring & Designing of Training Courses.
Other Directorships held	1. Bhanu Cosmetics Packaging Private Limited 2. Tiyanor Pharma Private Limited 3. Pladel Infrastructure Private Limited	NIL
Membership of Committees	NIL	NIL
No. of Shares held	NIL	NIL



SEJAL GLASS LIMITED

Registered Office: 173/174, 3rd Floor, Sejal Encasa, Opp. Bata Showroom S. V. Road, Kandivali (West), Mumbai-400067.

Attendance Slip

I hereby record my presence at the Sixteenth Annual General Meeting of the Company at
Plot No. 173174, Sejal Encasa, 6th Floor, S.V. Rd, Kandivali, Mumbai - 400 067 on Tuesday, September 30, 2014 at 12.00 Noon

I hereby record my presence at the Sixteenth Annual General Meeting of the Company at 173/174, Sejal Encasa, 6th Floor,
S.V. Rd, Kandivali, M-67 on Tuesday, September 30, 2014 at 12.00 noon

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 Sixteenth 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.



SEJAL GLASS LIMITED

Registered Office: 173/174, 3rd Floor, Sejal Encasa, Opp. Bata Showroom 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 of.....or failing to him/her.....
.....of.....in the District of.....
.....as my/our proxy/proxies to vote for me/us on my/our behalf at the Sixteenth Annual General
Meeting of the Company to be held at 173/174, Sejal Encasa, 6th Floor, S.V. Rd, Kandivali, Mumbai - 400 067 on Tuesday,
September 30, 2014 at 12.00 noon and at any adjournment thereof.

Signed this.....day of.....2014

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.



SEJAL GLASS LTD. 2013-14


**SIXTEENTH
ANNUAL REPORT**

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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*“If there is no
struggle, there
is no progress.”*

- Frederick Douglass



Who we are?

OUR GENESIS

- Our promoters were associated with the glass trading business for over two decades in their individual capacities, before incorporating Sejal Glass in 1998
- Sejal Glass commenced operations as a glass processor and established its credentials as a leading player in the niche segment since then
- Extended into retailing of home and office interiors with Sejal Encasa
- Embarked on an ambitious float glass project; went public in 2007 to raise funds; and successfully established a state of the art float glass plant in 2010; later sold off the same to Saint-Gobain Glass India Limited.



OUR KEY STRENGTHS

- A team of highly motivated and experienced employees led by Mr. Amrut S. Gada, a first generation entrepreneur, and presently the Chairman & Managing Director of the Company
- Pan-India network of dealers – deep-rooted business relations and brand awareness
- Proximity to the major markets (western and northern India)
 - Headquartered in Mumbai, Maharashtra
 - A world class Glass processing unit located in Silvassa, Union Territory
- Retail footprint, ensures valuable customer insights
 - Sejal Encasa showroom located in Mumbai, Maharashtra

Well-established product range and brand recall among architects, interior designers and builders

Processed glass

- Kool Glass
- Tone Glass

Solid Glass

- Armour Glass
- Firebaan Glass

Lunaro Glass

- Fresca
- Eco series

Fort Glass

Bath accessories

- Oyster



OPERATIONAL HIGHLIGHTS

- Consolidated non-core operations
- Continuous optimisation of capacities led to improved utilisation
- Reshaped the organisation structure to focus on core and future business opportunities
- Cost rationalisation measures across operations
- Continued thrust on dealer-level marketing

FINANCIAL HIGHLIGHTS

- The company's operational revenues increased from Rs. 62.68 cr in 2012-13 to Rs. 126.37 cr in 2013-14
- Total revenues increased by 85% from Rs. 74.27 cr in 2012-13 to Rs. 137.00 cr in 2013-14
- EBIDTA stood at Rs. 4.07 cr in 2013-14 against Rs. 11.1 cr in 2012-13
- Net losses stood at Rs. 18.76 cr in 2013-14 as against Rs. 16.00 cr in 2012-13.

Key highlights of 2013-14

FIVE YEAR FINANCIAL PERFORMANCE TABLE

	(₹ in Million)				
Financial Performance	2013-14	2012-13	2011-12	2010-11	2009-10
PROFIT & LOSS ACCOUNT					
Gross Sales	1263.68	626.77	448.61	2796.26	448.97
Total Income	1370.03	742.78	534.56	2941.92	511.73
Depreciation	24.59	24.45	23.43	400.91	26.53
Interest	88.22	81.05	17.34	667.38	38.05
Profit Before Taxation	-102.59	-89.75	-5.71	-962.17	13.15
Profit After Taxation	-102.59	-160	-526.41	-639.01	25.27
Earnings Per Share	-	-	-	-	0.78
BALANCE SHEET					
Fixed Assets	835.87	915.53	1530.23	8403.43	6681.63
Investments and Non Current Assets	879.07	867.35	422.36	0.89	0.6
Net Current Assets	-248.85	-48.96	391.49	370.95	110.16
Net Deferred Tax Asset	224.2	224.2	293.54	312.2	-
Loan Funds	161.73	238.45	323.65	6236.15	5175.51
Provisions	4.68	3.53	3.16	-	10.96
Profit & Loss A/c	-	-	-	549.81	-
Net Worth	1523.87	1716.14	2310.81	3401.15	1605.92
Share Capital	335.5	335.5	335.5	335.5	288
Share Warrant / Share	-	-	-	14.5	42
Application Money	-				
Reserve and Surplus	1188.37	1380.64	1975.31	3051.15	1275.92
Net Worth	1523.87	1716.14	2310.81	3401.15	1605.92

Vision

It is this vision of the Sejal Group to create a brand image for Sejal 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.



Chairman's overview

Like every tough year, 2013-14 made us tougher. We strived harder to protect our margins despite rising costs. We continued to crystallise our business focus. We continued to streamline our processing operations to improve economies and efficiencies. We continued to harness the entrepreneurial spirit to foray into newer segments, thereby laying a foundation for our future growth. We also continued to consolidate our product pipeline to focus on improving margins in existing products and limiting the value erosion. The impact of these initiatives, even though remained subdued in the past year, should start translating into improved operational performance from the current financial year onwards.

Tough times are great teachers. With the company currently at a crucial stage, our priority was to 'think afresh'. In the past two years, we have silently yet surely have been reshaping the future of the company post our exit from the float glass business. Since float glass was our flagship project, the aftermath



of its exit led to a vacuum which remains significant for us. Therefore it was important for us to think through our next project, which should be in-line with our experience in glass as well as lead our company to newer horizons of growth. Being a leading company in glass processing industry, we chose to rework on harnessing our strengths, vision and improving the profitability in our core business. We chose to consolidate our focus, by exiting non-remunerative markets and limiting low margin businesses. With the economic sentiment being weak during the year

under review, there were no significant developments in the sector. Therefore we utilized this lean time to improve our understanding on the business and more importantly, ascertain its potential to offer sustained growth.

2014-15 WILL BE A CRUCIAL YEAR FOR US.

The foundation that we strived to build over the past more than a decade have now attained rock solid strength. Our deep-rooted customer relationships, coupled with our marketing initiatives and best-in-class product quality across our segments of presence makes us confident of shaping sustainable growth going forward. Our confidence also emanates from the ability of our employees and is further fortified by the trust of our stakeholders – investors, bankers, clients, employees, vendors and communities in and around our locations of presence. We would like to extend a heartfelt appreciation of your support.


Amrut S. Gada

Chairman & Managing Director

Management Discussion & Analysis

2013 was a year of recovery for the global economy. With the struggle persisting in developed markets (the Eurozone in recession for much of the year) and living standards in most of the developed world still below their 2007 peak.





Growth in China, at
7.5%
was it's the slowest
for 23 years

ECONOMIC OVERVIEW

Global

2013 was a year of recovery for the global economy. With the struggle persisting in developed markets (the Eurozone in recession for much of the year) and living standards in most of the developed world still below their 2007 peak. 2013-14 witnessed two great stories in the world economy: the structural shift from the developed world towards the emerging world; and the cyclical climb out of a recession. The first continued in first half of the financial year, but at a slightly slower pace than before. Growth in China, at 7.5 per cent, was it's the slowest for 23 years. Things also slowed in India, to a little below 5 per cent, far slow when compared to the past eight years. Africa, encouragingly, grew by more than 5 per cent.

As for the second story, in the developed world what had started as an uneven and patchy recovery began to strengthen. The US, despite having to cope with feuding over its budget, seems to have sped up. It has been creating jobs and its housing market improved sharply. In Europe there was a better story too, though an uneven one. The north, led by Germany, had a solid year, reducing unemployment and boosting living standards. Across the Mediterranean the pattern was more disappointing, with Italy, Spain, Portugal and Greece all enduring a year of rising unemployment. However, the numbers have started to improve. Europe and the euro are not out of trouble, but the acute phase of their difficulties may be past. 2014-15 expects to deliver which much better and more balanced growth than any year since 2007.

Indian

Just when the Indian economy couldn't get any lower in terms of performances,

2013-14 is expected to breach the 5.5 per cent mark to reach near 5 per cent; its lowest in the past decade. The uneven political climate led to stagnant economical scenario – thereby leading to lower infusion of investments in to infrastructure and core industries – also leading to lower capex and less job creation. The inflation remained on the higher side, thereby reducing the disposable income and leading to lower consumer spends. The banking system in India continued to grapple with rising delinquencies and higher scrutiny from the regulators. The process for new licenses was set into the motion, with the onset of the new Governor. The rates were increased a couple of times to counter the rising inflation, thereby leading to turning off the tap to bare minimum when it came to funding at competitive rates by the banks. The core industries and the infrastructure sectors witnessed lower traction in terms of activity, thereby leading to lukewarm economic activity across key states.

REAL ESTATE INDUSTRY OVERVIEW

The Indian real estate and construction industry is an integral part of the economy and is responsible for a considerable part of its development investment. The industry plays an important role in the development of the country's infrastructure base and is one of the largest generators of economic activity. The construction sector has strong linkages with various industries such as cement, steel, chemicals, paints, tiles, fixtures and fittings, etc. The real estate sector is an important component of the construction industry and serves as a propeller for private sector involvement in growth of the country's built environment.

The real estate sector has a total supply

pipeline of close to 3.6 billion sq ft lined up for completion in the year 2013. The total economic footprint generated by the construction of this real estate pipeline can be gauged from the fact that it will require a total investment of about INR 254,000 crores, will help generate revenues worth INR 370,000 crores, and provide employment to about 7.6 million people across the country. The total contribution of the real estate sector (incorporating the sub-sectors highlighted in the report) in the gross domestic product of the country has been estimated to be about 6.3% in 2013.

Long term prospects appear highly positive for the sector, with a potential increase in completed space from 3.6 billion sq ft in 2013 to about 8.2 billion sq ft in 2025. This will generate significant employment opportunities, with annual employment expected to increase from 7.6 million in 2013 to almost 17 million in 2025, thereby providing substantial socio-economic opportunities for growth in the country. Consequently, the contribution of the real estate sector to the economy is also expected to more than double from 6.3% in 2013 to almost 13% in 2025.

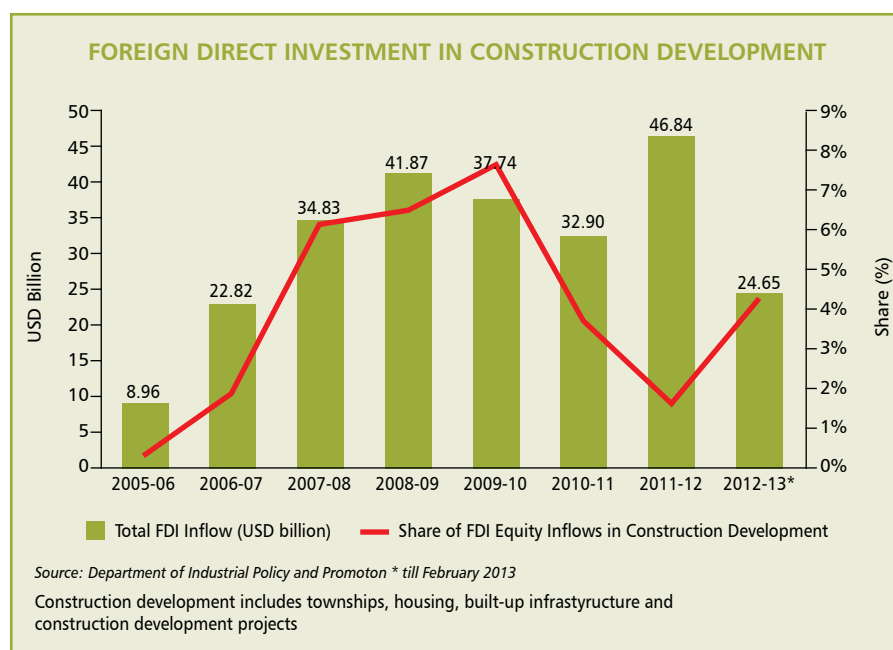
However, this projected expansion in the economic footprint of the sector is subject to an effective utilisation of the potential opportunities for growth and implementation of relevant policy measures to resolve bottlenecks bothering the sector.

FDI

The real estate and construction industry has been particularly enthusiastic about relaxed guidelines on foreign investment in sectors such as retail and low cost housing. While these reforms might have a moderate impact on the country's immediate growth prospects, the industry expects that in the long run, these steps will support in creating a positive sentiment amongst global investors for positioning India as a key investment destination.

The glass processing industry

The per capita per annum use of glass in India was only 0.55 kg, compared with 3.5



kg in China, 5.2 kg in Thailand, and a very high 14 kg in Japan in 2005. In 2006, it reached 0.69 kg and further increased to 0.76 kg in 2007. It is quite surprising that Indian per capita consumption of glass is lower than in many developing countries.

Key features of the industry

- To be usable, the float glass is required to be processed
- The processes not only improve the utility and life of glass but also make it more apt for intended end-use
- Being highly unorganized, the Indian glass processing industry is largely localized and comprise of smaller players
- Logistics and breakage costs rule the sourcing decisions of the customers and therefore, the glass processing units' proximity to the end user plays a key role

The opportunity

Most of the modern buildings in India's prime commercial complexes sport the same kind of exterior: glass. Besides the demand for interior facades, the changing architecture and aesthetic sense has created a strong market for reflective and thick glasses. Almost 80 million square feet of land in India is earmarked for shopping malls and the IT and ITES industry is throwing a new player every couple of weeks. Taking into consideration such aspects as climate, safety, and aesthetics, builders are opting for more glass in their constructions as it is more reliable than any other material when it comes to protection against natural and manmade disasters. In India, most glass usage is in its raw form, but processing has grown very fast in the recent past. Glass processing for automotive purposes has always existed in India. Recently, the architectural processing segment is the one that's growing more quickly. It is also predicted that there will be an excess capacity of processed glass.

Glass for greener and safer buildings

Glass is being designed into buildings in greater quantities, and being used more creatively than ever before. For most applications this is a relatively familiar and straight forward process with little consequence. Fire and glass don't usually mix, and incorrectly specified or installed fire rated glazing can have catastrophic effects on the safety and integrity of a building.

Fire Rated Glass is used particularly in compartmentation of a building. Doors and partitions are used to protect corridors and egress ways from flames and heat for fast and safe evacuation of a building or quick access to the source of a fire by emergency personnel.

One of the key design benefits of using Fire Rated Glass is to bring natural light into the heart of a building to enhance the environment and distinctive design features while maximising the safety of its inhabitants. This leads to the use of Fire Rated Glass in walls, floors, façades, doors and roofing systems all designed to isolate and contain a fire.

The challenge: Fragmented nature of the industry

It is no secret that the glass processing industry in India is very disorganized. Because of the fragmented nature of the industry, glass processors, wholesalers, glaziers, and all other participants are short-term driven. Almost no effort has been put into customer service, reducing costs, or systematically developing markets.

In 2010, the company signed a JV with CGI International for supplying fire rated glass in India. CGI International (CGII) is a leading manufacturer and supplier of specialist glasses to the glazing markets for supplying Fire rated glass product that is branded as 'Pyroguard'. This initiative has started finding growing demand in the Indian market.

Kinds of processes

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.

- Toughened glass
- Heat strengthened glass
- Insulated glass
- Laminated glass
- Decorative glass
- Fire resistant glass

COMPANY OVERVIEW

About the Company

Established in 1998 by members of Gada family led by Mr. Amrut S. Gada, a first generation entrepreneur, Sejal 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 – Sejal 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 one Sejal Encasa store in Mumbai.

Financial Highlights 2013-14

- The company's operational revenues increased from 62.68 cr in 2012-13 to Rs. 126.37 cr in 2013-14
- Total revenues increased by 85% from 74.27 cr in 2012-13 to Rs. 137.00 cr in 2013-14
- EBIDTA stood at Rs. 4.07 cr in 2013-14 against Rs. 11.1 cr in 2012-13
- Net losses stood at Rs. 18.76 cr in 2013-14 as against Rs. 16.00 cr in 2012-13

Major developments during the year

2013-14 was a challenging year at Sejal Glass. While the company focused on firming up its future plans and strategic direction, additional challenges such as capacity constraints, rising input prices and fiduciary challenges emerged. These challenges however led to a stronger company but more so resulted in momentary delays in corporate plans to materialize. However, the increase in sales despite the adverse economic sentiment was a welcome silver-lining, which turned the corporate focus back to the glass processing business in a big way. However, the company continued to take the challenges in its stride and move forward, albeit slowly.

New identity for a new future

During the year the company changed its name from "Sezal Glass Limited" to Sejal Glass Limited".

Glass processing business: in pursuit to create value

The company's processing operations are located in Silvassa, Dadra & Nagar Haveli. The company has its root firmly intact in the glass processing business. Indian economy, under the new era of governance is already showing promising signs of revival. Real estate component is also expected to lead the way in light of expected growth in job creation, infrastructure spends and efficient utilization of an aspirational demographic dividend. All these signs also point to the revival expected in glass processing business.

The company's proven strengths such as ability to offer diverse solutions, wider product range, strong brand and customer relationships – are going to play a key role in its resurgence going forward. The proximity of company's unit to the crème markets such as Mumbai, Pune and Gujarat bodes well for creating a fertile ground going forward.

During 2013-14 the company continued to sharpen its focus and presence in the segment by undertaking process, quality and cost improvement initiatives. The impact of the same though not visible in the short term, would lead to improved

margins going forward. The company also firmed up its expansion plans in the segment which will improve capacity and lead to better economies of scale for the company.

Located within a built-up area of 6,000 sqm, the unit offers more than 30 processes and solutions on glass; across stages – from pre-processing to processing to décor.

The unit houses machines and technology from globally renowned companies, like Lisec (Austria), Tamglass (Finland), Bystronic (Germany), Z. Bavelloni (Italy) and Intermac (Italy) and other European manufacturers. 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.

Décor

The company further expanded its product range by indigenously manufacturing and offering décor items like basins, artworks, mirrors, and other decorative glass showpieces. These products cater to the company's existing customer base and thereby



strengthen the company's proposition as a one-stop shop.

Retailing Division

During 2013-14, the retail division accounted for a considerable portion of the company's total revenues. Sejal's story has emerged from a retail store. Therefore retailing remains of emotional significance for the company, which incidentally made economic sense too. The company has a dedicated retail store for "home and living spaces" called Sejal Encasa, located in Mumbai. The stores offer a vast range of products comprising of 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, artifacts, or Glass and Glass Products – all under one roof. These stores offer a holistic and modern retail experience to the customers through wide range of products from high-end global luxury brands like Pergo Floors, Rak, Kohler Duravit, Roca, Artimiede, Dorma and Spyder.



SWOT ANALYSIS

Strengths

- Established credentials as a Value Addition glass processing company
- Gained valuable expertise as the first indigenous float glass manufacturer
- Qualified and expert team of professionals and management
- Continuous innovation and quality control
- Established reputation in niche retail and glass processing

Weakness

- Emerging from financial crisis

Opportunities

- The Indian real estate sector is poised for unprecedented growth owing to higher demand for younger and larger population
- Infrastructure development is expected to propel the demand in tier-1 cities like Mumbai, Delhi and Ahmedabad
- With improved liquidity, the company would be able to focus on its core business verticals much effectively

Threats

- Higher competition in segments of presence

HUMAN RESOURCES

The company has always endeavored to provide an environment that encourages talented professionals to perform to their fullest potential. The Company owes its success to its loyal and efficient human asset. The Company believes that, by effectively managing and developing human resources, it can achieve its vision. It imparts specialised and technical training to its employees at regular intervals, which enrich their knowledge, skill and competency to perform their job effectively and efficiently. This also encourages employees to shoulder more responsibilities and take part in the growth of the Company's business. The Human Resource strategies aim at attracting, developing and retaining talent pool in the Company. The industrial relations were also cordial during the period under review.

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 appointed 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,

Your Directors have pleasure in presenting their Sixteenth Annual Report, together with the Audited Accounts of the Company, for the year ended March 31, 2014 as follows:

FINANCIAL RESULTS

	(Amount in ₹)	
	Year 2013-14	Year 2012-13
I. Continuing Operations		
Sales and Operating Income	126,36,87,880	62,67,74,810
Other Income	10,63,48,140	1,16,00,8092
Total Income	137,00,36,020	74,27,82,902
Operating Expenditure	132,93,40,282	63,17,92,414
Profit Before Interest & Depreciation	4,06,95,738	11,09,90,488
Less : Interest	8,82,20,178	8,10,49,903
Less : Depreciation/amortization	2,45,85,443	2,44,44,004
Net Profit/(Loss) Before Tax and Exceptional Items	(7,21,09,883)	54,96,581
Loss on sale of Property & Provision for contingency	(11,36,87,809)	(10,22,67,961)
Prior period items	(17,96,069)	70,16,625
Net Profit/(Loss) Before Tax	(18,75,93,761)	(8,97,54,755)
Less : Current Tax	-	(9,08,531)
Less : Deferred Tax	-	(6,93,34,646)
Net Profit/(Loss) After Tax from continuing operations	(18,75,93,760)	(15,99,97,932)



Subsidiary Companies are not annexed to this Report. Members desiring to have a copy of Audited Annual Accounts and the related detailed information of the said subsidiaries may write to the Company Secretary at the registered office of the company and they will be provided with the same upon such a request. Annual Accounts of these subsidiary Companies will also be kept for inspection of the Members at the Registered office of the Company as well as at the Registered office of the Subsidiary Companies.

SHARE CAPITAL

During the year under review your Company's Authorized Share Capital remained unchanged at Rs. 60,00,00,000/- (Rupees Sixty Crores Only) comprising of 6,00,00,000 Equity Shares of Re. 10/- each.

During the year under review Issued, Subscribed and Paid up Share Capital of your Company also remained unchanged at Rs. 33,55,00,000/- (Rupees Thirty Three Crores Fifty Five Lacs Only) comprising of 3,35,50,000 Equity Shares of Re. 10/- each Equity Shares each.

DEPOSITORY SYSTEM

The trading in the equity shares of your Company is under compulsory dematerialization mode. As of date, equity shares representing 99.07% of the equity share capital are in dematerialized form. As the depository system offers numerous advantages, members are requested to take advantage of the same and avail of the facility of dematerialization of your Company's shares.

DIVIDEND

In view of the loss for the year and the accumulated losses of the previous year, your Directors are unable to recommend any dividend for the year ended March 31, 2014.

OPERATIONAL REVIEW

Whilst the Turnover for the year has increased by 100% i.e. Rs 126.37 Crs against Rs 62.68 Crs in the previous year, the EBITDA was lower at Rs 4.07 Crs against Rs 11.10 Crs of FY 2012-13. Slow down in the company's major customer segment i.e. Infrastructure and realty sector, on account of overall recessionary business conditions coupled with liquidity constraints have impacted sales as well as the margins of the company during the year. The loss at the net level of Rs 18.76 Cr was mainly due to Loss of sale of securities of Rs 3.07 Crs and provision for contingencies Rs 8.50 Crs.

Consolidated Accounts :

Your Company has three Subsidiary Companies namely 1) Sejal Bluecity Realtors Private Limited 2) Sejal Bluecity Developers Private Limited 3) Sejal Bluecity Buildcon Private Limited.

In accordance with the requirement of Accounting Standards AS 21 (read with AS 23), issued by the Institute of Chartered Accountants of India, the consolidated Accounts of the company and its subsidiaries are annexed to this report.

In terms of the General Circular No.2/2011 dated 8th February 2011, issued by the Government of India, Ministry of Corporate Affairs, the Annual Report of the

During the year under review the name of your Company was changed from "Sezal Glass Limited" to "Sejal Glass Limited".

CHANGE OF NAME OF COMPANY

During the year under review the name of your Company was changed from "Sezal Glass Limited" to "Sejal Glass Limited".

DIRECTORS

The Board consists of Executive and Non- Executive independent directors including who have wide and varied experience in different disciplines of corporate functioning.

Mr. Praful Nisar, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

In terms of Section 149 of the Companies Act, 2013, which has come into force with effect from April 01, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and their office shall not be liable to retire by rotation.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Rengrajan Ramaswamy and Mr. Praful Nisar as Independent Directors is being placed before the Members in General Meeting for their approval.

During the year under review the following Directors resigned from the post of Directorship of the Company;

- (i) Ms. Parul Mehta with effect from November 14, 2013
- (ii) Ms. Sonali Tipre with effect from February 14, 2014

The Board takes this opportunity to place on record its appreciation for the support and invaluable contribution

made by both the directors during their tenure as Independent Directors of the Company.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a report on the Corporate Governance for the year under review along with Auditors' Certificate regarding Compliance of Corporate Governance form part of this Report.

PUBLIC DEPOSITS

Your Company has accepted deposits from public in pursuance of section 58A of the Companies Act, 1956 and rules framed under the Companies [Acceptance of Deposits] Rules, 1975. During the period under review, as on 31st March, 2014, the Company has outstanding fixed deposit of Rs.6,12,07,000/-. There has been delays in payment of interest and repayment of matured deposits. Your Company could not service non-cumulative interest on the deposits from July 2013 and monthly interest from June 2013 and also could not make payment of matured deposits from April 2013 on account of severe liquidity constraints.

Your Company has made payments to the Fixed Deposit holders pursuant to the order passed by the Company Law Board to whom Fixed Deposit holders have approached for making payment of their Fixed Deposits.

Your Company intends to service pending interest as well as matured deposit payments on improvement in financials.

DIRECTORS RESPONSIBILITY STATEMENT

Your Company's Directors confirm:

- (i) that in the preparation of the annual accounts for the year under review, the applicable accounting standards have been followed;
- (ii) that they have selected appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year 2013-14 and of profit of the company for that year;
- (iii) that they have taken proper and sufficient care for the maintenance of adequate accounting records in Annual Report 2013-14 accordance with the provisions of the Companies Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- (iv) that they have prepared the annual accounts for the year ended on March 31, 2014 on a going concern basis.

EMPLOYEE STOCK OPTION PLAN (ESOP)

Your Company had approved ESOP 2012 at the Annual General Meeting of your Company held on September 29, 2012. As on date, your Company has not granted any options under ESOP 2012.

Industrial Relations :

The industrial relations continue to be cordial and harmonious at the manufacturing unit of the Company at Silvassa.

Related Party Disclosures:

The Company has made disclosures in compliance with the Accounting Standards on related party disclosures as required by Clause 32 of the Listing Agreement with the Stock Exchanges.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and

Outgo.

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

AUDITORS

M/s. S. S. Puranik & Associates, Chartered Accountants retire at the ensuing Annual General Meeting and are eligible for reappointment as statutory auditors of the Company.

AUDITOR'S OBSERVATION

- **Confirmation of balances from Debtors, Creditors and Loans and Advances:**
As a process your company has already sent Letters to all major Debtors, borrowers of ICDs and Loans asking them to confirm balances as at 31.3.2014 directly to the Statutory Auditors. The confirmation of balances was obtained from most of the borrowers of ICDs and few Debtors. Follow up is on with the rest to obtain confirmations. As regards Creditors, all major raw materials suppliers i.e. Glass, PVB, Silicon, etc. accounts were reconciled and balances were confirmed by them as at the year end.
- **Procedure to assess and provision for Non moving and obsolete Inventory:**
Your Company is engaged in processing of Clear/Float Glass in to Toughened, Laminated, Insulated and Ceramic frit Glass. Orders vary from customer to customer and as the orders will have to be executed within tight time schedule, Glass and other inventory of various sizes are maintained. Ageing reports of inventory is prepared on periodical basis and reviewed. Management would strengthen the procedure to assess the usefulness of the non-moving inventory and also consider appropriate provision for Inventory no longer useable.
- **To strengthen internal control procedure:** Management would initiate steps to streamline the systems and procedure with appropriate SOPs.

● **Arrears of interest on Public FD, Principle and statutory Liabilities:**

Due to severe liquidity constraints your company could not repay matured Public FDs and interest in time. Also there were delays in paying various statutory liabilities. Management has initiated various measures to mobilize funds through sale of assets of the company, Liquidation of old and obsolete inventory, recovering Loans and ICDs etc. to meet these liabilities. Your company is working towards paying off the balance Public FDs and all statutory liabilities at the earliest.

● **Irregularity of Bank accounts:**

Bankers have classified the credit facilities granted to the company as non-performing and have issued 13(2) & 13(4) notices under SARFAESI Act, 2002. Your company has already approached Debt Recovery Tribunal and obtained stay against 13(4) SARFAESI Act 2002 notice issued by State Bank of Patiala. Management is in discussions with the Bankers to carry out restructuring of the credit facilities, which if carried out would give sufficient time to the company to mobilize/generate funds to regularise the accounts with the banks.

Deferred Tax Asset:

Your company has already drawn up Business plan to Expand Value added Glass processing capacity by setting up units across all major cities in India to cater to the increased demand. This would significantly increase the Revenues and profitability of the company. Towards this your company has initiated steps to identify Land in the NCR and South Indian region. In addition your company has planned

- Procurement of certain machinery and balancing equipment (Double edger cutting machine, Drilling, Grinding and washing machine,





etc.,). These machineries will aid in improving productivity and profitability

- Express/Feeder line power connectivity, which will help to obtain continuous power supply and thereby increase the production

However, due to all round economic slowdown as well as tight liquidity conditions your company could not pursue the said plan aggressively. In order to augment resources, the management has initiated certain measures like disposal of unproductive assets, recalling of amounts lent as unsecured Loans & ICDs, etc. This will improve liquidity and help in expeditious execution of the aforesaid business plan and thereby increase taxable income to absorb current accumulated Losses and to adjust DTA 3 to 5 year's time horizon.

COST AUDITORS

In conformity with the directives of the Central Government, your Board of Directors has appointed Mr. Vaibhav Joshi, Cost Accountant, having office at A-5, Parvati Rokadiya Cross Lane, Pai Nagar, SVP Road, Borivali (West),

Mumbai – 400092 as Cost Auditor under section 233B of the Companies Act 1956, to audit the cost accounts for processing of Glass for the year ending on March 31, 2014. The cost audit report for the year ended March 31, 2014 will be filed in accordance with the provisions of the Companies Act.

PARTICULARS OF EMPLOYEES

Provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time are not applicable to the Company, since no employee of the Company was in receipt of the remuneration in excess of the limits as specified in the said rules.

CAUTIONARY STATEMENTS

This Directors Report and the Management Discussion and Analysis Report may contain certain statements, which are futuristic in nature. Such statements represent the intentions of the Management and the efforts being put in by them to realize certain goals. The success in realizing these goals depends on various factors both internal and external. Therefore, the investors are requested to make their own independent judgments by taking into account all relevant factors before taking any investment decision.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the commitment and dedication of the employees for their untiring personal efforts as well as their collective contributions at all levels that have led to the growth and success of the Company. The Directors would like to thank other stakeholders including lenders and business associates who have continued to provide support and encouragement.

For and on behalf of the Board of Directors
Sd/-

Amrut S. Gada

Chairman and Managing Director

Place: Mumbai

Date: August 14, 2014



Annexure 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.

A. Conservation of Energy

a) Power & Fuel

Power and fuel consumption	Units	2013-14	2012-13
Electricity Purchased	(KWH) Units	2102300	3775740
Total Amount	Rs. Mn	9,460,350	15,975,784
Rate Per Unit	Rs.	4.5	4.1
Captive Generation D. G. Sets	(KWH) Units	15894	278000
Total Amount	Rs. Mn	2,22,516	1704748
(Fuel, Mobil Oil & additives)			
Rate Per KWH	Rs.	14.00	13.68
Diesel Consumption	Litres	6374	31380
Total Amount	Rs. Mn	3,60,131	1704815
Rate Per Litre	Rs.	56.50	53.56

B. Technology absorption

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

C. Foreign Exchange Earning and Outgo

Particulars	2013-14	2012-13
Expenditure in Foreign Exchange		
Value of Raw Materials imported on CIF basis	2,96,47,632	5,66,31,646
Spares	68,663	17,891
Foreign Travels	3,05,133	74,052
Machinery Repairs & Servicing Charges	-	2,90,200
Interest on FCNR Loan	6,94,142	4,92,316
Loss due to Exchange rate fluctuation	82,47,106	33,15,377
Total	3,89,62,676	6,08,21,482
Earnings in foreign Exchange		
Exports Sales (F. O. B.)	77,61,529	9,92,920
Gain on Exchange rate fluctuation	1,78,75,030	31,44,067
Total	2,56,36,559	41,36,987

D. All the efforts to tap the export market are being taken by the management.

Report On

Corporate Governance



I. PHILOSOPHY

The Board of Directors at Sejal Glass Limited view their role as the trustee of various stake holders and the society at large and it is their endeavor to adopt the best Corporate Governance Practices which interalia include transparency, accountability and fairness in all its dealings.

The Board believes that appropriate & timely disclosures, transparent accounting policies and a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long-term corporate value.

Your Company is focused to operate within the well accepted parameters of ethics and integrity and constantly endeavors to adopt best practices of Corporate Governance. The Company is in compliance with the requirements of the Guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreement with Stock Exchanges.



II. BOARD OF DIRECTORS

The composition of the Board is as given below:

Name of the Director	Category	Attendance Particulars		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. Amrut S. Gada	Chairman and Managing Director, Promoter Director	4	4	Yes	5	-	-
Mr. Mitesh K. Gada	Executive, Promoter Director	4	4	Yes	5	-	-
Mr. R. Rengarajan	Non Executive, Independent	4	3	Yes	NIL	-	-
Ms. Parul Mehta ¹	Non Executive, Independent	3	2	No	NIL	-	-
Ms. Sonali Tipre ^{2 & 3}	Non Executive, Independent	2	2	No	NIL	-	-
Mr. Praful Nisar ⁴	Non Executive, Independent	1	1	No	NIL	-	-

*Directorship excluding Private Companies.

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

1. Ms. Parul Mehta resigned from the Directorship of the Company w.e.f. 14/11/2013.
2. Ms. Sonali Tipre was appointed as an Independent Director of the Company w.e.f. 14/11/2013.
3. Ms. Sonali Tiprere signed from the Directorship of the Company w.e.f. 14/02/2014.
4. Mr. Praful Nisar was appointed as an Independent Director of the Company w.e.f. 14/02/2014.

III. BOARD MEETINGS

During the financial year 2013-2014, the Company held 4 meetings. The dates of the meeting are 30/05/2013, 14/08/2013, 14/11/2013 and 14/02/2014.

IV. AUDIT COMMITTEE

The Company has complied with the requirements of Clause 49 of the Listing Agreement of the Stock Exchange and Section 292A of the Companies Act, 1956 as regards composition of the Audit Committee.

The Audit Committee comprises of experts specializing in accounting/financial management. The present Audit Committee of the Board comprises of Mr. R. Rengarajan– Chairman, Mr. Mitesh K. Gada – Member, Mr. Praful Nisar - Member

Mr. Ashwin S. Shetty, G.M. Compliance, Company Secretary acts as Secretary of the Committee.

The Company has held 4 meetings during the financial year 2013–14 i.e., 30/05/2013, 14/08/2013, 14/11/2013 and 14/02/2014 and the attendance of the each member of Audit Committee Meetings held during the year are as follows:

Name of the Director	Category	Number of Audit Committee Meetings during the year 2013-14	
		Held	Attended
Mr. R. Rengarajan	Non Executive, Independent	4	3
Mr. Mitesh Gada	Executive Director, Promoter Director	4	4
Ms. Parul Mehta ¹	Non Executive, Independent	4	2
Ms. Sonali Tipre ^{2 & 3}	Non Executive, Independent	2	2
Mr. Praful Nisar ⁴	Non Executive Director, Independent	1	1

1. Ms. Parul Mehta resigned from the Directorship of the Company w.e.f. 14-11-2013.
2. Ms. Sonali Tipre was appointed as an Independent Director of the Company w.e.f. 14-11-2013.
3. Ms. Sonali Tipre resigned from the Directorship of the Company w.e.f. 14-02-2014
4. Ms. Praful Nisar appointed as an Independent Director of the Company w.e.f. 14-02-2014

The Audit Committee Meetings were also attended by the Statutory/Internal Auditors, wherever necessary.

The Audit Committee is responsible for overseeing the Company's financial reporting process, reviewing the quarterly/half yearly/annual financial statements, reviewing with the management the financial statements and adequacy of internal audit function, recommending the appointment / re-appointment of statutory auditors and cost auditor and fixation of audit fees, appointment of CFO, reviewing the significant internal audit findings/ related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operations and also statutory compliance issues. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

In addition, the Committee has discharged such other role/function as envisaged under clause 49 of the Listing Agreement of the Stock Exchange and the provisions of Section 292A of the Companies Act, 1956.

V SHAREHOLDERS' /INVESTORS' GRIEVANCE COMMITTEE:

The Shareholders'/Investors' Grievance Committee comprises of Mr. R. Rengarajan – Chairman, Mr. Mitesh K. Gada – Member, Mr. PrafulNisar - 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 into 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.

The Company and Link In time 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 Company received 1 Complaint and same was resolved.

The committee met four times during the year on 30/05/2013, 14/08/2013, 14/11/2013 and 14/02/2014. The necessary quorum was present for all the meetings.

VI. REMUNERATION COMMITTEE

The Remuneration Committee comprises of Mr. R. Rengarajan Chairman, Mr. Mitesh K. Gada – Member and Mr. Praful Nisar– Member.

The Role of the Remuneration Committee is to recommend to the Board, the remuneration package of the Executive Directors. Remuneration of Executive Directors is governed by the external competitive environment, track record,

potential and performance of the executive and performance of the Company.

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Executive Directors. Their remuneration is determined in accordance with the experience and nature of responsibilities as well as industry standards. The same is subject to the approval of the Remuneration Committee of the Board of Directors and the members.

The Board shall from time to time provide requisite guidelines/scope of work for the Remuneration Committee and the Committee will discharge such other functions as are required under the provisions of the Listing Agreement and the Companies Act, 1956.



VII. DIRECTORS' REMUNERATION

The details of remuneration paid to the directors for the year 2013-14 is as follows:

Name of the Director	Sitting Fees (Rs.)	Salary and Perquisites (Rs.)	Total (Rs.)
Mr. Amrut S. Gada	-	45,00,000	45,00,000
Mr. Mitesh K. Gada	-	30,00,000	30,00,000
Mr. R. Rengarajan	45000	-	45000
Ms. Parul Mehta	30000	-	30000
Ms. Sonali Tipre	30000	-	30000
Mr. Praful Nisar	15000	-	15000

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.

VIII. MANAGEMENT COMMITTEE

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 monthly Management Committee Meetings (MCM) of the leadership team held regularly at Mumbai as well as the factory premises.

IX. GENERAL BODY MEETINGS:

The details of last three Annual General Meetings (AGM's) held are as follows:

Year	No. of AGM	Date and Time of AGM	Venue	No. of special resolutions passed
2010-2011	13	30/09/11 at 11.00 A.M.	'Banquet Hall', Ground Floor, Goregaon Sports Club, Link Road, Malad (West), Mumbai – 400 064	1
2011-2012	14	29/09/12 at 11.00 A.M.	173/174, Sejal Encasa, S. V. Road, Kandivali (West), Mumbai – 400 067	4
2012-2013	15	28/09/13 at 11.00 A.M.	173/174, Sejal Encasa, S. V. Road, Kandivali (West), Mumbai – 400 067	Nil

X. DISCLOSURES

(a) Related Party Disclosure :

During the year under review, no transaction of material nature has been entered into by the Company with its promoters, the directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company.

(b) 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. This code of conduct is applicable to all the Directors and Senior Management of the Company.

(c) Whistleblower 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.

(d) 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 who are expected to have access to unpublished price sensitive information relating to the Company.

(e) Compliances by Company:

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 regard to compliance issues by the Company.

XI. MANAGEMENT, DISCUSSIONS AND ANALYSIS REPORT

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

XII. MEANS OF COMMUNICATION

While the Annual Report is sent to household address of shareholders, quarterly results are published in the Free Press Journal and Navshakti and are also published in the Company's website www.sejalglass.co.in.

All other communications related to the developments of the Company are communicated to the Stock Exchanges, press and also published on the website of the Company.

XII. GENERAL SHAREHOLDER INFORMATION

1. 16th Annual General Meeting:

Day, Date and Time: Tuesday, September 30, 2014 and 12.00 Noon.

Venue: 173174, Sejal Encasa, 6th Floor, S.V. Road, Kandivali (West), Mumbai - 400 007

2. Book Closure:

Monday, September 22, 2014 till Tuesday, September 30, 2014 (both days inclusive)

3. Financial Calendar:

First Quarter Result: First/Second week of August, 2014

Second Quarter Results: First/Second week of November, 2014

Third Quarter Results: First/Second week of February, 2015

Annual Results: Third/Fourth week of May, 2015

Annual General Meeting: September 2015

4. Listing on Stock Exchanges:

The Company's securities are listed on the National Stock Exchange of India Ltd. and BSE Ltd. and the annual listing fees for these two stock exchanges have been paid.

5. Stock Codes:

NSE CODE : Sejal

BSE CODE : 532993

International Securities

Identification Number (ISIN) : INE955I01036

Corporate Identity Number (CIN) allotted by

The Ministry of Corporate Affairs : L26100MH1998PLC117437

6. Custodial Fees to Depositories:

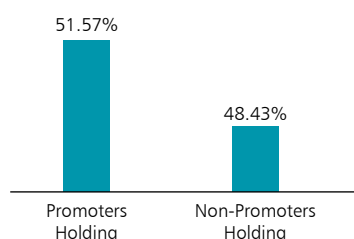
The Annual Custodial Fees for the Financial Year 2013 – 14 has been paid to the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL)

7. Market Price Data: High/ Low in each month of the Financial Year

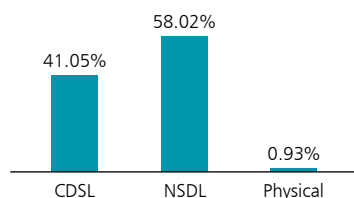
Month	National Stock Exchange (NSE) (In Rs. Per Share)		Bombay Stock Exchange (BSE) (In Rs. Per Share)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April 2013	5.05	3.95	5.08	3.81
May 2013	6.06	5.01	8.29	4.01
June 2013	6.09	6.09	7.79	4.29
July 2013	6.06	6.00	4.28	3.45
August 2013	5.07	5.07	4.62	3.34
September 2013	5.45	4.95	5.27	4.49
October 2013	4.95	4.75	5.00	3.76
November 2013	4.35	4.05	3.75	3.01
December 2013	4.01	3.06	3.96	2.99
January 2014	4.25	3.05	5.05	3.04
February 2014	3.75	3.03	4.35	3.38
March 2014	3.55	3.15	3.87	2.83

Source: NSE and BSE Websites.

SHAREHOLDING PATTERN



DEMATERIALIZATION OF SHARES



8. Shareholding Pattern as on 31st March, 2014

Category	Total No. of Shares	Percentage
A Promoters' Holding		
1 Promoters		
Indian Promoters	16077838	47.92%
Foreign Promoters	-	-
2 Person Acting in Concert	1225500	3.65%
Total	17303338	51.57%
B Non- Promoters' Holding		
3 Institutional Investors	-	-
a. Mutual Funds and UTI	-	-
b. Banks, Financial Institutions, Insurance Companies	-	-
c. FIs	-	-
Total	-	-
4 Others	-	-
a. Private Corporate Bodies	4050061	12.07%
b. Indian Public	11993671	35.75%
c. NRIs/OCBs	79876	0.24%
d. Clearing Members	122622	0.37%
e. Trusts	432	0.001%
Total	16246662	48.43%
Grand Total	33550000	100%

9. Distribution of shareholdings as on March 31, 2014

Categories	Total Number of Shareholders	Percentage	Total Number of Shares Held	Percentage
1 - 5000	9690	85.86	1107408	3.30
5001 - 10000	593	5.25	482383	1.44
10001 - 20000	319	2.83	496110	1.48
20001 - 30000	140	1.24	354438	1.06
30001 - 40000	70	0.62	254457	0.76
40001 - 50000	86	0.76	402525	1.20
50001 - 100000	138	1.22	1107755	3.30
Above 100000	250	2.22	29344924	87.47
Total	11286	100	33550000	100

10. Plant Location: Plot No 259/10/1, Village Dadra, Union Territory of Dadra Nagar and Haveli, District, Silvassa – 396 191. Tel: 0261-2669981, Fax: 0261-2669981
11. Registered Office: Sejal Encasa, 173/174, 3rd Floor, Opp. Bata Showroom, S.V. Road, Kandivali (West), Mumbai – 400 007, Tel: 022-28665100, Fax No. 022-28665102, Website: www.sejalglass.co.in, Email: investor.relations.co.in, compliance@sejalglass.co.in.
12. 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: 022-25946960, Fax: +91 – 22 – 25946969, Website: www.linkintime.co.in, Email: sglfd@linkintime.co.in,

13. Other constituents of the Sejal Group within the meaning of "Group" under SEBI (Substantial Acquisition of Share and Takeover) Regulations, 1997 include:

- Sejal Realty & Infrastructure Limited
- Sejal Finance Limited
- Sejal Insurance Broking Limited
- Sejal Glass Craft Private Limited
- Sejal International Limited
- Sejal Entertainment & Media India Limited
- Sejal Firebaan Glass Private Limited
- Sejal Infraprojects Private Limited
- Inventure Sejal Realtors Private Limited
- Sejal Wealth & Insurance Advisors Limited
- Jaycee Sejal Developers Private Limited
- Bhairaav Sejal Realtor Private Limited
- Primera Vista Lifestyle Private Limited
- Synergy Wood & Glass Private Limited
- Bonanza Float Glass Private Limited
- Sejal Bluecity Developers Private Limited
- Sejal Arjuna Realty Private Limited
- Sejal Bluecity Realtors Private Limited
- Sejal Bluecity Buildcon Private Limited
- Brizeal Realtors And Developers Private Limited
- Sejal Shakti Realtors Limited
- Kress Italian Food Specialties Private Limited
- Brinda Buildcon Private Limited
- Khushi Realtors And Developers Private Limited
- Hitankshi Realtors And Developers Private Limited
- Zeal Realty Private Limited

14. Declaration / Certification

- a. Code of Conduct: The Board has laid down a Code of Conduct applicable to all the Directors and Senior Managers of the Company. Necessary certification to this effect is appended to this Corporate Governance Report.
- b. CEO/CFO Certification: As per requirements of Corporate Governance Code, the Managing Director and Chief Financial Officer have furnished the necessary Certificate to the Board of Directors with respect to financial statements and cash flow statements for the year ended March 31, 2014.

For and on behalf of the Board of Directors

Amrut S. Gada

Chairman and Managing Director

Place: Mumbai

Date: August 14, 2014

DECLARATION BY THE MANAGING DIRECTOR ON COMPLIANCE WITH CODE OF CONDUCT

I, Amrut S. Gada, Chairman & Managing Director of Sejal Glass Limited, do 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, 2014.

Amrut S. Gada

Chairman and Managing Director

Place: Mumbai

Date: August 14, 2014

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 Sejal Glass Ltd.

Dear Sirs,

- a) We have reviewed the financial statements and the cash flow of Sejal Glass Ltd. ('the Company') for the year ended March 31, 2014 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

Amrut S. Gada

Chairman and Managing Director

A. Venkataramanan

CFO

Place: Mumbai

Date: August 14, 2014

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
SEJAL GLASS LIMITED
173/174, Sejal Encasa,
3rd Floor, S.V. Road,
Kandivali (West),
Mumbai - 400 007

We have examined all relevant records of SEJAL 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, 2014, 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.

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

MILIND G KALELKAR
Proprietor
FCS-3854, CP-1877

Mumbai
Dated 14th August, 2014



Financial Sections

STANDALONE



Independent Auditor's Report

To the Members of

SEJAL GLASS LIMITED

We have audited the accompanying financial statements of SEJAL GLASS LIMITED, (formerly known as Sejal Glass Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash Flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 15th September, 2013 of Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate

in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

BASIS FOR QUALIFIED OPINION

- The Company has not obtained balance confirmations in respect of Sundry Debtors, Sundry Creditors, Loans and Advances given and Inter Corporate Deposits (excluding Group companies).
- In the absence of convincing evidence assuring future taxable income, the continuance of Deferred Tax Asset of Rs.22,42,01,433/- is virtually uncertain.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, and subject to note no. 26(9) to the financial statements and Non Provision against Deferred Tax Asset referred in Basis of Opinion, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- ii. in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and



Independent Auditor's Report (Contd.)

explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) Except for the effects of matter described in the Basis for Qualified opinion paragraph, in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) Except for the effects of matter described in the Basis for Qualified opinion paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, read with General Circular

15/2013 dated 15th September, 2013 of Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;

on the basis of written representations received from the Directors as on March 31, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **S S PURANIK & ASSOCIATES**

Chartered Accountants

FRN 127731W

SHRIPAD S PURANIK

Partner

M.Ship No. 030670

Mumbai

Date: May 30, 2014



Annexure to the Auditors' Report

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of SEJAL GLASS LIMITED on the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

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. The fixed assets register needs to be 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 sold part of its Building which did not form substantial part of its fixed assets. This sale has not affected 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. The Inventory includes old and non moving items amounting to Rs.3.12Crores-. No provision for the same has been made in the books of account of the company.

3. IN RESPECT OF LOANS TAKEN OR GRANTED:

- a) Company has granted unsecured loans amounting to Rs.526.52 Lacs in addition to the Rs.2671.90 Lacs as at the beginning of the year, to Companies, firms or other parties listed in the Register under section 301 of the Companies Act, 1956. Out of these, loans amounting to Rs.172.63 Lacs have been received back and the balance outstanding as at the end of the year was Rs.3025.79 Lacs. Maximum balance in these accounts during the year was Rs. 3025.79 Lacs.
- b) The Company had taken loans amounting to Rs.NIL 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 amounting to Rs.NIL .
- 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 and as per note no. 26.9 to the audited accounts, the internal control procedures with regard to the purchases of inventory, sale of goods, collection from customers, inventory management, cash management, credit notes monitoring, need to be strengthened, to be commensurate with the size of the Company and the nature of its business, particularly in respect of trading sales activity carried out by the retail division which requires regular adherence to internal control procedure. In our opinion, measures should be taken to improve upon these weaknesses.

5. (a) According to the information and explanations given to us, we are of the opinion that the



Annexure to the Auditors' Report (Contd.)

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 that should have been 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.

■ In our opinion and according to the information and explanations given to us, the Company has not 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. The Company has continuously defaulted in payment of interest

■ The Company has also failed to repay matured fixed deposits amounting to Rs.1.88 Crores as at 31st March, 2014. However, out of this, a sum of Rs.36.20 Lacs has since been paid.

■ Intimation of non payment of matured deposits in respect of small depositors has not been given to the Company Law Board.

■ The requirement of maintaining Liquid Assets against deposits maturing by 31st March, 2014 has not been complied with.

■ The company has not filed the return of Deposits for the financial year 2012-2013.

6. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.

7. According to the information and explanations given to us and to the best of our knowledge and belief, consequent upon notification of the Companies (Cost Accounting Records) Rules, 2011, the Central Government has prescribed audit of the cost records maintained by the Company under Section 209(1) (d) of the Companies Act, 1956 for the products of the Company.

8. a) The company has generally defaulted in timely payment of 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. There have been delays in payment of following statutory liabilities. The outstanding balance in these accounts as at 31st March, 2014 is as follows:-

- Provident Fund - Rs. 33.12Lacs (Rs.0.55 lacs since paid).
- Income Tax i.e. Tax Deducted at source (TDS) Rs. 164.16Lacs.
- Central Sales Tax – Rs.151.02 Lacs.
- Maharashtra VAT – Rs. 61.46 Lacs.
- Service Tax – Rs.25.78 Lacs
- ESIC – Rs. 0.68 Lacs (Rs.0.13 lacs since paid)
- Profession Tax – Rs. 0.55 Lacs (Rs.0.14 lacs since paid)
- Excise Duty - Rs.69.67 Lacs

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 2014 for the period of more than six months from the date they became payable, except Income Tax Deducted at Source (TDS) - Rs. 120.44 Lacs, Central Sales tax – Rs. 132.23 Lacs and Maharashtra VAT 46.39 Lacs; Service Tax – Rs.22.74 Lacs, ESIC Rs 0.01 Lacs, Provident Fund Rs.21.58 Lacs.



Annexure to the Auditors' Report (Contd.)

- b) 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 applicable to it, which have not been deposited on account of any dispute. However, according to the information and explanations given to us, the following dues of Income tax have not been deposited by the Company on account of dispute:-

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which it relates	Forum where dispute is pending
Income Tax Act	Penalty	3696564/-	A.Y. 2006-07	CIT (A)
Income Tax Act	Penalty	4900913/-	A.Y. 2007-08	CIT (A)
Income Tax Act	Penalty	4087154/-	A.Y. 2008-09	CIT (A)

9. The Company has accumulated losses at the end of the financial year and it has also incurred cash losses in the financial year under report. The Company has not suffered cash losses during the immediately preceding financial year.
10. There have been delays in repayment of quarterly Installments of Term Loans (Principle) taken from the bank for the processing division of the company.
Also, the company's loan accounts have been classified as Non-performing Assets by the lending bankers. All the banks have issued Securitization Notice to the Company for recovery of its advances. We are informed that the company has initiated appropriate action in these cases.
11. There are no borrowings from Financial Institutions. Company has not issued debentures during the year.
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 not made any preferential allotment of shares during the year, 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 done, during the year.

For **S S PURANIK & ASSOCIATES**
Chartered Accountants
FRN 127731W
SHRIPAD S PURANIK
Partner
M.Ship No. 030670

Mumbai
Date: May 30, 2014



Balance Sheet

as at 31st March, 2014

(Amount in ₹)			
Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	335,500,000	335,500,000
(b) Reserves and surplus	4	1,188,374,536	1,380,637,390
2 Non-current liabilities			
(a) Long-term borrowings	5	161,734,211	238,454,887
(b) Long-term provisions	6	4,679,611	3,527,872
3 Current liabilities			
(a) Short-term borrowings	7	351,843,675	332,784,338
(b) Trade payables	8	549,532,039	295,788,277
(c) Other current liabilities	9	436,419,316	331,252,535
(d) Short-term provisions	10	2,345,751	2,248,862
Total		3,030,429,139	2,920,194,161
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	761,699,353	804,857,027
(ii) Capital work-in-progress		74,167,253	110,673,707
(b) Non-current investments	12	10,790,170	43,148,931
(c) Deferred tax assets (net)	27.5	224,201,433	224,201,433
(d) Long-term loans and advances	13	649,605,054	602,290,528
(e) Other non-current assets	14	218,677,401	221,915,214
2 CURRENT ASSETS			
(a) Inventories	15	99,968,058	167,876,402
(b) Trade receivables	16	656,001,509	352,308,928
(c) Cash and Bank balances	17	12,353,536	15,431,876
(d) Short-term loans and advances	18	107,072,850	104,144,748
(e) Other current assets	19	215,892,522	273,345,367
Total		3,030,429,139	2,920,194,161

See accompanying notes forming part of the financial statements

In terms of our report attached.

For **S S Puranik & Associates**

Chartered Accountants

FRN no.127731W

For and on behalf of the Board of Directors

Shripad S Puranik

Partner

M. No. 030670

Place: Mumbai

Date: 30th May 2014

Amrut S Gada

Chairman & Managing Director

Mitesh K Gada

Director

A. Venkataramanan

Chief Financial Officer

Ashwin S Shetty

Company Secretary



Statement of Profit and Loss

for the year ended 31st March, 2014

		(Amount in ₹)	
Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
I CONTINUING OPERATIONS			
1 Revenue from operations	20	1,263,687,880	626,774,810
2 Other Income	21	106,348,140	116,008,092
Total Revenue	(A)	1,370,036,020	742,782,902
3 Expenses			
(a) Cost of materials consumed	22.a	160,885,281	205,354,276
(b) Labour Cost		2,583,595	3,181,453
(c) Purchases of stock-in-trade	22.b	1,007,075,949	272,492,051
(d) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22.c	15,109,815	9,367,774
(e) Employee benefits expense	23	57,155,728	59,620,752
(f) Finance costs	24	88,220,178	81,049,903
(g) Depreciation and amortisation expense	11.B	24,585,443	24,444,004
(h) Other expenses	25	86,529,913	81,776,109
Total Expenses	(B)	1,442,145,903	737,286,321
4 Profit / (Loss) before exceptional and extraordinary items and tax (A - B)		(72,109,882)	5,496,582
5 Exceptional Items			
(Loss) / Profit on Sale of Investments		(30,693,823)	-
Profit on sale of Property (Net)		2,006,014	(102,267,961)
Prior Period (Expense) / Income		(1,796,069)	7,016,625
6 Profit / (Loss) before tax (4-5)		(102,593,760)	(89,754,754)
7 Tax expense:			
(a) Current tax expense relating to prior years		-	(908,531)
(b) Deferred tax		-	(69,334,646)
		-	(70,243,177)
8 Profit / (Loss) from continuing operations (6-7)		(102,593,760)	(159,997,932)
Less : Provision for Contingency		85,000,000	
		-187,593,760	(159,997,932)
II DISCONTINUING OPERATIONS			
9 (i) Profit / (Loss) from discontinuing operations (before tax)	27.6	-	-
(ii) Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations	27.6	-	-
10 Profit / (Loss) from discontinuing operations	27.6	-	-



Statement of **Profit and Loss**
for the year ended 31st March, 2014 (Contd.)

		(Amount in ₹)	
Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
III TOTAL OPERATIONS			
11 Profit / (Loss) for the year (8+9+10)		(187,593,760)	(159,997,932)
12 Earnings per share (of ₹10/- each):			
(a) Basic			
(i) Continuing operations	27.4.a	(3.06)	(4.77)
(ii) Total operations	27.4.b	(3.06)	(4.77)
(b) Diluted			
(i) Continuing operations	27.4.e	(3.06)	(4.77)
(ii) Total operations	27.4.f	(3.06)	(4.77)
Earnings per share (excluding extraordinary items) (of ₹10/- each):			
(a) Basic			
(i) Continuing operations	27.4.c	(2.14)	(1.93)
(ii) Total operations	27.4.d	(2.14)	(1.93)
(b) Diluted			
(i) Continuing operations	27.4.g	(2.14)	(1.93)
(ii) Total operations	27.4.h	(2.14)	(1.93)

See accompanying notes forming part of the financial statements

In terms of our report attached.

For **S S Puranik & Associates**

Chartered Accountants

FRN no.127731W

For and on behalf of the Board of Directors

Shripad S Puranik

Partner

M. No. 030670

Place: Mumbai

Date: 30th May 2014

Amrut S Gada

Chairman & Managing Director

Mitesh K Gada

Director

A. Venkataramanan

Chief Financial Officer

Ashwin S Shetty

Company Secretary



Cash Flow Statement

for the year ended 31st March, 2014

Particulars	(Amount in ₹)			
	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before tax		(187,593,760)		(89,754,755)
Add Extraordinary items		30,693,823		(7,016,625)
Exceptional items		-		102,267,961
		-156,899,937		5,496,582
Adjustments for:				
Depreciation and amortisation	24,585,443		24,444,004	
Finance costs	88,220,178		81,049,903	
Interest income	(87,616,064)		(102,563,056)	
Dividend income	(12,000)		(15,000)	
Net (gain) / loss on sale of investments	-		-	
Net (gain) / loss on sale of Assets	13,772,730		2,636,584	
Bad Debts Written off	-		4,592,791	
Rental income from operating leases	(145,200)		(2,926,540)	
Liabilities / provisions no longer required written back	-		(37,770,213)	
Discounts Received	-		(524,556)	
Net unrealised exchange (gain) / loss	-		(404,175.91)	
		38,805,088		(31,480,260)
Operating profit / (loss) before working capital changes		(118,094,849)		(25,983,678)
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	67,908,344		18,494,465	
Trade receivables	(303,692,581)		(117,952,962)	
Short-term loans and advances	(2,928,102)		161,173,871	
Long-term loans and advances	(47,314,526)		(432,711,691)	
Other current assets	57,452,844		41,760,497	
Other non-current assets	3,237,813		(6,416,498)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	253,743,762		159,435,256	
Other current liabilities	105,166,781		9,193,358	
Short-term provisions	96,889		(3,744,083)	
Long-term provisions	1,151,739		363,260	
		134,822,963		(170,404,526)
		16,728,114		(196,388,204)
Cash flow from extraordinary items		(30,693,823)		7,016,625
Cash generated from operations		(13,965,709)		(189,371,580)
Net income tax (paid) / refunds		-		-908,531
Net cash flow from / (used in) operating activities (A)		(13,965,709)		(190,280,111)



Cash Flow Statement

for the year ended 31st March, 2014 (Contd.)

Particulars	(Amount in ₹)			
	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on fixed assets, including capital advances	(37,547,742)		(17,172,180)	
Proceeds from sale of fixed assets	74,184,603		67,850,000	
Movement in long-term Investments	32,358,761		(5,864,901)	
Interest received	87,616,064		102,563,056	
Dividend received	12,000		15,000	
Rental income from operating leases	145,200		2,926,540	
		156,768,886		150,317,515
Net cash flow from / (used in) investing activities (B)		156,768,886		150,317,515
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of equity shares	-		-	
Dividend Income			-	
Movement in Fixed Deposits	12,102,000		(38,008,000)	
Interest Income				
Inter Corporate Deposits	(41,959,645)		(27,140,355)	
Repayment of long-term borrowings	(46,863,031)		(20,044,014)	
Movement in other short-term borrowings	19,059,337		192,088,281	
Finance cost	(88,220,178)		(81,049,903)	
Net cash flow from / (used in) financing activities (C)		(145,881,517)		25,846,009
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(3,078,341)		(14,116,586)
Cash and cash equivalents at the beginning of the year		15,431,876		29,548,462
Cash and cash equivalents at the end of the year (Refer Note 17)		12,353,536		15,431,876

Notes:

(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.

See accompanying notes forming part of the financial statements

In terms of our report attached.

For **S S Puranik & Associates**

Chartered Accountants

FRN no.127731W

For and on behalf of the Board of Directors

Shripad S Puranik

Partner

M. No. 030670

Place: Mumbai

Date: 30th May 2014

Amrut S Gada

Chairman & Managing Director

Mitesh K Gada

Director

A. Venkataramanan

Chief Financial Officer

Ashwin S Shetty

Company Secretary



Notes on Financial Statements

for the Year ended 31st March, 2014

Particulars

1 CORPORATE INFORMATION

The Company is engaged in the business of processing of value added Glass in various forms viz. Tempering, Designing, Insulating and Laminated Glass. The Company also has Trading and Retail division offering a wide range of home interior products and Electronic goods.

The Company has during the year changed the name of the company from Sejal Glass Limited to Sejal Glass Limited vide Certificate of Incorporation dated 20th march, 2014

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and 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 Control Board of India (SEBI). The Company has been consistent in its accounting policies. Change in the accounting policies, however is disclosed separately.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories

Finished Goods are valued at lower of cost plus appropriate share of production overheads or net realisable value which ever is less. Raw materials and 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.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 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.

2.6 Depreciation and amortisation

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

2.7 Revenue recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales are net off Excise Duty, Sales tax and value added tax. Export Sales are accounted by converting the Foreign Currency amount at the rate of exchange fixed by the Customs Authority. On realization of export proceeds, the difference



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

Particulars

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

between the amount realized and the amount booked is charged off / back to Statement of Profit and Loss as Loss / Gain due to exchange rate difference.

2.8 Other income

Interest income is accounted on the basis of proportionate period of investment, considering the amount of investment and the rate of interest. Dividend income is accounted when the right to receive it is established. Liabilities no longer required are written back to income.

2.9 Tangible fixed assets

The Fixed assets are stated at cost, inclusive of inward freight, duties and taxes (Net off input credits 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.

The Company revalued its Land and Buildings as on 31st March, 2011. The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. Increase in the net book value on such revaluation is credited to "Revaluation reserve account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation / impairment that was previously recognised in the Statement of Profit and Loss, in which case such amount is credited to the Statement of Profit and Loss. Decrease in book value on

revaluation is charged to the Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the Revaluation reserve, in which case the decrease is charged to the Revaluation reserve to the extent the reserve has not been subsequently reversed / utilised. Whenever a revalued asset is sold or disposed off, the balance revaluation reserve pertaining to such asset is reversed and transferred to General Reserve.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

Capital work-in-progress:

Projects undertaken by the Company where assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental and allocable expenses and attributable interest.

2.10 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.

2.11 Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates applied by the customs authorities to the respective transactions.

Measurement of foreign currency monetary items at the Balance Sheet date

"Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year end at the exchange rates prevailing on that date. Revenue and expenses are translated at the exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss."

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

Particulars

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Accounting for Forward Contracts

Premium on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts. Exchange differences on such contracts are recognised in the Statement of Profit and Loss during the year when a transaction takes place and also as at the Reporting date for the balances carried forward in the books of account.

2.12 Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

2.13 Investments

"Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties."

2.14 Employee benefits

Employee benefits include provident fund, gratuity fund, compensated absences and medical expense reimbursements.

Defined contribution plans

The Company's contribution to Provident Fund and Gratuity Fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of Gratuity and Compensated Absences, the cost of providing benefits is determined on the actuarial valuation basis. The actuarial valuation being carried out at each Balance Sheet date, Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

"The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under : (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and (b) in case of non-accumulating compensated absences, when the absences occur."

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

Particulars

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

2.15 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.16 Segment reporting

The Company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

"The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included

under "unallocated revenue / expenses / assets / liabilities".

2.17 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.18 Taxes on income

"Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

Particulars

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability."

2.19 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.20 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Number of shares	₹	Number of shares	₹
3 SHARE CAPITAL				
(a) Authorised Share Capital	60,000,000	600,000,000	60,000,000	600,000,000
Equity shares of ₹10 each with voting rights				
(b) Issued Share Capital	33,550,000	335,500,000	33,550,000	335,500,000
Equity shares of ₹10 each with voting rights				
(c) Subscribed and fully paid up	33,550,000	335,500,000	33,550,000	335,500,000
Equity shares of ₹10 each with voting rights				

Equity Shares	As at 31st March, 2014		As at 31st March, 2013	
	Number of shares	Amount	Number of shares	Amount
Particulars				
At the beginning of the period	33,550,000	335,500,000	33,550,000	335,500,000
Sub-division during the year	-	-	-	-
Reverse share split during the year	-	-	33,550,000	335,500,000
	33,550,000	335,500,000	33,550,000	335,500,000

(ii) The details of Shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March, 2014		As at 31st March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Sejal Realty and Infrastructure Limited	3,961,000	11.81%	3,961,000	11.81%
Brand Equity Treaties Limited	2,000,000	5.96%	2,000,000	5.96%
Amrut S Gada	1,820,500	5.43%	1,820,500	5.43%



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

		(Amount in ₹)	
Particulars		As at 31st March, 2014	As at 31st March, 2013
4	RESERVES AND SURPLUS		
	(a) Securities Premium account		
	Balance as per last account	1,406,552,893	1,406,552,893
	(b) Revaluation Reserve		
	Opening balance	434,181,344	995,412,263
	Less: Revaluation Reserve reversed	-	429,900,909
	Less: Revaluation Reserve of Abhilasa Building Transferred to General Reserve on Sale	8,383,481	126,554,524
	Less: Depreciation on Revalued Assets withdrawn during the year (Refer Note 11.B)	4,669,094	4,775,486
	Closing balance	421,128,769	434,181,344
	(c) General Reserve		
	Opening balance	776,121,914	649,567,390
	Add: Transferred from Revaluation Reserve	8,383,481	126,554,524
	Closing balance	784,505,395	776,121,914
	(d) Surplus / (Deficit) in Statement of Profit and Loss		
	Opening balance	(1,236,218,761)	(1,076,220,829)
	Add: Profit / (Loss) for the year	(187,593,760)	(159,997,932)
	Closing balance	(1,423,812,521)	(1,236,218,761)
	Total (a + b + c + d)	1,188,374,536	1,380,637,390

		(Amount in ₹)	
Particulars		As at 31st March, 2014	As at 31st March, 2013
5	LONG TERM BORROWINGS		
	(a) Term loans		
	Secured		
	From banks	28,211	46,491,242
	Unsecured		
	Public Deposits	51,756,000	39,654,000
	Inter-corporate Deposits	89,250,000	131,209,645
	From related parties (Refer Note 27.3.b(b))	-	-
	From Others	20,700,000	21,100,000
	Total	161,734,211	238,454,887



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

Nature of Security

- i) Term Loan amounting to ₹Nil/- (March 31, 2013 - ₹21,52,939/-) is secured by exclusive and specific charge on the assets acquired out of the loan
- iii) Term Loan amounting to ₹Nil/- (March 31, 2013 - ₹1,24,083/-) is secured by exclusive and specific charge on the assets acquired out of the loan
- xi) Term Loan amounting to ₹28,211/- (March 31, 2013 - ₹3,25,580) is secured by exclusive and specific charge on the assets acquired out of the loan

Term loan of ₹ Nil (March 31, 2013 4,38,88,640/-) is secured against mortgage of Factory Land and Building situated at Village Dadra, Silvassa (Survey No.259/10/1,259/10/2,259/10/3 and 259/10/11) and Hypothecation of Plant & Machinery of Processing Division at Silvassa.

Installments falling due in respect of all the above Loans within a period of 12 months and not having an unconditional right as on the Balance Sheet date to defer its settlement for 12 months after the reporting date have been grouped under "Current maturities of long-term debt" (Refer Note 9)

The Company has delayed repayment of Quarterly Installment of Term loan and interest thereon during the year and the Bank has classified them as Non Performing Assets

Terms of Repayment

Repayable in 35 Equal Monthly Installments commencing from Jan 2012. Last installment due in Nov 2014. Rate of interest 10.32% p.a. as at year end. (Previous year - 10.32%)

Repayable in 36 Equal Monthly Installments commencing from Feb 2010. Last installment due in Jan 2013. Rate of interest 10.50% p.a. as at year end. (Previous year - 10.50%p.a.)

Repayable in 36 Equal Monthly Installments commencing from June-2012 Last installment due in May 2015. Rate of interest 12.25% p.a. as at year end. (Previous year - 12.25% p.a)

(Amount in ₹)

	As at 31st March, 2014	As at 31st March, 2013
6 LONG TERM PROVISIONS		
(a) Provision for employee benefits:		
(i) Provision for Gratuity (Net) (Refer Note 27.1.b)	2,213,286	2,120,560
(ii) Provision for Leave Encashment	2,466,325	1,407,312
Total	4,679,611	3,527,872



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

		(Amount in ₹)	
Particulars		As at 31st March, 2014	As at 31st March, 2013
7	SHORT TERM BORROWINGS		
	(a) Loans repayable on demand		
	From banks		
	Secured		
	Cash Credit arrangements	351,518,186	246,672,329
	Foreign currency loan from banks	-	40,799,468
	Unsecured		
	Buyers Credit arrangements	-	20,770,232
	Bill Discounting	325,489	24,542,309
	Total	351,843,675	332,784,338

Nature of Security (Short Term Borrowings)

Term Loan / Cash Credit / Bank Guarantee / Letter of Credit:

2013-14

State Bank of Patiala

1. Primary Security - Hypothecation of entire current assets of the company
2. Collateral - First charge on the entire Fixed Assets of the processing plant
3. Guarantee - Personal Guarantee of Shri Amrut Gada, Shri Dhiraj Gada Shri Mitesh Gada, Shri Kanji V Gada & Shri Shantilal Gada.

Bank of Maharashtra

1. Primary Security - Registered/Equitable mortgage of property situated at 7th Floor, Sejal Encasa S V Road, Kandivali West, Mumbai 400067.

Punjab National Bank

1. Primary Security - Hypothecation of entire current assets of the company
2. Collateral - Equitable mortgage of property situated at 3rd Floor, Sejal Encasa, S V Road, Kandivali West, Mumbai 400067.

2012-13

1. Primary Security - Hypothecation of entire current assets of the company
2. Collateral - First charge on the entire Fixed Assets of the processing plant
3. Guarantee - Personal Guarantee of Shri Amrut Gada, Shri Dhiraj Gada Shri Mitesh Gada, Shri Kanji V Gada & Shri Shantilal Gada.

The Company has delayed repayment of Term Loan Instalments and Cash Credit alongwith interest thereon during the year and hence the State Bank of Patiala and Punjab National Bank have classified the Advances as Non Performing Assets. These banks have initiated proceeding under Section 13(2) and 13(4) under the SARFAESI Act, 2002

		(Amount in ₹)	
Particulars		As at 31st March, 2014	As at 31st March, 2013
8	TRADE PAYABLES		
	Trade payables:		
	Acceptances	-	16,827,853
	Other than Acceptances	549,532,039	278,960,424
	Total	549,532,039	295,788,277



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

(Amount in ₹)		
Particulars	As at 31st March, 2014	As at 31st March, 2013
9 OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt (Refer Note (1) below)	41,539,736	64,543,000
(b) Interest accrued but not due on borrowings	-	7,426,400
(c) Interest accrued and due on borrowings	44,535,763	32,389,412
(d) Unpaid dividends	96,523	100,693
(e) Unpaid matured deposits and interest accrued thereon	70,421,174	21,302,000
(f) Other payables	-	-
(i) Statutory remittances	50,644,692	34,573,476
(ii) Payables on purchase of fixed assets	12,725,778	12,653,273
(iii) Contractually reimbursable expenses	3,096,385	2,601,268
(iv) Trade / security deposits received	525,000	525,000
(v) Advances from customers	14,926,312	24,757,743
(vi) Others	197,907,953	130,380,270
Total	436,419,316	331,252,535

1. Installments falling due in respect of all the Loans within a period of 12 months and not having an unconditional right as on the Balance Sheet date to defer its settlement for 12 months after the reporting date have been grouped under "Current maturities of long-term debt"

(Amount in ₹)		
Particulars	As at 31st March, 2014	As at 31st March, 2013
10 SHORT TERM PROVISIONS		
(a) <i>Provision for employee benefits</i>		
Provision for bonus	196,755	272,442
Provision for Leave Encashment	448,996	233,470
(b) <i>Provision - Others</i>		
Provision for tax	1,700,000	1,742,950
Total	2,345,751	2,248,862



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

GROSS BLOCK									
(Amount in ₹)									
Tangible assets Own Assets	Balance as at 1st April, 2013	Additions	Disposals	Acquisitions through business	Reclassified as held for sale	Effect of foreign currency	Revaluation Reserve Reversed	Assets Transferred	Balance as at 31st March, 2014
11 A FIXED ASSETS	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Freehold Land	254,374,658	26,021,551	26,021,551	-	-	-	-	-	254,374,658
(b) Buildings	344,367,763	-	12,815,817	-	-	-	-	-	331,551,946
(c) Plant and Equipment	326,418,889	-	4,920,191	-	-	-	-	-	321,498,697
(d) Furniture and Fixtures	17,853,215	166,193	-	-	-	-	-	-	18,019,408
(e) Vehicles	14,949,626	-	-	-	-	-	-	-	14,949,626
(f) Office equipment	4,861,242	194,900	90,000	-	-	-	-	-	4,966,142
(g) Computers	21,869,839	-	-	-	-	-	-	-	21,869,839
Total	984,695,232	26,382,644	43,847,559	-	-	-	-	-	967,230,316
Previous year	1,582,944,958	20,111,402	53,182,228	-	-	-	565,178,900	-	984,695,232

ACCUMULATED DEPRECIATION AND IMPAIRMENT									
(Amount in ₹)									
NET BLOCK									
Tangible assets Own Assets	Balance as at 1st April, 2013	Depreciation / amortisation expense for the year	Eliminated on Assets transferred	Depn on revaluation	Depn reversed on Revaluation decrease	Withdrawn during the year	Balance as at 31st March, 2014	Balance as at 31st March, 2013	Balance as at 31st March, 2014
11 A FIXED ASSETS (Contd.)	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Freehold Land	-	-	-	-	-	-	-	-	254,374,658
(b) Buildings	28,897,036	2,918,884	-	4,669,094	138,915	738,645	35,607,454	295,944,492	315,470,727
(c) Plant and Equipment	123,777,194	15,332,270	-	-	-	2,654,949	136,454,515	185,044,182	202,641,694
(d) Furniture and Fixtures	6,289,762	1,136,454	-	-	-	-	7,426,216	10,593,192	11,563,454
(e) Vehicles	5,450,787	1,419,942	-	-	-	-	6,870,730	8,078,896	9,498,839
(f) Office equipment	1,373,802	232,791	-	-	-	29,269	1,577,324	3,388,818	3,487,440
(g) Computer	14,049,623	3,545,102	-	-	-	-	17,594,725	4,275,114	7,820,216
Total	179,838,204	24,585,443	-	4,669,094	138,915	3,422,863	205,530,964	761,699,353	804,857,028
Previous year	166,324,389	24,444,004	-	4,775,486	8,723,467	6,982,207	179,838,204	804,857,028	

Note: The Company has executed agreement of sale in respect of Basement and Ground Floor of Sejal Encasa Building and have received more than 90% of the sale consideration. However the possession of the said premises has not been handed over nor the balance consideration is received. In view of the above, the sale of premises has not been accounted for in the Financial Statements for the year ended 31st March, 2014.



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

(Amount in ₹)

Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
11 B FIXED ASSETS (Contd.)		
Depreciation and amortisation for the year on tangible assets as per Note 11	29,254,537	29,219,490
Less: Utilised from revaluation reserve	46,69,094	4,775,486
Less: Depreciation on Discontinued Operations	-	-
Depreciation and amortisation relating to continuing operations	2,458,5,443	24,444,004

Notes:

- (i) Details of sums added to assets on revaluation during the preceding 5 years:

(Amount in ₹)

Particulars	Year			
	31st March, 2014	31st March, 2013	31st March, 2012	31st March, 2011
LAND				
Opening balance	255,124,632	255,124,632	724,797,837	-
Added on revaluation	-	-	-	724,797,837
Date	-	-	-	31.3.2011
Transferred to General Reserve	-	-	469,673,205	-
Date	-	-	31.05.2011	-
Balance as at 31 March	255,124,632	255,124,632	255,124,632	724,797,837
BUILDING				
Opening balance	179,056,712	740,287,630	902,103,161	-
Added on revaluation	-	-	-	902,103,161
Date	-	-	-	31.3.2011
Depreciation on revaluation	4,669,094	4,775,486	14,115,246	-
Date	-	31.3.2013	31.3.2012	-
Revaluation Reserve Reversed	8,383,481	429,900,909	-	-
Date	-	-	-	-
Transferred to General Reserve	-	126,554,524	147,700,285	-
Date	-	-	31.5.2011	-
Balance as at 31 March	166,004,137	179,056,712	740,287,630	902,103,161

Note: Year ended 31st March 2011 being the first year of revaluation of assets, information for only 4 Years given

(Amount in ₹)

Particulars	As at 31st March, 2014	As at 31st March, 2013
12 NON CURRENT INVESTMENTS		
A. Investments (Quoted)		
Nil (7,25,200) Shares of ₹10/- each fully paid up in Inventure Growth and Securities Limited	-	37,706,280
223700 Equity Shares of Rs.10/- each in UJAAS ENERGY LTD	4,149,519	-
Total - Investments (Quoted) (A)	4,149,519	37,706,280
B. Investments (Unquoted)		



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

(Amount in ₹)		
Particulars	As at 31st March, 2014	As at 31st March, 2013
12 NON CURRENT INVESTMENTS (Contd.)		
(a) Investment in equity instruments		
(i) of Associates		
25000 (25000) shares of ₹10 each fully paid in Sejal Firebaan Glass Pvt. Ltd.	250,000	250,000
50,000 (Nil) shares of ₹10 each fully paid in Sejal Arjuna Realty Pvt Ltd	500,000	-
(ii) of Subsidiary		
9900 (Nil) shares of ₹10 each fully paid in Sejal Bluecity Buildcon Pvt. Ltd.	99,000	-
49900 (Nil) shares of ₹10 each fully paid in Sejal Bluecity Developers Pvt. Ltd.	499,000	-
10000 (Nil) shares of ₹10 each fully paid in Sejal Bluecity Realtors Pvt. Ltd.	100,000	-
(iii) of Other Entities		
5000 (5000) Shares of ₹20 each fully paid in The Cosmos Co-Operative Bank Ltd	100,000	100,000
4000 (4000) Shares of ₹10 each fully paid in Shakti Banquet Pvt.Ltd.	5,000,000	5,000,000
(b) Other Non-Current Investments - Gold coins	92,651	92,651
Total - Investments (Unquoted) (B)	6,640,651	5,442,651
Total (A + B)	10,790,170	43,148,931
Aggregate amount of Quoted investments	4,149,519	37,706,280
Aggregate market value of listed and quoted investments	2,946,129	45,960,015
Aggregate amount of Unquoted investments	6,640,651	5,442,651

(Amount in ₹)		
Particulars	As at 31st March, 2014	As at 31st March, 2013
13 LONG TERM LOANS & ADVANCES		
<i>Unsecured, Considered Good</i>		
(a) Capital advances	103,539,711	98,143,469
(b) Loans and advances to related parties (Refer Note 27.3)	273,937,763	247,382,720
(c) Advance income tax	11,069,082	7,431,594
(d) Loans and Advances - Inter Corporate Deposits	261,058,498	249,332,744
Total	649,605,054	602,290,528

(Amount in ₹)		
Particulars	As at 31st March, 2014	As at 31st March, 2013
14 OTHER NON CURRENT ASSETS		
(a) Others - Advance to Suppliers	218,677,401	221,915,214
Total	218,677,401	221,915,214

(Amount in ₹)		
Particulars	As at 31st March, 2014	As at 31st March, 2013
15 INVENTORIES (At lower of cost or Net Realisable Value)		
(a) Raw materials	61,809,596	110,106,059
(b) Work-in-progress	3,123,533	3,338,647
(c) Finished goods	7,119,988	8,186,488
(d) Stock-in-trade	22,831,142	39,997,990
(e) Stores and spares	5,083,799	6,247,218
Total	99,968,058	167,876,402



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

(Amount in ₹)

Particulars	As at 31st March, 2014	As at 31st March, 2013
16 TRADE RECEIVABLE		
<i>Unsecured, considered good</i>		
Trade receivables outstanding for a period exceeding six months from the date they became due for payment	275,119,029	169,864,285
Trade receivables outstanding for a period less than six months from the date they became due for payment	380,882,480	182,444,643
Total	656,001,509	352,308,928
Trade receivables include debts due from Directors		
Sejal Glass House - Prop. Amrut Gada	7,713,721	4,699,792
Dhiraj Gada	-	786,045

(Amount in ₹)

Particulars	As at 31st March, 2014	As at 31st March, 2013
17 CASH AND BANK BALANCES		
(a) Cash on hand	1,951,350	4,917,708
(b) Balances with banks		
(i) In current accounts	7,806,374	328,893
(iii) In earmarked accounts		
- Unpaid dividend accounts	20,168	124,183
- Balances held as margin money or security against borrowings, guarantees and other commitments (Refer Note (i) below)	2,575,644	10,061,092
Total	12,353,536	15,431,876
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	12,353,536	15,431,876

Note: (i) Balances with banks include Margin Money Deposits amounting to ₹25,75,644 (As at 31 March, 2012 ₹1,00,61,092/-) which have an original maturity of more than 12 months.

(Amount in ₹)

Particulars	As at 31st March, 2014	As at 31st March, 2013
18 SHORT TERM LOANS AND ADVANCES		
<i>Unsecured, considered good</i>		
(a) Loans and advances to related parties (Refer Note 27.3)	37,375,817	28,396,858
(b) Security deposits	7,733,018	10,710,770
(c) Loans and advances to employees	2,350,808	2,108,199
(d) Prepaid expenses - Unsecured, considered good	260,655	600,300
(e) Balances with government authorities		
(i) CENVAT credit receivable	-	-
(ii) VAT credit receivable	5,427,495	5,427,495
(iii) Service Tax credit receivable	2,698,188	1,711,684
(iv) MAT Credit Entitlement	1,972,927	1,972,927
(f) Others - Advance to suppliers	49,253,941	53,216,515
- Inter Corporate Deposits	-	-
Total	107,072,850	104,144,748



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

		(Amount in ₹)	
Particulars		As at 31st March, 2014	As at 31st March, 2013
19	OTHER CURRENT ASSETS		
(a)	Accruals		
(i)	Interest accrued on deposits	89,134	111,845
(ii)	Interest accrued on trade receivables	28,314,474	27,941,195
(b)	Others		
(i)	Share Application money in Sejal Firebaan Glass Pvt. Ltd.	4,750,000	4,750,000
(ii)	Receivable from Saint Gobain Glass India Limited	-	33,719,501
(iii)	Prepayment Charges Recoverable	11,581,063	11,581,063
(iv)	GIDC payment under protest	13,972,689	13,972,689
(v)	Unamortised Premium on Forward Contract	-	678,074
(vi)	Sundry Receivables	157,185,162	180,590,999
	Total	215,892,522	273,345,367

		(Amount in ₹)	
Particulars		For the year ended 31st March, 2014	For the year ended 31st March, 2013
20	REVENUE FROM OPERATIONS		
(a)	Sale of products	1,276,641,735	614,655,775
	Less: Excise Duty	19,174,893	34,824,517
	Net Sales (Refer Note (i) below)	1,257,466,842	579,831,258
(b)	Other operating revenues (Refer Note (ii) below)	6,221,038	46,943,552
	Total	1,263,687,880	626,774,810
(i)	Sale of products comprises :		
	Manufactured goods (Net of Excise Duty)		
	Toughened Glass	32,252,622	67,830,214
	Insulating Glass	80,905,611	96,418,215
	Laminated Glass	48,997,301	77,144,821
	Others	5,368,420	42,786,911
	Total - Sale of Manufactured Goods	167,523,954	284,180,162
	Traded goods		
	Furniture	909,118	6,106,089
	Lights	381,932,278	137,906,263
	Sanitaryware & CP Fittings	26,781,175	32,846,844
	Tiles	6,209,205	13,303,260
	Glass	4,979,335	45,611,720
	Iron	-	52,407,668
	Fabric	666,770,085	-
	Others	2,361,692	7,469,253
	Total - Sale of traded goods	1,089,942,888	295,651,096
	Total - Sale of products	1,257,466,842	579,831,258
(ii)	Other operating revenues comprise:		
	Sale of scrap	825,285	1,437,772
	Others	5,395,753	45,505,781
	Total - Other operating revenues	6,221,038	46,943,552



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

		(Amount in ₹)	
Particulars		For the year ended 31st March, 2014	For the year ended 31st March, 2013
21	OTHER INCOME		
(a)	Interest income (Refer Note (i) below)	87,616,064	102,563,056
(b)	Dividend income from long-term investments	12,000	15,000
(c)	Net gain on foreign currency transactions and translation (other than considered as finance cost)	17,875,030	3,719,553
(d)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	845,047	9,710,483
	Total	106,348,140	116,008,092
(i)	Interest income comprises:		
	Interest on Bank Deposits:	391,196	1,946,108
	Interest from banks on Other Balances	-	-
	Interest on loans and advances	84,849,939	85,985,684
	Interest on overdue trade receivables	2,365,138	14,546,065
	Other interest	9,791	85,199
	Total - Interest income	87,616,064	102,563,056
(ii)	Other non-operating income comprises:		
	Rental income from properties	145,200	2,926,540
	Profit on Sale of Assets	-	14,664
	Miscellaneous income	699,847	6,769,279
	Total - other non-operating income	845,047	9,710,483

		(Amount in ₹)	
Particulars		For the year ended 31st March, 2014	For the year ended 31st March, 2013
22	a. COST OF RAW MATERIAL CONSUMED		
	Opening stock	119,691,925	128,818,617
	Add: Purchases (including Labour Charges)	108,086,753	196,227,583
		227,778,678	325,046,200
	Less: Closing stock	66,893,395	119,691,925
	Cost of material consumed	160,885,282	205,354,276
	Material consumed comprises:		
	Raw material (Glass)	117,122,442	156,295,440
	PVB Film	20,654,797	28,500,366
	Other items	23,108,043	20,558,470
	Total	160,885,282	205,354,276



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

		(Amount in ₹)	
Particulars		For the year ended 31st March, 2014	For the year ended 31st March, 2013
22	b. PURCHASE OF TRADED GOODS		
	Sanitary Ware	18,470,733	21,581,121
	Ceramic tiles	5,637,161	5,905,721
	Furniture	28,920	2,502,295
	Iron	-	49,829,231
	Glass	12,973	46,420,994
	Fabric	605,823,496	-
	Lights	376,043,755	142,925,727
	Other items	1,058,911	3,326,961
	Total	1,007,075,949	272,492,051

22	c. CHANGE IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
	Inventory at the end of the year:		
	Finished goods	7,119,988	4,847,840
	Work-in-progress	3,123,533	3,338,647
	Stock-in-trade	22,831,142	39,997,990
		33,074,663	48,184,477
	Inventory at the beginning of the year:		
	Finished goods	4,847,840	6,593,487
	Work-in-progress	3,338,647	6,143,105
	Stock-in-trade	39,997,990	44,815,659
		48,184,477	57,552,251
	Net increase / (decrease)	(15,109,815)	(9,367,774)

		(Amount in ₹)	
Particulars		For the year ended 31st March, 2014	For the year ended 31st March, 2013
23	EMPLOYEE BENEFIT EXPENSE		
	Salaries and wages (Including Directors' Remuneration)	54,160,494	54,853,230
	Contributions to provident and other funds	1,544,194	2,484,335
	Staff welfare expenses	1,451,040	2,283,187
	Total	57,155,728	59,620,752

		(Amount in ₹)	
Particulars		For the year ended 31st March, 2014	For the year ended 31st March, 2013
24	FINANCE COSTS		
	(a) Interest expense on		
	(i) Borrowings	86,509,090	75,123,659
	(ii) Others		
	- Interest on delayed payment of taxes	53,578	1,037,175
	(b) Other borrowing costs	1,657,511	4,889,069
	Total	88,220,178	81,049,903



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

		(Amount in ₹)	
Particulars		For the year ended 31st March, 2014	For the year ended 31st March, 2013
25	OTHER EXPENSES		
	Consumption of stores and spare parts	-	7,735,072
	Power and fuel	10,970,813	17,680,532
	Rent including lease rentals	132,000	2,813,140
	Repairs and maintenance - Buildings	138,760	176,888
	Repairs and maintenance - Machinery	856,707	2,101,362
	Repairs and maintenance - Others	872,226	997,548
	Insurance	1,226,736	1,617,674
	Rates and taxes	1,886,154	2,216,447
	Communication	1,126,723	1,429,249
	Travelling and conveyance	2,673,224	5,385,207
	Printing and stationery	989,138	864,689
	Freight and forwarding	1,769,111	4,541,085
	Sales commission	882,806	1,592,199
	Business promotion	-	2,662,395
	Donations and contributions	322,389	109,524
	Premium on Forward Contract	-	405,633
	Legal and professional	4,318,896	6,642,288
	Payment to Auditors (Refer Note (i) below)	1,000,000	1,060,000
	Bad Debts, Loans and Advances written off	-	4,592,791
	Net loss on foreign currency transactions and translation (other than considered as finance cost)	8,247,106	3,315,377
	Sundry Assets written off	-	2,651,248
	Miscellaneous expenses	49,117,123	11,185,761
	Total	86,529,913	81,776,109
	(i) Payment to the auditors includes (net of service tax input credit, wherever applicable)		
	As auditors - Statutory Audit	750,000	750,000
	For Tax Audit	150,000	150,000
	For other services	100,000	160,000
	Total	1,000,000	1,060,000



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

26 ADDITIONAL INFORMATION TO FINANCIAL STATEMENTS

26.1 Investment in Un Quoted Securities

The company has invested in 4000 Equity Shares of ₹10 each fully paid amounting to Rs.50,00,000/- in Shakti Banquet Pvt.Ltd. The company has not received the audited financial statements from the year ended 31st March, 2014 and hence the fair value of shares cannot be estimated.

(Amount in ₹)

	As at 31st March, 2014	As at 31st March, 2013
26.2 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities		
(a) Claims by Larsen & Toubro Limited against the Company not acknowledged as debt	10,039,726	10,039,726
(b) Guarantees executed in favour of		
- Dakshin Gujrat Vij Company Ltd	-	-
- Administration of Dadra and Nagar Haveli Electricity Department	-	3,625,000
- Chalet Hotels Private Limited	-	2,125,130
- The Indian Hotels Company Limited	-	7,337,339
- Saint Gobain Glass India Limited	-	30,000,000
- Against advance received from a party - Juniper Hotels Pvt Ltd	1,724,818	-
(ii) Customs duty payable for default in completing export obligation against advance license	12,318,351	10,999,915
(iii) Export obligation under EPCG licence availed	52,768,656	21,004,730
(iv) Claims by parties towards damages	5,893,917	5,893,917
(v) Penalty Demand by Income tax Department	19,142,004	12,684,631
(vi) Penalty paid to GIDC under protest	13,972,689	13,972,689
(vii) Penalty Demand by Sales tax Department	31,555,798	-
(viii) Interest and penalty claimed by GIDC for Plot at Jagadia Industrial Area	7,958,736	2,485,434
Total	155,374,695	120,168,511
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets	-	22,254,467

26.3 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

In the absence of data on suppliers falling under the category of Micro, Small and Medium Enterprises, the information regarding the transactions is not provided.

26.4 Value of imports calculated on CIF basis

Raw materials	29,647,632	56,631,646
Spare parts	68,663	17,891
Capital goods	-	-



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

26 ADDITIONAL INFORMATION TO FINANCIAL STATEMENTS (Contd.)

(Amount in ₹)		
	For the year ended 31st March, 2014	For the year ended 31st March, 2013
26.5 Expenditure in foreign currency		
Professional / Consultancy Fees	-	-
Travelling Expenses	305,133	74,052
Repairs & Maintenance	0	290,200
Interest on FCNR Loans	694,142	492,316
Loss due to Exchange Rate Fluctuation	8,247,106	3,315,377

For the year ended 31st March, 2014		
	₹	%
26.6 Details of consumption of imported and indigenous material (Including Consumables stores)		
Imported		
	35,343,048	0.22
	(76,608,791)	(0.37)
Indigenous		
	125,542,234	0.78
	(131,737,284)	(0.63)
Total	160,885,282	100
	(208,346,075)	(100.00)

Note: Figures / percentages in brackets relate to the previous year

(Amount in ₹)		
	For the year ended 31st March, 2014	For the year ended 31st March, 2013
26.7 Earnings in foreign exchange		
FOB Value of Exports	7,761,529	992,920
Gain due to Exchange Rate Fluctuation	17,875,030	3,144,067
26.8 Disclosure in respect of derivative instruments:		
a) Derivative instruments outstanding		
Forward Contract - Hedge of Foreign Currency Loan Taken Nil (Previous Year USD 747384.15 @ ₹54.97)	-	41,083,707

26.9 Sundry Debtors, Loans and Advances and Sundry Creditors:

The balances of Sundry Debtors, Sundry Creditors, Intercompany Deposits and Loans and Advances have not been confirmed by some of the parties.



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS

27.1 Employee benefit plans

27.1.a Defined contribution plans

The Company makes Provident Fund contributions in respect of all the qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 1229127/- (Year ended 31 March, 2013 ₹ 1712848/-) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

27.1.b Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

- Gratuity
- Compensated Absences

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

(Amount in ₹)

Particulars	Year ended 31st March, 2014		Year ended 31st March, 2013	
	Gratuity	Compensated Expenses	Gratuity	Compensated Expenses
Components of employer expense				
Current service cost	788712	-	855340	-
Interest cost	343745	-	325433	-
Expected return on plan assets	(162064)	-	(190412)	-
Curtailment cost / (credit)	Nil	-	Nil	-
Settlement cost / (credit)	Nil	-	Nil	-
Past service cost	Nil	-	Nil	-
Actuarial losses/(gains)	(959603)	-	(322283)	-
Total expense recognised in the Statement of Profit and Loss	92726	1390429	625407	49970
Actual contribution and benefit payments for year				
Actual benefit payments	481237	-	303355	-
Actual contributions	-	-	-	-
Net asset / (liability) recognised in the Balance Sheet				
Present value of defined benefit obligation	(3295011)	-	(3603394)	-
Fair value of plan assets	1081725	-	1482834	-
Funded status [Surplus / (Deficit)]	1081725	-	1482834	-
Unrecognised past service costs	-	-	-	-
Net asset / (liability) recognised in the Balance Sheet	(2213286)	(2915321)	(2120560)	(1640782)



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

	(Amount in ₹)	
	Year ended 31st March, 2014	Year ended 31st March, 2013
	Gratuity	Gratuity
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	3603394	3048259
Current service cost	788712	855340
Interest cost	343745	325433
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Plan amendments	-	-
Acquisitions	-	-
Actuarial (gains) / losses	(959603)	(322283)
Past service cost	-	-
Benefits paid	(481237)	(303355)
Present value of DBO at the end of the year	3295011	3603394
Change in fair value of assets during the year		
Plan assets at beginning of the year	1482834	1613807
Acquisition adjustment	-	-
Expected return on plan assets	162064	190412
Actual company contributions	-	25864
Actuarial gain / (loss)	(81936)	(43894)
Benefits paid	(481237)	(303355)
Plan assets at the end of the year	1081725	1482834
Actual return on plan assets	-	-
Composition of the plan assets is as follows:		
Others (Insurer Managed Funds)	1081725	1482834
Actuarial assumptions		
Discount rate	9.35%	8.05%
Expected return on plan assets	7.50%	8.00%
Salary escalation	7.00%	7.00%
Estimate of amount of contribution in the immediate next year	1300000	1600000



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

Particulars	(Amount in ₹)				
	2014-2013	2013- 2012	2012-2011	2011- 2010	2010-2009
Experience adjustments					
Gratuity					
Present value of DBO	3295011	3603394	3048259	3400642	2478429
Fair value of plan assets	1081725	1482834	1613807	1750168	1620526
Funded status [Surplus / (Deficit)]	(2213286)	(2120560)	(1434452)	(1650474)	(857903)
Experience gain / (loss) adjustments on plan liabilities	(390922)	(532529)	(3261578)	(752392)	(188102)
Experience gain / (loss) adjustments on plan assets	(81936)	(43894)	(3224119)	(63769)	(18469)

Particulars	(Amount in ₹)	
	For the year ended 31 March, 2014	For the year ended 31 March, 2013
Actuarial assumptions for long-term compensated absences		
Discount rate	9.35%	8.05%
Expected return on plan assets	7.50%	7.50%
Salary escalation	7.00%	7.00%
Attrition		

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

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

The Expected Rate of Return on Plan Assets is based on expectations of the average long term rate of return expected on the investments of the fund during the estimated term of obligations.



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

27.2 Segment information

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Glass Processing Division and Retail Trading Division. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. The Company does not have geographical segments.

Particulars	For the year ended 31st March, 2014			
	Business segments			Total ₹
	Glass-Processing ₹	Retail, Trading ₹	Eliminations ₹	
Revenue from Sales	173,744,992	1,089,942,888		1,263,687,880
	(288,613,812)	(295,651,096)	(2,995,879)	(581,269,029)
Less: Inter-segment revenue	-	-	-	-
	(2,995,879)	-	-	(2,995,879)
Total	173,744,992	1,089,942,888	-	1,263,687,880
	(285,617,933)	(295,651,096)		(581,269,029)
Segment result	(162,926,785)	60,333,025	-	(102,593,760)
	10,750,567	(100,505,322)	-	(89,754,755)
Unallocable expenses (net)				-
				-
Other income (net)				-
				-
Profit/(Loss) before taxes				(102,593,760)
				(89,754,755)
Tax expense				-
				(70,243,177)
Provision for Contingency				85,000,000
				-
Net profit/(Loss) for the year				(187,593,760)
				(159,997,932)

	For the year ended 31st March, 2014		
Particulars	Business Segment		Total ₹
	Processing ₹	Encasa ₹	
Segment assets	1,848,160,692	947,276,843	2,795,437,535
	(2,002,094,302)	(650,749,495)	(2,652,843,797)
Unallocable assets	-	-	234,991,603
	(-)	(-)	(267,350,364)
Total assets	1,848,160,692	947,276,843	3,030,429,138
	(2,002,094,302)	(650,749,495)	(2,920,194,161)
Segment liabilities	979,819,103	526,735,499	1,506,554,602
	(979,572,013)	(224,484,758)	(1,204,056,771)
Unallocable liabilities	-	-	1,523,874,535
	(-)	(-)	(1,716,137,390)
Total liabilities	979,819,103	526,735,499	3,030,429,137
	(979,572,013)	(224,484,758)	(2,920,194,161)
Other information			
Depreciation and amortisation (allocable)	22,076,795	2,508,648	24,585,443
	(21,744,939)	(2,699,065)	(24,444,004)



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

27.3.a. Details of related parties

Description of relationship	Names of related parties
Subsidiary Company	Sejal Bluecity Developers Pvt. Ltd.
Subsidiary Company	Sejal Bluecity Realtors Private Limited
Subsidiary Company	Sejal Bluecity Buildcon Private Limited
Associate Company	Sejal Firebaan Glass Private Limited
Associate Company	Sejal Arjuna Realty Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Bonanza Float Glass Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Hero Multi Pap Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Hero Paper Stores
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Entertainment & Media India Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Finance Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Glass Craft Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Glass House
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Insurance Broking Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal International Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Realty and Infrastructure Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Inventure Sejal Realtors Pvt Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Infraprojects Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Primera Vista Lifestyle Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Jaycee Sejal Developers Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Brizeal Realtors & Developers Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Kress Italian Foods Specialties Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Harsh Enterprises
Company in which KMP / Relatives of KMP can exercise significant influence	Hitankshi Glass House
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Wealth and Advisors Limited
Key Management Personnel (KMP)	Amrut S. Gada
Key Management Personnel (KMP)	Dhiraj S. Gada
Key Management Personnel (KMP)	Mitesh K Gada
Key Management Personnel (KMP)	Aashish Karia

Note: Related parties have been identified by the Management.



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

27.3.b. a) Sale / Purchase of Goods, Services And Fixed Assets

Particulars	Purchase of goods	Sale of goods	Receiving of services	Leasing or hire purchase arrangements
Company in which KMP / Relatives of KMP can exercise significant influence				
Hero Multi Pap	8200000	-	-	-
	(12745230)	(-)	(314528)	(-)
Sejal International Limited	426216841	-	-	-
	(156352788)	(15646688)	-	(-)
Sejal Realty & Infrastructure Ltd.	0	79750	-	-
	(-)	(50390)	(-)	(8272500)
Sejal Finance Ltd.	-	-	148017.19	0
	(-)	(-)	-275968	(-)
Sejal Entertainment & Media India Ltd.	1198	-	-	-
	(-)	(350)	(-)	(2430000)
Sejal Firebaan Glass Private Limited	-	-	-	-
	(-)	(2771062)	(-)	(-)
Primera Vista Lifestyle Pvt. Ltd.	-	-	-	-
	(-)	(73830128)	(1839838)	(-)
Brizeal Realtors & Developers Pvt. Ltd.	0	400793	-	-
	(-)	(-)	(-)	(-)
Key Management Personnel				
Amrut Gada - Proprietor of Sejal Glass House	2172685	8805584	-	-
	(39662)	(2502321)	(-)	(-)
Entities in which KMP / Relatives of KMP can exercise significant influence				
Dhiraj Gada	-	-	-	-
	(-)	(26231)	(-)	(-)
Hero Paper	61478	(-)	(-)	(-)
	(56802)	(6436298)	(-)	(-)



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

27.3.b. b) Loans and Advances Given / Taken / Repaid during the year

Particulars	Loans Given to Related Parties During the Year	Repayment Received of Loans Given During the Year	Loans Taken from Related Parties	Repayment of Loans
Loans & Advances Made and Repayment thereof				
Hero Multi Pap Private Limited	-	-	-	-
	(-)	(-)	(-)	(800000)
Sejal Entertainment & Media India Ltd	1886940.92	10000	(-)	(-)
	(5876300)	(9205180)	(-)	(-)
Sejal Fireban Glass Private Limited	-	-	-	-
	(242165)	(-)	(-)	(-)
Primera Vista Lifestyle Pvt. Ltd.	-	-	-	-
	(573150)	(573150)	(-)	(-)
Inventure Sejal Realtors Pvt. Ltd.	291000	0	0	0
	(1200000)	(-)	(-)	(-)
Sejal Bluecity Developers Pvt. Ltd.	-	-	-	-
	(1000)	(-)	(-)	(-)
Sejal Infraprojects Pvt. Ltd.	-	-	-	-
	(1608)	-	-	-
Inter Corporate Deposits Made				
Sejal Finance Ltd.	2045766	8559767	-	-
	(16189570)	(355000)	(-)	(-)
Sejal International Ltd.	1501000	10000	-	-
	(3240000)	(-)	(-)	(-)
Sejal Realty & Infrastructure Ltd.	4009889	1793089	-	-
	(8043450)	(5218)	(-)	(-)
Sejal Glass Craft Pvt. Ltd.	-	1000	-	-
	(13294090)	(4000)	(-)	(-)
Amrut Gada (Sejal Glass house)	1310000	1697007	-	-
	(-)	(-)	(-)	(-)
Dhiraj Gada	-	-	-	355631
	(144564)	(355631)	(-)	(-)
Mitesh Gada	-	-	-	356052.35
	(43948)	(356052)	(-)	(-)



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

27.3.b. c) Management contracts including for deputation of employees

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
Directors Remuneration		
Amrut Gada	3600000	4500000
Amrut Gada(Expenses)	29684	-
Dhiraj Gada	-	1800000
Mitesh Gada	2400000	3321352
Mitesh Gada (Expenses)	50429	-
Aashish Karia	-	1350000
Other Expenses		
Sejal Insurance Broking Ltd.	-	2550
Sejal International Limited	-	2550
Sejal Realty & Infrastructure Ltd.	-	5438017
Bonanza Float Glass Private Limited	14400	100
Sejal Entertainment & Media India Limited	-	1220186
Sejal Firebaan Glass Private Limited	238234	28560
Inventure Sejal Realtors Pvt. Ltd.	-	30396
Sejal Infraprojects Pvt. Ltd.	-	6222
Jaycee Sejal Developers Pvt. Ltd.	14602.47	18870
Sejal Arjuna Realty Pvt. Ltd.	29500	-
Kress Italian Food Specialties Pvt. Ltd.	7100	-
Other Income		
Interest Received on Deposits		
Sejal Finance Ltd.	6716629	8642242
Sejal Realty and Infrastructure Ltd.	18579193	26218075
Sejal Entertainment & Media India Limited	1211851	1557152
Sejal Glass Craft Pvt. Ltd.	2112745	2159209
Sejal International Limited	1985280	1959949
Amrut Gada-Proprietor of Sejal glass House	2250532	1035343



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

Balances Outstanding as on the Reporting Date

Particulars	(Amount in ₹)	
	31st March, 2014	31st March, 2013
(a) Investments		
Sejal Firebaan Glass Private Limited	250000	250000
Sejal Arjuna Realty Pvt. Ltd.	500000	-
	750000	250000
(b) Short Term Loans & Advances Given		
Sejal Insurance Broking Limited	680293	680293
Sejal Entertainment and Media India Limited	8321614	8248769
Sejal Glass House	18305848	16667376
Primera Vista Lifestyle Pvt. Ltd.	1333413	1231372
Kress Italian Foods Specialities Pvt. Ltd.	7100	0
Inventure Sejal Realtors Pvt. Ltd.	1521396	1230396
Harsh Enterprises	6800000	0
	36969664	28058206
(c) Long Term Loans & Advances Given		
Sejal International Limited	17009524	13731772
Sejal Entertainment and Media India Limited	11598979	8631372
Sejal Finance Limited	62361916	62830951
Sejal Glass Craft Private Limited	17891868	15989398
Sejal Realty & Infrastructure Limited	160378322	141440247
Sejal Firebaan Glass Pvt. Ltd.	4697154	4758980
	273937763	247382720
(d) Share Application Money		
Sejal Firebaan Glass Limited	4750000	4750000
	4750000	4750000
(e) Trade Receivables		
Brizeal Realtors & Developers Pvt. Ltd.	211409	-
Dhiraj Gada	-	784045
Hero Papers	71164	71164
Hitankshi Glass	714082	714082
Sejal Entertainment & Media India Limited	69760	69760
Shantilal Gada	50669	165290
Sejal Glass House - Prop. Amrut Gada	13210478	4707085
Sejal International Ltd.	15646688	15646688
Primera Vista Lifestyle Pvt. Ltd.	1333413	1229372
Sejal Realty & Infrastructure Limited	79750	50390
	31387413	23437876



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

Balances Outstanding as on the Reporting Date (Contd.)

Particulars	(Amount in ₹)	
	31st March, 2014	31st March, 2013
(f) Trade Payables		
Hero Multi Pap Private Ltd.	2090658	9941454
Sejal Entertainment & Media India Limited	42974	41776
Sejal International Limited	0	777911
Sejal Infraprojects Pvt. Ltd.	1141170	7830
	3274802	10768971
(g) Payable For Expenses		
Sejal Finance Limited	555064	421850
Hero Paper Stores	43343	45147
	598407	466997
(h) Misc Receivables		
Sejal International Limited (Claims)	11023661	11023661
Hitankshi Glass House	714082	714082
Sejal Entertainment & Media Ltd.	1208222	1208222
Sejal Wealth and Advisors Limited	20052	20052
Sejal Bluecity Developers Pvt. Ltd.	15602	1000
Bonanza Float Glass Pvt. Ltd.	20420	6020
Sejal Arjuna Realty Pvt. Ltd.	29500	0
Synergy Wood and Glass Private Limited	20856454	21910667
	33887994	34883704
(i) Misc Payables		
Sejal Infra Projects Pvt. Ltd.	1141170	7830
	1141170	7830

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2014	For the year ended 31st March, 2013
27.4. Earnings per share		
Basic		
27.4.a Continuing operations		
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(102,593,760)	(159,997,932)
Weighted average number of equity shares	33,550,000	33,550,000
Par value per share	10	10
Earnings per share from continuing operations - Basic	(3.06)	(4.77)
27.4.b Total operations		
Net profit / (loss) for the year attributable to the equity shareholders	(102,593,760)	(159,997,932)
Weighted average number of equity shares	33,550,000	33,550,000
Par value per share	10	10
Earnings per share - Basic	(3.06)	(4.77)



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Basic (excluding extraordinary items)		
27.4.c Continuing operations		
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items	(71,899,937)	(64,746,595)
Weighted average number of equity shares	33,550,000	33,550,000
Par value per share	10	10
Earnings per share from continuing operations, excluding extraordinary items - Basic	(2.14)	(1.93)
27.4.d Total operations		
Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items	(71,899,937)	(64,746,595)
Weighted average number of equity shares	33,550,000	33,550,000
Par value per share	10	10
Earnings per share, excluding extraordinary items - Basic	(2.14)	(1.93)
Diluted		
The diluted earnings per share has been computed by dividing the Net Profit After Tax available for Equity Shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock Options and Convertible bonds for the respective periods.		
27.4.e Continuing operations		
Profit / (loss) attributable to equity shareholders from continuing operations (on dilution)	(102,593,760)	(159,997,932)
Weighted average number of equity shares for Basic EPS	33,550,000	33,550,000
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	33,550,000	33,550,000
Par value per share	10	10
Earnings per share, from continuing operations - Diluted	(3.06)	(4.77)
27.4.f Total operations		
Profit / (loss) attributable to equity shareholders (on dilution)	(102,593,760)	(159,997,932)
Weighted average number of equity shares for Basic EPS	33,550,000	33,550,000
Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	0
Weighted average number of equity shares - for diluted EPS	33,550,000	33,550,000
Par value per share	10	10
Earnings per share - Diluted	(3.06)	(4.77)



Notes on Financial Statements for the Year ended 31st March, 2014 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Diluted (excluding extraordinary items)		
27.4.g Continuing operations		
Profit / (loss) from continuing operations attributable to equity shareholders (on dilution)	(71,899,937)	(64,746,595)
Weighted average number of equity shares for Basic EPS	33,550,000	33,550,000
Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	0
Weighted average number of equity shares - for diluted EPS	33,550,000	33,550,000
Par value per share	10	10
Earnings per share, from continuing operations, excluding extraordinary items - Diluted	(2.14)	(1.93)
27.4.h Total operations		
Profit / (loss) attributable to equity shareholders (on dilution)	(71,899,937)	(64,746,595)
Weighted average number of equity shares for Basic EPS	33,550,000	33,550,000
Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	33,550,000	33,550,000
Par value per share	10	10
Earnings per share, excluding extraordinary items - Diluted	(2.14)	(1.93)
27.5 Deferred tax (liability) / asset		
<i>Tax effect of items constituting deferred tax liability</i>		
On difference between book balance and tax balance of fixed assets	-	(67,222,361)
Tax effect of items constituting deferred tax liability	-	(67,222,361)
<i>Tax effect of items constituting deferred tax assets</i>		
Provision for compensated absences, gratuity and other employee benefits	-	1162255
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	-	8028951
Brought forward losses	-	280,259,661
MAT Credit	-	1,972,927
Tax effect of items constituting deferred tax assets	-	291423794
Net deferred tax (Liability) / Asset as at Reporting Date	-	224201433

Note: The Company has plans to set up processing plant at multiple locations and has projected profits for the future years which would absorb current accumulated losses. To begin with the Company has already acquired equipment for its plant at Dadra thereby increasing the production capacity substantially to meet the demand from customers. In view of the above, the Company has not made any provision for deferred tax for the year.



Statement pursuant to **Section 212**
of the Companies Act, 1956, related to the Subsidiary Companies

Particulars	Sejal Bluecity Realtors Pvt. Ltd.	Sejal Bluecity Buildcon Pvt. Ltd.	Sejal Bluecity Developers Pvt. Ltd.
1. Financial year of the Subsidiary ended on	March 31, 2014	March 31, 2014	March 31, 2014
2. Shares of the Subsidiary held by the Company on the above date:			
(a) Number & face value	10,000 Equity Shares of Rs. 10/- each	9,900 Equity Shares of Rs. 10/- each	49,900 Equity Shares of Rs. 10/- each
(b) Extent of holding	100%	99%	99.8%
3. Net aggregate amount of profits/(losses) of the subsidiary so far as they concern members of Sejal Glass Ltd.			
(a) For the financial year of the Subsidiary			
(i) Dealt within the accounts of the Company for the year ended March 31, 2014 (Rs. In Lacs)	NIL	NIL	NIL
(ii) Not dealt with the accounts of the Company for the year ended March 31, 2014 (Rs. In Lacs)	(0.29)	(0.29)	(4.67)
(b) For the previous financial year of the subsidiary since it became a subsidiary			
(i) Dealt within the accounts of the of the Company for the previous financial year ended March 31, 2014 (Rs. In Lacs)	NIL	NIL	NIL
(ii) Not dealt with the accounts of the Company for the previous financial year ended March 31, 2014 (Rs. In Lacs)	NIL	NIL	NIL

For and on behalf of the Board of Directors

Amrut S Gada
Chairman & Managing Director

Mitesh K Gada
Director

A. Venkataramanan
Chief Financial Officer

Ashwin S Shetty
Company Secretary

Place: Mumbai

Date: 30th May 2014



Financial Sections

CONSOLIDATED



Independent Auditor's Report

To the Members of

SEJAL GLASS LIMITED

We have audited the accompanying consolidated financial statements of SEJAL GLASS LIMITED, (formerly known as Sejal Glass Limited) ('the Company') and its subsidiaries and associates (herein collectively referred to as the 'Group'), which comprise the consolidated Balance Sheet as at 31 March 2014, the consolidated Statement of Profit and Loss and consolidated Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash Flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 15th September, 2013 of Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the

reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

BASIS FOR QUALIFIED OPINION

- The Company has not obtained balance confirmations in respect of Sundry Debtors, Sundry Creditors, Loans and Advances given and Inter Corporate Deposits (excluding Group companies).
- In the absence of convincing evidence assuring future taxable income, the continuance of Deferred Tax Asset of Rs.22,42,01,433/- is virtually uncertain
- Non Provision of Deferred tax in respect of Four Subsidiaries as per AS 22- Deferred Tax.

QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, and **subject to note no. 26(9) to the consolidated financial statements and Non Provision against Deferred Tax Asset referred in Basis of Opinion**, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- (i) in the case of the consolidated Statement of Profit and Loss account, of the loss for the year ended on that date; and
- (ii) in the case of the consolidated Cash Flow statement, of the cash flows for the year ended on that date.

OTHER MATTERS

We have relied upon the audited financial statements of Three Subsidiary Companies which have been audited by other auditors reflecting total assets of Rs.811240/-, total revenue of Rs. Nil for the year ended as on that date. Our opinion is based solely on the reports of the Other Auditors.

For **S S PURANIK & ASSOCIATES**

Chartered Accountants

FRN 127731W

SHRIPAD S PURANIK

Partner

M.Ship No. 030670

Mumbai

Date: May 30, 2014



Consolidated Balance Sheet

as at 31st March, 2014

		(Amount in ₹)	
Particulars	Note No.	As at 31st March, 2014	
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital		335,500,000	
(b) Reserves and surplus	1	1,187,551,565	
2 Minority Interest		770	
3 Non-current liabilities			
(a) Long-term borrowings		161,734,211	
(b) Long-term provisions		4,679,611	
4 Current liabilities			
(a) Short-term borrowings		351,843,675	
(b) Trade payables	2	549,598,039	
(c) Other current liabilities	3	436,991,480	
(d) Short-term provisions		2,345,751	
Total		3,030,245,102	
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets		761,699,353	
(ii) Capital work-in-progress		74,167,253	
(b) Non-current investments	4	9,794,893	
(c) Deferred tax assets (net)		224,201,433	
(d) Long-term loans and advances		649,605,054	
(e) Other non-current assets		218,677,401	
2 CURRENT ASSETS			
(a) Inventories		99,968,058	
(b) Trade receivables		656,001,509	
(c) Cash and Bank balances	5	13,164,776	
(d) Short-term loans and advances		107,072,850	
(e) Other current assets		215,892,522	
Total		3,030,245,102	

See accompanying notes forming part of the financial statements

In terms of our report attached.

For **S S Puranik & Associates**

Chartered Accountants

FRN no.127731W

For and on behalf of the Board of Directors

Shripad S Puranik

Partner

M. No. 030670

Place: Mumbai

Date: 30th May 2014

Amrut S. Gada

Chairman & Managing Director

Mitesh K. Gada

Director

A. Venkataramanan

Chief Financial Officer

Ashwin S. Shetty

Company Secretary



Profit and Loss

Consolidated Statement of
for the year ended 31st March, 2014

		(Amount in ₹)	
Particulars	Note No.	As at 31st March, 2014	
I CONTINUING OPERATIONS			
1 Revenue from operations		1,263,687,880	
2 Other Income		106,348,140	
Total Revenue	(A)	1,370,036,020	
3 Expenses			
(a) Cost of materials consumed		160,885,281	
(b) Labour Cost		2,583,595	
(c) Purchases of stock-in-trade		1,007,075,949	
(d) Changes in inventories of finished goods, work-in-progress and stock-in-trade		15,109,815	
(e) Employee benefits expense		57,155,728	
(f) Finance costs		88,254,543	
(g) Depreciation and amortisation expense		24,585,443	
(h) Other expenses	6	87,021,243	
Total Expenses	(B)	1,442,671,597	
4 Profit / (Loss) before exceptional and extraordinary items and tax (A - B)		(72,635,576)	
5 Exceptional Items			
(Loss)/Profit on sale of Investments		(30,693,823)	
(Loss)/Profit on sale of Property (Net)		2,006,014	
Prior Period (Expense) / Income		(1,796,069)	
Share of Profit/(Loss) of Associates		(297,277)	
6 Profit / (Loss) before tax (4-5+6)		(103,416,731)	
7 Tax expense:			
(a) Current tax expense relating to prior years		-	
(b) Deferred tax		-	
8 Profit / (Loss) from continuing operations (7-8)		(103,416,731)	
9 Less : Provision for Contingency		85,000,000	
10 Profit/(Loss) after tax but before minority interest		(188,416,731)	
11 Profit /(Loss) attributable to Minority Shareholders		770	
12 Profit /(Loss) for the year		(188,415,961)	



Consolidated Statement of Profit and Loss for the year ended 31st March, 2014 (Contd.)

Particulars	Note No.	(Amount in ₹)
		As at 31st March, 2014
12.i Earnings per share (of ₹10/- each):		
(a) Basic		
(i) Continuing operations		(3.08)
(ii) Total operations		(3.08)
(b) Diluted		
(i) Continuing operations		(3.08)
(ii) Total operations		(3.08)
12.ii Earnings per share (excluding extraordinary items) (of ₹10/- each):		
(a) Basic		
(i) Continuing operations		(2.17)
(ii) Total operations		(2.17)
(b) Diluted		
(i) Continuing operations		(2.17)
(ii) Total operations		(2.17)

See accompanying notes forming part of the financial statements

In terms of our report attached.

For **S S Puranik & Associates**

Chartered Accountants

FRN no.127731W

For and on behalf of the Board of Directors

Shripad S Puranik

Partner

M. No. 030670

Place: Mumbai

Date: 30th May 2014

Amrut S. Gada

Chairman & Managing Director

Mitesh K. Gada

Director

A. Venkataramanan

Chief Financial Officer

Ashwin S. Shetty

Company Secretary



Consolidated Cash Flow Statement

for the year ended 31st March, 2014

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2014	
	(Rs.)	(Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax		(188,415,961)
Add Extraordinary items		30,693,823
Exceptional items		-
		-157,722,138
Adjustments for:		
Depreciation and amortisation	24,585,443	
Finance costs	88,254,543	
Interest income	(87,616,064)	
Dividend income	(12,000)	
Net (gain) / loss on sale of investments	-	
Net (gain) / loss on sale of Assets	13,772,730	
Bad Debts Written off	-	
Rental income from operating leases	(145,200)	
Liabilities / provisions no longer required written back	-	
Discounts Received	-	
Net unrealised exchange (gain) / loss	-	
		38,839,452
Operating profit / (loss) before working capital changes		(118,882,686)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	67,908,344	
Trade receivables	(303,692,581)	
Short-term loans and advances	(2,928,102)	
Long-term loans and advances	(47,314,526)	
Other current assets	57,452,844	
Other non-current assets	3,237,813	
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	253,809,762	
Other current liabilities	105,738,945	
Short-term provisions	96,889	
Long-term provisions	1,151,739	
		135,461,127
		16,578,441
Cash flow from extraordinary items		(30,693,823)
Cash generated from operations		(14,115,382)
Net income tax (paid) / refunds		-
Net cash flow from / (used in) operating activities (A)		(14,115,382)



Cash Flow Statement

for the year ended 31st March, 2014 (Contd.)

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2014	
	(Rs.)	(Rs.)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(37,547,742)	
Proceeds from sale of fixed assets	74,184,603	
Movement in long-term Investments	33,354,038	
Interest received	87,616,064	
Dividend received	12,000	
Rental income from operating leases	145,200	
		157,764,163
Net cash flow from / (used in) investing activities (B)		157,764,163
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	-	
Dividend Income	-	
Movement in Fixed Deposits	12,102,000	
Interest Income	-	
Inter Corporate Deposits	(41,959,645)	
Repayment of long-term borrowings	(46,863,031)	
Movement in other short-term borrowings	19,059,337	
Finance cost	(88,254,543)	
Net cash flow from / (used in) financing activities (C)		(145,915,882)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(2,267,101)
Cash and cash equivalents at the beginning of the year		13,164,776

See accompanying notes forming part of the financial statements

In terms of our report attached.

For **S S Puranik & Associates**

Chartered Accountants

FRN no.127731W

For and on behalf of the Board of Directors

Shripad S Puranik

Partner

M. No. 030670

Place: Mumbai

Date: 30th May 2014

Amrut S. Gada

Chairman & Managing Director

Mitesh K. Gada

Director

A. Venkataramanan

Chief Financial Officer

Ashwin S. Shetty

Company Secretary



Notes

Forming part of the
Consolidated financial statements

Particulars

1 CORPORATE INFORMATION

The Company is engaged in the business of processing of value added Glass in various forms viz. Tempering, Designing, Insulating and Laminated Glass. The Company also has Trading and Retail division offering a wide range of home interior products and Electronic goods.

The Company has during the year changed the name of the company from Sejal Glass Limited to Sejal Glass Limited vide Certificate of Incorporation dated 20th march, 2014

2 SIGNIFICANT ACCOUNTING POLICIES

2.1. a. Basis of accounting and 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 Control Board of India (SEBI). The Company has been consistent in its accounting policies. Change in the accounting policies, however is disclosed separately.

2.1. b. Consolidation

The accompanying Consolidated Financial Statements comprise the accounts of Sejal Glass Ltd and its direct subsidiaries after eliminating all material inter-company accounts, transactions, profit and Losses. A subsidiary is an entity in which the Group has either direct or indirect majority ownership interest and has the power to control the financial and operating policies of that entity.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including

contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories

Finished Goods are valued at lower of cost plus appropriate share of production overheads or net realisable value which ever is less. Raw materials and 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.

2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 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.

2.6 Depreciation and amortisation

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

2.7 Revenue recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales are



Notes Forming part of the Consolidated financial statements (Contd.)

Particulars

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

net off Excise Duty, Sales tax and value added tax. Export Sales are accounted by converting the Foreign Currency amount at the rate of exchange fixed by the Customs Authority. On realization of export proceeds, the difference between the amount realized and the amount booked is charged off / back to Statement of Profit and Loss as Loss / Gain due to exchange rate difference.

2.8 Other income

Interest income is accounted on the basis of proportionate period of investment, considering the amount of investment and the rate of interest. Dividend income is accounted when the right to receive it is established. Liabilities no longer required are written back to income.

2.9 Tangible fixed assets

The Fixed assets are stated at cost, inclusive of inward freight, duties and taxes (Net off input credits 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.

The Company revalued its Land and Buildings as on 31st March, 2011. The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. Increase in the net book value on such revaluation is credited to "Revaluation reserve account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation / impairment that was previously recognised in the Statement of Profit and Loss, in

which case such amount is credited to the Statement of Profit and Loss. Decrease in book value on revaluation is charged to the Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the Revaluation reserve, in which case the decrease is charged to the Revaluation reserve to the extent the reserve has not been subsequently reversed / utilised. Whenever a revalued asset is sold or disposed off, the balance revaluation reserve pertaining to such asset is reversed and transferred to General Reserve.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

Capital work-in-progress:

Projects undertaken by the Company where assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental and allocable expenses and attributable interest.

2.10 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.

2.11 Foreign currency transactions and translations Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates applied by the customs authorities to the respective transactions.

Measurement of foreign currency monetary items at the Balance Sheet date

"Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year end at the exchange rates prevailing on that date. Revenue and expenses are translated at the exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss."



Notes Forming part of the Consolidated financial statements (Contd.)

Particulars

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Accounting for Forward Contracts

Premium on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts. Exchange differences on such contracts are recognised in the Statement of Profit and Loss during the year when a transaction takes place and also as at the Reporting date for the balances carried forward in the books of account.

2.12 Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

2.13 Investments

"Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties."

2.14 Employee benefits

Employee benefits include provident fund, gratuity fund, compensated absences and medical expense reimbursements.

Defined contribution plans

The Company's contribution to Provident Fund and Gratuity Fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of Gratuity and Compensated Absences, the cost of providing benefits is determined on the actuarial valuation basis. The actuarial valuation being carried out at each Balance Sheet date, Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-Term Employee Benefits

"The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur."



Notes Forming part of the Consolidated financial statements (Contd.)

Particulars

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.15 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.16 Segment reporting

The Company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

"The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.17 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.18 Taxes on income

"Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the



Notes Forming part of the Consolidated financial statements (Contd.)

Particulars

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability. "

2.19 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment.

If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.20 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.



Notes Forming part of the Consolidated financial statements (Contd.)

		(Amount in ₹)
		As at 31st March, 2014
1	Particulars	
	RESERVES AND SURPLUS	
	(a) Securities Premium account	
	Balance as per last account	1,406,552,893
	(b) Revaluation Reserve	
	Opening balance	434,181,344
	Less: Revaluation Reserve reversed	-
	Less: Revaluation Reserve of Abhilasa Building Transferred to General Reserve on Sale	8,383,481
	Less: Depreciation on Revalued Assets withdrawn during the year (Refer Note 11.B)	4,669,094
	Closing balance	421,128,769
	(c) General Reserve	
	Opening balance	776,121,914
	Add: Transferred from Revaluation Reserve	8,383,481
	Closing balance	784,505,395
	(d) Surplus / (Deficit) in Statement of Profit and Loss	
	Opening balance	(1,236,218,761)
	Add: Profit / (Loss) for the year	(188,416,731)
	Closing balance	(1,424,635,492)
	Total (a + b + c + d)	1,187,551,565

		(Amount in ₹)
		As at 31st March, 2014
2	Particulars	
	TRADE PAYABLES	
	Trade payables:	
	Acceptances	-
	Other than Acceptances	549,598,039
	Total	549,598,039

		(Amount in ₹)
		As at 31st March, 2014
3	Particulars	
	OTHER CURRENT LIABILITIES	
	(a) Current maturities of long-term debt (Refer Note (1) below)	41,539,736
	(b) Interest accrued but not due on borrowings	-
	(c) Interest accrued and due on borrowings	44,535,763
	(d) Unpaid dividends	96,523
	(e) Unpaid matured deposits and interest accrued thereon	70,421,174
	(f) Other payables	-
	(i) Statutory remittances	50,644,692
	(ii) Payables on purchase of fixed assets	12,725,778
	(iii) Contractually reimbursable expenses	3,096,385
	(iv) Trade / security deposits received	525,000
	(v) Advances from customers	14,926,312
	(vi) Others	198,480,117
	Total	436,991,480



Notes Forming part of the Consolidated financial statements (Contd.)

		(Amount in ₹)
		As at 31st March, 2014
4	NON CURRENT INVESTMENTS	
	Investments (At Cost)	
	A. Investments (Quoted)	
	2,23,700 Equity Shares of Rs.10/- each in UJAAS ENERGY LTD	4,149,519
	Total - Investments (Quoted) (A)	4,149,519
	B. Investments (Unquoted)	
	(a) Investment in equity instruments	
	(i) of Associates	
	25000 (25000) shares of ₹10 each fully paid in Sejal Firebaan Glass Pvt. Ltd.	-
	50,000 (Nil) shares of ₹10 each fully paid in Sejal Arjuna Realty Pvt Ltd	452,723
	(ii) of Subsidiary	
	9900 (Nil) shares of ₹10 each fully paid in Sejal Bluecity Buildcon Pvt. Ltd.	-
	49900 (Nil) shares of ₹10 each fully paid in Sejal Bluecity Developers Pvt. Ltd.	-
	10000 (Nil) shares of ₹10 each fully paid in Sejal Bluecity Realtors Pvt. Ltd.	-
	(ii) of Other Entities	
	5000 (5000) Shares of ₹20 each fully paid in The Cosmos Co-Operative Bank Ltd	100,000
	4000 (4000) Shares of ₹10 each fully paid in Shakti Banquet Pvt.Ltd.	5,000,000
	(b) Other Non-Current Investments - Gold coins	92,651
	Total - Investments (Unquoted) (B)	5,645,374
	Total (A + B)	9,794,893
	Aggregate amount of Quoted investments	4149519
	Aggregate market value of listed and quoted investments	2946129
	Aggregate amount of Unquoted investments	5645374

		(Amount in ₹)
		As at 31st March, 2014
5	CASH AND BANK BALANCES	
	(a) Cash on hand	2,762,190
	(b) Balances with banks	
	(i) In current accounts	7,806,774
	(ii) In earmarked accounts	
	- Unpaid dividend account	20,168
	- Balances held as margin money or security against borrowings, guarantees and other commitments (Refer Note (i) below)	2,575,644
	Total	13,164,776
	Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	13,164,776

Notes:

- (i) Balances with banks include Margin Money Deposits amounting to ₹ 25,75,644 (As at 31 March, 2012 ₹ 1,00,61,092/-) which have an original maturity of more than 12 months.



Notes Forming part of the Consolidated financial statements (Contd.)

		(Amount in ₹)
		For the year ended 31st March, 2014
	Particulars	
6	OTHER EXPENSES	
	Consumption of stores and spare parts	
	Power and fuel	10,970,813
	Rent including lease rentals	132,000
	Repairs and maintenance - Buildings	138,760
	Repairs and maintenance - Machinery	856,707
	Repairs and maintenance - Others	872,226
	Insurance	1,226,736
	Rates and taxes	1,888,150
	Communication	1,126,723
	Travelling and conveyance	2,673,326
	Printing and stationery	991,756
	Freight and forwarding	1,769,111
	Sales commission	882,806
	Business promotion	
	Donations and contributions	322,389
	Premium on Forward Contract	
	Legal and professional	4,768,763
	Payment to Auditors (Refer Note (i) below)	1,000,000
	Bad Debts, Loans and Advances written off	
	Net loss on foreign currency transactions and translation (other than considered as finance cost)	8,247,106
	Sundry Assets written off	
	Miscellaneous expenses	49,153,870
	Total	87021243.03
	(i) Payment to the auditors includes (net of service tax input credit, wherever applicable)	
	As auditors - Statutory Audit	809,760
	For Tax Audit	150,000
	For other services	100,000
	Total	1,059,760



Notes Forming part of the Consolidated financial statements (Contd.)

(Amount in ₹)

7 DISCLOSURES UNDER ACCOUNTING STANDARDS	
7.a Details of related parties:	
Description of relationship	Names of related parties
Subsidiary Company	Sejal Bluecity Developers Pvt Ltd
Subsidiary Company	Sejal Bluecity Realtors Private Limited
Subsidiary Company	Sejal Bluecity Buildcon Private Limited
Associate Company	Sejal Firebaan Glass Private Ltd
Associate Company	Sejal Arjuna Realty Pvt Ltd
Company in which KMP / Relatives of KMP can exercise significant influence	Bonanza Float Glass Pvt Ltd
Company in which KMP / Relatives of KMP can exercise significant influence	Hero Multi Pap Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Hero Paper Stores
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Entertainment & Media India Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Finance Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Glass Craft Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Glass House
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Insurance Broking Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal International Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Realty and Infrastructure Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Inventure Sejal Realtors Pvt Limited
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Infraprojects Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Primera Vista Lifestyle Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Jaycee Sejal Developers Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Brizeal Realtors & Developers Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Kress Italian Food Specialties Pvt. Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Harsh Enterprises
Company in which KMP / Relatives of KMP can exercise significant influence	Hitankshi Glass House
Company in which KMP / Relatives of KMP can exercise significant influence	Sejal Wealth and Advisors Limited
Key Management Personnel (KMP)	Amrut S. Gada
Key Management Personnel (KMP)	Dhiraj S. Gada
Key Management Personnel (KMP)	Mitesh K Gada
Key Management Personnel (KMP)	Ashish Karia

Note: Related parties have been identified by the Management.



Notes Forming part of the Consolidated financial statements (Contd.)

(Amount in ₹)

7 DISCLOSURES UNDER ACCOUNTING STANDARDS

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

7.b. a) Sale / Purchase of Goods, Services And Fixed Assets

Particulars	Purchase of goods	Sale of goods	Receiving of services	Leasing or hire purchase arrangements
Company in which KMP / Relatives of KMP can exercise significant influence				
Hero Multi Pap	8200000	0	0	0
	-12745230	(-)	-314528	(-)
Sejal International Limited	426216841	0	0	0
	-156352788	-15646688	0	(-)
Sejal Realty & Infrastructure Ltd	0	79750	0	0
	(-)	-50390	(-)	-8272500
Sejal Finance Ltd	0	0	148017.19	0
	(-)	(-)	-275968	(-)
Sejal Entertainment & Media India Ltd	1198	0	0	0
	(-)	-350	(-)	-2430000
Sejal Firebaan Glass Private Limited	0	0	0	0
	(-)	-2771062	(-)	(-)
Primera Vista Lifestyle Ltd.	0	0	0	0
	(-)	-73830128	-1839838	(-)
Brizeal Realtors & Developers Pvt Ltd	0	400793	0	0
	(-)	(-)	(-)	(-)
Key Management Personel				
Amrut Gada - Proprietor of Sejal Glass House	2172685	8805584	0	0
	-39662	-2502321	(-)	(-)
Entities in which KMP / Relatives of KMP can exercise significant influence				
Dhirraj Gada	0	0		0
	(-)	-26231	(-)	(-)
Hero Paper	61478	0	0	0
	-56802	-6436298	(-)	(-)



Notes Forming part of the Consolidated financial statements (Contd.)

(Amount in ₹)

7 DISCLOSURES UNDER ACCOUNTING STANDARDS

b) Loans and Advances Given / Taken / Repaid during the year

Particulars	Loans Given	Repayment received of loans given during the year	Loans Taken	Repayment of Loans
Loans & Advances Made and Repayment thereof				
Hero Multi Pap Private Limited	0	0	0	0
	(-)	(-)	(-)	-800000
Sejal Entertainment & Media India Ltd	1886940.92	10000	0	0
	-5876300	-9205180	(-)	(-)
Sejal Fireban Glass Private Limited	0	0	0	0
	-242165	(-)	(-)	(-)
Primera Vista Lifestyle Ltd.	0	0	0	0
	-573150	-573150	(-)	(-)
Inventure Sejal Realtors Pvt Ltd	291000	0	0	0
	-1200000	(-)	(-)	(-)
Sejal Bluecity Developers Pvt Ltd.	0	0	0	0
	-1000	(-)	(-)	(-)
Sejal Infraprojects Pvt Ltd	0	0	0	0
	-1608	(-)	(-)	(-)
Loan Recd from Sejal Realty & Infrastructure Ltd by Sejal Bluecity Developers Pvt Ltd	0	0	450290	0
	(-)	(-)	(-)	(-)
Loan Recd from Dhiraj Gada by Sejal Bluecity Developers Pvt Ltd	0	0	18500	0
	(-)	(-)	(-)	(-)
Loan Recd from Sejal Realty & Infrastructure Ltd by Sejal Bluecity Realtors Pvt Ltd	0	0	7275	0
	(-)	(-)	(-)	(-)
Loan Recd from Sejal Realty & Infrastructure Ltd by Sejal Bluecity Buildcon Pvt Ltd	0	0	7100	0
	(-)	(-)	(-)	(-)
Inter Corporate Deposits Made Sejal Finance Ltd	2045766	8559767	0	0
	-16189570	-355000	(-)	(-)
Sejal International Ltd	1501000	10000	0	0
	-3240000			(-)
Sejal Realty & Infrastructure Ltd	4009889	1793089		
	-8043450	-5218		
Sejal Glass Craft Pvt Ltd	0	1000		
	-13294090	-4000		
Amrut Gada (Sejal Glass house)	1310000	1697007		
			(-)	(-)
Dhirraj Gada	0	0	0	355631
	-144564	-355631	(-)	(-)
Miitesh Gada	0	0	0	356052.35
	-43948	-356052	(-)	(-)



Notes Forming part of the Consolidated financial statements (Contd.)

(Amount in ₹)

7 DISCLOSURES UNDER ACCOUNTING STANDARDS

c) *Management contracts including for deputation of employees*

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
Directors Remuneration		
Amrut Gada	3,600,000	4,500,000
Amrut Gada (Expenses)	29,684	-
Dhiraj Gada	-	1,800,000
Mitesh Gada	2,400,000	3,321,352
Mitesh Gada (Expenses)	50,429	-
Ashish Karia	-	1,350,000
Other Expenses		
Sejal Insurance Broking Ltd.	-	2,550
Sejal International Limited	-	2,550
Sejal Realty & Infrastructure Ltd	-	5,438,017
Bonanza Float Glass Private Limited	14,400	100
Sejal Entertainment & Media India Limited	-	1,220,186
Sejal Firebaan Glass Private Limited	238,234	28,560
Inventure Sejal Realtors Pvt Ltd	-	30,396
Sejal Infraprojects Pvt Ltd.	-	6,222
Jaycee Sejal Developers Pvt Ltd	14,602	18,870
Sejal Arjuna Realty Pvt Ltd	29,500	-
Kress Italian Foods Pvt Ltd	7,100	-
Other Income		
Interest Received on Deposits		
Sejal Finance Ltd	6,716,629	8,642,242
Sejal Realty and Infrastructure Ltd	18,579,193	26,218,075
Sejal Entertainment & Media India Limited	1,211,851	1,557,152
Sejal Glass Craft Pvt Limited	2,112,745	2,159,209
Sejal International Limited	1,985,280	1,959,949
Amrut Gada-Proprietor of Sejal Glass House	2,250,532	1,035,343



Notes Forming part of the Consolidated financial statements (Contd.)

(Amount in ₹)

7 DISCLOSURES UNDER ACCOUNTING STANDARDS

Balances outstanding as on the reporting date

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
(a) Investments		
Sejal Firebaan Glass Private Limited	250,000	250000
Sejal Arjuna Realty Pvt Ltd	500,000	0
	750,000	250,000
(b) Short Term Loans & Advances Given		
Sejal Insurance Broking Limited	680,293	680293
Sejal Entertainment and Media India Limited	8,321,614	8248769
Sejal Glass House	18,305,848	16667376
Primera Vista Lifestyle Pvt Ltd	1,333,413	1231372
Kress Italian Foods Specialities Pvt Ltd	7,100	0
Inventure Sejal Realtors Pvt Ltd	1,521,396	1230396
Harsh Enterprises	6,800,000	0
	36,969,664	28,058,206
(c) Long Term Loans & Advances Given		
Sejal International Limited	17,009,524	13731772.3
Sejal Entertainment and Media India Limited	11,598,979	8631372
Sejal Finance Limited	62,361,916	62830951
Sejal Glass Craft Private Limited	17,891,868	15989398
Sejal Realty & Infrastructure Limited	160,378,322	141440247
Sejal Firebaan Glass Pvt Limited	4,697,154	4758980.02
	273,937,763	247,382,720
(d) Share Application Money		
Sejal Firebaan Glass Limited	4,750,000	4750000
	4,750,000	4,750,000
(e) Trade Receivables		
Brizeal Realtors & Developers Pvt Ltd	211,409	-
Dhirraj Gada	-	784045
Hero Papers	71,164	71164
Hitankshi Glass	714,082	714082
Sejal Entertainment & Media India Limited	69,760	69760
Shantilal Gada	50,669	165290
Sejal Glass House - Prop. Amrut Gada	13,210,478	4707085
Sejal International Ltd	15,646,688	15646688
Primera Vista Lifestyle Ltd	1,333,413	1229372
Sejal Realty & Infrastructure Limited	79,750	50390
	31,387,413	23,437,876
(f) Trade Payables		
Hero Multi Pap Private Ltd	2,090,658	9941454
Sejal Entertainment & Media India Limited	42,974	41776
Sejal International Limited	-	777911
Sejal Infraprojects Pvt Ltd	1,141,170	7830
	3,274,802	10,768,971
(g) Payable For Expenses		
Sejal Finance Limited	555,064	421850
Hero Paper Stores	43,343	45147
	598407.19	466997



Notes Forming part of the Consolidated financial statements (Contd.)

(Amount in ₹)

7 DISCLOSURES UNDER ACCOUNTING STANDARDS

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
(h) Misc Receivables		
Sejal International Limited (Claims)	11,023,661	11023661
Hitankshi Glass House	714,082	714082
Sejal Entertainment & Media Ltd	1,208,222	1208222
Sejal Wealth and Advisors Limited	20,052	20052
Sejal Bluecity Developers Pvt Ltd	-	1000
Bonanza Float Glass Pvt Ltd	20,420	6020
Sejal Arjuna Realty Pvt Ltd	29,500	0
Synergy Wood and Glass Private Limited	20,856,454	21,910,667
	33,872,391	34,883,704
(i) Misc Payables		
Sejal Infraprojects Pvt Ltd	1,141,170	7830
	1,141,170	7830

Corporate Information

SEJAL GLASS LIMITED

SIXTEENTH ANNUAL REPORT 2013-14

BOARD OF DIRECTORS

1. Mr. Amrut S. Gada *Chairman and Managing Director*
2. Mr. Mitesh K. Gada *Executive Director*
3. Mr. R. Rengarajan *Independent Director*
4. Mr. Praful Nisar *Independent Director*

GM COMPLIANCE, COMPANY SECRETARY

Mr. Ashwin S. Shetty

COMMITTEES IN THE COMPANY

AUDIT COMMITTEE

- Mr. R. Rengarajan *Chairman,
Independent and Non-Executive Director*
- Mr. Mitesh K. Gada *Member,
Non – Independent and Executive Director*
- Mr. Praful Nisar *Member,
Independent and Non-Executive Director*

SHAREHOLDERS GRIEVANCE COMMITTEE

- Mr. R. Rengarajan *Chairman,
Independent and Non-Executive Director*
- Mr. Mitesh K. Gada *Member,
Non – Independent and Executive Director*
- Mr. Praful Nisar *Member,
Independent and Non-Executive Director*

STATUTORY AUDITORS

M/s. S.S. Puranik & Associates *Chartered Accountants*
R/10, Sicka Nagar,
V.P. Road, Girgaum,
Mumbai – 400 004
Email: accounts@sspassociates.com

REGISTRAR AND TRANSFER AGENTS

Link Intime India Private Limited
C- 13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai 400 078
Tel.: +91 22 2594 6960
Email: rnt.helpdesk@linkintime.co.in

INTERNAL AUDITORS

SPP Associates
21, Akhurath, Plot No. 11,
Sector 14, Sanpada, Opp. Palm Beach Road,
Navi Mumbai – 400 705.
Tel.: +91 22 2781 2000
Email.: susant@sppassociates.com

COST AUDITORS

VV and Associates Cost Accountant
8 Om Kadambari CHS. Ltd.
B.T. Marg, Dahisar (West)
Mumbai - 400 068
Email.: cmavaibhavjoshi@gmail.com

BANKERS TO THE COMPANY

1. Punjab National Bank
2. Bank of Maharashtra
3. ICICI Bank Limited
4. Kotak Mahindra Bank Limited

REGISTERED OFFICE

3rd Floor, Sejal Encasa, S.V. Road,
Kandivali (West), Mumbai 400 067
Tel: 28665100, Fax: 28665102
Website: www.sejalglass.co.in

FACTORY

Plot No. 259/10/1, Village Dadra
Union Territory of Dadra, Nagar Haveli,
Dist. Silvassa 396191

RETAIL & TRADING DIVISION

Sejal Encasa,
173/174, S. V. Road,
Opp. Bata Showroom, Kandivali (West),
Mumbai – 400 067

Book-Post

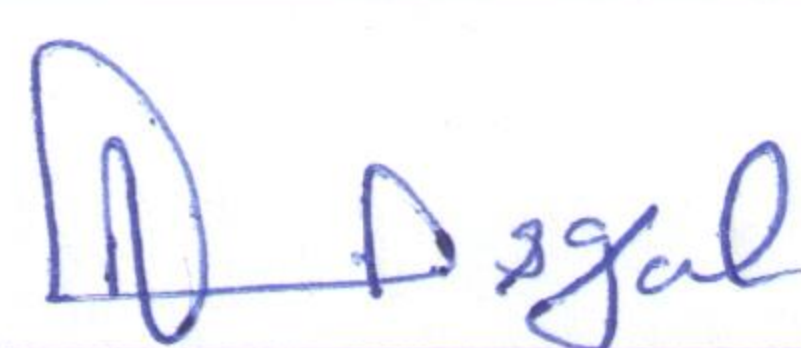
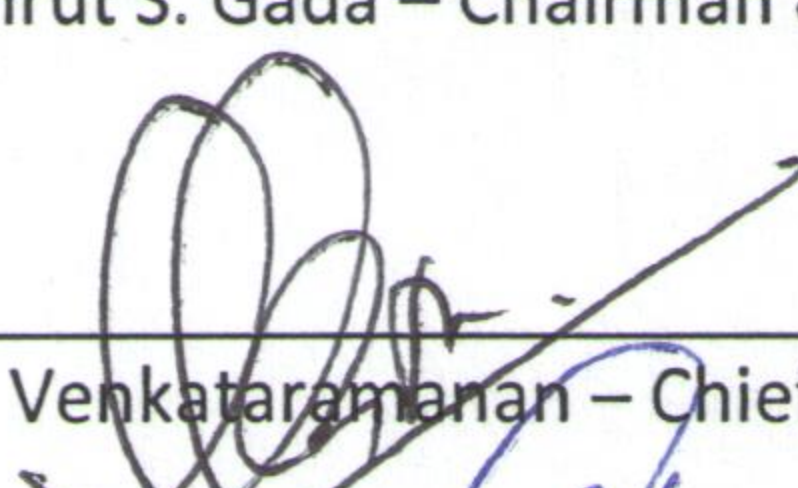
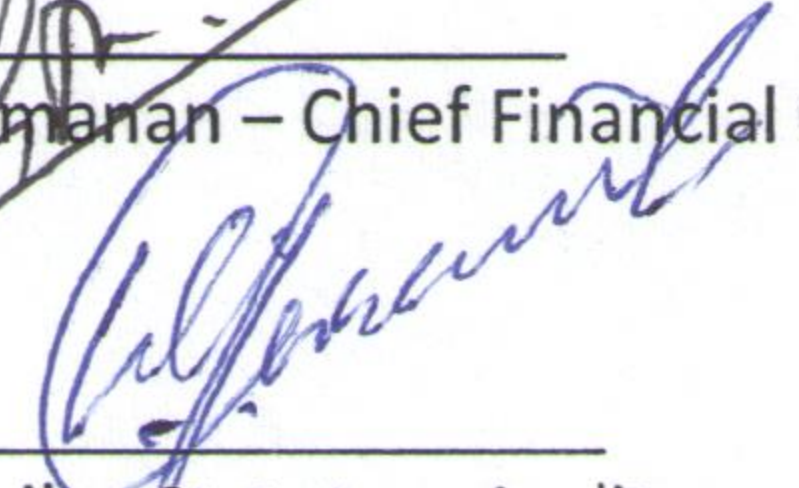
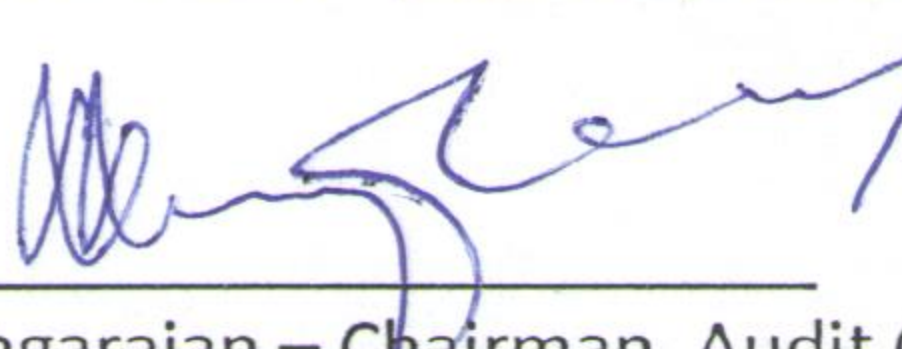
If undelivered, please return to:

Sejal Glass Ltd.

173/174, 3rd Floor,
Sejal Encasa, Opp. Bata Showroom
S. V. Road, Kandivali (West),
Mumbai-400067

FORM B

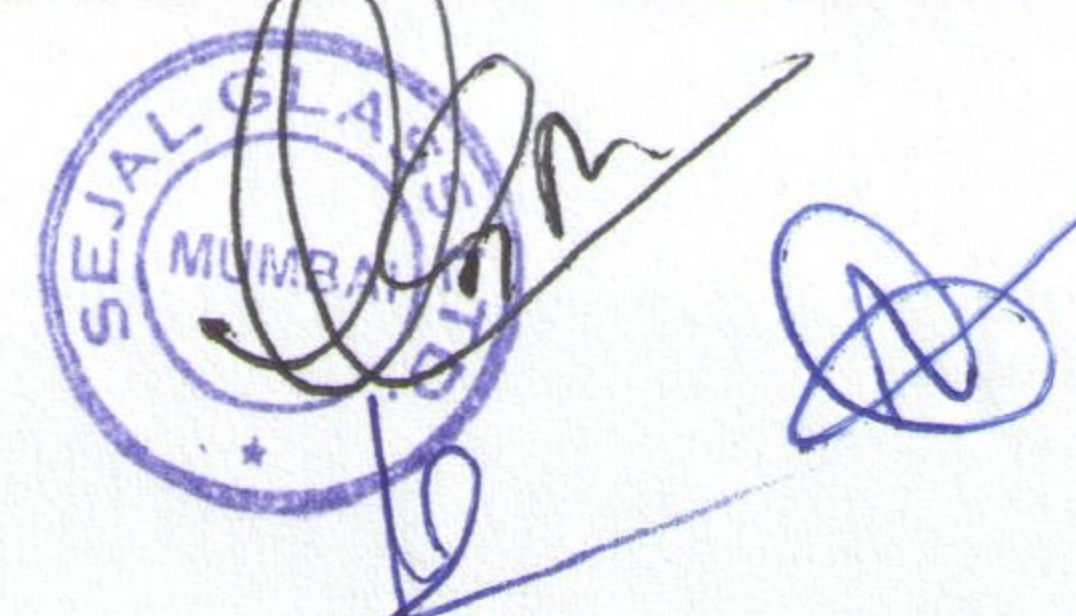
Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	Sejal Glass Ltd.
2.	Annual financial statements for the year ended	31 st March, 2014
3.	Type of Audit observation	Qualified
4.	Frequency of observation	First time
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	As per annexure
6.	Additional comments from the board/audit committee chair:	Nil
7.	To be signed by- <ul style="list-style-type: none"> • CEO/Managing Director • CFO • Auditor of the company • Audit Committee Chairman 	 Amrut S. Gada – Chairman & Managing Director  A. Venkataramanan – Chief Financial Officer  Shripad Puranik – Statutory Auditor  R. Rengarajan – Chairman, Audit Committee



Annexure forming part of FORM B
Format of covering letter of the annual audit report to be filed with the stock exchanges

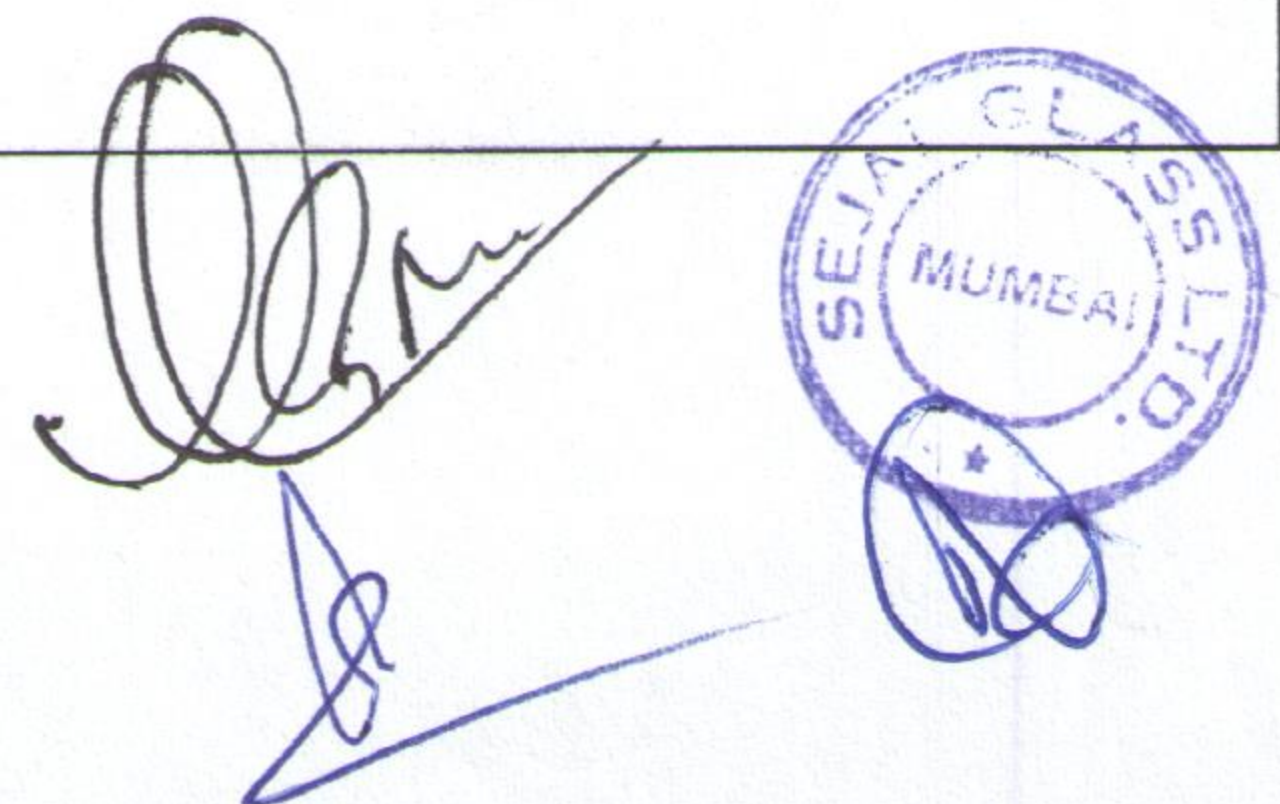
Sl. No	Auditor's qualification	Reply given in Directors Report
1	<p>Annual report page No.33 under para "Opinion"</p> <ul style="list-style-type: none"> <i>The Company has not obtained balance confirmations in respect of Sundry Debtors, Sundry Creditors, Loans and Advances given and Inter Corporate Deposits (excluding Group companies).</i> <i>In the absence of convincing evidence assuring future taxable income, the continuance of Deferred Tax Asset of Rs.22,42,01,433/-is virtually uncertain.</i> 	<p>Annual report page No.19 under heading "Auditor's observation" para</p> <ul style="list-style-type: none"> <u>Confirmation of balances from Debtors, Creditors and Loans and Advances</u> <p>As a process your company has already sent Letters to all major Debtors, borrowers of ICDs and Loans asking them to confirm balances as at 31.3.2014 directly to the Statutory Auditors. The confirmation of balances was obtained from most of the borrowers of ICDs and few Debtors. Follow up is on with the rest to obtain confirmations. As regards Creditors, all major raw materials suppliers i.e. Glass, PVB, Silicon, etc. accounts were reconciled and balances were confirmed by them as at the year end.</p> <ul style="list-style-type: none"> <u>Deferred Tax Asset</u> <p>Your company has already drawn up Business plan to Expand Value added Glass processing capacity by setting up units across all major cities in India to cater to the increased demand. This would significantly increase the Revenues and profitability of the company. Towards this your company has initiated steps to identify Land in the NCR and South Indian region. In addition your company has planned</p> <ol style="list-style-type: none"> Procurement of certain machinery and balancing equipment (Double edger cutting machine, Drilling, Grinding and washing machine, etc.).These machineries will aid in improving productivity and profitability Express/Feeder line power connectivity, which will help to obtain continuous power supply and thereby increase the production <p>However, due to all round economic slowdown as well as tight liquidity conditions your company could not pursue the said plan aggressively. In order</p>



		to augment resources, the management has initiated certain measures like disposal of unproductive assets, recalling of amounts lent as unsecured Loans & ICDs, etc. This will improve liquidity and help in expeditious execution of the aforesaid business plan and thereby increase taxable income to absorb current accumulated Losses and to adjust DTA 3 to 5 year's time horizon.
2	<p>Annual report page 35 in Annexure to the Auditor's report under para "2.In Respect of Inventories" clause d).</p> <p><i>d) Proper procedure however should be in place to assess the non-moving and obsolete items in the inventory. The Inventory includes old and non moving items amounting to Rs.3.12Crores-. No provision for the same has been made in the books of account of the company</i></p>	<p>Annual report page No.19 under heading "Auditor's observation" para</p> <ul style="list-style-type: none"> • Procedure to assess and provision for Non moving and Obsolete Inventory <p>Your Company is engaged in processing of Clear/Float Glass in to Toughened, Laminated, Insulated and Ceramic frit Glass. Orders vary from customer to customer and as the orders will have to be executed with in tight time schedule, Glass and other inventory of various sizes are maintained. Ageing reports of inventory is prepared on periodical basis and reviewed. Management would strengthen the procedure to assess the usefulness of the non-moving inventory and also consider appropriate provision for Inventory no longer useable.</p>
3	<p>Annual report page 35 in Annexure to the Auditor's report under para 4.</p> <ul style="list-style-type: none"> • 4. In our opinion and according to the information and explanations given to us, and as reported by the Internal Auditors of the Company and as per note no. 26.9 to the audited accounts, the internal control procedures with regard to the purchases of inventory, sale of goods, collection from customers, inventory management, cash management, credit notes monitoring, need to be strengthened, to be commensurate with the size 	<p>Annual report page No.19 under heading "Auditor's observation" para</p> <ul style="list-style-type: none"> • <u>To strengthen internal control procedure</u> <p>Management would initiate steps to streamline the systems and procedure with appropriate SOPs.</p>




	<p>of the Company and the nature of its business, particularly in respect of trading sales activity carried out by the retail division which requires regular adherence to internal control procedure. In our opinion, measures should be taken to improve upon these weaknesses</p>	
4	<p>Annual report page 36 in Annexure to the Auditor's report under para 5.(b) 5(b). In our opinion and according to the information and explanations given to us, the Company has not 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. The Company has continuously defaulted in payment of interest</p> <ul style="list-style-type: none"> • The Company has also failed to repay matured fixed deposits amounting to Rs.1.88 Crores as at 31st March, 2014. However, out of this, a sum of Rs.36.20 Lacs has since been paid. • Intimation of non payment of matured deposits in respect of small depositors has not been given to the Company Law Board. 	<p>Annual report page No.19 under heading "Auditor's observation" para</p> <ul style="list-style-type: none"> • Arrears of interest on Public FD, Principle and statutory Liabilities <p>Due to severe liquidity constraints your company could not repay matured Public FDs and interest in time. Also there were delays in paying various statutory liabilities. Management has initiated various measures to mobilize funds through sale of assets of the company, Liquidation of old and obsolete inventory, recovering Loans and ICDs etc. to meet these liabilities. Your company has already paid matured Public Deposits of Rs.12 Lakh till date and would like to pay off the balance Public FDs and all statutory liabilities at the earliest.</p>

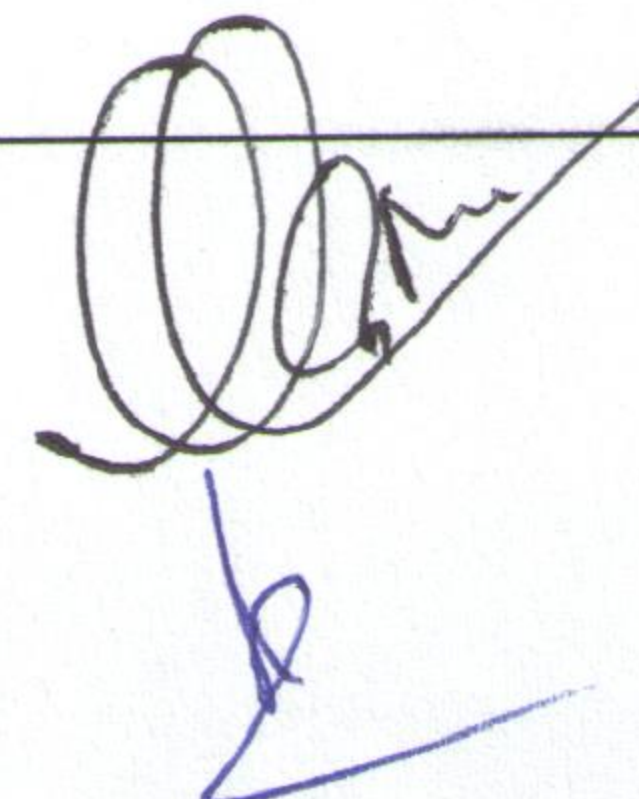


- The requirement of maintaining Liquid Assets against deposits maturing by 31st March, 2014 has not been complied with.
- The company has not filed the return of Deposits for the financial year 2012-2013.

Para 8.

8. a) The company has generally defaulted in timely payment of 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. **There have been delays in payment of following statutory liabilities. The outstanding balance in these accounts as at 31st March, 2014 is as follows:-**

- Provident Fund - Rs. 33.12Lacs (Rs.0.55 lacs since paid).
- Income Tax i.e. Tax Deducted at source (TDS) Rs. 164.16Lacs.
- Central Sales Tax - Rs.151.02 Lacs.
- Maharashtra VAT - Rs. 61.46 Lacs.
- Service Tax - Rs.25.78 Lacs
- ESIC - Rs. 0.68 Lacs (Rs.0.13 lacs since paid)
- Profession Tax - Rs. 0.55 Lacs (Rs.0.14 lacs since paid)




	<p>• Excise Duty Rs.69.67 Lacs</p> <p>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 2014 for the period of more than six months from the date they became payable, except Income Tax Deducted at Source (TDS) - Rs. 120.44 Lacs, Central Sales tax - Rs. 132.23 Lacs and Maharashtra VAT 46.39 Lacs; Service Tax - Rs.22.74 Lacs, ESIC Rs 0.01 Lacs, Provident Fund Rs.21.58 Lacs</p>	
	<p>Annual report page 37 in Annexure to the Auditor's report under para 10 10. There have been delays in repayment of quarterly Installments of Term Loans (Principle) taken from the bank for the processing division of the company.</p> <p>Also, the company's loan accounts have been classified as Non-performing Assets by the lending bankers. All the banks have issued Securitization Notice to the Company for recovery of its advances. We are informed that the company has initiated appropriate action in these cases.</p>	<p>Annual report page No.19 under heading "Auditor's observation" para</p> <p>• <u>Irregularity of Bank accounts</u></p> <p>Bankers have classified the credit facilities granted to the company as non performing and have issued 13(2) & 13(4) notices under SARFAESI Act, 2002. Your company has already approached Debt Recovery Tribunal and obtained stay against 13(4) SARFAESI Act 2002 notice issued by State Bank of Patiala. Management is in discussions with the Bankers to carry out restructuring of the credit facilities, which if carried out would give sufficient time to the company to mobilize/generate funds to regularise the accounts with the banks.</p>



