



SEZAL GLASS LIMITED

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

Notice

NOTICE is hereby given that the Fifteenth Annual General Meeting of the members of SEZAL GLASS LTD. will be held on Saturday, September 28, 2013 at 11.00 AM, at 173/174, Sezal Encasa, S.V. Road, Kandivali (West), Mumbai 400 067 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2013, Balance Sheet as on that date, and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. R. Rengarajan, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration.

Registered Office:

201/202, Abhilasha, 2nd Floor, S. V. Road
Kandivali (West), Mumbai- 400067.
Date: August 14, 2013.

By order of Board of Directors

Ashwin S. Shetty

G. M. Compliance, Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE VALID AND EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Register of Members and Transfer Books will remain closed from Monday, 23rd September, 2013 to Saturday, 28th September, 2013 (both days inclusive).
3. Members of the Company who have not encashed their dividend for the earlier years are requested to lodge their claims with the Company.
4. 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.
5. 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.
6. 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.
7. Members, who hold shares in electronic form, are requested to bring their DP and Client Id numbers at the meeting for easier identification.
8. The Annual Report 2012-13 of the Company circulated to the members of the Company will be made available on the Company's website at www.sezalglass.com and also on the website of the respective stock exchanges at www.nseindia.com and www.bseindia.com.

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

Particulars	Mr. R. Rengarajan
Date of Birth	September 3, 1944
Date of Appointment	November 13, 2010
Qualification	MA (Economics), Part 1 of IIB
Expertise in Specific functional areas	Banking, Risk Management, Structuring & Designing of Training Courses.
Other Directorships held	Nil
Membership of Committees	Nil
No. of Shares held	Nil

**SEZAL GLASS LIMITED**

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

Attendance Slip

I hereby record my presence at the Fifteenth Annual General Meeting of the Company at
Plot No. 173/174, Sezal Encasa, S. V. Road, Kandivali (West), Mumbai 400 067 on Saturday, September 28, 2013 at 11.00 AM

Name of the Member

Registered Folio No.

No. of Shares

Client Id No.

DP ID No.

Name of the Proxy

Signature of the Member or Proxy

Note: The Member/Proxy/Representative attending the Fifteenth 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.

**SEZAL GLASS LIMITED**

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

Proxy Form

I / We.....of.....in the
District of.....being a member /members of the above
named Company hereby appoint.....of.....
.....in the District 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 Fifteenth Annual
General Meeting of the Company to be held at Plot No. 173/174, Sezal Encasa, S.V. Road, Kandivali (West), Mumbai 400
067 on Saturday, September 28, 2013 at 11.00 AM and at any adjournment thereof.

Signed this.....day of.....2013

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.



Looking
Beyond.



SEZAL GLASS LTD.
Annual Report 2012-13



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.



What Next?



About us



Vision
& Mission



Looking
Back



Chairman's
Overview



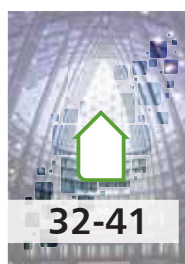
Looking beyond.
Moving Forward!



Directors'
Report



Report on
Corporate
Governance



Financial
Sections



“ We keep moving forward, opening
new doors, and doing new things,
because we're curious and curiosity
keeps leading us down new paths. ”

- Walt Disney

Moving
Forward.



What

Next?

Past laurels don't necessarily lead to a better future. **To create something new**, one has to **move forward**. This is what we did in **2012-13**. We looked beyond the obvious and took few notable strides towards a **new journey of value creation in the company**.

For us as a company, a clean slate is the biggest and the most exciting motivator for achieving newer accomplishments. Our genesis lies in a 200 sq. ft. shop, that later transformed into nearly Rs. 700 crore enterprise. From small glass trading shop, we worked our way to own a processing unit and later established a world-class float-glass plant, thereby strengthening our value proposition as an integrated solutions provider in glass for real estate sector in India. As a prudent business strategy, we exited float glass manufacturing and in the process protected the stakeholders' trust in the company. With the costs now controlled to moderate levels and the glass value added business firmly established, we are back in the hunt for scripting another chapter of growth in the company.

Bad times and good times are both cyclical, with one paving way for the other. However, the frequency with which the cycles turn largely depends on how one utilizes their time. So, we decided to work harder during 2012-13. In the process, we consolidated our operations, improved efficiencies in our units, reduced our costs and improved our solutions profile. The impact of these measures will unfold during the coming years.

As an initiative to explore value, we also decided to look beyond our established business model to related segments. Being a leading glass solutions provider to the real estate sector, we have developed relevant knowledge of the functioning and key value drivers of the sector. With the in-house professional team, we had already proved our project execution capability in the construction of the state of art float glass manufacturing facility in Bharuch, Jhagadia in the state of Gujarat as well as in the construction of the Corporate office building in Mumbai. Hence It was natural for us with the existing setup to venture into real estate sector. So as a backward integration measure, we decided to invest into promising projects by partnering with established players in the sector through joint venture route as well as forming subsidiaries, thereby reserving large part of strategic focus for our core businesses of glass value addition business and retail trading.

We at Sezal Glass in our pursuit of value creation, are already looking beyond the obstacles and moving forward to attain newer milestones. To be a part of this journey and to know more, turn the pages...



We live and breath glass

1

Our promoters were associated with the glass trading business for over two decades in their individual capacities, before incorporating Sezal Glass in 1998.

We commenced our journey as a glass processor and became among the top glass value addition solution provider company within a decade.

Extended into retailing and trading of home and office interiors with SezalEncasa **now Encasaa – 'The Home Lounge'**.

Set sights on float glass production; went public in 2008 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.

Achieved a Market Share of 15% with a dealer network of more than 7,000 pan-India in the first year of operations itself

2

We have built formidable growth drivers

Credible and talented team

A team of highly motivated and experienced employees of about 200 people led by Mr. Amrrut S. Gada, a first generation entrepreneur, and presently the Chairman & Managing Director of the Company; and ably supported by qualified management team

Pan India network based on tested relationships

- More than 7,000 dealers pan-India – deep business relations and brand awareness
- Head quartered in Mumbai, Maharashtra

3

We have made long term investments into real estate through partnership – based models (Joint ventures/ subsidiaries)

3 things you need to know ABOUT US



An integrated business model – from range to retail

- A world class glass value addition plant located in Silvassa, Union Territory
- **Encasaa– 'The Home Lounge'** showroom located in Mumbai, Maharashtra

Wide branded products and solutions portfolio catering to both the value and volume clients

Processed glass: • Kool Glass • Tone Glass • Solid Glass • Armour Glass • Firebaan Glass
• Lunaro Glass • Fresea • Eco series • Fort Glass

Bath accessories: Oyster



We have during the year forayed into real estate sector by partnering in joint ventures with few reputed names in the real estate industry as well as forming wholly owned subsidiaries. The focus of these Companies is on doing Society Redevelopment Projects, SRA Projects as well as mixed use township projects.





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

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

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



- 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.





Looking back— achievements & numbers for 2012-13

OPERATIONAL HIGHLIGHTS

Rationalised employees

Debottlenecked capacities,
leading to unlocking of additional value addition capacity from existing plant

Augmented employee base

Cost rationalisation measures across operations

Aggressive thrust on dealer-level marketing

FINANCIAL HIGHLIGHTS

Total revenues up 38.90% to Rs. 62.68 Crores.

EBIDTA stood at Rs. 11.10 Crores against the last years figures of Rs. 4.17 crores.

Net loss stood at Rs. 15.99 Crores against Rs. 52.64 Crores in 2011-12.

FIVE YEAR FINANCIAL PERFORMANCE TABLE

(₹ in Crores)

Financial Performance	2012-13	2011-12	2010-11	2009-10	2008-09
Profit & Loss Account					
Gross Sales	62.67	44.86	279.62	44.89	37.11
Total Income	74.27	53.45	294.19	51.17	51.59
Depreciation	2.44	2.34	40.09	2.65	2.50
Interest	8.10	1.73	66.73	3.80	3.76
Profit Before Taxation	-8.97	-0.57	-96.21	1.31	3.17
Profit After Taxation	-16	-52.64	-63.90	2.52	2.12
Earnings Per Share	-	-	-	0.07	0.08
Balance Sheet					
Fixed Assets	91.65	153.02	840.34	668.16	389.56
Investments	4.31	3.72	0.08	0.06	0.06
Net Current Assets	-4.89	39.14	37.09	11.01	30.97
Net Deferred Tax Asset	22.42	29.35	31.22		
Loan Funds	23.84	32.36	623.61	517.55	276.17
Provisions	0.35	0.31		1.09	2.47
Profit & Loss A/c	0	0	54.98		
Net Worth	0	0	340.11	160.59	141.94
Share Capital	33.55	33.55	33.55	28.80	28.00
Share Warrant / Share Application Money	-	-	1.45	4.20	-
Reserve and Surplus	138.06	197.53	305.11	127.59	113.94
Net Worth	171.61	231.08	340.11	160.59	141.94



Pride
emanating
from the past.
Confidence
illuminating
from the
FUTURE.

**Amrrut S. Gada***Chairman & Managing Director*

TURNING A NEW PAGE ALWAYS EVOKES NOSTALGIA – OF ACHIEVEMENTS; OF CHALLENGES FACED AND OF RELATIONSHIPS BUILT. BUT THE NOSTALGIA SHOULD NOT BECOME A BARRIER TO STRIVE TOWARDS ACHIEVING NEWER MILESTONES. AT SEZAL, RESPECTED COMPANIES ARE BUILT ON BELIEF, VISION AND CAPABILITY TO SWIM AGAINST THE TIDE AND NOT BY SIMPLY ROMANCING THE PAST. BUT THE COST OF SUCCESS SHOULD NOT BE AT THE PRICE OF ERODING STAKEHOLDER CONFIDENCE. IN 2011, AT THE ONSET OF ECONOMIC SLOWDOWN IN INDIA, WE CHOSE TO SALVAGE THE BUSINESS BY HIVING OFF OUR MOST PRIZED ASSET – THE FLOAT GLASS PROJECT. WHAT FOLLOWED WAS THE IMPACT TO ADJUST TO THE NEW NORMAL – LOWER MARGINS AND FALLEN REVENUES.

More than the financial setback, it was important to crystallize our business strategy to rekindle our growth phase. This is exactly what we have been doing in the past two years. The hard decision that we took enabled us to reduce our leverage and reward the trust of our bankers posed in us. At the same time, having sold our float glass project to the leading glass company in the world bolstered the confidence of our team in our collective ability to execute a truly world-class project on our own. These were the major positives that we inculcated from a decision that undoubtedly marked the toughest phase of operations since our inception. Today, these positives coupled with leaner leverage and wider opportunity in our glass value added business has provided us the required confidence to pursue greater value creation for the future.

2012-13 was undoubtedly a tough year in the economic context as well. The benchmarks of growth across all industries continued to decline to lower levels. At Sezal Glass, we believe, tough people and not tough times last longer. We decided to pursue our journey in these tough times by reshaping our businesses, improving capacity utilization, introducing newer processes and solutions and improving clientele in newer regions. Tough times also sensitized us to reduce input costs and consolidate our operations and thereby set a robust foundation. In doing so, we retained the processing flexibility and further augmented our quality proposition.



The Indian growth story is no longer dependent on metros and tier 1 cities, but the tier 2 and 3 towns and rural centers. The states that have traditionally underperformed (Uttar Pradesh, Bihar, Jharkhand, Chhattisgarh and Odisha) will be the new engines in the coming decade, if India has to grow at 8% consistently. Our strategy to built capacities and expand reach is closely aligned to this reality. However, we also believe that to grow at a faster pace, we also have to extend our presence in proximity to the client projects, which would result in better realization, faster delivery and sustained demand for value-added glass. We are actively looking into both organic and inorganic options to explore value from this strategy in the near future.

We also forayed into real-estate segment as a non-core activity during 2012-13. Being a supplier to all major real estate developers since the past decade, we have gained tremendous understanding of the operations, economies and key factors governing profitability in the segment. With the in-house professional team, we had already proved our project execution capability in the construction of the state of art float glass manufacturing facility in Bharuch, Jhagadia in the state of Gujarat as well as in the construction of the Corporate office building in Mumbai. Hence it was natural for us with the existing setup to venture into real estate sector. We feel that the potential of real estate investments especially in the developed

We decided to pursue
our journey in these
tough times by **reshaping**
our businesses,
improving capacity
utilization, introducing
newer processes
and **solutions** and
improving clientele in
newer regions.

markets of western India is huge. Being a non-core business, we have decided to unlock value from these investments through Joint-venture route as well as forming subsidiaries. We have entered into joint venture model with leading and respected real estate developers in Mumbai and Surat for society redevelopment projects, developing slum rehabilitation projects and township projects. I will keep you apprised of the developments on a regular basis.

Having built a foundation, 2013-14 will be a crucial year for us. I am confident that we would put the demanding phase behind us and script a fresh and exciting success story. Our confidence emanates from the ability of our employees and is further fortified by the trust of our stakeholders – investors, clients, employees, vendors and communities in and around our locations of presence. The future is here and we are moving with it.

Thanking you,

Amrrut S. Gada
Chairman & Managing Director

We remain focused

VALUE ADDITION OF GLASS HAS BEEN OUR
CORE EXPERTISE AND OFFERS AN EXCITING
OPPORTUNITY SANS LOWER RISKS.





The Indian real estate sector has been facing challenges in the tier 1 cities owing to slowdown in the economy and inflation eating up the consumers' purchasing power. However, in the tier 2 and 3 towns and cities the same has been thriving. What's more important is that the glass component in houses and offices have been increasing, reflecting a huge opportunity. The Company proposes to capitalise on this increase in demand by setting up value addition glass units with Pan India presence.

According to CBRE's report titled *Assessing the Economic Impact of India's Real Estate Sector*, India is estimated to have a total supply pipeline of close to 3.6 billion sq. ft. lined up for completion in 2013, with about 98% of real estate projects concentrated in the residential segment. Glass is procured at the completion stages of the projects. Being a leader in the glass value addition industry and owing to our deep-rooted relationships with the leading architects and developers in western India, we are at a sweet spot to capitalize upon the impending opportunity and create value for our stakeholders.

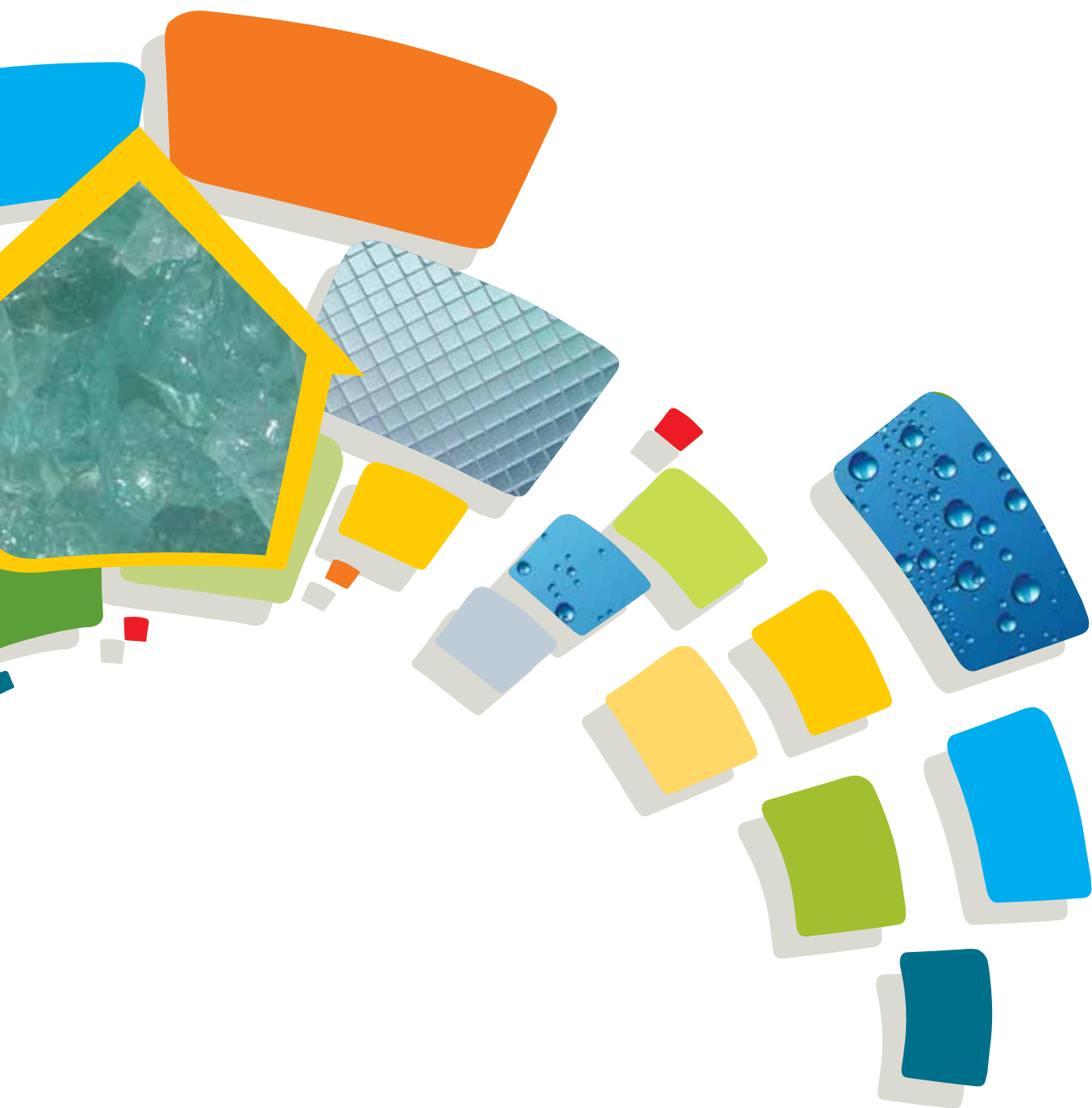
We remain motivated

TO BE A LEADER IS
COMPARATIVELY EASIER
AS COMPARED TO
REMAINING A LEADER.
WE AT SEZAL GLASS HAVE
ALWAYS BELIEVED IN
CONTINUOUS INNOVATION
AND CHALLENGING OUR
LIMITATIONS.



Having invested in technology and continuous process improvement, we offer diverse solutions and finishes to glass, ranging from 3 mm to 19 mm. Having commenced our ascent to being among the leaders in the space, we forayed into not only our own range of products but also a dedicated one-of-its-kind concept of showcasing our range and understanding of the segment – through our home and office interior trading showroom **Encasaa – ‘The Home Lounge’**.

Presently, we have one showroom in Kandivali, Mumbai that also serves as the entry point of our prospective customers comprising of architects and real estate project developers. More than that the showroom enables



us to understand and tab the ever-changing preferences and choices of our customers, which in-turn is used by us to offer products faster and efficiently. The showroom provides a comprehensive range of products in the diverse products addressing each and every aspect of home interiors – from bedrooms to bathrooms to livingrooms to kitchen to artefacts to paintings – sourced from top of the line brands globally. We have also used this platform to market our own brands of wash basins '**Oyster**' and '**Eco Series**'. Going forward, we would look to extend this value proposition to newer cities in western India and thereby offer holistic solutions to our clients through this unique experience business model.

We remain responsible

OUR TRYST WITH THE AMBITION HAS BEEN REWARDING. HOWEVER, OWING TO OUR EXIT FROM FLOAT GLASS MANUFACTURING SEGMENT, OUR VALUATION HAS DEFINITELY TAKEN A DENT.





Our tryst with the ambition has been rewarding. However, owing to our exit from float glass manufacturing segment, our valuation has definitely taken a dent. We chose to learn and implement our experience to chalk a more sustainable as well as value-protecting growth path moving forward. To this end, we have been transforming ourselves into a leaner organization. We have also established a practice of choosing value business over volume business; the proof of which is amply reflected with the fact that we managed to grow even in a slowdown-dominated year.

And responsible growth is also the mantra with which, we have embarked upon looking at other rewarding yet low risk ventures. Our step into real estate sector strictly under a joint venture partnership model and subsidiary models resonates our intentions. With such projects, while the company – Sezal Glass would continue to derive value from its investments; but at the same time won't dilute its business focus nor undertake any undue risk on our investors' trust. Staying committed to glass industry, we are also looking to scale our value added glass business to newer regions and consolidating our resources to reignite better margins within the company going forward.



We remain promising

**IT HAS BEEN ONE AND A HALF DECADES
SINCE OUR INCEPTION. THE JOURNEY FOR
US HAS JUST BEGUN.**

In this short time we have established that the right intent along with hard work and opportunity can thrive against the odds. We have continuously innovated with products, segments of presence, geographies, solutions, etc. and in the process established milestones. But milestones are supposed to be left where they belong. And we have already embarked to newer horizons. However, the key force that makes us what we are today is undoubtedly our people. In the past 15 years, our core team has remained mostly the same, reflecting on our commitment and belief in our company's abilities.

We have always been a value and ethics based organization, and this has helped us preserve the soul of a small organization even though we have achieved the corpus and dimensions of a mid-size corporate. For many of our employees, Sezal is the first employer. During the year, we dedicated good number of hours to training and development of the employees across the organization. Employee satisfaction is intricately woven with performance management to get the best for the organization.

Directors' Report



Dear Shareholders,

Your Directors have pleasure in presenting their Fifteenth Annual Report, together with the Audited Accounts of the Company, for the year ended March 31, 2013 as follows:

FINANCIAL RESULTS

Particulars	(₹ in Crores)	
	Year 2012-13 ₹	Year 2011-12 ₹
I. CONTINUING OPERATIONS		
Sales and Operating Income	62.68	44.86
Other Income	11.60	8.60
Total Income	74.28	53.46
Operating Expenditure	63.18	49.29
Profit Before Interest & Depreciation	11.10	4.17
Less : Interest	8.10	1.74
Less : Depreciation/amortization	2.44	2.34
Net Profit Before Tax and Exceptional Items	0.56	0.09
Loss on sale of Property	10.23	-
Prior period items	0.70	0.66
Net Profit/(Loss) Before Tax	(8.98)	(0.57)
Less : Current Tax	(0.09)	(0.97)
Less : Deferred Tax	(6.93)	(1.87)
	(7.02)	(2.84)
Net Profit/(Loss) After Tax from continuing operations (A)	(15.99)	(3.41)
		01 April, 2011 to 31 May, 2011
II. DISCONTINUING OPERATIONS		
Total Income	-	54.79
Operating Expenditure	-	91.19
Profit/(Loss) Before Tax	-	(36.40)
Gain/(Loss) from disposal of Assets / settlement of liab.	-	(12.83)
Net Profit/(Loss) (B)	-	(49.23)
Profit /(Loss) for the year (A + B)	(15.99)	(52.64)

Operational Review

Your Company is focused on growth with a fair return on Capital employed. Your Company does not follow a standalone margin-led strategy. Therefore the performance has to be understood only in the light of the philosophy followed by the Company.

- Revenues improved by 39.00% against the back drop of a significant slowdown in domestic as well as global economies.
- EBIDTA stood at Rs. 11.10 cr. from Rs. 4.16 cr in 2011-12.
- Net losses came down to Rs. 15.99 Cr as against Rs. 52.64 Cr in 2011-12.

Share Capital

Authorised Share Capital of the Company is Rs. 60,00,00,000/- (Rupees Sixty Crores Only) divided into 6,00,00,000 Equity Shares of Rs. 10/- each.

The Paid up Share Capital of the Company is Rs. 33,55,00,000/- (Rupees Thirty Three Crores Fifty Five Lacs Only) divided into 3,35,50,000 Equity Shares of Rs. 10/- each.

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview

Global

2012-13 continued to be tough year for the global economy. In 2012, the estimated global GDP growth hovered around 3%, largely on account of decent performance by emerging and developing economies. US economy is expected to grow ~2% in 2013 largely on account of Federal Reserve's policy of quantitative easing. At the same time, Euro zone continued to struggle. While Germany and UK economies performed modestly; other big economies such as France, Spain and Italy continued to grapple with overleveraged economies in an underperforming environment.

Despite slowing down on account of withering domestic growth and infrastructure investments, India and China continued to rank among the fastest growing economies globally. While China devalued its growth estimates on account of slowdown in infrastructure spending; India continued to grapple with policy delays and high inflation rates, thereby registering curtailed spends from corporates as well as the largest middle-income group in the world.

Indian

Being an economy that is largely driven by indigenous consumption; lower disposable income of large population had a direct bearing on its growth. In 2012-13, India continued to slide in terms of economic performance, registering an estimated GDP growth of around 5% - its lowest in the past decade. This was largely on account of sharp slowdown in investments, delays in policy decisions and weaker consumption from the burgeoning middle class owing to high inflation. The Reserve Bank of India, in its efforts to instigate the economy, reduced repo rates by 25 bps each on two occasions during 2012-13. In addition, the government took steps like raising diesel prices and introducing cap on subsidized LPG, to arrest growing current account deficit. At the same time, with high rates of interest and policy roadblocks, the capital investments remained lukewarm thereby further impacting the prospects of generating improved growth rates in the coming years.

The glass processing industry

In order to be usable, the float glass is required to be processed. These processes not only improve the utility and life of the glass but also make it more relevant to the 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 most commonly used processed glass is used as architectural glass for window panes/doors in real estate segment. The demand is essentially placed at the near end of the real estate project, any delay in the project completion hurts the glass processors adversely. As a result, this bane also serves a boon for the larger and well established players in the segments, like Sezal Glass.

The 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.

- Heat strengthened glass
- Fully toughened glass
- Insulated glass
- Sound Proof glass
- Laminated glass
- Decorative glass
- Fire resistant glass

COMPANY OVERVIEW

About the Company

Established in 1998 by Mr. Amrrut S. Gada, a first generation entrepreneur, Sezal Glass ranks among the leading glass value addition solution companies in India. As a forward integration strategy, the company opened its own exclusive home lifestyle mall – Sezal Encasa in Mumbai, now **Encasaa** – “**The Home Lounge**” offering a wide range of home & office interior products from globally reputed brands Headquartered in Mumbai. The company has a world-class glass-Value addition plant in Silvassa and a Retail & Trading Showroom Encasaa- a one stop shop solution for all home and office interior needs in Mumbai. As a strategy to further embark on the next stage of growth; Sezal has forayed into real estate sector during 2012-13 through forming Joint Venture Partnership with reputed players in the industry and also through subsidiary companies.

Key highlights 2012-13

- The company's operational revenues improved by 39.70% to Rs. 62.68 crs. from Rs. 44.86 crs. in 2011-12.
- Total revenues increased by 39.00% to Rs. 74.28 crs. from Rs. 53.46 crs. in 2011-12.
- EBIDTA stood at Rs. 11.10 crs. from Rs. 4.16 cr in 2011-12.
- Net losses stood at Rs. 15.99 crs. as against Rs. 52.64 cr in 2011-12.

Value Addition Operations

With the company's wider product range, strong brand and customer relationships intact, it chose to continue with the glass Value Addition business. However, the challenges continued to multiply in a complicated economic scenario. With the real estate sector, especially in the developed markets like tier 1 cities softening up on account of lower disposable income, higher inflation and hardened interest rates. However, with the growth intact in the tier-2 cities like Surat, Pune and Bangalore, among other centres; the company witnessed sustained margins in its business.

Besides, the company continued to capitalize upon the

challenging economic scenario by continuously challenging its limits and in the process, improving cost structures and thereby expanding its margins. During 2012-13, the company consolidated its resources and undertook measures to increase production efficiencies.

During 2012-13, the company's glass value added operations accounted for 49% of the total revenues at Rs. 28.42 crs. The company's glass value added operations is located in Silvassa, Dadra & Nagar Haveli, which also provides it easy access to key markets of Gujarat and Maharashtra. Located within a built-up area of 6,000 sq. mtrs., the plant offers more than 30 processes and solutions on glass; across stages – from pre-processing to processing to décor. The plant houses machines from globally renowned companies, like Tamglass (Finland), Bystronic (Germany), Z. Bavelloni (Italy) and Intermac (Italy), Lisec (Austria), SCHOLZ (Germany) 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 enabled Sezal to remain at their top of the mind recall as a holistic solutions provider.

Retail and Trading Division

Sezal has been long associated with retail & trading; with its entire genesis associated with being a retail store initially, before venturing into glass value addition business. The company established its dedicated retail model for "home and living spaces". Encasaa – 'The Home Lounge' the flagship retail division of the company presently has operations located in Mumbai. Encasaa is the most expansive retail trade format that offers exclusive products across brands and across price points. The Showroom offers a vast range of products comprising of decorative items, showpieces, interiors for home and office including Ceramics, Sanitary ware & Bath Fittings from Europe, Classic and Exemplary Arts, Artifacts & Sculptures of modern and Indian Heritage, Decorative Lights, wallpapers, artifacts, or Glass and Glass Products – all under one roof. Encasaa offers 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. During 2012-13, the retail trade division accounted for ~45% of the company's total revenues.

Major developments during the year

2012-13 was a year of going back to the drawing board. Post the successful sales of the company's float glass plant and subsequent completion of the transaction achieved in 2011-12, the company embarked on the next journey to create another foundation to explore sustainable growth for its stakeholders.

Unveiling the next phase of growth – foray into realty sector

During 2012-13, the company turned yet another page towards scripting another growth story – by foraying to real estate sector. The company decided to start with the risk-averse model of pursuing safe business over large business - thereby initiating its focus on forming Joint Venture Companies/wholly Owned Subsidiaries with the purpose of venturing in to real estate sector with focus on society redevelopment work, SRA projects, mixed use township projects etc. The company utilized the downturn to hone its understanding about the sector and pursued its real estate ambitions in Joint Venture with host of reputed players. The focus of the Joint Venture Companies being Mumbai through the SR model and at the same time, extend its focus to tier-2 city – Surat through JV led township development project.

Real estate industry overview

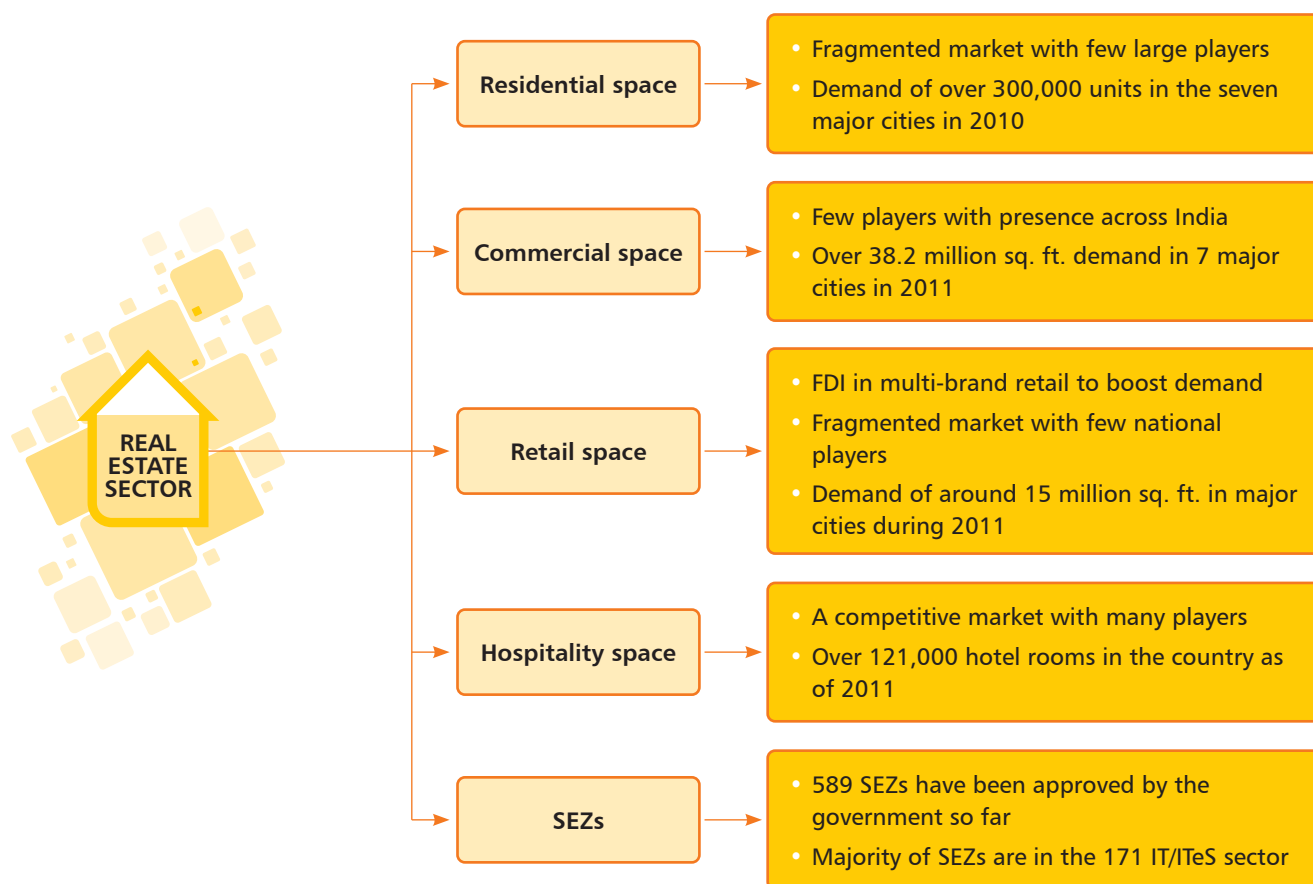
Real estate is one of the fastest growing sectors of the Indian economy and contributes about 5 per cent to India's gross domestic product (GDP).

The country's economic growth is driving the demand for real estate in India. Demand for residential space is expected to grow at a compound annual growth rate (CAGR) of 19 per cent between 2010 and 2014 - Tier 1 metropolitan cities are expected to account for about 40 per cent of this. The top three cities - Mumbai, the NCR and Bengaluru account for 46 per cent of total demand for office space in India.

Foreign direct investment (FDI) of up to 100 per cent is allowed with government permission for developing townships and settlements. FDI of up to 100 per cent is also allowed in the hotel and tourism sector through the automatic route. The Government of India (GOI) has raised the housing loan limit to US\$ 52,080 for priority sector lending. Further, US\$ 833 million has been allocated for rural housing fund (RHF) in FY13 budget.

Growing requirements of space from sectors such as education and healthcare provide opportunities in the real estate sector. Emergence of nuclear families and growing urbanization has given rise to several townships.

Key segments of Indian real estate



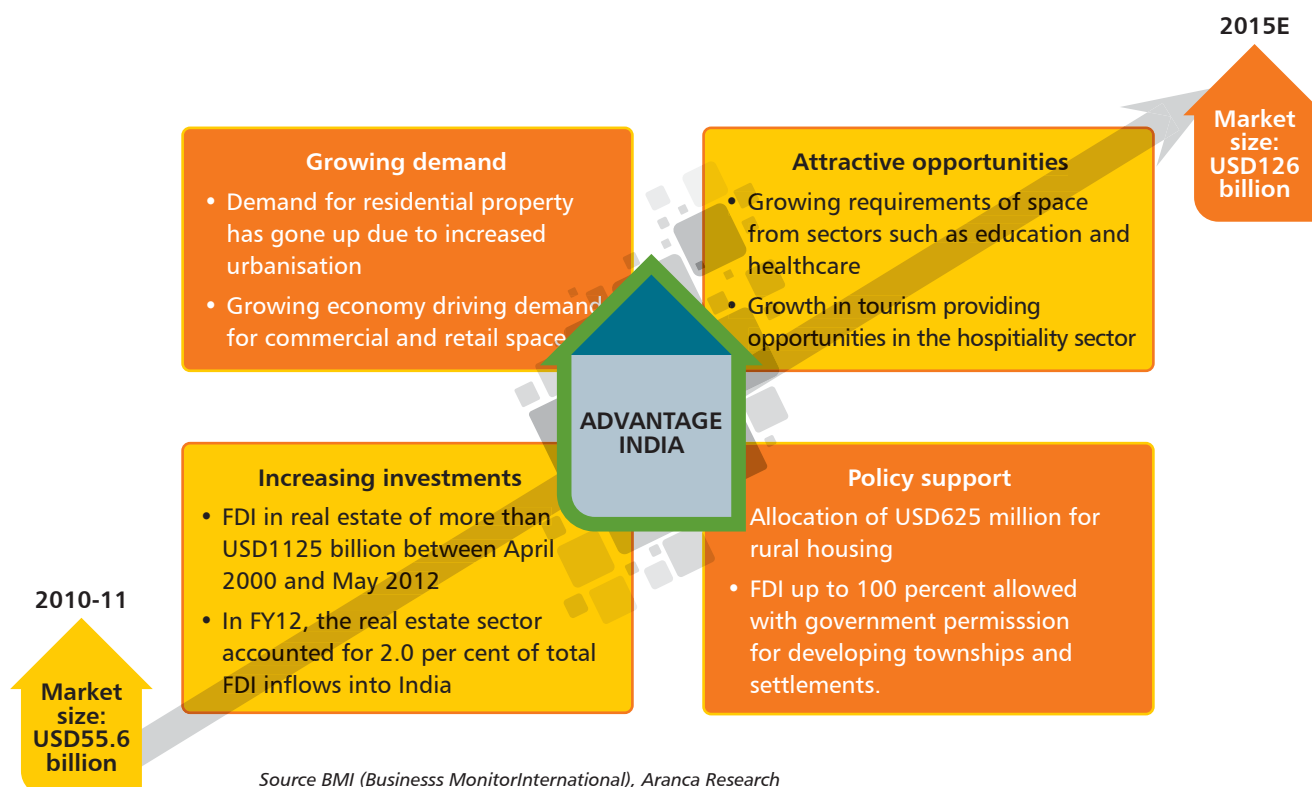
Source Cushman and Wakefield, Knight Frank, CRISIL, Aranca Research

Note: SEZ - Special Economic Zone. IT - Information Technology, ITeS-Information Technology Enabled Services

According to a recent report by CBRE, the Indian realty sector can more than double its contribution to GDP to 13% by 2025 on rising housing demand, if the government removes bottlenecks in infrastructure, lowers borrowing cost and makes process of approvals shorter. The share of the real estate sector in GDP is likely to be 6.3% in 2013. The size of country's gross domestic product (GDP) was \$1.8 trillion in 2012-13 fiscal. The report projected that the realty sector will generate employment for 17.2 million people and supply 8.2 million sq. ft. by 2025, more than double the figures for 2012-13. The sector, however, faces numerous challenges like high borrowing costs, slow and uneven infrastructure development and lengthy approval processes.

The real estate and construction sector would continue to remain one of the largest employers in the economy, adding the annual employment opportunities generated in the sector are expected to increase from 7.6 million in 2013 to almost 17.2 million in 2025. The annual real estate supply in India is expected to increase from about 3.6 billion sq. ft. in 2013 to about 8.2 billion sq. ft. in 2025. Majority of this space is expected to be concentrated in the residential sector. Urbanization in India has been increasing at an unprecedented rate, with almost 71 million people being added to the urban population from 2001 to 2011. At this rate, close to 534 million people will live in Indian cities by 2026. This offers tremendous opportunities for real estate development.

Advantage India

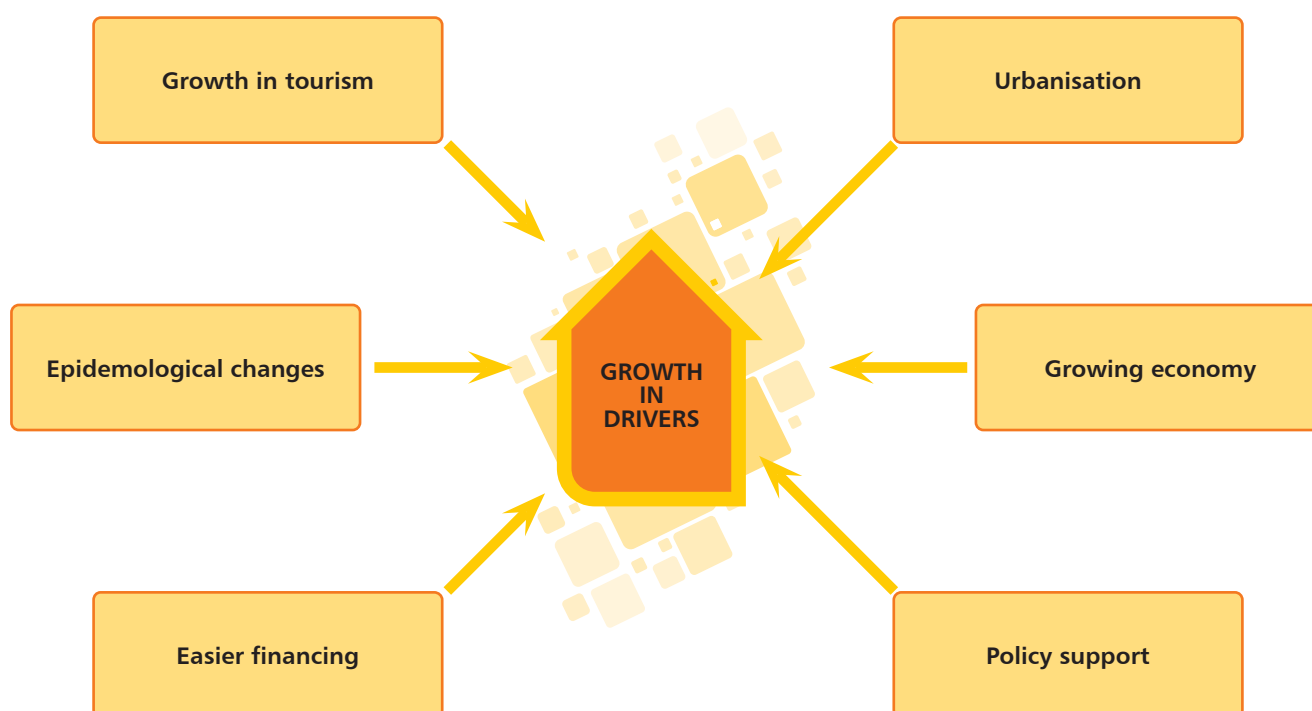


Source BMI (Business Monitor International), Aranca Research

Data for FDI Is from Department of Industrial Policy and Promotion;

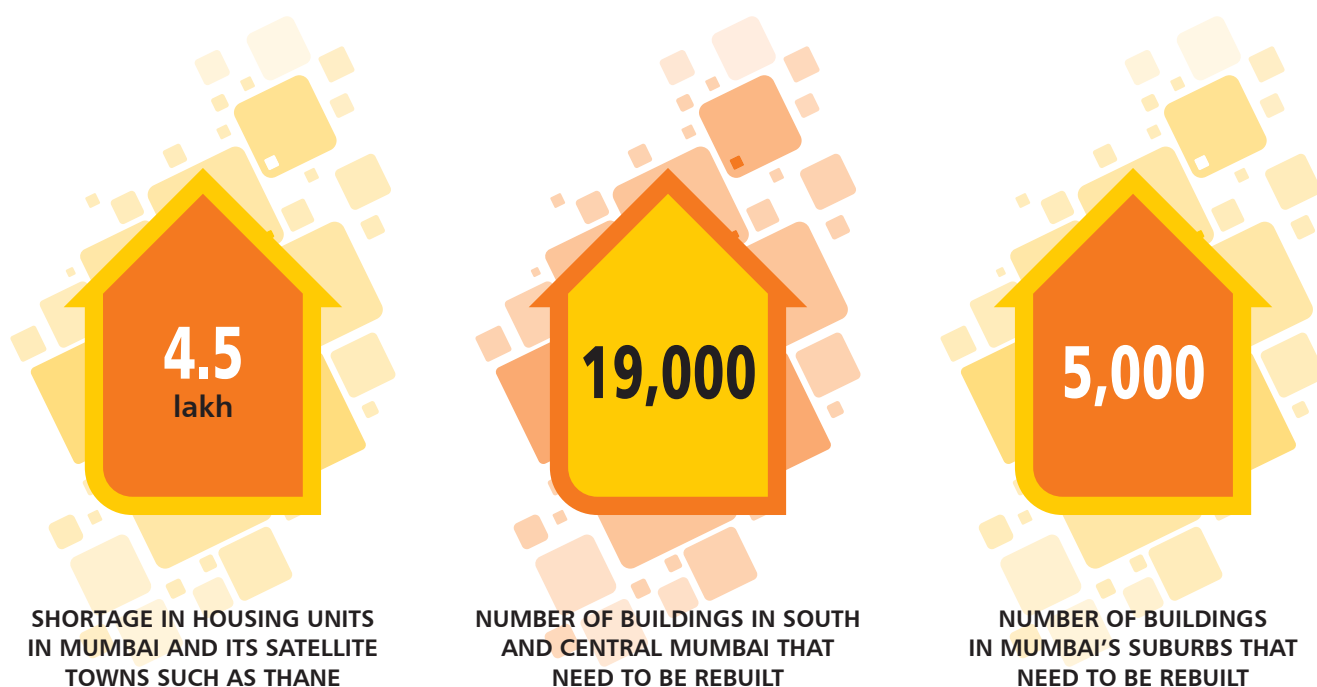
Note: FDI - Foreign Direct Investment, 2015E - Estimate for 2015 (estimates by EMI)

Key growth drivers of real estate in India



India needs to invest US\$ 1.2 trillion over the next 20 years to modernize urban infrastructure and keep pace with the growing urbanization, as per a report released by McKinsey Global Institute (MGI)-India's urban awakening.

Slum rehabilitation projects



Figures are industry estimates

Over the last half century, people living in or near metropolises has risen in proportion to the global population. Migrations from rural areas to urban areas have grown exponentially as cities have developed into hubs of economic activity and job growth promising new opportunities for social mobility and education. Yet, with all these perceptions holding fast, many people who choose to migrate find themselves in the difficult circumstances of integrating into an environment without the proper resources to accommodate the growing population. Cities, for example, like Mumbai, India's largest city and 11th on the list as of 2012 with a population of an estimated 20.5 million. According to estimates, about 60% of that number live in the makeshift dwellings that now occupy lucrative land for Mumbai's developers. This is where the larger opportunity lies in terms of Slum Rehabilitation projects.

Redevelopment work in the city first generated interest in 1991 when the Maharashtra government framed regulations for the segment. But there were few projects for the first few years as house owners lacked clarity about the rules and as developers felt there was little incentive to undertake such work. The segment attracted more interest from developers after 1999 when they were allowed to construct additional flats in a given area and sell them at market prices. While only small developers took up such projects in the beginning, the market has gained traction over the past couple of years as big builders started making such projects an integral part of their portfolio.

In the 15 years that the SRA has been at work in Mumbai, working on the existing cross-subsidy pattern under which private developers get incentive floor space index and the right to build free sale apartments in return for rehousing slumdwellers, the agency has built less than 1,70,000 homes. That's a far cry from not only to the city's slum population of 8.6 million people, but also the original target of 5 lakh homes in five years.

THE ADVANTAGES OF SLUM REHABILITATION PROJECTS

City:

- Large quantum of low-income housing stock
- Better town planning in encroached areas – better roads, drainage, open spaces
- Better image of City after removal of the slum

Slum dwellers:

- Lifelong asset created
- Social upliftment and participation in benefits of urban living
- Improved Quality of Life

Government:

- Tax revenues
- Unlocked land value for encroached areas

Investors:

- De-risking real estate investments in Mumbai.

Opportunities & Threats

- The Indian real estate sector is poised for unprecedented growth owing to higher demand for younger and larger population, will propel the demand for company's products.
- With the acquired operational efficiencies, the company would be able to focus more on its core business verticals much effectively.
- High brand recall and established reputation in niche retail and glass value addition business to get a strong foot hold in the tough competitive market.
- Slum rehabilitation is expected to propel the demand in tier-1 cities like Mumbai, Delhi and Ahmedabad
- Higher competition in segments of presence is a major threat.

HUMAN RESOURCES

At Sezal Glass, employees are not only considered to be the stakeholders in the corporate growth but also are the key drivers of its performance. The Company always endeavors 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 specialized 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. As on 31.03.2013 the number of employees was about 200. 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 a full-fledged Internal Audit department and has also appointed external Internal Auditors to review various areas of the operations of the Company. The audit reports are reviewed by the management and the Audit Committee of the Board periodically.

RISKS AND CONCERNS

The Company is exposed to normal industry risk factors of competition, economic cycle and uncertainties in the

international and domestic markets and credit risk. The Company manages these risks, by maintaining a conservative financial profile and by following prudent business and risk management practices.

ADDENDUM TO AUDITORS' REPORT

Management's explanations to the observations in the Auditors' Report is as follows:

Procedure to assess non-moving and obsolete items in the inventory:

- The company is engaged in the business of value addition of Glass and the orders received are non-standard and vary from customer to customer. Due to this raw material (Clear Glass) inventory of certain size and thickness is continuously kept, so that the orders can be executed well in time without lead time for procurement. The management shall put in place periodical review of the items in inventory to identify and assess obsolete items and take corrective actions as required.

Internal Audit coverage and strengthening of systems and controls:

- The company has ascertained suggestions from Internal Auditors, Statutory Auditors and Cost Auditors to strengthen and improve systems and controls in various operational areas and is in the process of implementing the same.

Delays in debt servicing and payment of statutory liabilities:

- The company is largely catering to realty and infrastructure segments and due to all-round recessionary conditions there is a slowdown in business of these segments. This has impacted your company's Revenue, Profitability and Cash flows. Consequentially, there were delays in debt servicing and payment of statutory liabilities including Public Fixed deposits. However, your company has initiated several cost saving measures and turnaround strategy to achieve improvement in profitability and cash flows to service debt and pay statutory liabilities without delays. The Company has since complied with the repayment of matured deposits to small depositors.

DIVIDEND

Your Directors have not recommended any dividend on the equity shares for the financial year 2012 – 2013 with a view to conserve financial resources for the growth plans of the Company.

DIRECTORS

At the ensuing Annual General Meeting Mr. R. Rengarajan retires by rotation and being eligible, offers himself for re-appointment.

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.

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.

PUBLIC DEPOSITS

The Public Deposits aggregated to Rs. 12.54 crores as on March 31, 2013. During the year under review, the company repaid deposits aggregating Rs.5.08 crs. As on the year end, outstanding matured deposits of an amount Rs. 1.52 crores remained unpaid, while deposits amounting to Rs. 23.84 lakhs remained unclaimed.

DIRECTORS RESPONSIBILITY STATEMENT

The 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 2012-13 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 2012-13 accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and
- (iv) that they have prepared the annual accounts for the year ended on March 31, 2013 on a going concern basis.

Health And Safety

The company continues to accord high priority to health and safety of employees at its manufacturing location. During the year under review, the company conducted in house safety training programmes and mock drills for safety awareness for all its employees at the plants.

Futuristic 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.

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 'A' to this report.

Auditors

M/s S. S. Puranik & Associates, Chartered Accountants, auditors of the company, hold office until the conclusion of the ensuing annual general meeting. M/s S.S. Puranik & Associates, being eligible, have offered themselves for re-appointment and have confirmed that their appointment, if made, would be within the limit prescribed under section 224 (1B) of the Companies Act, 1956.

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, 2013.

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/-

Amrrut S. Gada

Chairman and Managing Director

Place: Mumbai

Date: August 14, 2013

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	2012-13	2011-12
Electricity Purchased	(KWH) Units	3775740	4482340
Total Amt	Rs. Mn	15.97	18.24
Rate Per Unit	Rs.	4.23	4.07
Captive Generation D. G. Sets	(KWH) Units	278000	112394
Total Amount (Fuel, Mobil Oil & additives)	Rs. Mn	1.70	1.6
Rate Per KWH	Rs.	13.68	14.64
Diesel Consumption	Litres	31830	36735
Total Amount	Rs. Mn	1.7	1.6
Rate Per Litre	Rs.	53.56	44.78

B. Technology absorption

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

C. Foreign Exchange Earning and outgo

PARTICULARS	2012-13	2011-12
Expenditure in Foreign Exchange		
Value of Raw Materials imported on CIF basis	05.67	05.65
Spares	00.00	00.40
Machinery	-	01.50
Foreign Travels	00.01	00.02
Machinery Repairs & Servicing Charges	00.03	00.22
Interest on FCNR Loan	00.05	-
Professional & consultancy Fees & Expenses (Capitalised)	-	00.10
Loss due to Exchange rate fluctuation	00.33	00.01
Total	06.09	07.90
Earnings in foreign Exchange		
Exports Sales (F. O. B.)	00.09	01.16
Commission received	-	00.13
Gain on Exchange rate fluctuation	00.31	00.67
Total	00.40	01.96



Report On Corporate Governance

I. PHILOSOPHY

The company believes in adopting and adhering to the best recognized corporate governance practices and continuously bench marking itself against each such practice. The company's philosophy on corporate governance overseas business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors and the society at large. The company believes that best board practices, transparent disclosure and share holder empowerment are necessary for creating shareholders value.

Strong leadership and effective corporate governance practices have been the company's hallmark all these years and would continue in the future as well. The company has infused the philosophy of corporate governance into all its activities. The company continues to focus its resources, strengths & strategies to achieve its vision of becoming a leader in the glass value addition business, while upholding the core value of excellence, integrity, responsibility, unity and understanding which are fundamental to the Sezal Group of companies.

The company is in compliance with the requirements stipulated under clause 49 of listing agreement entered into with the stock exchanges with regard to corporate governance.

II. BOARD OF DIRECTORS

The composition of the Board is as given below:

Name of the Director	Category	Number of Board Meetings during the year 2012-2013		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. Amrrut S. Gada	Chairman and Managing Director, Promoter Director	5	5	Yes	5	-	-
Mr. Dhirraj S. Gada ¹	Joint Managing Director, Promoter Director	5	3	Yes	6	-	-
Mr. Miitesh K. Gada	Executive, Promoter Director	5	5	Yes	5	-	-
Mr. Aashish D. Kariaa ²	Executive Director	5	3	No	-	-	-
Mr. R. Rengarajan	Non Executive, Independent	5	5	Yes	NIL	-	-
Mr. Hasmukh Shah ³	Non Executive, Independent	5	3	No	-	-	-
Mr. Atul Bharani ⁴	Non Executive, Independent	5	2	No	1	-	-
Ms. Parul Mehta ⁵	Non Executive, Independent	5	3	No	NIL	-	-

*Directorship excluding Foreign Company and Section 25 Company.

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

1. Mr. Dhirraj S. Gada resigned from the Directorship of the Company w.e.f. 14-08-2012.
2. Mr. Aashish Kariaa resigned from the Directorship of the Company w.e.f. 14-08-2012.
3. Mr. Hasmukh N. Shah resigned from the Directorship of the Company w.e.f. 14-08-2012.
4. Mr. AtulBharani resigned from the Directorship of the Company w.e.f. 14-08-2012.
5. Ms. Parul Mehta was appointed as an Independent Director of the Company w.e.f. 14-08-2012.

III BOARD MEETINGS:

During the financial year 2012-2013, the Company held 5 meetings. The dates of the meeting are 14/04/2012, 30/05/2012, 14/08/2012, 12/11/2012 and 14/02/2013.

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. Miitesh K. Gada – Member, Ms. Parul Mehta - 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 2012 – 13 i.e., 30/05/2012, 14/08/2012, 12/11/2012 and 14/02/2013 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 2012-13	
		Held	Attended
Mr. Hasmukh N. Shah ¹	Non Executive, Independent	4	2
Mr. Dhirraj S. Gada ²	Joint Managing Director, Promoter Director	4	2
Mr. Atul S. Bharani ³	Non Executive, Independent	4	-
Mr. R. Rengarajan	Non Executive, Independent	4	4
Mr. Miitesh K. Gada	Executive Director, Promoter Director	4	3
Ms. Parul Mehta ⁴	Non Executive Director, Independent	4	3

1. Mr. Hasmukh N. Shah resigned from the Directorship of the Company w.e.f. 14-08-2012.
2. Mr. Dhirraj S. Gada resigned from the Directorship of the Company w.e.f. 14-08-2012.
3. Mr. Atul Bharani resigned from the Directorship of the Company w.e.f. 14-08-2012.
4. Ms. Parul Mehta appointed as an Independent Director of the Company w.e.f. 14-08-2012.

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.

The Committee has discussed with the external auditors their audit methodology, audit planning and significant observations / suggestions made by them. The Committee has also discussed major issues related to risk management and compliances.

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 has been constituted to attend to and to redress the investors' grievances. The committee comprises of Mr. R. Rengarajan– Chairman, Mr. Miitesh K. Gada – Member, Ms. Parul Mehta - 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 Intime Private Limited, Registrar & Share Transfer Agent (RTA), attend to all grievances of the investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc.

During the year Company received 2 Complaints and both were resolved.

The committee met four times during the year on 30/05/2012, 14/08/2012, 12/11/2012 and 14/02/2013. The necessary quorum was present for all the meetings.

VI REMUNERATION COMMITTEE:

The Remuneration Committee comprises of Mr. R. Rengarajan Chairman, Mr. Miitesh K. Gada – Member and Ms. Parul Mehta – 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 2012-13 is as follows:

Name of the Director	Sitting Fees (Rs.)	Salary and Perquisites (Rs.)	Total (Rs.)
Mr. Amrrut S. Gada	0	45,00,000	45,00,000
Mr. Dhirraj S. Gada	0	36,00,000	36,00,000
Mr. Miitesh K. Gada	0	30,00,000	30,00,000
Mr. Aashish D. Kariaa	0	27,00,000	27,00,000
Mr. Atul S. Bharani	10,000	0	10,000
Mr. Hasmukh N. Shah	40,000	0	40,000
Mr. R. Rengarajan	70,000	0	70,000
Ms. Parul Mehta	40,000	0	40,000

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

VIII ADVISORY BOARD:

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

Sr. No.	Members of Advisory Board
1.	Mr. Hasmukh Daftary
2.	Mr. Ralf Czescha
3.	Mr. Mitil Chokshi
4.	Ms. Mita Dixit
5.	Mr. S. H. Bathiya

IX. 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.

X. GENERAL BODY MEETINGS:

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

Year	No. of AGM	Date and Time of AGM	Venue	No. of special resolutions passed
2009-2010	12	20/09/10 at 11.00 A.M.	'Banquet Hall', Ground Floor, Goregaon Sports Club, Link Road, Malad (West), Mumbai – 400 064	5
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, SezalEncasa, S. V. Rod, Kandivali (West), Mumbai – 400 067	4

XI. 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.

XII. MANAGEMENT, DISCUSSIONS AND ANALYSIS REPORT:

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

XIII 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.sezalglass.com.

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.

XIV. GENERAL SHAREHOLDER INFORMATION

1. 15th Annual General Meeting:

Day, Date and Time: Saturday, September 28, 2013 and 11.00 A.M.

Venue: 173/174, Sezal Encasa, S.V. Road, Kandivali (West), Mumbai – 400 067.

2. Book Closure:

Monday, September 23, 2013 till Saturday, September 28, 2013 (both days inclusive)

3. Financial Calendar:

First Quarter Result : First/Second week of August, 2013

Second Quarter Results : First/Second week of November, 2013

Third Quarter Results : First/Second week of February, 2014

Annual Results : Third/Fourth week of May, 2014

Annual General Meeting : August 2014

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 already been paid.

5. Stock Codes:

NSE CODE	:	SEZAL
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:

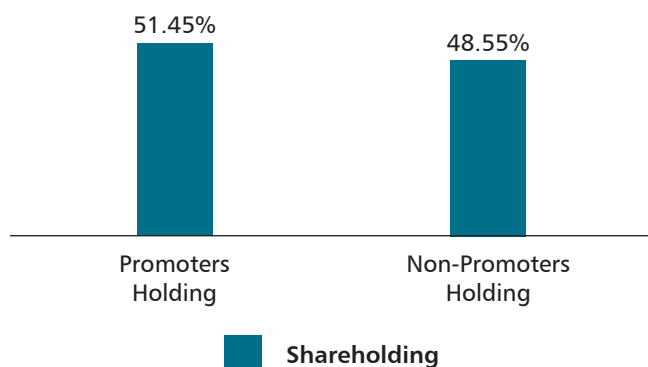
The Annual Custodial Fees for the Financial Year 2013 – 14 has been paid to the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL)

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

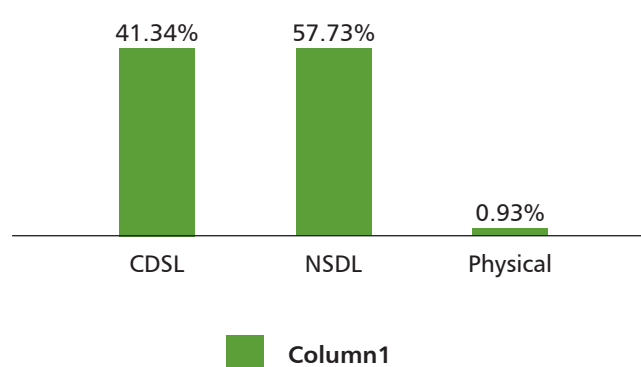
Month	National Stock Exchange (NSE) (In Rs. Per Share)		Bombay Stock Exchange (BSE) (In Rs. Per Share)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April 2012	15.95	13.50	16.00	13.30
May 2012	14.15	11.65	14.27	11.42
June 2012	12.00	08.70	12.25	08.41
July 2012	09.70	08.00	09.50	07.45
August 2012	08.95	07.20	09.18	07.17
September 2012	08.20	06.70	08.24	05.77
October 2012	08.35	07.00	08.55	06.91
November 2012	08.65	07.00	09.16	06.51
December 2012	09.10	05.70	08.55	06.21
January 2013	08.40	06.35	08.50	06.13
February 2013	07.80	05.35	08.20	05.16
March 2013	07.00	03.55	07.20	03.58

Source: NSE and BSE Websites.

Shareholding Pattern



Dematerializations of shares



8. Shareholding Pattern as on 31st March, 2013

Category	Total No. of Shares	Percentage
A Promoters' Holding		
1 Promoters		
Indian Promoters	16034596	47.79
Foreign Promoters	NIL	NIL
2 Person Acting in Concert	1225500	03.65
Total	17260096	51.45
B Non- Promoters' Holding		
3 Institutional Investors	NIL	NIL
a. Mutual Funds and UTI	NIL	NIL
b. Banks, Financial Institutions, Insurance Companies	NIL	NIL
c. FII's	50630	0.15
Total	50630	0.15
4 Others	NIL	NIL
a. Private Corporate Bodies	4192725	12.50
b. Indian Public	11797243	35.16
c. NRIs/OCBs	71162	0.21
d. Clearing Members	177712	0.53
e. Trusts	432	0.00
Total	16289904	48.55
Grand Total	33550000	100.00

9. Distribution of shareholdings as on March 31, 2013

Categories	Total Number of Shareholders	Percentage	Total Number of Shares Held	Percentage
1 -- 5000	9996	85.16	1143693	03.41
5001 -- 10000	594	05.12	485571	01.45
10001 -- 20000	341	02.93	529293	01.58
20001 -- 30000	132	01.14	334539	0.99
30001 -- 40000	72	0.62	258038	0.77
40001 -- 50000	86	0.74	404805	01.21
50001 -- 100000	135	01.16	1089923	03.25
Above 100000	246	02.12	29304138	87.34
Total	11602	100.00	33550000	100.00

10. Plant Locations: 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: 201/202, Abhilasha, S.V Road, Kandivali (West), Mumbai 400 067 Tel: 022 - 28633383/84/85, Fax: 022 – 28633390, Website: www.sezalglass.com
12. Corporate Office: 173/174, Sezal Encasa, Near Seasons Hotel, S. V. Road, Kandivali (West), Mumbai - 400 067. Tel: 022 – 28665100, Fax: 022 - 28665102, Email: investor.relations@sezalglass.co.in, compliance@sezalglass.com.
13. 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, Email: sglfd@linkintime.co.in, uttara.choudhary@linkintime.co.in.
14. Other constituents of the Sezal Group within the meaning of "Group" under SEBI (Substantial Acquisition of Share and Takeovers) Regulations, 1997 include:
 - Sezal Realty & Infrastructure Limited
 - Sezal Finance Limited
 - Sezal Insurance Broking Limited
 - Sezal Glass Craft Private Limited
 - Sezal International Limited
 - Sezal Entertainment & Media India Limited
 - Sezal Firebaan Glass Private Limited
 - Sezal Infraprojects Private Limited
 - Inventure Sezal Realtors Private Limited
 - Sezal Wealth & Insurance Advisors Ltd.
 - Jaycee Sezal Developers Pvt. Ltd.
 - Sezal Bluecity Developers Pvt. Ltd.
 - Sezal Arjuna Realty Pvt. Ltd.
 - Synergy Wood & Glass Private Ltd.
 - Bonanza Float Glass Pvt. Ltd.
15. **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 low statements for the year ended March 31, 2013.

For and on behalf of the Board of Directors

Place: Mumbai

Date: August 14, 2013

Amrrut S. Gada

Chairman and Managing Director

Declaration

by the Managing Director on compliance with Code of Conduct

I, Amrrut S. Gada, Chairman & Managing Director of Sezal 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, 2013.

Place: Mumbai

Date: August 14, 2013

Amrrut S. Gada

Chairman and Managing Director

Certification

by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) under Clause 49 of the Listing Agreement

To the Board of Directors of

Sezal Glass Ltd.

Dear Sirs,

- a) We have reviewed the financial statements and the cash flow of Sezal Glass Ltd. ('the Company') for the year ended March 31, 2013 and to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into between the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) Significant changes in the internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed suitably in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Yours truly

Amrrut S. Gada

Chairman and Managing Director

A. Venkataramanan

CFO

Mumbai

August 14, 2013

Certificate on Corporate Governance

on Compliance of Conditions of Corporate Governance under Clause 49 of the Listing Agreement

To the Members of

Sezal Glass Limited

201/202, 2nd Floor, Abhilasha,

S. V. Road, Kandivali (West),

Mumbai – 400 067.

We have examined all relevant records of SEZAL GLASS LIMITED (hereinafter referred to as “the Company”) for the purpose of certifying compliance of the conditions of Corporate Governance, for or in respect of the financial year ended 31st March, 2013, as stipulated in Clause 49 of the Listing agreement(s) entered into with the Stock Exchange(s) 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 respects, complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement, excepting that –

- (1) the composition of the Board of Directors of the Company for the period from 1st April, 2012, to 14th August, 2012, was not in accordance with the norms/conditions as laid down or prescribed by or under the said Clause of the Listing Agreement with regard to the provision of there being not less than 50% of the total number of directors on the Board comprising of the non-executive directors.
- (2) The composition of the members of the Remuneration Committee is not in accordance with the norms/conditions as laid down or prescribed by or under the said Clause of the Listing Agreement to the extent that one of the members thereof is not a Non-executive Director.

For **M.G. Kalelkar Associates**

Company Secretaries

Milind G. Kalelkar

Proprietor

FCS-3854, CP-1877

Mumbai

Date: August 14, 2013





Independent Auditor's Report

To the Members of

SEZAL GLASS LIMITED

We have audited the accompanying financial statements of **SEZAL GLASS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, 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"). 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.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, 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, 2013;
- 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 explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) 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) 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;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, 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, 2013

Annexure to the Auditors' Report

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of **SEZAL GLASS LIMITED** on the accounts of the company for the year ended 31st March, 2013.

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 needs to be in place to assess the non-moving and obsolete items in the inventory.

3. In respect of Loans taken or granted:

- a) Company has granted unsecured loans amounting to ₹1078.37 Lacs in addition to the ₹1561.88 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, a refund of ₹95.69 Lacs has been received and the balance outstanding as at the end of the year was ₹2544.56 Lacs. Maximum balance in these accounts during the year was ₹2544.56 Lacs.
- b) The Company had taken loans amounting to ₹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 ₹8.00 Lacs. Out of these loans, a sum of ₹NIL was outstanding as at the end of the year. Maximum balance in these accounts during the year was ₹8.00 Lacs.
- c) In our opinion, the rates of interest wherever paid or charged, to the parties covered in the Register under section 301 of the Companies Act, 1956, were not prejudicial to the Interests of the Company.
- d) In our opinion, since no specific stipulations as to the terms of repayment were agreed upon, this clause does not apply.

4. In our opinion and according to the information and explanations given to us, and as reported by the Internal Auditors of the Company, the internal control procedures with regard to the purchases of inventory and with regard to sale of goods, collection from customers, inventory management, Cash management, credit notes monitoring need to be strengthened, to commensurate with the size of the Company and the nature of its business.

Annexure to the Auditors' Report (Contd.)

5. (a) According to the information and explanations given to us, we are of the opinion that the transactions need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five Lacs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has generally 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 (except that there have been delays in payment of interest for the months of February 2013 and March 2013, which has since been paid. The Company has also not repaid matured fixed deposits amounting to ₹1.88 Crores as at 31st March, 2013 (Since paid ₹36.20 Lacs). 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). According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, on the Company.
7. The internal audit reports covered only systems and processes for the first quarter of the financial year which pointed out deficiencies in procedures and internal control. Subsequent reports did not clarify whether corrective steps are taken by the Company to rectify the deficiencies and also did not cover the major areas of financial transactions and internal control.
8. 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 from the current financial year.
9. a) The company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor education protection fund, Employees' State insurance and Customs Duty, Excise Duty, Cess, wealth tax and other material statutory dues as applicable to it. **However, there have been delays in payment of following statutory liabilities. The outstanding balance in these accounts as at 31st March, 2013 was as follows:-**
- **Provident Fund - ₹12.60 Lacs.**
 - **Income Tax i.e. Tax Deducted at source (TDS) ₹93.02 Lacs.**
 - **Central Sales Tax – ₹99.23 Lacs. (Since paid ₹0.65 Lacs)**
 - **Maharashtra VAT – ₹63.81 Lacs. (Since paid ₹11.87 Lacs)**
 - **Service Tax – ₹22.74 Lacs**
 - **Employees' State Insurance – ₹0.50 Lacs (Since paid)**
 - **Excise Duty – ₹45.15 Lacs. (Since paid ₹5.01 Lacs)**
 - **Profession Tax – ₹0.29 Lacs (Since paid)**

Annexure to the Auditors' Report (Contd.)

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 2013 for the period of more than six months from the date they became payable, **except Income Tax Deducted at Source (TDS) - ₹40.38 Lacs, Central Sales tax - ₹53.67 Lacs and Maharashtra VAT 60.68 Lacs; Service Tax - ₹7.20 Lacs.**

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)

10. The Company has accumulated losses at the end of the financial year but it has not incurred cash losses in the financial year under report. The Company suffered cash losses during the immediately preceding financial year.
11. ***There have been delays in repayment of quarterly Installments of Term Loans (Principle) taken from the bank for the processing division of the company as follows:-***

Due date	Date of payment	Amount ₹	Delay (Days)
30.06.2012	13.09.2012	2700000	75
30.06.2012	20.09.2012	3000000	82
30.06.2012	24.09.2012	700000	86
30.09.2012	15.12.2012	1000000	76
30.09.2012	17.12.2012	437000	78
30.09.2012	19.12.2012	1013000	80
30.09.2012	20.12.2012	1600000	81
30.09.2012	22.12.2012	75000	83
30.09.2012	26.12.2012	2275000	87
31.12.2012	28.03.2013	6400000	87
31.03.2013	Not paid	6400000	

Installment of ₹64 Lacs for the month of March 2013 was unpaid as at the balance sheet date. There have been regular delays in monthly payment of Interest on the above said Term Loans ranging from 13 days to 87 days.

There are no borrowings from Financial Institutions. Company has not issued debentures during the year.



SEZAL
GLASS
THE SIXTH FLOOR

Annexure to the Auditors' Report (Contd.)

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 made, during the year.

For **S S PURANIK & ASSOCIATES**

Chartered Accountants

FRN 127731W

SHRIPAD S PURANIK

Partner

M.Ship No. 030670

Mumbai

Date: May 30, 2013

Balance Sheet

as at 31st March, 2013

(Amount in ₹)			
Particulars	Note No.	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	335,500,000	335,500,000
(b) Reserves and surplus	4	1,380,637,390	1,975,311,716
2 Non-current liabilities			
(a) Long-term borrowings	5	238,454,887	323,647,256
(b) Long-term provisions	6	3,527,872	3,164,612
3 Current liabilities			
(a) Short-term borrowings	7	332,784,338	140,696,057
(b) Trade payables	8	295,788,277	175,051,966
(c) Other current liabilities	9	331,252,535	322,059,177
(d) Short-term provisions	10	2,248,862	5,992,945
Total		2,920,194,161	3,281,423,728
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	804,857,027	1,416,620,569
(ii) Capital work-in-progress		110,673,707	113,612,929
(b) Non-current investments	12	43,148,931	37,284,029
(c) Deferred tax assets (net)	27.5	224,201,433	293,536,079
(d) Long-term loans and advances	13	602,290,528	169,578,837
(e) Other non-current assets	14	221,915,214	215,498,716
2 CURRENT ASSETS			
(a) Inventories	15	167,876,402	186,370,867
(b) Trade receivables	16	352,308,928	238,948,757
(c) Cash and Bank balances	17	15,431,876	29,548,462
(d) Short-term loans and advances	18	104,144,748	265,318,619
(e) Other current assets	19	273,345,367	315,105,864
Total		2,920,194,161	3,281,423,728

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 2013

Amrrut S Gada

Chairman & Managing Director

Miitesh K Gada

Director

A. Venkataramanan

Chief Financial Officer

Ashwin S Shetty

Company Secretary

Statement of Profit and Loss

for the year ended 31st March, 2013

Particulars	Note No.	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
I CONTINUING OPERATIONS			
1 Revenue from operations	20	626,774,810	448,606,563
2 Other Income	21	116,008,092	85,955,484
Total Revenue	(A)	742,782,902	534,562,047
3 Expenses			
(a) Cost of materials consumed	22.a	205,354,276	212,411,959
(b) Labour Cost		3,181,453	7,561,277
(c) Purchases of stock-in-trade	22.b	272,492,051	96,981,298
(d) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22.c	9,367,773	(5,582,558)
(e) Employee benefits expense	23	59,620,752	58,716,700
(f) Finance costs	24	81,049,903	17,345,140
(g) Depreciation and amortisation expense	11.B	24,444,004	23,428,689
(h) Other expenses	25	81,776,109	122,781,572
Total Expenses	(B)	737,286,321	533,644,078
4 Profit / (Loss) before exceptional and extraordinary items and tax (A - B)		5,496,582	917,970
Exceptional Items			
5 Loss on sale of Property		(102,267,961)	-
6 Prior Period (Expense) / Income		7,016,625	(6,630,273)
7 Profit / (Loss) before tax (4-5+6)		(89,754,755)	(5,712,303)
8 Tax expense:			
(a) Current tax expense relating to prior years		(908,531)	(9,735,162)
(b) Deferred tax		(69,334,646)	(18,667,096)
		(70,243,177)	(28,402,258)
9 Profit / (Loss) from continuing operations (7-8)		(159,997,932)	(34,114,561)
II DISCONTINUING OPERATIONS			
10 (i) Profit / (Loss) from discontinuing operations (before tax)	27.6	-	(364,000,042)
(ii) Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations	27.6	-	(128,292,015)
11 Profit / (Loss) from discontinuing operations	27.6	-	(492,292,057)
III TOTAL OPERATIONS			
12 Profit / (Loss) for the year (9+10+11)		(159,997,932)	(526,406,618)


**SEZAL
GLASS**
THE SIXTH FLOOR

Statement of Profit and Loss

for the year ended 31st March, 2013 (Contd.)

Particulars	Note No.	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
10.i Earnings per share (of ₹10/- each):			
(a) Basic			
(i) Continuing operations	27.4.a	(4.77)	(1.02)
(ii) Total operations	27.4.b	(4.77)	(15.69)
(b) Diluted			
(i) Continuing operations	27.4.e	(4.77)	(1.01)
(ii) Total operations	27.4.f	(4.77)	(15.58)
10.ii Earnings per share (excluding extraordinary items) (of ₹10/- each):			
(a) Basic			
(i) Continuing operations	27.4.c	(1.93)	(0.82)
(ii) Total operations	27.4.d	(1.93)	(15.49)
(b) Diluted			
(i) Continuing operations	27.4.g	(1.93)	(1.01)
(ii) Total operations	27.4.h	(1.93)	(15.38)

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 2013

Amrrut S Gada

Chairman & Managing Director

Miitesh K Gada

Director

A. Venkataramanan

Chief Financial Officer

Ashwin S Shetty

Company Secretary

Cash Flow Statement

for the year ended 31st March, 2013

Particulars	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax	(89,754,755)	(498,004,359)
Add Extraordinary items	(7,016,625)	6,630,273
Exceptional items	102,267,961	128,292,015
	5,496,582	(363,082,072)
Adjustments for:		
Depreciation and amortisation	24,444,004	99,174,577
Finance costs	81,049,903	245,976,608
Interest income	(102,563,056)	(52,975,104)
Dividend income	(15,000)	(20,000)
Net (gain) / loss on sale of investments	-	105,451
Net (gain) / loss on sale of Assets	2,636,584	
Bad Debts Written off	4,592,791	
Rental income from operating leases	(2,926,540)	(6,440,329)
Liabilities / provisions no longer required written back	(37,770,213)	(24,431,464)
Discounts Received	(524,556)	(4,261,855)
Net unrealised exchange (gain) / loss	(404,176)	-
	(31,480,260)	257,127,883
Operating profit / (loss) before working capital changes	(25,983,678)	(105,954,188)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	18,494,465	395,547,528
Trade receivables	(117,952,962)	89,360,991
Short-term loans and advances	161,173,871	153,481,357
Long-term loans and advances	(432,711,691)	136,109,019
Other current assets	41,760,497	(135,971,339)
Other non-current assets	(6,416,498)	(35,498,716)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	159,435,256	(1,010,116,183)
Other current liabilities	9,193,358	(275,463,903)
Short-term provisions	(3,744,083)	(20,024,313)
Long-term provisions	363,260	(2,926,463)
	(170,404,526)	(705,502,022)
	(196,388,204)	(811,456,210)
Cash flow from extraordinary items	7,016,625	(6,630,273)
Cash generated from operations	(189,371,580)	(818,086,483)
Net income tax (paid) / refunds	(908,531)	(9,735,162)
Net cash flow from / (used in) operating activities (A)	(190,280,111)	(827,821,645)

Cash Flow Statement

for the year ended 31st March, 2013 (Contd.)

Particulars	For the year ended 31st March, 2013 ₹		For the year ended 31st March, 2012 ₹	
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on fixed assets, including capital advances	(17,172,180)		(35,215,995)	
Proceeds from sale of fixed assets	67,850,000		6,666,830,773	
Movement in long-term Investments	(5,864,901)		(36,494,994)	
Interest received	102,563,056		52,975,104	
Dividend received	15,000		20,000	
Rental income from operating leases	2,926,540		6,440,329	
		150,317,515		6,654,555,217
Net cash flow from / (used in) investing activities (B)		150,317,515		6,654,555,217
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of equity shares	-		-	
Dividend Income			-	
Movement in Fixed Deposits	(38,008,000)		(383,072,124)	
Interest Income				
Inter Corporate Deposits	(27,140,355)			
Repayment of long-term borrowings	(20,044,014)		(4,761,485,834)	
Movement in other short-term borrowings	192,088,281		(433,601,754)	
Finance cost	(81,049,903)		(245,976,608)	
Net cash flow from / (used in) financing activities (C)		25,846,009		(5,824,136,320)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(14,116,586)		2,597,252
Cash and cash equivalents at the beginning of the year		29,548,462		26,951,210
Cash and cash equivalents at the end of the year (Refer Note 17)		15,431,876		29,548,462

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 2013

Amrrut S Gada

Chairman & Managing Director

Miitesh K Gada

Director

A. Venkataramanan

Chief Financial Officer

Ashwin S Shetty

Company Secretary

Notes on Financial Statements

for the Year ended 31st March, 2013

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.

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 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.

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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, 2013 (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 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.

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars

2 SIGNIFICANT ACCOUNTING POLICIES (Contd.)

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 Joint venture operations

The accounts of the Company reflect its share of the Assets, Liabilities, Income and Expenditure of the Joint Venture Operations which are accounted on the basis of the audited accounts of the Joint Ventures on line-by-line basis with similar items in the Company's accounts to the extent of the participating interest of the Company as per the Joint Venture Agreements, wherever applicable.

2.20 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.

2.21 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, 2013 (Contd.)

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number of shares	₹	Number of shares	₹
3 SHARE CAPITAL				
(a) Authorised Share Capital	6,00,00,000	60,00,00,000	6,00,00,000	60,00,00,000
Equity shares of ₹10 each with voting rights				
(b) Issued Share Capital	3,35,50,000	33,55,00,000	3,35,50,000	33,55,00,000
Equity shares of ₹10 each with voting rights				
(c) Subscribed and fully paid up	3,35,50,000	33,55,00,000	3,35,50,000	33,55,00,000
Equity shares of ₹10 each with voting rights				

Equity Shares		As at 31st March, 2013		As at 31st March, 2012	
Particulars		Number of shares	Amount	Number of shares	Amount
At the beginning of the period		3,35,50,000	33,55,00,000	3,35,50,000	33,55,00,000
Sub-division during the year		-	-	-	-
Reverse share split during the year		-	-	3,35,50,000	33,55,00,000
		3,35,50,000	33,55,00,000	3,35,50,000	33,55,00,000

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

Class of shares / Name of shareholder	As at 31st March, 2013		As at 31st March, 2012	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Sezal Realty and Infrastructure Limited	39,61,000	11.81%	47,61,000	14.19%
Brand Equity Treaties Limited	20,00,000	5.96%	20,00,000	5.96%
Amrrut S Gada	18,20,500	5.43%	18,20,500	5.43%

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars		As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
4	RESERVES AND SURPLUS		
(a)	Securities Premium account		
	Balance as per last account	1,40,65,52,893	1,40,65,52,893
(b)	Revaluation Reserve		
	Opening balance	99,54,12,263	1,62,69,00,998
	Less: Revaluation Reserve of Float Division Transferred to General Reserve on Sale of that Division	-	61,73,73,489
	Less: Revaluation Reserve reversed	42,99,00,909	-
	Less: Revaluation Reserve of Encasa Division Transferred to General Reserve on Sale of two Floors	12,65,54,524	-
	Less: Depreciation on Revalued Assets withdrawn during the year (Refer Note 11.B)	47,75,486	1,41,15,246
	Closing balance	43,41,81,344	99,54,12,263
(c)	General Reserve		
	Opening balance	64,95,67,390	1,76,93,900
	Add: Transferred from Revaluation Reserve	12,65,54,524	61,73,73,489
	Add: Transferred from Share application for Forfeiture of Share Warrants money	-	1,45,00,000
	Closing balance	77,61,21,914	64,95,67,389
(d)	Surplus / (Deficit) in Statement of Profit and Loss		
	Opening balance	(1,07,62,20,829)	(54,98,14,212)
	Add: Profit / (Loss) for the year	(15,99,97,932)	(52,64,06,617)
	Closing balance	(1,23,62,18,761)	(1,07,62,20,829)
	Total (a + b + c + d)	1,38,06,37,390	1,97,53,11,716

Particulars		As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
5	LONG TERM BORROWINGS		
(a)	Term loans		
	Secured		
	From banks	4,64,91,242	6,54,35,256
	Unsecured		
	Public Deposits	3,96,54,000	7,76,62,000
	Inter-corporate Deposits	13,12,09,645	15,83,50,000
	From related parties (Refer Note 27.3.b(b))	-	8,00,000
	From Others	2,11,00,000	2,14,00,000
	Total	23,84,54,887	32,36,47,256

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Nature of Security

- i) Term Loan amounting to ₹21,52,939/- (March 31, 2012 - ₹31,35,271/-) is secured by exclusive and specific charge on the assets acquired out of the loan
- ii) Term Loan amounting to NIL (March 31, 2012 - ₹1,95,330/-) is secured by exclusive and specific charge on the assets acquired out of the loan
- iii) Term Loan amounting to ₹1,24,083/- (March 31, 2012 - ₹11,58,716/-) is secured by exclusive and specific charge on the assets acquired out of the loan
- iv) Term Loan amounting to NIL (March 31, 2012 - ₹1,15,541/-) is secured by exclusive and specific charge on the assets acquired out of the loan
- v) Term Loan amounting to NIL (March 31, 2012 - ₹86,078/-) is secured by exclusive and specific charge on the assets acquired out of the loan
- vi) Term Loan amounting to NIL (March 31, 2012 - ₹4,96,593/-) is secured by exclusive and specific charge on the assets acquired out of the loan
- vii) Term Loan amounting to NIL (March 31, 2012 - ₹2,48,294/-) is secured by exclusive and specific charge on the assets acquired out of the loan
- viii) Term Loan amounting to NIL (March 31, 2012 - ₹88,282/-) is secured by exclusive and specific charge on the assets acquired out of the loan
- ix) Term Loan amounting to NIL (March 31, 2012 - ₹88,282/-) is secured by exclusive and specific charge on the assets acquired out of the loan
- x) Term Loan amounting to NIL (March 31, 2012 - ₹1,78,446/-) is secured by exclusive and specific charge on the assets acquired out of the loan
- xi) Term Loan amounting to ₹3,25,580/- (March 31, 2012 - NIL) is secured by exclusive and specific charge on the assets acquired out of the loan

Term loan of ₹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.

(Previous year - Term loans of ₹6,30,77,410/- were secured by first charge on the entire fixed assets of the company on first pari passu basis with all Term loan/Corporate loan lenders and second pari passu charge over the entire Current Assets of the company.)

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.

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 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 35 Equal Monthly Installments commencing from Jan 2010. Last installment due in Nov 2012. 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 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 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 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 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 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 35 Equal Monthly Installments commencing from Feb 2010. Last installment due in Dec 2012. 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 - Not Applicable)

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
6 LONG TERM PROVISIONS		
(a) Provision for employee benefits:		
(i) Provision for Gratuity (Net) (Refer Note 27.1.b)	21,20,560	14,34,452
(ii) Provision for Leave Encashment	14,07,312	17,30,160
Total	35,27,872	31,64,612

Particulars	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
7 SHORT TERM BORROWINGS		
(a) Loans repayable on demand		
From banks		
Secured		
Cash Credit arrangements	24,66,72,329	10,77,83,199
Foreign currency loan from banks	4,07,99,468	-
Unsecured		
Buyers Credit arrangements	2,07,70,232	89,25,935
Bill Discounting	2,45,42,309	2,39,86,923
Total	33,27,84,338	14,06,96,057

Nature of Security (Short Term Borrowings)

Cash Credit / Bank Guarantee / Letter of Credit:

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. Amrrut Gada, Shri. Dhirraj Gada Shri. Miitesh Gada, Shri. Kanji V Gada & Shri. Shantilal Gada.

2011-12

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. Amrrut Gada, Shri. Dhirraj Gada Shri. Miitesh Gada, Shri. Kanji V Gada & Shri. Shantilal Gada.

Particulars	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
8 TRADE PAYABLES		
Trade payables:		
Acceptances	1,68,27,853	3,05,47,473
Other than Acceptances	27,89,60,424	14,45,04,493
Total	29,57,88,277	17,50,51,966

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars		As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
9	OTHER CURRENT LIABILITIES		
(a)	Current maturities of long-term debt (Refer Note (1) below)	6,45,43,000	8,29,93,562
(b)	Interest accrued but not due on borrowings	74,26,400	91,10,807
(c)	Interest accrued and due on borrowings	3,23,89,412	2,21,30,112
(d)	Unpaid dividends	1,00,693	1,00,693
(e)	Unpaid matured deposits and interest accrued thereon	2,13,02,000	11,48,000
(f)	Other payables		
(i)	Statutory remittances	3,45,73,476	4,85,26,751
(ii)	Payables on purchase of fixed assets	1,26,53,273	5,03,83,911
(iii)	Contractually reimbursable expenses	26,01,268	60,95,762
(iv)	Trade / security deposits received	5,25,000	10,25,000
(v)	Advances from customers	2,47,57,743	2,91,05,349
(vi)	Others	13,03,80,270	7,14,39,231
	Total	33,12,52,535	32,20,59,177

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"

Particulars		As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
10	SHORT TERM PROVISIONS		
(a)	Provision for employee benefits		
	Provision for bonus	2,72,442	23,36,141
	Provision for Leave Encashment	2,33,470	-
(b)	Provision - Others		
	Provision for tax	17,42,950	36,56,804
	Total	22,48,862	59,92,945

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

GROSS BLOCK									
	Balance as at 1st April, 2012	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Effect of foreign currency exchange differences	Revaluation Reserve Reversed	Assets Transferred	Balance as at 31st March, 2013
	₹	₹	₹	₹	₹	₹	₹	₹	₹
11 A FIXED ASSETS									
(a) Freehold Land	29,88,30,750	-	79,31,988	-	-	-	3,65,24,104	-	25,43,74,658
(b) Buildings	90,53,31,052	7,72,211	4,16,62,486	-	-	-	52,86,54,796	85,81,782	34,43,67,763
(c) Plant and Equipment	30,92,39,543	1,76,16,145	4,15,806	-	-	-	-	(20,993)	32,64,18,889
(d) Furniture and Fixtures	2,84,27,622	6,88,330	27,01,948	-	-	-	-	(85,60,789)	1,78,53,215
(e) Vehicles	1,49,10,364	5,09,262	4,70,000	-	-	-	-	-	1,49,49,626
(f) Office equipment	43,98,540	4,62,702	-	-	-	-	-	-	48,61,242
(g) Computers	2,18,07,087	62,752	-	-	-	-	-	-	2,18,69,839
Total	1,58,29,44,958	2,01,11,402	5,31,82,228	-	-	-	56,51,78,900	-	98,46,95,232
Previous year	8,87,68,80,225	16,68,82,072	7,46,08,17,337	-	-	-	-	-	1,58,29,44,959

ACCUMULATED DEPRECIATION AND IMPAIRMENT									
	Balance as at 1st April, 2012	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, 2013	Balance as at 31st March, 2013	Balance as at 31st March, 2012
	₹	₹	₹	₹	₹	₹	₹	₹	₹
11 A FIXED ASSETS (Contd.)									
(a) Freehold Land	-	-	-	-	-	-	-	25,43,74,658	29,88,30,750
(b) Buildings	3,36,14,725	29,53,336	23,87,992	47,75,486	87,23,467	61,11,037	2,88,97,036	31,54,70,727	87,17,16,326
(c) Plant and Equipment	10,87,32,607	1,50,94,184	(5,061)	-	-	44,535	12,37,77,194	20,26,41,694	19,80,00,679
(d) Furniture and Fixtures	78,75,989	12,18,674	(23,82,931)	-	-	4,21,971	62,89,762	1,15,63,454	2,05,51,633
(e) Vehicles	44,37,856	14,17,596	-	-	-	4,04,664	54,50,787	94,98,839	1,04,72,508
(f) Office equipment	11,54,755	2,19,047	-	-	-	-	13,73,802	34,87,440	57,50,044
(g) Computer	1,05,08,456	35,41,166	-	-	-	-	1,40,49,623	78,20,216	1,12,98,631
Total	16,63,24,389	2,44,44,004	-	47,75,486	87,23,467	69,82,207	17,98,38,204	80,48,57,027	1,41,66,20,570
Previous year	52,37,80,850	9,91,74,566	-	1,41,15,246	87,23,467	47,07,46,272	16,63,24,390	1,41,66,20,570	-

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Depreciation and amortisation relating to continuing operations:		For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
Particulars			
11 B	FIXED ASSETS (Contd.)		
	Depreciation and amortisation for the year on tangible assets as per Note 11	2,92,19,490	11,32,89,812
	Less: Utilised from revaluation reserve	47,75,486	1,41,15,246
	Less: Depreciation on Discontinued Operations	-	7,57,45,887
	Depreciation and amortisation relating to continuing operations	2,44,44,004	2,34,28,679

Notes:

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

Particulars	Year		
	31st March, 2013 ₹	31st March, 2012 ₹	31st March, 2011 ₹
LAND			
Opening balance	25,51,24,632	72,47,97,837	-
Added on revaluation	-	-	72,47,97,837
Date			31.3.2011
Transferred to General Reserve		46,96,73,205	
Date		31.05.2011	
Balance as at 31 March	25,51,24,632	25,51,24,632	72,47,97,837
BUILDING			
Opening balance	74,02,87,630	90,21,03,161	-
Added on revaluation	-	-	90,21,03,161
Date			31.3.2011
Depreciation on revaluation	47,75,486	1,41,15,246	
Date	31.3.2013	31.3.2012	
Revaluation Reserve Reversed	42,99,00,909	-	
Date			
Transferred to General Reserve	12,65,54,524	14,77,00,285	
Date		31.5.2011	
Balance as at 31 March	60,89,57,620	74,02,87,630	90,21,03,161

Note: Year ended 31st March 2011 being the first year of revaluation of assets, information for only 3 Years given

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
12 NON CURRENT INVESTMENTS		
Investments (At cost):		
A. Investments (Quoted)		
7,25,200 (1,56,300) Shares of ₹10/- each fully paid up in Inventure Growth and Securities Limited	3,77,06,280	3,18,41,378
Total - Investments (Quoted) (A)	3,77,06,280	3,18,41,378
B. Investments (Unquoted)		
(a) Investment in equity instruments		
(i) of Associates		
25000 (25000) shares of ₹10 each fully paid in Sezal Firebaan Glass Pvt. Ltd.	2,50,000	2,50,000
(ii) of Other Entities		
5000 (5000) Shares of ₹20 each fully paid in The Cosmos Co-Operative Bank Ltd	1,00,000	1,00,000
4000 (4000) Shares of ₹10 each fully paid in Shakti Banquet Pvt.Ltd.	50,00,000	50,00,000
(b) Other Non-Current Investments - Gold coins	92,651	92,651
Total - Investments (Unquoted) (B)	54,42,651	54,42,651
Total (A + B)	4,31,48,931	3,72,84,029
Aggregate amount of Quoted investments	3,77,06,280	3,18,41,378
Aggregate market value of listed and quoted investments	36,98,520	4,59,60,015
Aggregate amount of Unquoted investments	54,42,651	54,42,651
13 LONG TERM LOANS & ADVANCES		
Unsecured, Considered Good		
(a) Capital advances	9,81,43,469	9,49,14,294
(b) Loans and advances to related parties (Refer Note 27.3)	24,73,82,720	23,06,719
(c) Advance income tax	74,31,594	76,82,824
(d) Loans and Advances - Inter Corporate Deposits	24,93,32,744	6,46,75,000
Total	60,22,90,528	16,95,78,837
14 OTHER NON CURRENT ASSETS		
(a) Others - Advance to Suppliers	22,19,15,214	21,54,98,716
Total	22,19,15,214	21,54,98,716
15 INVENTORIES (At lower of cost or Net Realisable Value)		
(a) Raw materials	11,01,06,059	11,87,28,450
(b) Work-in-progress	33,38,647	61,43,105
(c) Finished goods	81,86,488	65,93,487
(d) Stock-in-trade	3,99,97,990	4,48,15,659
(e) Stores and spares	62,47,218	1,00,90,166
Total	16,78,76,402	18,63,70,867

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
16 TRADE RECEIVABLE		
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they became due for payment	169,864,285	42,249,886
Trade receivables outstanding for a period less than six months from the date they became due for payment	182,444,643	196,698,870
Total	352,308,928	238,948,757
Trade receivables include debts due from Directors		
Sejal Glass House - Prop. Amrrut Gada	4,699,792	3,971,057
Dhirraj Gada	786,045	786,045

Particulars	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
17 CASH AND BANK BALANCES		
(a) Cash on hand	4,917,708	3,841,592
(b) Balances with banks		
(i) In current accounts	328,893	841,045
(ii) In deposit accounts (Refer Note (i) below)	-	24,132,875
(iii) In earmarked accounts		
- Unpaid dividend accounts	124,183	32,283
- Balances held as margin money or security against borrowings, guarantees and other commitments (Refer Note (i) below)	10,061,092	700,667
Total	15,431,876	29,548,462
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	15,431,876	29,548,462

Note: (i) Balances with banks include deposits amounting to ₹ NIL excluding Interest (As at 31 March, 2012 ₹2,41,32,875/-) and margin monies amounting to ₹9,50,134 (As at 31 March, 2012 ₹7,00,677/-) which have an original maturity of more than 12 months.

Particulars	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
18 SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
(a) Loans and advances to related parties (Refer Note 27.3)	28,396,858	163,369,896
(b) Security deposits	10,710,770	8,795,841
(c) Loans and advances to employees	2,108,199	2,410,736
(d) Prepaid expenses - Unsecured, considered good	600,300	596,633
(e) Balances with government authorities		
(i) CENVAT credit receivable	-	1,507,012
(ii) VAT credit receivable	5,427,495	5,427,495
(iii) Service Tax credit receivable	1,711,684	1,093,650
(iv) MAT Credit Entitlement	1,972,927	1,972,927
(f) Others - Advance to suppliers	53,216,515	44,144,429
- Inter Corporate Deposits	-	36,000,000
Total	104,144,748	265,318,619

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars		As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
19 OTHER CURRENT ASSETS			
(a) Accruals			
(i) Interest accrued on deposits		111,845	7,362,064
(ii) Interest accrued on trade receivables		27,941,195	18,708,198
(b) Others			
(i) Share Application money in Sezal Firebaan Ltd		4,750,000	4,750,000
(ii) Receivable from Saint Gobain Glass India Limited		33,719,501	121,160,035
(iii) Prepayment Charges Recoverable		11,581,063	7,523,311
(iv) GIDC payment under protest		13,972,689	13,972,689
(v) Unamortised Premium on Forward Contract		678,074	-
(vi) Sundry Receivables		180,590,999	141,629,567
Total		273,345,367	315,105,864
Particulars		For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
20 REVENUE FROM OPERATIONS			
(a) Sale of products		614,655,775	462,899,832
Less: Excise Duty		34,824,517	31,765,029
Net Sales (Refer Note (i) below)		579,831,258	431,134,803
(b) Other operating revenues (Refer Note (ii) below)		46,943,552	17,471,760
Total		626,774,810	448,606,563
(i) Sale of products comprises :			
Manufactured goods (Net of Excise Duty)			
Toughened Glass		67,830,214	111,098,306
Insulating Glass		96,418,215	60,759,176
Laminated Glass		77,144,821	118,484,932
Others		42,786,911	23,883,041
Total - Sale of Manufactured Goods		284,180,162	314,225,455
Traded goods			
Furniture		6,106,089	23,090,812
Lights		137,906,263	10,891,298
Sanitaryware & CP Fittings		32,846,844	32,334,744
Tiles		13,303,260	49,204,416
Glass		45,611,720	-
Iron		52,407,668	-
Others		7,469,253	1,388,077
Total - Sale of traded goods		295,651,096	116,909,348
Total - Sale of products		579,831,258	431,134,803
(ii) Other operating revenues comprise:			
Sale of scrap		1,437,772	2,830,959
Others		45,505,781	14,640,801
Total - Other operating revenues		46,943,552	17,471,760

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars		For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
21	OTHER INCOME		
(a)	Interest income (Refer Note (i) below)	102,563,056	52,975,104
(b)	Dividend income from long-term investments	15,000	20,000
(c)	Net gain on foreign currency transactions and translation (other than considered as finance cost)	3,719,553	6,496,493
(d)	Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	9,710,483	26,463,887
	Total	116,008,092	85,955,484
(i)	Interest income comprises:		
	Interest on Bank Deposits:	1,946,108	6,458,320
	Interest from banks on Other Balances	-	719,464
	Interest on loans and advances	85,985,684	-
	Interest on overdue trade receivables	14,546,065	14,099,566
	Other interest	85,199	31,697,754
	Total - Interest income	102,563,056	52,975,104
(ii)	Other non-operating income comprises:		
	Rental income from properties	2,926,540	6,440,329
	Profit on Sale of Assets	14,664	-
	Miscellaneous income	6,769,279	20,023,558
	Total - other non-operating income	9,710,483	26,463,887

Particulars		For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
22 a.	COST OF RAW MATERIAL (CONSUMED)		
	Opening stock	128,818,617	155,424,071
	Add: Purchases (including Labour Charges)	196,227,583	185,806,505
		325,046,200	341,230,576
	Less: Closing stock	119,691,925	128,818,617
	Cost of material consumed	205,354,276	212,411,959
	Material consumed comprises:		
	Raw material (Glass)	156,295,440	148,059,854
	PVB Film	28,500,366	43,066,665
	Other items	20,558,470	21,285,440
	Total	205,354,276	212,411,959

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars		For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
22 b.	PURCHASE OF TRADED GOODS		
	Sanitary Ware	21,581,121	29,030,196
	Ceramic tiles	5,905,721	41,902,765
	Furniture	2,502,295	18,873,275
	Iron	49,829,231	-
	Glass	46,420,994	-
	Lights	142,925,727	6,676,635
	Other items	3,326,961	498,427
	Total	272,492,051	96,981,298
22 c.	CHANGE IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
	Inventory at the end 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
	Inventory at the beginning of the year:		
	Finished goods	6,593,487	3,540,030
	Work-in-progress	6,143,105	10,291,833
	Stock-in-trade	4,4815,659	38,137,829
		57,552,257	57,969,692
	Net increase / (decrease)	93,67,773	55,82,558
Particulars		For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
23	EMPLOYEE BENEFIT EXPENSE		
	Salaries and wages (Including Directors' Remuneration)	5,48,53,230	5,27,03,331
	Contributions to provident and other funds	24,84,335	26,12,417
	Staff welfare expenses	22,83,187	34,00,952
	Total	5,96,20,752	5,87,16,700
Particulars		For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
24	FINANCE COSTS		
	(a) Interest expense on		
	(i) Borrowings	7,51,23,659	1,48,86,386
	(ii) Others		
	- Interest on delayed payment of taxes	10,37,175	48,994
	(b) Other borrowing costs	48,89,069	24,09,761
	Total	8,10,49,903	1,73,45,140

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars		For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
25	OTHER EXPENSES		
	Consumption of stores and spare parts	77,35,072	1,16,37,662
	Power and fuel	1,76,80,532	1,98,90,647
	Rent including lease rentals	28,13,140	26,75,973
	Repairs and maintenance - Buildings	1,76,888	18,86,761
	Repairs and maintenance - Machinery	21,01,362	42,43,290
	Repairs and maintenance - Others	9,97,548	21,33,610
	Insurance	16,17,674	21,46,249
	Rates and taxes	22,16,447	71,92,671
	Communication	14,29,249	16,26,448
	Travelling and conveyance	53,85,207	53,71,748
	Printing and stationery	8,64,689	12,67,894
	Freight and forwarding	45,41,085	78,73,964
	Sales commission	15,92,199	16,48,553
	Business promotion	26,62,395	25,44,183
	Donations and contributions	1,09,524	2,59,754
	Premium on Forward Contract	4,05,633	-
	Legal and professional	66,42,288	36,74,228
	Payment to Auditors (Refer Note (i) below)	10,60,000	6,51,130
	Bad Debts, Loans and Advances written off	45,92,791	2,91,07,285
	Net loss on foreign currency transactions and translation (other than considered as finance cost)	33,15,377	1,37,910
	Sundry Assets written off	26,51,248	-
	Net loss on sale of Long Term investments	-	1,05,451
	Miscellaneous expenses	1,11,85,761	1,67,06,161
	Total	8,17,76,109	12,27,81,572
	(i) Payment to the auditors includes (net of service tax input credit, wherever applicable)		
	As auditors - Statutory Audit	7,50,000	7,50,000
	For Tax Audit	1,50,000	2,82,260
	For other services	1,60,000	1,35,000
	Total	10,60,000	11,67,260

The Statutory Audit Fees for the previous year have been apportioned between the Continued and Discontinued Operations

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

26 ADDITIONAL INFORMATION TO FINANCIAL STATEMENTS

26.1 Temporary Diminution of Investment

The company has invested in Shares of Inventure Growth and Securities Limited as its Long Term Investment for ₹3,77,06,280. The Market value of these Shares as on the reporting date is ₹36,98,520. The reduction in the Share value is a Temporary diminution, which has resulted on account of the Market forces. The turnover and the profitability of the said company does not show any adverse impact which has resulted in the fall in the market price.

	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
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	1,00,39,726	1,00,39,726
(b) Guarantees executed in favour of		
- Dakshin Gujrat Vij Company Ltd	-	2,01,71,000
- Administration of Dadra and Nagar Haveli Electricity Department	36,25,000	36,25,000
- Chalet Hotels Private Limited	21,25,130	-
- The Indian Hotels Company Limited	73,37,339	-
- Saint Gobain Glass India Limited	3,00,00,000	-
- Against advance received from a party	-	1,50,00,000
(ii) Customs duty payable for default in completing export obligation against advance license	1,09,99,915	1,23,82,672
(iii) Export obligation under EPCG licence availed - US \$ 3,86,934.33 @ ₹54.285 = US \$ including interest ₹90,64,966 (Previous year US \$ 3,94,202.06 @ ₹50.875 = US \$)	2,10,04,730	2,91,19,996
(iv) Claims by parties towards damages	58,93,917	58,93,917
(v) Penalty Demand by Income tax Department	1,26,84,631	85,97,477
(vi) Penalty paid to GIDC under protest	1,39,72,689	1,39,72,689
(vii) Interest and penalty claimed by GIDC for Plot at Jagadia Industrial Area	24,85,434	-
Total	12,01,68,511	11,88,02,477
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for Tangible assets	2,22,54,467	2,22,54,467

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	5,66,31,646	5,64,80,282
Spare parts	17,891	39,62,732
Capital goods	-	1,47,98,106

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

26 ADDITIONAL INFORMATION TO FINANCIAL STATEMENTS (Contd.)

	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
26.5 Expenditure in foreign currency		
Professional / Consultancy Fees	-	7,17,661
Travelling Expenses	74,052	1,87,326
Repairs & Maintenance	2,90,200	21,65,707
Interest on FCNR Loans	4,92,316	-
Loss due to Exchange Rate Fluctuation	33,15,377	1,37,910

	For the year ended 31st March, 2013	
	₹	%
26.6 Details of consumption of imported and indigenous material (Including Consumables stores)		
Imported	7,66,08,791	36.77
	(5,66,41,865)	(17.46)
Indigenous	13,17,37,284	63.23
	(26,77,40,669)	(82.54)
Total	20,83,46,075	100
	(32,43,82,534)	(100.00)

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

	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
26.7 Earnings in foreign exchange		
FOB Value of Exports	9,92,920	1,06,57,578
Gain due to Exchange Rate Fluctuation	31,44,067	66,92,526
Commission Received	-	13,27,360

26.8 Disclosure in respect of derivative instruments

a) Derivative instruments outstanding :		
Forward Contract - Hedge of Foreign Currency Loan Taken (USD 747384.15 @ ₹54.97	4,10,83,707	-

Notes on Financial Statements for the Year ended 31st March, 2013 (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 ` 1712848/- (Previous Year ` 1841907) 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, 2013		Year ended 31st March, 2012	
	Gratuity	Compensated Expenses	Gratuity	Compensated Expenses
Components of employer expense				
Current service cost	8,55,340	-	15,04,809	-
Interest cost	3,25,433	-	4,03,067	-
Expected return on plan assets	1,90,412	-	1,98,235	-
Curtailment cost / (credit)	Nil	-	Nil	-
Settlement cost / (credit)	Nil	-	Nil	-
Past service cost	Nil	-	Nil	-
Actuarial losses/(gains)	(3,22,283)	-	(33,03,183)	-
Total expense recognised in the Statement of Profit and Loss	6,25,407	49,970	7,70,510	15,62,295
Actual contribution and benefit payments for year				
Actual benefit payments	3,03,355.00	-	5,30,897.00	-
Actual contributions	-	-	-	-
Net asset / (liability) recognised in the Balance Sheet				
Present value of defined benefit obligation	(36,03,394)	-	(30,48,259)	-
Fair value of plan assets	14,82,834	-	16,13,807	-
Funded status [Surplus / (Deficit)]	-	-	-	-
Unrecognised past service costs	-	-	-	-
Net asset / (liability) recognised in the Balance Sheet	(21,20,560)	(16,40,782)	(14,34,452)	(17,30,160)

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

	(Amount in ₹)	
	Year ended 31st March, 2013	Year ended 31st March, 2012
	Gratuity	Gratuity
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	30,48,259	34,00,642
Current service cost	8,55,340	15,04,809
Interest cost	3,25,433	4,03,067
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Plan amendments	-	-
Acquisitions	-	15,73,821
Actuarial (gains) / losses	(3,22,283)	(33,03,183)
Past service cost	-	-
Benefits paid	(3,03,355)	(5,30,897)
Present value of DBO at the end of the year	36,03,394	30,48,259
Change in fair value of assets during the year		
Plan assets at beginning of the year	16,13,807	17,50,168
Acquisition adjustment	-	15,73,821
Expected return on plan assets	1,90,412	1,98,235
Actual company contributions	25,864	18,46,599
Actuarial gain / (loss)	(43,894)	(32,24,119)
Benefits paid	(3,03,355)	(5,30,897)
Plan assets at the end of the year	14,82,834	16,13,807
Actual return on plan assets	-	-
Composition of the plan assets is as follows:		
Others (Insurer Managed Funds)	14,82,834	16,13,807
Actuarial assumptions		
Discount rate	8%	9%
Expected return on plan assets	8%	8%
Salary escalation	7%	7%
Estimate of amount of contribution in the immediate next year	16,00,000	20,00,000

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

Particulars	(Amount in ₹)				
	2013-12	2012-2011	2011- 2010	2010-2009	2009-2008
Experience adjustments					
Present value of DBO	36,03,394	30,48,259	34,00,642	24,78,429	19,73,299
Fair value of plan assets	14,82,834	16,13,807	17,50,168	16,20,526	2,89,263
Funded status [Surplus / (Deficit)]	(21,20,560)	(14,34,452)	(16,50,474)	(8,57,903)	(16,84,036)
Experience gain / (loss) adjustments on plan liabilities	(5,32,529)	(32,61,578)	(7,52,392)	(1,88,102)	-
Experience gain / (loss) adjustments on plan assets	(43,894)	(32,24,119)	(63,769)	(18,469)	-

Particulars	(Amount in ₹)	
	For the year ended 31 March, 2013	For the year ended 31 March, 2012
Actuarial assumptions for long-term compensated absences		
Discount rate	8.05%	8.50%
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 expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

Particulars

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 Processing Division, Float Glass Manufacturing Plant and Retail 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, 2013				Total ₹
	Business segments			Eliminations ₹	
	Processing ₹	Float ₹	Encasa ₹		
Revenue from Sales	28,86,13,812	-	29,56,51,096	29,95,879	58,12,69,029
	(31,99,85,055)	(51,24,45,540)	(11,72,85,268)	(1,31,39,293)	(93,65,76,570)
Less: Inter-segment revenue	29,95,879	-	-	-	29,95,879
	(29,06,751)	(98,34,732)	(3,97,810)	(1,31,39,293)	-
Total	28,56,17,933	-	29,56,51,096	29,95,879	58,12,69,029
	(31,70,78,304)	(50,26,10,808)	(11,68,87,458)	(-)	(93,65,76,570)
Segment result	1,07,50,567	-	(10,05,05,322)	-	(8,97,54,755)
	(3,48,90,677)	(45,22,97,636)	(41,85,773)	(-)	(49,13,74,087)
Unallocable expenses (net)					-
					-
Other income (net)					16,15,13,873
					(14,59,02,603)
Profit before taxes					(8,97,54,755)
					(49,80,04,360)
Tax expense					(7,02,43,177)
					(2,84,02,258)
Net profit for the year					(15,99,97,932)
					(52,64,06,617)

Particulars	For the year ended 31st March, 2013			
	Business Segment			Total ₹
	Processing ₹	Float ₹	Encasa ₹	
Segment assets	2,18,21,02,216	-	65,07,49,495	2,83,28,51,711
	(2,53,91,51,336)	-	(1,09,16,42,018)	(3,63,07,93,354)
Unallocable assets	-	-	-	4,31,48,931
	-	-	-	(4,20,34,029)
Total assets	2,18,21,02,216	-	65,07,49,495	2,87,60,00,642
	(2,53,91,51,336)	-	(1,09,16,42,018)	(3,67,28,27,383)
Segment liabilities	2,89,97,77,693	-	1,31,61,26,776	4,21,59,04,469
	(2,52,79,73,894)	-	(1,09,16,42,018)	(3,61,96,15,912)
Unallocable liabilities	-	-	-	-
	-	(-)	(-)	(-)
Total liabilities	2,89,97,77,693	-	1,31,61,26,776	4,21,59,04,469
	(2,52,79,73,894)	-	(1,09,16,42,018)	(3,61,96,15,912)
Other information				
Depreciation and amortisation (allocable)	2,17,44,939	-	26,99,065	2,44,44,004
	(1,96,79,178)	(7,57,45,888)	(37,49,511)	(9,91,74,577)

Note: The figures pertaining to Float Glass Division are for the period of two months ending 31st May, 2011 since the Float Glass Division was sold off on slump sale basis w.e.f closing business hours of 31st May, 2011

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

27.3.a. Details of related parties

Related party transactions	
Description of relationship	Names of related parties
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	Sezal Entertainment & Media India Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sezal Finance Ltd
Company in which KMP / Relatives of KMP can exercise significant influence	Sezal 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	Sezal Insurance Broking Ltd
Company in which KMP / Relatives of KMP can exercise significant influence	Sezal International Ltd
Company in which KMP / Relatives of KMP can exercise significant influence	Sezal Realty and Infrastructure Ltd.
Company in which KMP / Relatives of KMP can exercise significant influence	Sezal Firebaan Glass Private Ltd
Company in which KMP / Relatives of KMP can exercise significant influence	Inventure Sezal Realtors Pvt Limited
Company in which KMP / Relatives of KMP can exercise significant influence	Sezal Infrastructure Projects
Company in which KMP / Relatives of KMP can exercise significant influence	Primera Vista Lifestyle Ltd
Company in which KMP / Relatives of KMP can exercise significant influence	Jaycee Sezal Developers Pvt Ltd
Company in which KMP / Relatives of KMP can exercise significant influence	Sezal Bluecity Developers Pvt Ltd
Key Management Personnel (KMP)	Amrrut S. Gada
Key Management Personnel (KMP)	Dhirraj s. Gada
Key Management Personnel (KMP)	Miitesh 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, 2013 (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	1,27,45,230	-	3,14,528	-
	(1,11,38,193)	(-)	-	-
Sezal International Limited	15,63,52,788	1,56,46,688	-	-
	(-)	(-)	(-)	(-)
Sezal Realty & Infrastructure Ltd	-	50,390	-	-
	(-)	(-)	(-)	(82,72,500)
Sezal Finance Ltd	-	-	2,75,968	-
	(-)	(-)	(3,85,565)	(-)
Sezal Entertainment & Media India Ltd	-	350	-	24,30,000
	(4,740)	(80,475)	-	(48,95,739)
Sezal Firebaan Glass Private Limited	-	27,71,062	-	-
	(-)	(43,77,709)	(-)	(60,665)
Primera Vista Lifestyle Ltd.	-	7,38,30,128	18,39,838	-
	(-)	(-)	(-)	(-)
Key Management Personneel				
Amrrut Gada - Proprietor of Sejal Glass House	39,662	25,02,321	-	-
	(94,762)	(39,65,479)	-	-
Dhirraj Gada	-	26,231	-	-
	(-)	(11,05,667)	(-)	(-)
Hero Paper	56,802	64,36,298	-	-
	(2,03,186)	(-)	(-)	(-)
Hitankshi Glass House	-	-	-	-
	(-)	(-)	(-)	(-)
Shantibhai Gada	-	(98,517)	-	-
	(-)	(14,33,417)	(-)	(-)

Notes on Financial Statements for the Year ended 31st March, 2013 (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 During the Year of Loans Taken
Loans & Advances Made and Repayment thereof				
Hero Multi Pap Private Limited	-	-	-	8,00,000
	(-)	(-)	(-)	(2,00,000)
Sezal Entertainment & Media India Ltd	58,76,300	92,05,180	-	-
	(1,04,47,156)	(-)	(-)	(-)
Sezal Fireban Glass Private Limited	2,42,165	-	-	-
	(61,84,607)	(-)	(-)	(-)
Primera Vista Lifestyle Ltd.	5,73,150	5,73,150	-	-
	(-)	(-)	(-)	(-)
Inventure Sezal Realtors Pvt Ltd	12,00,000	-	-	-
	(-)	(-)	(-)	(-)
Sezal Bluecity Developers Pvt Ltd.	1,000	-	-	-
	(-)	(-)	(-)	(-)
Sezal Infraprojects Pvt Ltd	1,608	-	-	-
	(-)	(-)	(-)	(-)
Inter Corporate Deposits Made				
Bhanu Cosmetics Packaging Pvt. Ltd.	-	-	-	4,31,779
	(-)	(-)	(-)	(1,45,50,000)
Sezal Finance Ltd	1,61,89,570	3,55,000	-	-
	(3,43,84,500)	(-)	(-)	(-)
Sezal International Ltd	32,40,000	-	-	-
	(81,75,000)	(-)	(-)	(-)
Sezal Realty & Infrastructure Ltd	80,43,450	5,218	(-)	(-)
	(7,06,43,162)	(-)	(-)	(-)
Sezal Glass Craft Pvt Ltd	1,32,94,090	4,000	-	-
	(7,55,000)	(-)	(-)	(-)
Dhirraj Gada	1,44,564	3,55,631	-	-
	(5,00,195)	(-)	(-)	(-)
Miitesh Gada	43,948	3,56,052	-	-
	(4,00,000)	(-)	(-)	(-)

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

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

(Amount in ₹)

Particulars	31st March, 2013	31st March, 2012
Directors Remuneration		
Amrrut Gada	45,00,000	45,00,000
Dhirraj Gada	18,00,000	36,00,000
Miitesh Gada	33,21,352	30,00,000
Aashish Karia	13,50,000	27,00,000
Sundry Debits For Expenses Incurred on their Behalf		
Sezal Glass Craft Pvt Ltd	-	1,020
Sezal Insurance Broking Ltd.	2,550	8,553
Sezal International Limited	2,550	1,020
Sezal Realty & Infrastructure Ltd	54,38,017	-
Bonanza Float Glass Private Limited	100	5,920
Sezal Entertainment & Media India Limited	12,20,186	-
Sezal Firebaan Glass Private Limited	28,560	-
Inventure Sezal Realtors Pvt Ltd	30,396	-
Sezal Infraprojects Pvt Ltd.	6,222	-
Jaycee Sezal Developers Pvt Ltd	18,870	-
Other Income		
Interest Received on Deposits		
Sezal Finance Ltd	86,42,242	34,64,743
Sezal Realty and Infrastructure Ltd	2,62,18,075	99,92,440
Sezal Entertainment & Media India Limited	15,57,152	3,45,116
Sezal Glass Craft Pvt Limited	21,59,209	-
Sezal International Limited	19,59,949	-
Amrrut Gada - Proprietor of Sejal Glass House	10,35,343	-

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

Balances Outstanding as on the Reporting Date

Particulars	(Amount in ₹)	
	31st March, 2013	31st March, 2012
(a) Loans Taken		
Hero Multi pap Pvt Ltd	-	8,00,000
	-	8,00,000
(b) Investments		
Sezal Firebaan Glass Private Limited	2,50,000	2,50,000
(c) Long Term Loans & Advances Given		
Sezal Firebaan Glass Private Limited	46,05,720	23,06,719
	46,05,720	23,06,719
(d) Short Loans & Advances Given		
Sezal Insurance Broking Limited	6,80,293	6,77,743
Sezal Realty & Infrastructure Limited	13,59,25,250	10,26,78,970
Sezal Entertainment and Media India Limited (Formerly Known as White Flag Media & Comm Ltd)	1,68,80,141	1,03,35,065
Sejal Glass House - Prop. Amrrut Gada	1,83,60,427	14,66,348
Sezal Glass Craft Private Limited	1,59,89,398	7,56,020
Sezal International Limited	1,37,31,772	85,90,972
Sezal Finance Limited	6,30,62,041	3,88,58,858
(e) Share Application Money - Sezal Firebaan Glass Limited	47,50,000	47,50,000
(f) Trade Receivables		
Dhirraj Gada	7,84,045	7,57,814
Hero Papers	71,164	71,164
Hitankshi Glass	4,25,849	4,63,742
Sezal Entertainment & Media India Limited	69,760	69,410
Shantilal Gada	1,65,290	2,63,817
Sejal Glass House - Prop. Amrrut Gada	47,07,085	39,69,822
Sezal International Limited	1,02,86,685	50,84,316
Primera Vista Lifestyle Ltd.	7,38,30,128	-
	9,03,40,006	1,06,80,085
(g) Trade Payables		
Hero Multi Pap Private Ltd	99,41,454	44,96,471
Bhanu Cosmetics packaging Pvt. Ltd	-	5,71,779
Sezal Entertainment & Media India Limited	41,776	33,026
	99,83,230	51,01,276

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

Balances Outstanding as on the Reporting Date (Contd.)

Particulars	(Amount in ₹)	
	31st March, 2013	31st March, 2012
(h) Payable For Expenses		
Sezal Finance Limited	4,21,850	1,72,459
Hero Paper Stores	45,147	2,09,066
Dilip Patel & Associates	1,61,798.00	3,10,703
	6,28,795	6,92,228
(i) Misc Receivables		
Sezal International Limited (Claims)	1,10,23,661	1,10,23,661
Sezal Realty & Infrastructure Limited	55,14,997	78,000
Hitankshi Glass House	7,14,082	7,14,082
Sezal Entertainment & Media Ltd	12,08,222	59,42,156
Sezal Wealth and Advisors Limited	20,052	20,052
Sezal Bluecity Developers Pvt Limited	1,000	-
	1,84,82,014	1,77,77,951
(j) Misc Payables		
Sezal International Limited	7,77,911	3,474
Synergy Float Glass Private Limited	2,19,10,667	6,600
	2,26,88,578	10,074

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2013	For the year ended 31st March, 2012
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	(15,99,97,932)	(3,41,14,561)
Weighted average number of equity shares	3,35,50,000	3,35,50,000
Par value per share	10	10
Earnings per share from continuing operations - Basic	(4.77)	(1.02)
27.4.b Total operations		
Net profit / (loss) for the year attributable to the equity shareholders	(15,99,97,932)	(52,64,06,617)
Weighted average number of equity shares	3,35,50,000	3,35,50,000
Par value per share	10	10
Earnings per share - Basic	(4.77)	(15.69)

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

		(Amount in ₹)	
Particulars		For the year ended 31st March, 2013	For the year ended 31st March, 2012
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	(6,47,46,595)	(2,74,84,288)	
Weighted average number of equity shares	3,35,50,000	3,35,50,000	
Par value per share	10	10	
Earnings per share from continuing operations, excluding extraordinary items - Basic	(1.93)	(0.82)	
27.4.d Total operations			
Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items	(6,47,46,595)	(51,97,76,345)	
Weighted average number of equity shares	3,35,50,000	3,35,50,000	
Par value per share	10	10	
Earnings per share, excluding extraordinary items - Basic	(1.93)	(15.49)	
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)	(15,99,97,932)	(3,41,14,561)	
Weighted average number of equity shares for Basic EPS	3,35,50,000	3,35,50,000	
Add: Effect of warrants, ESOPs and Convertible bonds which are dilutive	-	2,46,301	
Weighted average number of equity shares - for diluted EPS	3,35,50,000	3,37,96,301	
Par value per share	10	10	
Earnings per share, from continuing operations - Diluted	(4.77)	(1.01)	
27.4.f Total operations			
Profit / (loss) attributable to equity shareholders (on dilution)	(15,99,97,932)	(52,64,06,617)	
Weighted average number of equity shares for Basic EPS	3,35,50,000	3,35,50,000	
Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	2,46,301	
Weighted average number of equity shares - for diluted EPS	3,35,50,000	3,37,96,301	
Par value per share	10	10	
Earnings per share - Diluted	(4.77)	(15.58)	

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

		(Amount in ₹)	
Particulars		For the year ended 31st March, 2013	For the year ended 31st March, 2012
Diluted (excluding extraordinary items)			
27.4.g Continuing operations			
Profit / (loss) from continuing operations attributable to equity shareholders (on dilution)	(6,47,46,595)	(3,41,14,561)	
Weighted average number of equity shares for Basic EPS	3,35,50,000	3,35,50,000	
Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	2,46,301	
Weighted average number of equity shares - for diluted EPS	3,35,50,000	3,37,96,301	
Par value per share	10	10	
Earnings per share, from continuing operations, excluding extraordinary items - Diluted	(1.93)	(1.01)	
27.4.h Total operations			
Profit / (loss) attributable to equity shareholders (on dilution)	(6,47,46,595)	(51,97,76,345)	
Weighted average number of equity shares for Basic EPS	3,35,50,000	3,35,50,000	
Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	2,46,301	
Weighted average number of equity shares - for diluted EPS	3,35,50,000	3,37,96,301	
Par value per share	10	10	
Earnings per share, excluding extraordinary items - Diluted	(1.93)	(15.38)	
27.5 Deferred tax (liability) / asset			
Tax effect of items constituting deferred tax liability			
On difference between book balance and tax balance of fixed assets	(6,72,22,361)	(5,96,05,885)	
Tax effect of items constituting deferred tax liability	(6,72,22,361)	(5,96,05,885)	
Tax effect of items constituting deferred tax assets			
Provision for compensated absences, gratuity and other employee benefits	11,62,255	9,77,865	
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	80,28,951	86,93,458	
Brought forward losses	28,02,59,661	34,14,97,714	
MAT Credit	19,72,927	19,72,927	
Tax effect of items constituting deferred tax assets	29,14,23,794	35,31,41,964	
Net deferred tax (Liability) / Asset as at Reporting Date	22,42,01,433	29,35,36,079	

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.

Notes on Financial Statements for the Year ended 31st March, 2013 (Contd.)

27 DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)**27.6 Discontinuing operations**

The Company did not have any discontinued operations during the year. However, during the year 2011-2012, pursuant to the approval of the Shareholders and other authorities as required, the Company has transferred the Float Glass Division at Bharuch to Saint Gobain Glass India Limited on a slump sale basis with effect from the close of business on 31st May, 2011. The Float Glass Division business was reported as part of Float Glass Division segment of the Company during the Previous Year 2011-12. The results of the discontinued business during the year 2011-2012 until discontinuation were as under:

	For the period ended 31st March, 2013 ₹	For the period 1st April 2011 to 31st May 2011 ₹
Profit / (Loss) from ordinary activities		
Sale of products	-	50,26,10,808
Other operating revenue	-	4,53,06,318
Total revenue (A)	-	54,79,17,126
Cost of materials consumed	-	38,92,23,666
Purchases of stock-in-trade	-	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	(5,05,99,154)
Employee Cost	-	2,27,08,230
Finance costs	-	22,86,31,467
Depreciation and amortisation expense	-	7,57,45,888
Other expenses	-	24,62,07,071
Total expenses (B)	-	91,19,17,168
Profit / (Loss) before tax from ordinary activities (A-B)	-	(36,40,00,042)
Add / (Less): Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operation	-	(12,82,92,015)
	-	(49,22,92,057)
Tax expense		
- on ordinary activities attributable to the discontinuing operations	-	-
Profit / (Loss) after tax of discontinuing operations	-	(49,22,92,057)
	As at 31st March, 2013 ₹	As at 31st May 2011 ₹
Carrying amount of assets as at the Balance Sheet date relating to the discontinued business to be disposed off	-	7,57,54,64,278
Carrying amount of liabilities as at the Balance Sheet date relating to the discontinued business to be settled	-	6,43,63,99,578
	As at 31st March, 2013 ₹	As at 31st May 2011 ₹
Net cash flow attributable to the discontinued business		
Cash flows from operating activities	-	12,40,52,179
Cash flows from investing activities	-	2,65,66,693
Cash flows from financing activities	-	(15,05,31,290)

Corporate Information

SEZAL GLASS LIMITED

FIFTEENTH ANNUAL REPORT 2012-13

BOARD OF DIRECTORS

- | | |
|------------------------|---------------------------------------|
| 1. Mr. Amrut S. Gada | <i>Chairman and Managing Director</i> |
| 2. Mr. Miitesh K. Gada | <i>Executive Director</i> |
| 3. Mr. R. Rengarajan | <i>Independent Director</i> |
| 4. Ms. Parul Mehta | <i>Independent Director</i> |

GM COMPLIANCE, COMPANY SECRETARY

Mr. Ashwin S. Shetty

COMMITTEES IN THE COMPANY

AUDIT COMMITTEE

- | | |
|---------------------|-------------------------------------------------------------|
| Mr. R. Rengarajan | <i>Chairman,
Independent and Non-Executive Director</i> |
| Mr. Miitesh K. Gada | <i>Member,
Non – Independent and Executive Director</i> |
| Ms. Parul Mehta | <i>Member,
Independent and Non-Executive Director</i> |

SHAREHOLDERS GRIEVANCE COMMITTEE

- | | |
|---------------------|-------------------------------------------------------------|
| Mr. R. Rengarajan | <i>Chairman,
Independent and Non-Executive Director</i> |
| Mr. Miitesh K. Gada | <i>Member,
Non – Independent and Executive Director</i> |
| Ms. Parul Mehta | <i>Member,
Independent and Non-Executive Director</i> |

STATUTORY AUDITORS

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

Mr. Vaibhav Joshi, Cost Account having officer at
 A-5, Parvati Rolcadiya Cross Lane, Pa Nagar,
 SVP Road, Borivali (West),
 Mumbai – 400 092
 Tel.: +91 9769112497
 Email: cmavaibhavjoshi@gmail.com

BANKERS TO THE COMPANY

1. State Bank of Patiala
2. Punjab National Bank
3. Bank of Maharashtra
4. ICICI Bank Limited
5. HDFC Bank Limited

REGISTERED OFFICE

201/202, Abhilasha, S.V. Road,
 Kandivali (West), Mumbai 400 067
 Tel: 28633383/84/85, Fax: 28633390
 Website: www.sezalglass.com

CORPORATE OFFICE

Sezal Encasa,
 173/174, S. V. Road, Near Seasons Hotel
 Kandivali (West), Mumbai – 400 067
 Tel: 28665100, Fax: 28665102

FACTORY

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

RETAIL & TRADING DIVISION

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

Book-Post

If undelivered, please return to:

Sezel Glass Ltd.

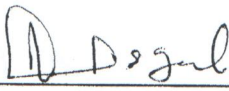


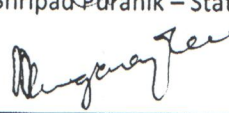
201/202, Abhilasha, 2nd Floor

S. V. Road, Kandivali (West)

Mumbai - 400 067

FORM A

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

1.	Name of the Company	Sezal Glass Ltd.
2.	Annual Financial Statements for the year ended	31 st March, 2013
3.	Type of Audit Observation	N. A.
4.	Frequency of Observation	N.A.
7.	To be signed by- <ul style="list-style-type: none">• CEO/Managing Director• CFO• Auditor of the Company• Audit Committee Chairman	 Amrrut S. Gada – Chairman & Managing Director  A. Venkattraman - CFO  Shripad Puranik – Statutory Auditor  R. Rengarajan – Chairman, Audit Committee