



SEJAL ARCHITECTURAL GLASS LIMITED

(Our Company was incorporated as 'Sejal Architectural Glass Private Limited' vide Certificate of Incorporation dated December 11, 1998 under the Companies Act, 1956, our Company was subsequently converted to a public limited company vide fresh certificate of incorporation dated March 08, 1999. For details of changes in our Registered Office, please refer section titled 'Our History and Other Corporate Matters' beginning on page 132 of this Red Herring Prospectus)

Registered Office: 201/202, 2nd floor, Abhilasha, S.V. Road, Kandivali (West), Mumbai - 400 067, Tel: +91-22-2863 3384/85/96/97; Fax +91-22-2863 3390;
E-mail: ipo@sejalglass.co.in; **Website:** www.sejalglass.com, **Contact Person :** Mr. Ashwin S. Shetty, Company Secretary and Compliance Officer

PUBLIC ISSUE OF 91,94,155 EQUITY SHARES OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF RS. [•] PER SHARE) AGGREGATING RS. [•] LACS (THE "ISSUE"), BY SEJAL ARCHITECTURAL GLASS LIMITED ("COMPANY"/ "ISSUER"). THE ISSUE WOULD CONSTITUTE 32.84% OF THE FULLY DILUTED POST ISSUE PAID-UP EQUITY CAPITAL OF OUR COMPANY.

PRICE BAND: RS. 105 TO RS. 115 PER EQUITY SHARE

THE FACE VALUE OF EQUITY SHARE IS RS. 10/- EACH. THE ISSUE PRICE IS 10.50 TIMES OF THE FACE VALUE AT THE LOWER END OF THE PRICE BAND AND 11.50 TIMES OF THE FACE VALUE AT THE HIGHER END OF THE PRICE BAND.

In case of revision in the Price Band, the Bidding /Issue Period will be extended for three additional days, subject to the Bidding /Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE), whose online IPO system will be available for bidding, by issuing a press release, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the Syndicate.

This Issue is being made through the 100% Book Building Process wherein at least 50% of the Net Issue shall be mandatorily allocated on a proportionate basis to QIBs as specified in the Disclosure and Investor Protection Guidelines, 2000 of the Securities and Exchange Board of India (SEBI). 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. If at least 50% of the Net Issue cannot be allocated to QIB Bidders, then the entire money will be refunded. Further, upto 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and upto 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price.

RISK IN RELATION TO FIRST ISSUE

This being the first issue of the Equity Shares of the Company, there has been no formal market for the Equity Shares of the Company. **The Face Value of the Equity Shares is Rs. 10/- and the Floor Price is 10.50 times of the Face Value and the Cap Price is 11.50 of the Face Value.** The Issue price (as determined and justified by our Company in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares by way of book building and as stated in the section 'Basis for Issue Price' beginning on page 79 of this Red Herring Prospectus) should not be taken to be indicative of market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (SEBI), nor does SEBI guarantee the accuracy or adequacy of this Document. Specific attention of the investors is invited to the section 'Risk Factors' beginning on page 10 of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the NSE and BSE. We have received in-principle approvals from the NSE pursuant to letter dated January 09, 2008, and the BSE pursuant to letter dated January 24, 2008 for the listing of our Equity Shares. NSE shall be the Designated Stock Exchange for the purpose of this Issue.

IPO GRADING

This Issue has been graded by CRISIL Limited and has been assigned the CRISIL IPO grade '1/5' (pronounced as one on five), indicating that the fundamentals of the issue are poor relative to other listed equity securities in India, through its letter dated March 10, 2008 and revalidated on May 26, 2008. For more information on IPO Grading, please refer to Section 'General Information' beginning on page 36.

BOOK RUNNING LEAD MANAGER



Saffron Capital Advisors Private Limited

Ground Floor, Vilco Centre,
 8, Subhash Road, Vile Parle (East), Mumbai - 400 057.
Tel No: +91 22 4082 0907/4082 4901 **Fax No:** +91 22 2682 0502
Website: www.saffronadvisor.com,
E-mail: sejla.ipo@saffronadvisor.com
Contact Person: Ms. Rupal Khandelwal/Mr. Saurabh Vijay
SEBI Regn Number: INM000011211

REGISTRAR TO THE ISSUE



Intime Spectrum Registry Limited

C- 13, Pannalal Silk Mills Compound,
 L.B.S. Marg, Bhandup (West), Mumbai 400 078
Tel No: + 91 22 2596 0320 **Fax No:** + 91 22 2596 0328
Website: www.intimespectrum.com
E-mail: sagl.ipo@intimespectrum.com
Contact Person: Mr. Sachin Achar
SEBI Regn Number: INR000003761

BID/ISSUE PROGRAM

BID/ISSUE OPENS ON : MONDAY, JUNE 9, 2008

BID/ISSUE CLOSING ON : THURSDAY, JUNE 12, 2008

TABLE OF CONTENTS

Section I - Definitions and Abbreviations	
Conventional/General Terms	1
Issue Related Terms	2
Industry Related Terms	5
Abbreviations	6
Section II - General	
Certain Conventions and Use of Market Data	8
Forward Looking Statements	9
Section III - Risk Factors	10
Section IV - Introduction	
Summary	30
Brief details of the Issue	33
Summary of Financial Information	34
General Information	36
Capital Structure	47
Section V - Objects of the Issue	
Objects of the Issue	68
Basic Terms of the Issue	77
Basis for Issue Price	79
Statement of Tax Benefits	82
Section VI - About Us	
Industry Overview	90
Our Business	99
Key Industry Regulations and Policies	131
Our History and Other Corporate Matters	132
Our Management	136
Our Promoters and their Background	157
Currency of Presentation	161
Dividend Policy	161
Section VII - Financial Information	
Financial Statements	162
Financial Information of Group Companies/ Ventures	191
Management's Discussion and Analysis of Financial Condition and Results of Operations	203
Section VIII - Legal and other Regulatory Information	
Outstanding Litigations, Material Developments and Other Disclosures	212
Statutory Approvals and Licenses	220
Other Regulatory and Statutory Disclosures	225
Section IX -Issue Related Information	
Terms of the Issue	236
Issue Structure	240
Issue Procedure	243
Restrictions on Foreign Ownership of Indian Securities	274
Section X - Description of Equity Shares and Articles of Association	
Main Provisions of the Articles of Association	276
Section XI -Other Information	
Material Contracts and Documents for Inspection	308
Section XII -Declaration	311

SECTION I - DEFINITIONS AND ABBREVIATIONS

Definitions

Term	Description
“Issuer” or “SAGL” or “the Company” or “Sejal Architectural Glass Limited” or “our Company” or “Sejal” or “we” or “us” or “our”	Unless the context otherwise requires, refers to Sejal Architectural Glass Limited, a public limited company incorporated under the Companies Act, 1956 having its registered office at 201/202, 2 nd Floor Abhilasha, S.V. Road, Kandivali (West), Mumbai - 400 067.
Promoters	<ol style="list-style-type: none"> 1. Mr. Amrut S. Gada 2. Mr. Kanji V. Gada 3. Mr. Dhiraj S. Gada 4. Mr. Shantilal S. Gada 5. Mr. Mitesh K. Gada
Group Concerns	<p><u>Group Companies:</u></p> <ol style="list-style-type: none"> 1. Sejal Glass Craft Private Limited 2. Sejal International Limited 3. Sejal Insurance Broking Limited 4. Sejal Float Glass Limited 5. Sejal Finance Limited <p><u>Proprietary Concerns:</u></p> <ol style="list-style-type: none"> 1. Sejal Glass House 2. Mitesh Textiles <p><u>Charitable Trusts:</u></p> <ol style="list-style-type: none"> 1. Shri Jethalal Nonghabhai Gada Vagad Educational, Welfare and Research Centre 2. Shri Sachhamata Charitable Trust

Conventional / General Terms

Term	Description
Act/ Companies Act	The Companies Act, 1956, as amended from time to time
Articles / Articles of Association/AOA	Articles of Association of our Company
Auditors	The statutory auditors of our Company, being S.S.Puranik & Co, Chartered Accountants
Companies Act	The Companies Act, 1956 as amended from time to time.
Depository	A body corporate registered under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DP / Depository Participant	A depository participant, as defined under the Depositories Act.
Directors	The Directors of our Company, unless the context otherwise requires
Equity Shares	Equity shares of our Company of Rs. 10/- each unless otherwise specified in the context thereof.
Gol/Government	The Government of India.
Indian GAAP	Generally accepted accounting principles in India.
Insurance Act	Insurance Act, 1938, as amended from time to time.
I.T. Act/Income Tax Act	The Income Tax Act, 1961, as amended from time to time.
Memorandum /	The Memorandum of Association of Sejal Architectural Glass Limited

Term	Description
Memorandum of Association/ MOA	
Non Resident	A person who is not an NRI, an FII and is not a person resident in India.
NRI/ Non-Resident Indian	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
RBI Act	The Reserve Bank of India Act, 1934
Quarter	A period of three continuous months

Issue Related Terms

Term	Description
Allotment	Unless the context otherwise requires, the issue of Equity Shares, pursuant to this Issue.
Allottee	The successful Bidder, to whom the Equity Shares are / have been allotted
Banker(s) to the Issue	ICICI Bank Limited HDFC Bank Limited
Bid	An indication to make an offer during the Bidding Period by a prospective investor to subscribe to our Equity Shares at a price within the Price Band, including all revisions and modifications thereto.
Bid Amount	The highest value of the optional Bids indicated in the Bid-cum-Application Form and payable by the Bidder on submission of the Bid in the Issue.
Bid/Issue Closing Date	The date after which the Syndicate will not accept any Bids for the Issue, which shall be notified in an English national newspaper and Hindi national newspaper and a newspaper in the regional language with wide circulation.
Bid-cum-Application Form	The form in terms of which the Bidder shall make an offer to subscribe to the Equity Shares of our Company and which will be considered as the application for issue of the Equity Shares pursuant to the terms of the Red Herring Prospectus.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid-cum-Application Form.
Bidding Period / Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date/Issue Closing Date inclusive of both days and during which prospective Bidders can submit their Bids.
Bid / Issue Opening Date	The date on which the Syndicate shall start accepting Bids for the Issue, which shall be the date notified in an English national newspaper and a Hindi national newspaper and a newspaper in the regional language with wide circulation.
Board of Directors/Board	The board of directors of our Company or a committee constituted thereof of Sejal Architectural Glass Limited.
Book Building Process	Book building route as provided under Chapter XI of the SEBI Guidelines, in terms of which the Issue is made.
BRLM/ Book Running Lead Manager	Book Running Lead Manager to the Issue, in this case being Saffron Capital Advisors Private Limited having its office at Ground Floor, Vilco Centre, 8, Subhash Road, Vile Parle (East), Mumbai - 400 057.
BSE	Bombay Stock Exchange Limited
CAN/ Confirmation of Allocation Note	Means the note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted.
Cut-off Price	Any price within the Price Band finalised by us in consultation with the BRLM.

Term	Description
Designated Date	The date on which funds are transferred from the Escrow Account to the Issue Account after the Prospectus is filed with the RoC, following which the Allotment will be made to successful Bidders.
Designated Stock Exchange	The National Stock Exchange of India Limited
Director(s)	Director(s) of Sejal Architectural Glass Limited, unless otherwise specified.
Draft Red Herring Prospectus	Draft Red Herring Prospectus issued in accordance with Section 60B of the Companies Act, which does not have complete particulars on the price at which the Equity Shares are offered and size of the Issue. It will become a Red Herring Prospectus after filing with the Registrar of Companies, Maharashtra, Mumbai at least three days before the Bid/Issue Opening Date. It will become a Prospectus upon filing with RoC after the pricing of Equity Shares.
ECS	Electronic Clearing Service
Escrow Account	Account opened with an Escrow Collection Bank(s) and in whose favour the Bidder will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	Agreement entered into amongst our Company, the Registrar, the Escrow Collection Bank(s), the BRLM and the Syndicate Members for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders.
Escrow Collection Bank(s)	The banks, which are clearing members and registered with SEBI as Banker to the Issue at which the Escrow Account will be opened in this case being ICICI Bank Limited and HDFC Bank Limited.
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed thereunder.
FII	Foreign Institutional Investor (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India.
Financial Year /fiscal / FY	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
First Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or Revision Form.
Floor Price	The lower end of the Price Band, below which the Issue Price will not be finalised and below which no Bids will be accepted.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI under applicable laws in India.
Issue / IPO/ Initial public offering / Public Issue	Public issue of 91,94,155 Equity Shares of Rs. 10/- each for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] Lacs by our Company.
Issue Price	The final price at which Equity Shares will be allotted in terms of this Red Herring Prospectus, as determined by us in consultation with the BRLM, on the Pricing Date.
Issue Account	Account opened with the Banker(s) to the Issue to receive monies from the Escrow Account for the Issue on the Designated Date.
Margin Amount	The amount paid by the Bidder at the time of submission of his/her Bid, being 10% or 100% of the Bid Amount, as applicable.
Minimum Bid lot	60 Equity Shares and in multiples of 60 Equity Shares thereof
Mutual Funds	Mutual Funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996.
NSE	The National Stock Exchange of India Limited.
Non-Institutional Bidders	All Bidders that are not eligible as Qualified Institutional Buyers for this

Term	Description
	Issue or Retail Individual Bidders and who have Bid for an amount exceeding Rs. 1,00,000/-.
Non-Institutional Portion	The portion of the Issue being upto 13,79,123 Equity Shares of Rs. 10/- each available for allocation to Non-Institutional Bidders on a proportionate basis.
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended from time to time. Pursuant to the existing regulations, OCBs are not eligible to participate in this Issue.
Pay-in Date	Bid/Issue Closing Date or the last date specified in the CAN sent to Bidders, as applicable.
Pay-in-Period	(i) With respect to Bidders whose Margin Amount is 100% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the Bid/Issue Closing Date, and (ii) with respect to Bidders whose Margin Amount is less than 100% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the closure of the Pay-in Date, as specified in the CAN.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	The price band with a minimum price (Floor Price) of Rs. 105 and the maximum price (Cap Price) of Rs. 115 including revisions thereof.
Pricing Date	The date on which our Company in consultation with the BRLM finalises the Issue Price.
Project	Setting up of manufacturing facility for the production of float glass with an installed capacity of 200,750 MT per annum in Jhagadia Industrial Estate at Dist. Bharuch in Gujarat.
Prospectus	The Prospectus, filed with the RoC containing, <i>inter alia</i> , the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.
Qualified Institutional Buyer(s) or QIB(s)	Public financial institutions as specified in Section 4A of the Companies Act, FIIs, Scheduled Commercial Banks, Mutual Funds registered with SEBI, Multilateral and Bilateral Development Financial Institutions, Venture Capital Funds registered with SEBI, Foreign Venture Capital Investors registered with SEBI, State Industrial Development Corporations, Insurance Companies registered with the Insurance Regulatory and Development Authority, Provident Funds with minimum corpus of Rs. 2,500 Lacs and pension funds with minimum corpus of Rs. 2,500 Lacs.
QIB Margin Amount	An amount representing atleast 10% of the Bid Amount
QIB Portion	The portion of this Issue being atleast 50% of the Issue, i.e. 45,97,078 Equity Shares of Rs. 10/- each, available for allocation on proportionate basis to QIBs of which 5% shall be proportionately allocated to Mutual Funds registered with SEBI.
Refund Account	Account opened with an Escrow Collection Bank, from which refunds of the whole or part of the Bid Amount, if any, shall be made
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Intime Spectrum Registry Limited, having their office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078.
Retail Individual Bidders	Individual Bidders (including HUFs and NRIs) who have Bid for Equity Shares

Term	Description
	for an amount less than or equal to Rs. 1,00,000/-, in any of the bidding options in the Issue.
Retail Portion	The portion of the Issue being upto 35% of the Issue i.e. 32,17,954 Equity Shares of Rs.10/- each, available for allocation to Retail Individual Bidder(s).
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Price in any of their Bid-cum-Application Forms or any previous Revision Form(s).
RHP or Red Herring Prospectus	The Red Herring Prospectus issued in accordance with Section 60B of the Companies Act, which does not have complete particulars of price at which the Equity Shares are offered and the size of the issue. The Red Herring Prospectus will be filed with the RoC atleast 3 days before the Bid/ Issue opening date and will become a Prospectus upon filing with the RoC after the Pricing date.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992, as amended from time to time.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Guidelines	SEBI (Disclosure and Investor Protection) Guidelines, 2000 issued by SEBI on January 27, 2000, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997, as amended from time to time.
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
Stock Exchanges	Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE), referred to collectively.
Syndicate/ Members of the Syndicate	The BRLM and the Syndicate Members.
Syndicate Agreement	The agreement to be entered into among our Company and the members of the Syndicate, in relation to the collection of Bids in this Issue.
Syndicate Member	Saffron Global Markets Private Limited Enam Securities Private Limited
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate Members to the Bidder as proof of registration of the Bid.
U.S. GAAP	Generally accepted accounting principles in the United States of America.
Underwriters	Saffron Capital Advisors Private Limited Saffron Global Markets Private Limited Enam Securities Private Limited
Underwriting Agreement	The Agreement amongst the members of the Syndicate and our Company to be entered into on or after the Pricing Date.

Company /Industry Related Terms

Term	Description
BPO	Business Process Outsourcing
CAGR	Compounded Annual Growth Rate
CPP	Captive Power Plant
DG	Diesel Generator
EPCG	Export Promotion Capital Goods
EVA	Ethyl Vinyl Acetate
FDI	Foreign Direct Investment
F.T.	Fully Toughened

GDP	Gross Domestic Product
GEB	Gujarat Electricity Board
GGCL	Gujarat Gas Company Limited
GIDC	Gujarat Industrial Development Corporation
H.S.	Heat Strengthened
IGUs	Insulating Glass Unit
IT	Information Technology
Kg	Kilogram
Kms	Kilo meters
KVA	Kilo Volt Ampere
LPG	Liquid Petroleum Gas
MT	Metric Tonnes
PVB	Plasticized Poly Vinyl Butyral
Registered Office	The registered office of our Company located 201/202, 2nd Floor Abhilasha, S.V. Road, Kandivali (West), Mumbai - 400 067
RoC	Registrar of Companies, Maharashtra, Mumbai.
SEZ	Special Economic Zone
Sq.mts	Square Metres
UV	Ultra Violet
WTTC	World Travel and Tourism Council

Abbreviations

Term	Description
A.Y./ AY	Assessment Year
A/c	Account
AGM	Annual General Meeting of our Company
AS	Accounting Standards
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CLB	Company Law Board
DCA	Department of Company Affairs
DP	Depository Participant
DP Id	Depository Participant Identification number
EBIDTA	Earnings before Interest, depreciation, tax and amortisation
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time and the rules and regulations framed there under.
FEMR	Foreign Exchange Management Regulations, 2000
FI	Financial Institution
FIIs	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI as required under FEMA (Transfer or Issue of Security by a person resident outside India) Regulations, 2000 and under other applicable laws in India.
FIPB	Foreign Investment Promotion Board, Ministry of Finance, Government of India
FVCI	Foreign Venture Capital Investor registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000

GIR Number	General Index Register Number
IPO	Initial Public Offer
ISO	International Standards Organization
MAT	Minimum Alternate Tax
MF	Mutual Fund
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NRI	Non Resident Indian
NSDL	National Securities Depository Limited.
PAN	Permanent Account Number
PAT	Profit After Tax
PBDIT	Profit Before Depreciation, Interest and Tax
PBIT	Profit Before Interest and Tax
PBT	Profit Before Tax
Rs.	Indian Rupees
RTGS	Real Time Gross Settlement
SBI	State Bank of India
TAN	Tax Deduction Account Number
TNW	Total Net Worth
TRS	Transaction Receipt Slip
USD	United States Dollar
VAT	Value Added Tax
WDV	Written Down Value
w.e.f.	With effect from

SECTION II - GENERAL

CERTAIN CONVENTIONS AND USE OF MARKET DATA

In this Red Herring Prospectus, the terms 'we', 'us', 'our', the 'Company', 'our Company', 'Sejal Architectural Glass Limited', 'Sejal', 'SAGL' unless the context otherwise indicates or implies, refers to Sejal Architectural Glass Limited. In this Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word 'Lacs/Lakhs' means 'one hundred thousand', the word 'million (mn)' means 'ten lac /lakh', the word 'Crore' means 'ten million' and the word 'billion (bn)' means 'one hundred crore'. In this Red Herring Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off. Throughout this Red Herring Prospectus, all figures have been expressed in Lacs.

Unless indicated otherwise, the financial data in this Red Herring Prospectus is derived from our restated financial statements prepared in accordance with Indian GAAP and included in this Red Herring Prospectus. Unless indicated otherwise, the operational data in this Red Herring Prospectus is presented on a standalone basis and refers to the operations of our Company. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

There are significant differences between Indian GAAP and U.S. GAAP. Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

For additional definitions used in this Red Herring Prospectus, see the section Definitions and Abbreviations on page 1 of this Red Herring Prospectus. In the section titled "Main Provisions of Articles of Association", defined terms have the meaning given to such terms in the Articles of Association of our Company.

Currency of Presentation

All references to "India" contained in this Red Herring Prospectus are to the Republic of India. All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India. All references to "USD", "U.S. Dollar" or "US Dollars" are to United States Dollars, the official currency of the United States of America.

Market Data

Unless stated otherwise, market data used throughout this Red Herring Prospectus was obtained from internal Company reports, data, websites, industry publications, CRISIL Research Profile on Glass Industry- October 2007. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Although, we believe market data used in this Red Herring Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain “Forward - Looking Statements”. These forward - looking statements generally can be identified by words or phrases such as “will”, “aim”, “is likely to result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “shall”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, the following regulatory changes pertaining to the industries in India in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our ability to manage growth and expansion, including our ability to complete our capacity expansion plans, technological changes, exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in our industry. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in laws and regulations relating to the industries in which we operate;
- Increased competition in these industries;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects and business plans for which funds are being raised through this Issue;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in technology;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally; and
- Any adverse outcome in the legal proceedings in which we are involved.

For further discussion of factors that could cause our actual results to differ from our expectations, please refer to the section titled “Risk Factors” “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 10, 99 and 203 of this Red Herring Prospectus respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company nor the Underwriter, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

SECTION III - RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all of the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the section titled "Our Business" and "Management's Discussion and Analysis of financial condition and results of operations". If any of the following risks actually occur, our business, profitability and financial condition could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any risks mentioned herein under.

Risks Internal to our Company

Risk relating to litigation

1. Survey under the provisions of the section 133 (A) of Income Tax Act, 1961.

Mr. Amrut S. Gada has vide his letter dated November 14, 2007, declared an additional income of Rs. 5,00,00,000 of which the tax liability on Rs. 4,00,00,000 is payable by Mr. Amrut S. Gada and the tax liability on balance Rs. 1,00,00,000 is to be paid by some of our Group concerns namely; Sejal Glass House, Mitesh Textiles, Sejal International Limited, Sejal Glass Craft Private Limited. Further, Mr. Amrut S. Gada vide his letter dated October 30, 2007, has confirmed and declared to our Company that he in his individual capacity is liable to pay the tax on the additional income of Rs. 4,00,00,000 and that there will be no liability on our Company towards the above mentioned declaration. Mr. Amrut S. Gada has paid Rs. 50,00,000 towards the above tax liability.

2. Survey under the provisions of the section 133 (A) of Income Tax Act, 1961.

The Income Tax Department carried out survey under the Income Tax Act, 1961, against our Company and our Group entities, namely, Sejal Glass House, Mitesh Textiles, Sejal International Limited, Sejal Glass Craft Private Limited, Sejal Insurance Broking Limited, Sejal Float Glass Limited and Sejal Finance Limited on August 22, 2007. An additional income of Rs. 1,00,00,000 was declared by the above group entities against which an amount of Rs. 1 lac has been paid by Mitesh Textiles as tax on the above additional disclosed income.

3. We are involved in certain legal proceedings, which, if decided against us, could impact our income and financial condition.

Our Company is involved in certain legal proceedings, which are pending at various stages of adjudication before the City Courts, High Courts and various Tribunals. Any rulings by appellate courts or tribunals against us would have a material impact on our cash flows which may affect our operations.

Classification of these legal and other proceedings instituted by and against our Company is given in the following tables:

Litigation against our Company

Sr. No.	Nature of Case	Total number of show cause notices	Amount Involved (Rupees)
(i)	Notice from the Electricity Department	1	6,05,150/-
(ii)	Notice from Mr. Suresh Sheth, California in respect of goods sold by Sejal Encasa, which were damaged in transit.	1	Nil

Litigation by the Company

Sr. No.	Nature of Case	Total number of pending cases / show cause notices / summons	Amount Involved (Rupees)
(i)	Consumer Complaint	1	11,42,812/-
(ii)	Notice under section 138 of the Negotiable Instruments Act, 1881 in respect of dishonour of cheque issued to our Company	1	1,54,845/-

The above litigations filed by our Company may result in counter claims against us.

The amount involved in the above mentioned legal proceedings, is the amount expressly claimed, being the liability and financial impact which may be incurred if it/they are unsuccessful in these legal proceedings. However, it does not include those penalties, interests and costs, if any, which may be imposed which may have been pleaded but not quantified in the course of legal proceedings, or which the Court/Tribunal otherwise has the discretion to impose. The imposition and amount of penalties/interests/costs are at the discretion of the Court/Tribunal where the case is pending. Such liability, if any, would crystallize only on the order of the Court/ Tribunal where the case is pending.

For further details on the above litigation, please refer to the section titled “Outstanding Litigations, Material Developments and Other Disclosures” beginning on page 212 of this Red Herring Prospectus.

4. Some of our Promoter Group Companies are involved in the following legal proceedings:

Sejal Glass House

Litigation against Sejal Glass House

Sr. No.	Nature of Case	Total number of pending cases / show cause notices / summons	Amount Involved (Rupees)
(i)	Sales Tax notices	2	Not quantifiable
(ii)	Receipt No. 0080517 dated April 17, 2008, from Inspector of Legal Metrology, under the Standard Weights and Measures (Packaged Commodities) Rules, 1977 and the Standard Weights and Measures (Enforcement) Act, 1985	1	Not quantifiable

Litigation by Sejal Glass House

Sr. No.	Nature of Case	Total number of pending cases / show cause notices / summons	Amount Involved (Rupees)
(i)	Consumer Complaint	1	1,13,330/-

The above litigation may result in counter claims against Sejal Glass House.

Litigation against Sejal Glass Craft Private Limited

Sr. No.	Nature of Case	Total number of pending cases / show cause notices / summons	Amount Involved (Rupees)
(i)	Notice under the Standard Weights and Measures (Packaged Commodities) Rules, 1977 and the Standard Weights and Measures (Enforcement) Act, 1985	1	Not quantifiable
(ii)	Receipt No. 0035288 dated May 22, 2008, from Inspector of Legal Metrology under the Standard Weights and Measures (Packaged Commodities) Rules, 1977, the Standard Weights and Measures Act, 1976 and the Standard Weights and Measures (Enforcement) Act, 1985 and Maharashtra Weights and Measures (Enforcement) Rules, 1987	1	Not quantifiable
(iii)	Sales Tax Notices	4	Not quantifiable

Litigation against Sejal Insurance Broking Limited

Sr. No.	Nature of Case	Total number of pending cases / show cause notices / summons	Amount Involved (Rupees)
(i)	Letter from Service Tax Dept.	1	Not quantifiable

Litigation against Sejal Finance Limited

Notice issued under section 5(6), 6(3), 5(2)(a), and 5(3) of the Maharashtra State Tax on Professions, Trades, Callings, and Employments Act, 1975

Sejal Finance Limited has been issued a show cause notice dated November 20, 2007, by the Profession Tax Officer, (16), P Ward, Mumbai. The Profession Tax Officer further called upon Sejal Finance Limited to furnish returns for the year 2006-2007, failing which a penalty of Rs. 5 per day would be levied on Sejal Finance Limited.

Litigation against Sejal Float Glass Limited

Intimation issued under section 143(1) of the Income Tax Act, 1961

Sejal Float Glass Limited has been issued an intimation dated March 29, 2008, by the Deputy Commissioner, Income Tax, ward 15(2), Mumbai, therein assessing an amount of Rs. 53,700 payable as Income Tax. Sejal Float Glass Limited, by its reply dated May 17, 2008 has intimated the Income Tax Officer that an amount of Rs. 2,96,891/- had not been considered as tax deducted at source for the year 2006-2007, and that a refund amounting to Rs. 2,55,274/- is due to them. The matter is pending before the Income Tax Officer, ward 15(2), Mumbai.

- 5. We are yet to receive consents/renewals of certain statutory approvals required in the ordinary course of our business, and if we are unable to obtain these approvals, our business could be adversely affected.**

Sr. no.	Approval/Consent	Authority	Status
1.	Approval of the layout/building plan drawing plans in respect of the 550 TPD float glass and mirror project at Bharuch	Executive Engineer, Gujarat Industrial Development Corporation	Applied vide letter dated October 26, 2007.
2.	NOC from the Fire Department	Fire officer, Silvassa	Applied vide letter dated November 13, 2007.
3.	Registration of our trademark "Oyster" under class 21 of the Schedule III of the Trade Marks Rules, 2002.	Trade Marks Registry	Application bearing no. 1371940 dated July 18, 2005.
4.	Registration of our logo "C-No-C Glass" under class 19 of the Schedule III of the Trade Marks Rules, 2002.	Trade Marks Registry	Application bearing no. 01519662 dated January 12, 2007.
5.	Registration of our logo "Fog-Free Mirror" under class 20 of the Schedule III of the Trade Marks Rules, 2002.	Trade Marks Registry	Application bearing no. 01519663 dated January 12, 2007.
6.	Registration of our logo "Fresca" under class 19 of the Schedule III of the Trade Marks Rules, 2002.	Trade Marks Registry	Application bearing no. 01519664 dated January 12, 2007.
7.	Registration of our trademark "Armor Glass" under class 20 of the Schedule III of the Trade Marks Rules, 2002.	Trade Marks Registry	Application bearing no. 01519661 dated January 12, 2007.
8.	Registration of our logo "Sejal Kool" under class 21 of the Schedule III of the Trade Marks Rules, 2002.	Trade Marks Registry	Application bearing no. 983191 dated January 11, 2001.
9.	Registration of our trademark "The Sixth Element" under class 19 of the Schedule III of the Trade Marks Rules, 2002.	Trade Marks Registry	Application bearing no. 1371941 dated July 18, 2005.
10.	Registration of our logo "Solid Glass by Sejal" under class 19 of the Schedule III of the Trade Marks Rules, 2002.	Trade Marks Registry	Application bearing no. 1372951 dated July 21, 2005.
11.	Renewal of labour license in respect of the contract labourers appointed by Larsen and Toubro in respect of	Assistant Commissioner of Labour (State), Gujarat	Application dated March 18, 2008.

	the construction of the project at Bharuch.		
12.	Renewal of consent to establish and operate diesel generator sets.	Member Secretary of Gujarat Pollution Control Board	Application dated May 23, 2008

Our Company has recently started an office at Chennai, and shall be applying for the requisite approvals in due course of time.

6. The following are the details of the tax related penalties levied against our Company:

Assessment Year	Penalty imposed (In Rs.)	Brief particulars regarding penalty	Remarks (Paid / Payable)
1999 - 2000	500/-	Penalty imposed for not filling the quarterly returns in time.	Paid
2000-2001	500/-	Penalty imposed for not filling the quarterly returns in time.	Paid
2002-2003	1,54,649/-	Penalty imposed for short payment.	Paid
2004-2005	1,62,033/-	Penalty of Rs. 1,61,033/- charged as penal interest for duty not paid and Rs. 1000/- imposed for not filing the returns timely and correctly.	Paid

7. There has been a negative cash flow from operating activities during the nine month period ended December 31, 2007 to the tune of Rs. 4,633.55 Lacs. Sustained negative cash could impact our growth and business.

Risk relating to the project

8. The construction and commencement of commercial operations of our float glass plant (the "Project") involve many uncertainties and risks that may have a material adverse effect on our business, results of operations and financial condition.

A key part of our strategy is dependent upon the timely completion of the Project by March 2009. The Project involves engineering, construction and other commercial risks, including:

- (a) reliance on third parties to construct and complete;
- (b) engineering design and technological changes;
- (c) mobilizing the required resources;
- (d) failure to obtain necessary governmental and other approvals;
- (e) changes in management's views of the desirability of our current plans;
- (f) changes in market conditions;
- (g) accidents, natural disasters and weather-related delays;
- (h) time and cost overruns and unanticipated expenses; and
- (i) regulatory changes.

Any significant delay in completing the Project as planned or on schedule may result in our Company commencing operations in an increased competitive environment for its products. Such a scenario may have a material adverse effect on our business, results of operations and financial condition

9. Our Company proposes to venture into manufacturing of float glass, which is a backward integration project for us; hence, it may be difficult to estimate our future performance.

Since we are a glass processing company, we have no manufacturing history from which you can evaluate our future performance. We are going to be a new entrant in the segment of manufacturing float glass; hence, our revenues and profitability estimates may not be indicative of

our future results of operations. Our Promoters, also, do not have any manufacturing background. Moreover, we intend to commence our production of float glass in Jhagadia, Gujarat, by March 2009. Therefore our prospects must be considered in light of the risks and uncertainties encountered in evolving markets and changing trends where demand and supply for float glass may vary. This may hinder us to execute the project within preset timelines and budgeted costs. As a result we cannot give any assurance about our business strategy being successful.

10. *We have not yet placed orders for certain plant & machinery required to set up our float glass Project.*

We have not yet placed orders for plant & machinery aggregating Rs. 6727.96 Lacs for our float glass Project, which constitutes 21.72% of the total plant & machinery required. Further, we are subject to risks on account of inflation in the price of plant & machinery and other equipments that we require for the float glass project. Negotiations in respect of technical specifications with some vendors have been commenced and orders will be placed after the negotiations are completed.

In respect of the plant & machinery / equipment / other Project related services that we propose to import/procure from overseas, we may be subject to the risks arising out of currency rate fluctuations. These factors may increase the overall cost of our float glass project, and we may have to raise additional funds by way of additional debt or equity placement to complete our float glass project, which may have an adverse effect on our business and results of operations.

11. *We have entered into major supply contracts with Fives Stein India Projects Private Limited (formerly known as Stein Heurtey) and Stein Heurtey, (France & China) Grenzebach Maschinenbau GmbH, Germany and Zippe Industrieanlagen GmbH for supply of major Plant & Machinery required for our float glass project. This contract is enforceable in jurisdictions outside India, which may expose us to higher legal and other costs in case of any disputes with Stein Heurtey, France and/or Grenzebach Maschinenbau GmbH, Germany and affect enforceability of judgments obtained against counterparties.*

We have entered into supply contracts with Stein Heurtey, France, Grenzebach Maschinenbau GmbH, Germany and Zippe Industrieanlagen GmbH for supply of major Plant and Machinery required for our float glass project. We confirm that these are not technical collaborations, and are supply agreements for supply of plant and machinery. The contract with Stein Heurtey is enforceable in Geneva, Switzerland, Grenzebach Maschinenbau GmbH is enforceable in Zurich, Switzerland and that with Zippe Industrieanlagen GmbH is enforceable in Geneva, Switzerland. The legal and other costs that we may incur in initiating and/or defending any actions arising out of such contract could be significantly higher outside India as compared to in India and such higher costs may adversely affect our financial position and profitability. Further, we may not always be able to enforce/execute judgments obtained in foreign courts/tribunals against the counter parties.

12. *The float glass project being implemented by us is large in context of our Company's current scale of operations. We may face several risks on account of implementation of float glass Project.*

Our Company has embarked upon a project of around Rs. [●] Lacs, which is fairly large in size. The net worth of our Company as on December 31, 2007 is Rs. 5001.74 Lacs (as per our financial statements). Our Company is venturing into manufacturing of float glass as a backward integration, through this project. Since, the management and financial resources are till date allocated to a smaller scale of processing facilities, the float glass project, being a green field project, poses some unforeseen risks and challenges to the financial and managerial capacity of our Company.

- 13. *The object of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in “Objects of the Issue”.***

The fund requirement and deployment, as mentioned in the “Objects of the Issue” beginning on page 68 of the Red Herring Prospectus, is based on internal management estimates and has not been appraised by any bank or financial institution. The fund requirement as detailed below is based on our current business plan. The deployment of the funds towards the objects of the Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our audit committee.

- 14. *There has been a delay in the implementation schedule of the project which is in the initial stage of implementation. Inability to complete the project as per the stated schedule of implementation may lead to cost/time overruns and may impact future profitability of our company.***

For further details of delay please refer to the paragraph title “Schedule of Implementation” on page 75 of this DRHP.

- 15. *Our float glass project is dependent on performance of external agencies.***

Our float glass project is dependent on performance of external agencies, which are responsible for construction of buildings, installation and commissioning of plant & machinery and supply and testing of equipments. We cannot assure that the performance of external agencies will meet the required specifications or performance parameters. If the performance of these agencies is inadequate in terms of the requirements, this may result in incremental cost and time overruns, which in turn may adversely affect our implementation of the float glass project.

- 16. *Our manufacturing activities are dependent upon availability of skilled and unskilled labour. Further, we rely on contract labour for the performance of many of our operations.***

Our manufacturing activities are dependent on availability of skilled and unskilled labour. Non-availability of labour and/or any disputes between the labour and the management may affect our business operations.

We typically enter into contracts with independent contractors for our contract employees. All contract employees engaged in our Company are assured minimum wages that are fixed by the respective state governments. Any upward revision of wages required by such state governments to be paid to such contract employees, or offer of permanent employment or the unavailability of the required number of contract employees, may adversely affect our business and results of operations.

- 17. *Our indebtedness and the conditions and restrictions imposed on us by our financing agreements could adversely affect our ability to conduct our business.***

As of December 31, 2007, our Company has outstanding secured loans aggregating Rs. 7,242.00 Lacs from different lenders, including against fixed assets and machinery as primary/collateral security. In respect of various agreements entered into by our Company with the lenders, we are bound by certain restrictive covenants. A majority of these covenants, are specific to the conduct of our Company in relation to the hypothecated assets under those agreements, and those covenants asset-specific. Other than the asset-specific covenants, as per the loan agreements, we require written consent from the lenders in relation to certain actions/matters, amongst others, including entering into any scheme of amalgamation or merger/ demerger/ reconstruction, declaration of any dividends if there are any arrears in making any payment of amount(s) due to our lender(s), not to change/ vary our constitution, not to make any changes to the general nature or scope of the business from that carried on by our Company, prepayment of the outstanding

principal amount of the facility in full or in part before the due date, among others. For details regarding asset specific covenants, please refer the paragraph titled “Restrictive Covenants”, on page 129 of this Red Herring Prospectus.

18. *There are certain audit qualifications in the auditor’s report of our previous financial years/periods. The details of the audit qualifications are as follows:*

Financial year ended March 31, 2003

1. Non Provision of Deferred Tax Liability as per Accounting Standard 22 in respect of Taxes on Income of Rs.3707680/- for the year and non appropriation of Rs.2204639/- from Reserves (Balance in Profit & Loss Account) to Deferred Tax Liability as at the beginning of the year on April 1, 2002, the consequential effect of which being overstatement of profit after tax for the year by Rs.3707680/- and overstatement of Reserves & Surplus (Balance in Profit & Loss Account) by Rs.5912319/- as at March 31st, 2003.

Financial year ended March 31, 2004

1. Non Provision of Deferred Tax Liability as per Accounting Standard 22 in respect of Taxes on Income
2. Personal travelling expenses of Two Directors debited to Profit & Loss account amounting to Rs.430628/-.
3. The Company has during the year accepted deposits from the Public. The Company has however contravened the directives issued by the Reserve Bank of India and the provisions of section 58A & 58AA by paying interest at higher rate than that mentioned in the Fixed Deposit Receipts issued to parties. Also in case of prepayments, no recovery of interest excess paid to the parties has been made. The Company Law Board has not passed any Order.

Financial year ended March 31, 2005

1. Non Provision of Deferred Tax Liability as per Accounting Standard 22 in respect of Taxes of Income.
2. Non confirmation of Sundry Debtors’ accounts balances.
3. The Company has during the year accepted deposits from the Public. The Company has however contravened the directives issued by the Reserve Bank of India and the provisions of section 58A & 58AA by paying interest at higher rate than that mentioned in the Fixed Deposit Receipts issued to parties. Also in case of prepayments, no recovery of interest excess paid to the parties has been made. According to the information and explanations given to us, no order has been passed The Company Law Board.
4. In regard to the delay in repayment of Term Loan Instalments, the instalments of Rs.304556/- and Rs.122195/-, pertaining to the two Working Capital Term loan Accounts, due to be paid on 9th March 2005 were paid on 4th May 2005 and one instalment of Rs.1184295/- pertaining to a Term Loan Account, due to be paid on 12th March, 2005 was paid on 31st May, 2005. There are no borrowings from Financial Institutions and there are no debenture holders.
5. 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 utilised its working capital funds for acquiring Long Term assets by making advance payments for the same.

Financial year ended March 31, 2006

1. 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 utilised its working capital funds for acquiring Long Term assets by making advance payments for the same. The Interest pertaining to such advances has however been capitalised to the respective assets. No long term funds have been used to finance short term assets.

Financial year ended March 31, 2007

1. The company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor education protection fund, Employees' State insurance, Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Customs Duty, Excise Duty, Cess, and other material statutory dues, as applicable to it, except that in respect of excise duty, payments have been delayed in certain cases & in respect of Central sales tax, no payments have been made during the year.

For the Period from April 01, 2007 to December 31, 2007

In regard to the delay in repayment of Term Loan Instalments,

1. the instalment of Rs.9835000/-, due to be paid on a) 1ST of July, 2007 was paid on 28th August, 2007, b) 1st of October 2007 was paid on 24th October 2007 and 22nd November, 2007,
2. the instalment of Rs.3225000/-, due to be paid on a) 1ST of July, 2007 was paid on 8th August, 2007, b) 1st of October 2007 was paid on 11th October 2007.
3. the instalment of Rs.2172400/-, due to be paid on a) 1ST of July, 2007 was paid on 11th August, 2007, b) 1st of October 2007 was paid on 11th October 2007.

19. *There has been contravention of directives issued by the Reserve Bank of India and provisions of section 58A and 58AA of the Companies Act, 1956. The same have been reported by the statutory auditors under the heading 'Audit Qualifications' in the section Financial Information on page 162 of this Red Herring Prospectus.*

The Company had paid higher interest on fixed deposits aggregating Rs. 1,399/- in the years 2004 and 2005. This was on account of certain repayments of deposits which had taken place during the said period, before the expiry of the period, for which such deposits were accepted by the Company. However, inadvertently, the rate of interest paid by the Company on such deposits were not reduced by one percent from the rate, which the Company would have paid, had the deposit been accepted for the period for which they had run as per the Companies (Acceptance of Deposits) Rules, 1975. The said amount was however recovered from the personal account of Mr. Amrut S. Gada in the Financial Year 2005- 2006.

20. *There has been delay in repayment of term laon installments.*

Our Company has delayed the repayment of the following term loan instalments:

1. Instalment of Rs. 98.35 lacs due to be paid on July 01, 2007, was paid on August 28, 2007 and instalment due on October 01, 2007 was paid on October 24, 2007
2. Instalment of Rs. 32.25 lacs due to be paid on July 01, 2007, was paid on August 08, 2007 and instalment due on October 01, 2007 was paid on October 11, 2007
3. Instalment of Rs. 21.72 lacs due to be paid on July 01, 2007, was paid on August 11, 2007 and instalment due on October 01, 2007 was paid on October 11, 2007

- 21. *The proposed project relies on Gujarat Gas Company Limited (“GGCL”) to incur lower operational costs; discontinuation of its services could result in lower profitability and may adversely affect our financial condition.***

Our dependence on GGCL for our requirement of natural gas to operate the melting furnace and the gas based captive power plant for our float glass project exposes the project to various risks. We face risks of increase in fuel cost due to discontinuation of services by GGCL, onerous contractual terms and inability to obtain alternative fuel at shorter notice, which would cause our costs to increase and consequently affect our business and profitability.

Risks relating to our business and operations

- 22. *Our business requires us to renew, maintain or obtain statutory and regulatory permits and licenses as required to operate our business and any delay or inability to obtain the same may have an adverse impact on our business.***

Being in the processing and manufacturing business, we require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for a fixed period of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue such permits or approvals to our Company or that they may be issued in time.

Further, these permits, licenses and approvals are subject to several conditions, and we cannot assure that we shall be able to prove compliance with such conditions to statutory authorities, which may lead to cancellation, revocation or suspension of relevant permits/licenses/approvals. Failure by us to renew, maintain and obtain the required permits, licenses or approvals, or cancellation, suspension and/or revocation of any of our permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on our business. For more information regarding such approvals/renewal of approvals, for which we have applied for please refer “Statutory Approvals and Licenses” beginning on page 220 of this Red Herring Prospectus.

- 23. *We may be unable to adequately protect our intellectual property rights since some of our trademarks are pending registration and therefore do not enjoy statutory protection. Further, we may be subject to claims by third party.***

We rely on a variety of intellectual property rights that we use in our products. We have secured registration for two trademarks namely “Sejal Tuff” and “Sejal Safe”. We have already made applications for registration of our trademarks; however, the same are pending registration. For further details of our pending approvals, please see the section titled “Statutory Approvals and Licenses” beginning on page 220 of this Red Herring Prospectus.

We cannot assure that we shall be able to successfully preserve our intellectual property rights in the future, and these rights could be invalidated, circumvented or challenged. In addition, the laws of some countries in which our products and services have been or may be sold do not protect intellectual property rights. Any failure to protect proprietary information and any successful intellectual property challenges or infringement proceedings against us could materially and adversely affect our competitive position.

- 24. *We do not own the “Sejal Glass” trademark used by us.***

We conduct most of our business under the trademark of “Sejal Glass”. We have acquired rights for using the trademark “Sejal Glass” amongst other trademarks in respect of our glass business, from our group company, Sejal Glass Craft Private Limited through a deed of assignment of trademark with related goodwill dated November 19, 2007. Though the said deed does not provide for a

specific termination clause, we can provide no assurance that third parties will not infringe upon our trademark and/or trade name, causing damage to our business prospects, reputation and goodwill. We also can provide no assurance that the unauthorised use by any third parties of the trademark "Sejal Glass" will not similarly cause damage to our business prospects, reputation and goodwill.

25. Our contingent liabilities could adversely affect our financial condition.

We have the following contingent liabilities in our Balance Sheet, as at December 31, 2007, which are not provided for:

(Rs. in Lacs)

Sr. No.	Particulars	Amount
1.	Counter Guarantees given by the Company against Guarantees issued by State Bank of Patiala on behalf of the Company (net off margin provided by the Company in the form of Fixed Deposits with the Bank)	174.15
2.	CST not charged in the Sales Invoices to a customer	47.17
3.	Amount claimed by a customer towards damages for supply of defective material.	35.20
	Total	256.52

26. We have significant working capital requirements. If we experience insufficient cash flows to meet required payments on our debt and working capital requirements, there may be an adverse effect on our results of operations.

Our business requires a significant amount of working capital. Significant amounts of our working capital are required to finance the purchase of raw materials in the form of glass. Moreover, we may need to incur additional debt in the future to satisfy our working capital needs. Our working capital requirements are also affected by the significant credit lines that we typically extend to our customers in line with industry practice. All of these factors may result, in an increase in the amount of our receivables and short-term borrowings. There can be no assurance that we will continue to be successful in arranging adequate working capital for our existing or expanded operations, which may adversely affect our financial condition and results of operations.

27. We are dependent on third-party transporters for the supply of raw materials and delivery of products. Further, high transportation cost and escalation thereof may affect our profitability.

We normally use third-party transporters for the supply of most of our raw materials to our factories and for delivery of our finished products to our customers. Transport strikes by truckers' unions have taken place in the past, and could also take place in the future, thereby causing an adverse effect on our receipt of supplies and delivery of finished products. Any increase in crude oil prices or changes in the transport regulations, may directly affect our transportation costs, and adversely affect our margins.

28. Dependence on few customers.

Our top three customers account for 54% of our turnover for the nine months ended December 31, 2007. Further our top 10 customerd cnstitutes 73.81% of our turnover. The loss of any one or more of our customers would have a material adverse effect on our business operations and profitability.

29. We may face a risk on account of not meeting our export obligations.

We import glass and other raw materials under the Advance License Scheme ("Scheme") and have availed duty exemption. As a result we have to perform export obligations which are required to be

fulfilled within a period of 18 months and extended upto 30 months from the date of the issue of the respective licenses.

Under the EPCG scheme & Advance Licence Scheme, Company is required to export goods aggregating in value to eight times of the import duty saved, failing which an amount equivalent to the duty amount saved along with the interest at 15% per annum from the date of issue of license to the date upto which export obligation is to be completed, would be required to be paid to the Government of India.

Sr. No.	Details	License No.	Issue Date	Duty Saved (Rs. In Lacs)	Export Obligations (In US \$)	Export Obligation Completed (In US \$)	Balance Export obligation to be completed (In US \$)*	Date up to which export obligation to be completed
1.	EPCG	0330014 278/2/1 1/00	December 8, 2006	6.83	121,497.86	Nil	121,497.86	December 8, 2014
2.	EPCG	0330010 645/2/1 1/00	December 27, 2005	134.03	2,240,853.66	Nil	2,240,853.66	December 27, 2013
3.	EPCG	0330011 112	February 23, 2006	45.75	823,335.52	Nil	823,335.52	February 23, 2014
4.	EPCG	0330011 105/2/1 1/00	February 22, 2006	340.66	6,131,094.17	574,071.54	5,557,022.63	February 22, 2014
		Total		527.26	9,316,781.21	574,071.54	8,742,709.67	

Sr. No.	Details	License No.	Issue Date	Duty Saved (Rs. In Lacs)	Export Obligations (In US \$)	Export Obligation Completed (In US \$)	Balance Export obligation to be completed (In US \$)*	Date up to which export obligation to be completed
1	Advance Licence	03/95/0 45/0145 9/AM07	23-02-07	17.06	3,87,500.00	147905.70	239594.30	25-08-08

* the above amount shall be payable along with an interest @ 15% p.a.

30. Our inability to fulfil our export obligations under the EPCG scheme may affect the import of capital goods for our float glass project.

Our Company proposes to import certain plant & machinery for our float glass project, under the EPCG scheme, in terms of which, capital goods may be imported at a concessional rate of custom duty. Under the EPCG scheme, we are required to export goods aggregating in value to eight times of the import duty saved within 8 years, failing which an amount equivalent to the duty amount saved along with the interest at applicable rates would be required to be paid to the Government of India. We have an aggregate outstanding export obligation of USD 8,742,709.67 under the EPCG Scheme. For further details please refer to the section titled “Our Business” beginning on page 99 of this Red Herring Prospectus.

31. Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures, lender’s approvals and other factors.

We have been paying dividends to our shareholders. However, the amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, lender's approvals and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future.

32. *We have entered into certain related party transactions.*

We have entered into certain related party transactions with our Promoters, Directors, Promoter Group entities and key managerial personnel. For further details, please refer to the section titled "Financial Statements - Related Party Transactions" beginning on page 182 of this Red Herring Prospectus.

33. *We have availed unsecured loans, which are repayable on demand.*

As per our financial statements, as on December 31, 2007, we have unsecured loans of Rs. 1702.10 Lacs, of which Rs. 1,190.30 Lacs, constituting 69.93% of the total unsecured loans, are availed from group / associate companies / directors / Promoters and Rs. 511.80 Lacs are from others, which is repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations and cash flow position. For further details of these unsecured loans, please refer to "Financial Statements" beginning on page 162 of this Red Herring Prospectus.

34. *Upon completion of the Issue, our Promoters and Promoter Group may continue to retain majority holding in our Company, which will allow them to influence the outcome of matters submitted to shareholders for approval.*

Upon completion of this Issue, our Promoters and Promoter Group will own 52.11% of our Equity Shares on a fully diluted basis. As a result, our Promoter Group will have the ability to exercise significant influence over all matters requiring shareholders' approval, including the election of directors and approval of significant corporate transactions. Our Promoters and Promoter Group will also be in a position to influence any shareholder action or approval requiring a majority vote, except where it is required by applicable laws to abstain from voting. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.

35. *One of our products i.e. Kool Glass, currently forms a major part of our revenue and any decrease in the demand for Kool Glass could adversely affect our sales revenue and our business profitability.*

About 50% of our revenues for the nine months period ended December 31, 2007 is derived from the sale of Kool Glass. In case of any decrease in the demand of Kool Glass, our sales revenue and business profitability may be adversely affected.

36. *We depend on few suppliers for substantial portion of our raw material purchases.*

Our top ten suppliers of raw materials contributed approximately 71.44% of our purchases during the nine months period ended December 31, 2007. Presently, we do not have any agreement with suppliers for sourcing of raw materials, which may affect our regular supplies and in turn would affect our manufacturing and processing operations. This would adversely impact our ability to meet customer's requirements in time.

37. *We operate in a highly competitive industry, which could limit our ability to grow.*

The product line in which we operate is marketed by the organised and unorganized players. We sell our products in highly competitive markets, and competition in these markets is based primarily on the quality, design, range and specifications servicing, availability and pricing of such

products. To remain competitive in our markets, we must continuously strive to reduce our procurement, production and distribution costs and improve our operating efficiencies. If we fail to do so, others may be able to sell their products at prices lower than our prices, which would have an adverse affect on our market share and results of operations.

Also, we compete with various established players in our line of business. Some of our current and potential competitors, including MNCs, have an edge over us, on account of global expertise, longer operating histories, greater brand recognition, existing customer relationships, and significantly greater financial, marketing and other resources, all of which could have a material adverse effect on our results of operations and financial condition. They may also benefit from greater economies of scale and operating efficiencies. There can be no assurance that we can continue to effectively compete with such competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition and results of operations.

38. Changes in technology may impact our business and may result in our business operations being less competitive.

Our glass and glass products cater to a developing market. We compete against companies with origins in U.S., Europe and other developed countries. Our competitors have established reputations, control in the international market and have greater financial and other resources than we do. Prospective customers, both in domestic and international markets, may choose to deal with our competitors since they have high visibility and a track record of product performance. However, if we are unable to compete successfully and fail to respond to such technological advancement well in time, our profits and relative market share may be affected.

39. We are dependent on senior executives and other key members of management to implement the Project and our business strategy.

We are dependent on the continued employment and performance of senior executives and other key directors and employees of our Company. If any of these individuals resign or becomes unable to continue in his or her present role and is not adequately replaced, our business operations and our ability to successfully implement our Project and business strategies could be materially affected.

Our performance is also dependent on our ability to identify, hire and retain key technical, support, sales and other qualified personnel. Also, competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. As such, any loss of services of our senior management personnel or key employees may adversely affect our business, results of operations and financial condition. If we are unsuccessful in attracting and retaining such personnel, our business, results of operations and financial condition could be materially adversely affected.

40. Insurance cover available for certain risks may be inadequate.

Although we attempt to limit and mitigate our liability for damages arising from negligent acts, errors or omissions through contractual provisions and/or insurance policies, the indemnities set forth in our contracts and/ or our insurance policies may not be enforceable in all instances or the limitations of liability may not protect us from entire liability for damages. A successful assertion of one or more large claims against us could adversely affect the results of our operations.

We have not taken any insurance for protecting us from future business losses and in the event of such losses occurring, the operations of our Company may be affected significantly.

41. Risk arising from foreign exchange fluctuations may adversely affect our financial condition.

The volatility in global financial markets may have an adverse impact on our imports. In the future, we expect an increase in our dealings in foreign exchange thus, increasing our exposure to foreign exchange currency and related risks, which may result in an adverse impact on our financial condition and operations.

42. *Our inability to create new designs or patterns may adversely affect our revenues.*

Our Company is targeting the higher end of the market for its decorative products, which have better profit margins. The distinguishing factor in this segment is the appealing aesthetic look of the products, new designs and patterns, for which creativity is the major input. Our inability to continuously create new designs and patterns may have an adverse impact on our revenues.

43. *Our workers may unionise in future and this could lead to disruptions in our operations which could affect our business operations and results.*

As on date, we employ 145 workers at our processing unit at Silvassa. Currently, our Company's employees are not represented by any labour unions. However, Labour Unions being an integral part of Indian manufacturing sector there is a possibility that our workers may also unionize in future and our operations may be disrupted due to disputes or other problems with our work force. While we consider our current labour relations to be good and cordial, there can be no assurance that we will not experience future disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations. We confirm that there are no past instances of worker unionization in our company or in the region.

44. *Our Company is a family managed business with a first generation entrepreneur and therefore this could have an impact on the implementation and operation of our project of such a large scale.*

Our Company was promoted in the year 1998 by our current Promoters and is managed by our Chairman and Managing Director, Mr. Amrut S. Gada. Our Company has been making profits since its inception and the management has sufficient knowledge in all aspects of the existing business and industry. Also, our Company is currently managed by family members, who are members of our Board. Any conflict arising between them and the new stakeholders may affect our business operations.

45. *Some of our Promoter group companies have incurred losses in the past three years*

Some of our Group Companies have incurred losses as in the past which is as follows:

Name of the company	Profit/(Loss) as on March 31 (Rs. in Lacs)		
	2005	2006	2007
Sejal Glass Craft Private Limited	2.44	(15.81)	7.14
Sejal Float Glass Limited	-	0.87	(79.24)

46. *In the last one year, we have issued Equity Shares at a price which may be less than the Issue Price.*

The Price Band for the Issue is Rs. 105 to Rs. 115. The Issue Price is expected to be determined by us in consultation with the BRLM on the Pricing Date. However, we have issued 84,70,845 Equity Shares in the last 12 months. Some or all of the above stated issuances, as mentioned below may be at a price that may be lower than the Issue Price. For further details, refer to the section titled "Capital Structure" beginning on page 47 of this Red Herring Prospectus.

Date of Issue	No. of Shares	Issue Price	Amount (Rs. in Lacs)
14-Aug-07	1,769,500	10	176.95
23-Aug-07	150,000	50	75.00
30-Aug-07	945,000	10	94.50
8-Sep-07	1,539,000	10	153.90
14-Sep-07	50,000	10	5.00
22-Sep-07	25,000	100	25.00
3-Oct-07	10,000	60	6.00
31-Oct-07	910,500	10	91.05
31-Oct-07	2,466,000	100	2,466.00
22-Nov-07	96,420	100	96.42
25-Mar-08	509,425	100	509.43
Total	8,470,845		3,699.25

47. The equity shares held by our Promoter Group are pledged with consortium of Banks for the sanctioned term loan of Rs. 31,800 Lacs.

Out of the total 75,13,750 shares of the Promoter Group, 61,75,750 Equity Shares are pledged as a collateral security with the consortium of banks for the sanctioned term loan of Rs. 31,800 Lacs. The pledge shall stay in force till the IPO proceeds are received by us. In the event of our Company's failure to successfully close the IPO transaction, and receive the public issue proceeds, the banks may enforce the security furnished by the Promoter Group as a result of which the shareholding of the Promoter Group would be reduced by a substantial extent and may adversely affect the shareholding and/or management structure of the Company.

48. Any disruption in supply of power, basic infrastructure facilities, IT systems, and telecom lines could adversely affect the business of our Company or have an excess cost thereof, which in turn may adversely affect our profitability

49. Some of our promoter group entities have potential conflict of interest with us

The main objects of Sejal International Limited, Sejal Float Glass Limited and Sejal Glass Craft Private Limited allow them to have the same/similar business as carried out by our Company. At present, Sejal International Limited is carrying on the business of dealing in items of sanitary wares, decorative glass pieces, hardware items, etc. Sejal Float Glass Limited is carrying on the business of manufacturing and trading of glass and glass products, dealing in sanitary wares, decorative glass pieces, hardware items, glass, building materials etc. Sejal Glass Craft Private Limited is carrying on the business of glass processing, edge polishing, beveling, engineering, etching, crafting of works bending, mould edge, decorative glass and mirror etc., and all types of glass fabrication and glass crafting works. However, we have entered into the below mentioned non-compete agreements:

Sr. No.	Details of the agreement	Consideration
i)	Non compete agreement between the Company and Sejal International Limited	Rs. 11,000/-
ii)	Non compete agreement between the Company and Sejal Float Glass Limited	Rs. 11,000/-

iii)	Non compete agreement between the Company and Sejal Glass Craft Private Limited	Rs. 11,000/-
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External Risk Factors

1. *Risk related to macro economic factors.*

Generally, the demand for our products and services is dependent upon many factors, including the macro economic growth of the country. Due to this, we may get excess orders when there is an uptrend in the economy and any downturn in the economy may have an adverse impact on our business. Also our Company is dependent on the real estate industry, and the automobile industry in India. Due to an upward trend in these industries, favourable government policies, increase in the level of disposable income, changes in the tastes of the consumers, etc. the demand for our products is significantly rising. In case of any reverse trend in the real estate industry, it could adversely impact our business and profitability.

2. *Risk related to increase in competition due to absence of regulatory entry barriers.*

There are no regulatory entry barriers for setting up a glass processing unit or float glass plant. Due to absence of regulatory entry barriers, players from the organised as well as the unorganised sector may enter this industry, which may result in excess capacity, stiff competition and resultant price pressure on the products. Any of the above factors, or a combination thereof may adversely affect our Company and its operations.

3. *Any changes in the regulatory framework pertaining to processing glass or float glass industry could have an adverse impact on our business.*

Withdrawal of anti-dumping duties on float glass in India, increase in excise duties and other taxes such as sales tax, value added tax etc., and reduction of import duties may have an adverse impact on our business. We do not know what the nature or extent of changes that can take place other than those mentioned hereinabove. Such changes may adversely affect the financial condition of our Company.

4. *Political, economic and social developments in India could adversely affect our business.*

We derive a major portion of our revenue from domestic sales. Any change in government policies pertaining to taxation (direct and indirect), political instability, and social unrest may have an adverse effect on the operations of our Company and its financial results.

5. *Natural disasters and adverse weather conditions could disrupt our operations and result in loss of revenues and increased costs.*

Our plants are susceptible to natural disasters such as earthquakes, storms, floods as well as acts of violence from terrorists and war. The occurrence of any of the above event could disturb the operations of our plants and we may have to shut down our plant for carrying out repairs that will result in loss of revenues and increased costs.

6. *Terrorist attacks and other acts of violence or war involving India, the United States, and other countries could adversely affect the financial markets, result in a loss of business confidence and adversely affect our business, results of operations and financial condition.*

Terrorist attacks and other acts of violence or war, including those involving India, the United States or other countries, may adversely affect Indian and worldwide financial markets. These acts may also result in a loss of business confidence and have other consequences that could adversely affect our business, results of operations and financial condition. Increased volatility in the

financial markets can have an adverse impact on the economies of India and other countries, including economic recession.

7. *Volatility of share prices on listing*

After this Issue, the price of our Equity Shares may be highly volatile, or an active trading market for our Equity Shares may not develop. The prices of our Equity Shares on the Stock Exchanges may fluctuate as a result of several factors, including:

- Volatility in the Indian and global securities market;
- Our results of operations and performance, in terms of market share;
- Performance of the Indian economy;
- Changes in Government policies;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Perceptions about our future performance or the performance of the industry in which we operate;
- Performance of the Company's competitors in the glass industry and market perception of investments in the Indian glass sector;
- Adverse media reports on our Company ;
- Changes in the applicable tax incentives;
- Significant developments in India's economic liberalization and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations.

8. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.*

The Issue Price of our Equity Shares will be determined by the Book Building Process. This price will be based on numerous factors (discussed in the section 'Basis for Issue Price' on page 79) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price are:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

9. *You will not be able to immediately sell any of our Equity Shares purchased through this Issue on stock exchanges.*

Our Equity Shares will be listed on the NSE and the BSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Investors' "demat" accounts with depository participants in India are expected to be credited within two working days of the date on which the basis of allotment is approved by the Designated Stock Exchange. Thereafter, upon receipt of trading approval from the Stock Exchanges, trading in the Equity Shares is expected to commence within seven working days of the date on which the basis of allotment is approved. Until such time, as trading approvals are received from the NSE and the BSE, you will not be able to sell any of our Equity Shares issued through the Issue.

10. *We are subject to risks associated with changes in the Indian patent regime.*

We rely on several unpatented production processes in our processing operations. The Government of India has enacted legislation providing for product patent protection for, among others, pharmaceuticals and agro-chemicals. We believe our industry is not directly affected by this legislative change, it is possible that further legislative changes could be enacted in the near to medium term which would further modify the Indian patent regime and result in our either having to apply for patent protection for or being required to modify certain of our processing and finishing processes. We also could be required to make payments to third parties whose patents we may need to utilize in such processes.

Notes to Risk Factors:

1. Pre-Issue Net worth of the Company as March 31, 2007 is Rs. 4310.97 lacs and as on December 31, 2007 is Rs. 5001.74 Lacs.
2. Size of the Present Issue - Issue of 91,94,155 Equity Shares of Rs. 10/- each for cash issued at a premium of Rs. [●], aggregating Rs. [●] Lacs. The face value of the Equity Shares is Rs. 10/- and the issue price is [●] times the face value of the Equity Shares. The Net Issue would constitute 32.84% of the fully diluted post issue paid up capital of our Company.
3. The average cost of acquisition of Equity Shares of our Promoters is given below:

Sr. No	Name of our Promoters	Average cost of acquisition of shares (Rs.)
1.	Mr. Amrut S. Gada	14.34
2.	Mr. Kanji V. Gada	14.37
3.	Mr. Dhiraj S. Gada	16.61
4.	Mr. Shantilal S. Gada	23.70
5.	Mr. Mitesh K. Gada	26.08

For further details relating to the allotment of Equity Shares to our Promoters, Promoter group and other entities, please refer to the section titled “Capital Structure” beginning on page 47 of this Red Herring Prospectus.

4. Book value of the Equity Shares of our Company as on March 31, 2007 is Rs. 13.00 per share and as on December 31, 2007 is Rs. 27.31 per share.
5. Other than as stated in the section titled “Capital Structure” beginning on page 47 of this Red Herring Prospectus, our Company has not issued any Equity Shares for considerations other than cash.
6. Investors may please note that in the event of over-subscription, allotment shall be made on a proportionate basis in consultation with NSE, the Designated Stock Exchange. For details, refer to the section titled “Issue Procedure” beginning on page 243 of this Red Herring Prospectus.
7. No part of the Issue proceeds will be paid as consideration to Promoters, Promoter Company, Directors, Key Managerial Personnel, Associate Companies or Group Companies.
8. Investors may contact the BRLM or the Compliance officer for any complaint/clarification/information pertaining to the issue. For contact details of the BRLM and the Compliance Officer, please refer to the section titled “General Information” beginning on page 36 of this Red Herring Prospectus.
9. Our Company and the BRLM shall update this Red Herring Prospectus in accordance with the Companies Act, 1956. All information shall be made available by our Company and the BRLM to the

public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever.

10. There are no contingent liabilities as on December 31, 2007, except as mentioned in the Auditor's report.
11. Trading in Equity Shares for all investors shall be in dematerialised form only.
12. Investors are advised to go through Basis of Allotment in the section titled "Issue Procedure" beginning on page 243 of this Red Herring Prospectus.
13. Investors are advised to refer to the section titled "Basis for issue price" on page 79 before making an investment in this issue.
14. Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant-Identification number and Beneficiary Account Number provided by them in the Bid-cum-Application Form, the Registrar to the Issue will obtain from the Depository demographic details of the Bidders such as address, bank account details for printing on refund orders and occupation. Hence, Bidders should carefully fill in their Depository Account details in the Bid-cum-Application Form and also update their demographic details with their respective depository participant.
15. For details of liens and hypothecation on the properties and assets of our Company please refer to the section titled 'Financial Statements' on page 162.
16. For details of related party transactions, loans and advances made to any company in which our directors are interested, please refer to the heading 'Related Party Transactions', appearing in the section titled "Financial Information" on page 162 of the Red Herring Prospectus.
17. Since inception, our Company has issued 45,00,000 bonus shares in the ratio of 3:2 on November 25, 2006, by capitalisation of free reserves.
18. This Issue is being made through a 100% Book Building Process wherein atleast 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers, of which 5% shall be reserved for Mutual Funds. Further, upto 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and upto 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

SECTION IV - INTRODUCTION

SUMMARY

You should read the following summary together with the risk factors and the more detailed information about us and our financial data included in this Red Herring Prospectus. Unless otherwise indicated, all financial and statistical data relating to the industry in the following discussion is derived from internal Company reports and data, industry publication and estimates. This data has been reclassified in certain respects for purposes of presentation. For more information, please refer to the section titled "Forward Looking Statements" beginning on page 9 of this Red Herring Prospectus.

Summary about the Industry

The Indian Economy

India's economy is on the fulcrum of an ever increasing growth curve. It is the fourth largest economy of the world on the basis of Purchasing Power Parity (PPP). With positive indicators such as a stable 8-9 per cent annual growth, rising foreign exchange reserves of over USD 222 billion, a booming capital market with the popular "Sensex" index topping the majestic mark, the Government estimating FDI flow of USD 15.5 billion in this fiscal, and a more than 20 per cent surge in exports it is one of the most attractive destinations for business and investment opportunities due to huge manpower base, diversified natural resources and strong macro-economic fundamentals. Thus it is easy to understand why India is a leading destination for foreign investment.

Domestic Glass Industry

For the last few years, the domestic demand for Indian flat (float/sheet) glass has been registering a noteworthy increase of 10 -12 per cent per annum and this increase is likely to be sustained in the coming years as well since the two main consuming sectors of Glass- Construction and Automotive which are both been maintaining a consistently high rate of growth.

During the calendar year 2005, the aggregate demand for flat (float/sheet) glass in the Indian domestic glass market was 1976.54 tonnes per day on an average, whereas it was only 1668.10 tonnes per day on an average during the previous year 2004. During the year 2005, the total export of float and sheet (including Chinese float glass) was 142.37 (97.38+44.99) tonnes per day on an average whereas a few years ago it was 300 to 350 tonnes per day on an average. The main reason for the decline in exports of float glass in 2005 has been the consistent increase in domestic demand in Indian glass market. The fact is that glass manufacturers get a better price realization in domestic glass market as compared with exports and they resort to exports only when domestic demand falls short of supply so that a balance between domestic demand and supply can be restored to get better prices.

(Source: Glassyug December, 2005)

Despite this, market potential in India is still grossly under leveraged. For instance, the consumption of float glass in India is just 0.55 kg per person. It is one-seventh of China, one-tenth of Thailand and one-twenty eighth of the whole developed world.

(Source: www.ibef.org)

Total float glass demand in India

Float glass is one of the products of the glass Industry. Various other products are together commonly known as flat glass. They comprise of float glass, sheet glass, figured and wired glass and polished plate glass. Today, around 95% of the flat-glass produced in the world is of float type. The most significant distinction of float glass from other types of flat glass is its superior quality and distortion free nature. It is extremely clear with light transmission upto 90%.

The Indian Architectural float glass Market

The architectural float glass market in India has been gaining momentum in the recent past. In the financial year 2004 - 2005 the architectural float glass market accounted for 4,97,531 tonnes. Region wise the demand is highest in South India accounting for 33% (1,60,568 tonnes) followed by Northern India at 31% (1,54,067 tonnes) and Western India at 27% (1,32,907 tonnes). The smallest market in India is the east region which accounts for only 9% of the total architectural float glass market.

Demand Drivers

- (1) Real estate sector
- (2) SEZs
- (3) Automobile Industry
- (4) Quality and brand conscious consumer
- (5) Government policies
- (6) Changing tastes and preferences
- (7) Demographic changes

Summary about our Business

Sejal Architectural Glass Limited, was incorporated as private limited company in the year 1998 and its constitution was changed to a public limited company in March 08, 1999. Promoted by the members of the Gada family, our Company is in the business of processing glass. We have processing facilities for Insulating, Toughened, laminated glasses and for Decorative Glass as well. Our Company's existing plant is located at Plot No 259/10/1, Village Dadra, Union Territory of Dadra, Nagar Haveli, District Silvassa.

Our Company started its commercial operations in the year 2000-01 by setting up a processing facility for insulating glass. As a step forward, we started another process for toughened glass in the year 2001. Since then, our Company has expanded its operations by adding an automated lamination line in January 2007. We have broadened our scope of business activities by processing various value added glass for exterior and interior applications, including decorative glass.

Our Company has already acquired specific skills and knowledge on the processing and marketing of the glass and now as a step towards backward integration, we propose to set up a new manufacturing facility for float glass with a capacity of 2,00,750 MT per annum at Jhagadia, Dist. Bharuch, Gujarat. We have already acquired 6,08,540 sq. mts of land for this backward integration project and L&T has been awarded the contract for executing the construction and civil works.

Our Company also operates its trading division from its premises named 'Sejal Encasa', which is located at Kandivali, Mumbai. This division trades in various in-house brands as well as other manufacturers products. The products traded include tiles, sanitaryware, mirrors, glass, etc. for home and commercial interiors.

The turnover and the net profit After Tax of our Company for the last five financial years is as follows:

	For the period ended <u>31.12.07</u>	For the year ended <u>31.03.07</u>	For the year ended <u>31.03.06</u>	For the year ended <u>31.03.05</u>	For the year ended <u>31.03.04</u>	For the year ended <u>31.03.03</u>
Turnover	4166.17	3824.05	2950.28	2429.65	1969.63	1720.27
Net profit after tax	469.58	273.91	216.20	250.03	172.69	15.07

Our top 10 clients for the nine months period ended December 31, 2007 are:

Name of the customer	Turnover (Rs. in lacs)	% of Total Turnover
Reliance Industries Limited	1,058.40	25.40%
Alupro Building Systems Pvt. Ltd.	774.80	18.60%
Glass Wall Systems	420.00	10.08%
Sp Fabricators Pvt. Ltd.	246.70	5.92%
K-Raheja Corporation	131.60	3.16%
Burhani Glass Corporation	130.50	3.13%
Glass World	104.00	2.50%
Kesar Aluminium India Pvt. Ltd.	72.50	1.74%
Almech Enterprises	70.70	1.70%
Indo Alusys Industries Ltd.	65.70	1.58%

Our Competitive Strengths

We believe that the following are our competitive strengths:

1. Ability to devise glass solutions
2. High productive and reliable processing and manufacturing technology
3. Our quality policy
4. Our management and key management personnel
5. Strategic location of the proposed project
6. Established customer base

Our Strategy

1. Capitalise on the forecasted demand of architectural glass
2. Maintain long term relationships with the clients
3. To create our brand image
4. Technological investment
5. Reduce operational costs and increase cost competitiveness
6. Increase presence and volumes across existing markets and expanding into new markets

BRIEF DETAILS OF THE ISSUE

<u>Equity Shares Offered</u>	
Fresh Issue by the Company	91,94,155 Equity Shares
Issue Price	Rs. [•] per Equity Share
Net Issue to Public	91,94,155 Equity Shares
Of which	
(A) Qualified Institutional Buyers Portion (QIBs)	Atleast 45,97,078 Equity Shares (Allocation on a proportionate Basis)
	Of the above 45,97,078 Equity Shares 2,29,854 Shall be available for allocation to mutual Funds
	The balance 43,67,224 Equity Shares shall be available to all QIBs including Mutual Funds
(B) Non- Institutional Portion	Upto 13,79,123 Equity Shares (Allocation on a proportionate Basis)
(C) Retail Portion	Upto 32,17,954 Equity Shares (Allocation on a proportionate Basis)
Note: Under-subscription, if any, in any category except in the QIB category would be met with spill over from other categories at our sole discretion, in consultation with the BRLM. If a minimum allotment of 50% of the Net Issue is not made to the QIBs, the entire subscription monies shall be refunded.	
Equity Shares Outstanding prior to the issue	1,88,05,845 Equity shares
Equity Shares Outstanding after the issue	2,80,00,000 Equity shares
Use of Issue Proceeds	For further information please see the Section titled “Objects of the issue” beginning on page 68 of this Red Herring Prospectus.

SUMMARY OF FINANCIAL INFORMATION

The following summary financial data has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Guidelines and restated as described in the Auditor's Report of our statutory auditors, S.S Puranik & Co., Chartered Accountants dated May 23, 2008 in the section titled 'Financial Information'. You should read this financial data in conjunction with our financial statements for each of Fiscal 2003, 2004, 2005, 2006, 2007 and nine months period ending December 31, 2007 including the notes thereto and the reports thereon, which appears under the paragraph on 'Financial Information' in this Red Herring Prospectus, and 'Management's Discussion and Analysis of Financial Condition and Results of Operations as reflected in the Financial Statements' on page 162.

STATEMENT OF ASSETS AND LIABILITIES (AS RESTATED)

(Rs in Lacs)

Sr. No.	Particulars	For the Period ended 31.12.07	For the year ended 31.03.07	For the year ended 31.03.06	For the year ended 31.03.05	For the year ended 31.03.04	For the year ended 31.03.03
A	Fixed Assets						
	Gross Block	5715.08	4459.25	2650.32	1330.84	1250.12	1121.47
	Less: Depreciation	558.24	401.41	279.10	214.34	155.42	100.32
	Net Block	5156.84	4057.84	2371.22	1116.50	1094.70	1021.15
	Capital Work In Progress	1741.57	1909.66	1140.66	3.66	10.85	37.85
	Pre-operative expenses - Float Glass Project	1448.02	416.37	-	-	-	-
	Pre-operative expenses - Sejal Encasa Project	-	30.85	2.00	-	-	-
	Total	8346.43	6414.72	3513.88	1120.16	1105.55	1059.00
B	Investment	6.00	1.00	12.00	1.00	1.00	1.00
C	Current Assets, Loans & Advances						
	Inventories	1595.76	1014.77	497.77	242.95	280.12	302.21
	Sundry Debtors	1775.90	1573.07	699.49	630.19	614.76	545.58
	Cash and Bank Balances	147.78	193.69	60.25	30.19	28.85	19.54
	Loans & Advances	5532.38	784.66	249.97	332.69	196.44	51.78
	Total	9051.82	3566.19	1507.48	1236.02	1120.17	919.11
D	Liabilities & Provisions						
	Secured Loans	7242.00	2468.68	1511.01	942.77	1023.76	1051.48
	Unsecured Loans	1702.10	581.70	443.24	101.55	48.40	-
	Deferred Tax Liability	282.11	205.08	133.78	114.88	102.48	56.69
	Current Liabilities & Provisions	3176.30	2415.48	2084.77	486.28	551.84	504.07
	Total	12402.51	5670.94	4172.80	1645.48	1726.48	1612.24
E	Net Worth (A+B+C-D)	5001.74	4310.97	860.56	711.70	500.24	366.87
F	Represented by						
	Share Capital	1829.64	1033.50	300.00	300.00	300.00	300.00
	Share Application Money*	5.00	2967.00	-	-	15.42	20.42
	Reserves & Surplus	3167.10	310.47	560.56	411.70	184.82	46.51
	Less: Miscellaneous Exp. (To the extent not written off)	-	-	-	-	-	0.06
	Net Worth	5001.74	4310.97	860.56	711.70	500.24	366.87

*The Company has allotted shares against share application money of Rs. 5.00 Lacs, outstanding as on 31.12.07 on 25.03.08.

STATEMENT OF PROFIT AND LOSS (AS RESTATED)

(Rs in Lacs)

Sr No.	Particulars	For the period ended 31.12.07	For the year ended 31.03.07	For the year ended 31.03.06	For the year ended 31.03.05	For the year ended 31.03.04	For the year ended 31.03.03
A	Income						
	Sales & Income from Operation	3538.00	3366.64	2950.28	2419.77	1932.29	1720.27
	Traded Sales	628.17	457.41	-	9.88	37.34	-
		4166.17	3824.05	2950.28	2429.65	1969.63	1720.27
	Other Income	289.22	145.60	107.05	43.65	25.72	7.74
	Increase / (Decrease) in Stock	47.37	-33.97	14.83	-24.92	6.34	-10.94
	Total	4502.76	3935.68	3072.16	2448.38	2001.69	1717.07
B	Expenditure						
	Raw Material Consumed	2139.08	2142.50	2037.56	1531.37	1287.86	1200.68
	Cost of sale of Goods Traded	401.07	370.49	-	-	-	-
	Labour Charges	92.74	53.02	56.87	68.46	40.16	28.04
	Salaries, Wages and Employee Benefits	279.89	230.86	121.99	86.93	64.62	40.16
	Manufacturing, Selling and Other Expenses	521.39	459.00	392.15	296.52	189.51	161.69
	Total	3434.17	3255.88	2608.57	1983.28	1582.15	1430.57
C	Net Profit before Interest, Depreciation, Tax and Extraordinary Items	1068.59	679.80	463.59	465.10	419.54	286.50
	Depreciation	160.29	122.32	64.75	59.57	55.12	50.90
	Net Profit Before Interest, Tax and Extraordinary Items	908.30	557.49	398.84	405.53	364.42	235.60
	Financial Expenses	283.75	157.20	92.75	102.67	131.77	175.87
	Profit before Tax	624.55	400.28	306.09	302.86	232.65	59.73
	Provision for Taxation						
	- Current Tax	72.75	46.44	59.48	28.00	17.82	4.99
	- Deferred Tax	77.02	68.12	18.90	12.40	45.79	34.64
	- Fringe Benefit Tax	5.20	7.50	4.84	-	-	-
D	Net Profit after Tax but before Extraordinary Items	469.58	278.22	222.87	262.46	169.04	20.10
	Extraordinary Items	-	-	-	-	-	-
	Less : Prior Period Expenses, restated in respective years	-	4.43	7.32	12.43	3.11	5.16
	Add : Prior Period Income, restated in respective years	-	0.12	0.65	-	6.76	0.13
E	Net Profit after Tax	469.58	273.91	216.20	250.03	172.69	15.07

GENERAL INFORMATION

Sejal Architectural Glass Limited

Registered and Administrative Office

201/202, Abhilasha, 2nd Floor,
S.V. Road, Kandivali (West),
Mumbai - 400 067
Tel: +91-22-2863 3384/85/96/97;
Fax +91-22-2863 3390
E-mail: info@sejalglass.co.in

Our Company has been allocated Company registration No: 11-117437 and CIN U26100MH1998PLC117437 and is registered with the Registrar of Companies, Maharashtra, Mumbai situated at Everest, 100 Marine Drive, Mumbai- 400 002, Maharashtra.

Our Board of Directors

Name of Director	Designation	DIN No
Mr. Amrut S. Gada	Chairman and Managing Director	00163290
Mr. Dhiraj S. Gada	Joint Managing Director	00170501
Mr. Mitesh K. Gada	Whole Time Director	00148934
Mr. R. Subramanian	Director - Operations	00566396
Mr. Ashish D. Karia	Whole Time Director	00170455
Mr. Atul S. Bharani	Independent Director	00069419
Mr. Praful N. Satra	Independent Director	00053900
Ms. Vimla M. Shah	Independent Director	01864605
Mr. Hasmukh N. Shah	Independent Director	01856708
Mr. Mitil R. Chokshi	Independent Director	01209404

For further details of our Chairman and Managing Director and other directors, refer to the section titled "Our Management" beginning on page 136 of this Red Herring Prospectus.

Company Secretary and Compliance Officer

Mr. Ashwin S. Shetty
Sejal Architectural Glass Limited
201/202, 2nd Floor, Abhilasha,
S.V. Road, Kandivali (West),
Mumbai - 400 067
Tel: +91-22-2863 3384/85/96/97;
Fax +91-22-2863 3390
E-mail: ipo@sejalglass.co.in
Website: www.sejalglass.com

Investors can contact the Compliance Officer in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account, refund orders etc.

Issue Management Team

Book Running Lead Manager

Saffron Capital Advisors Private Limited

Ground Floor, Vilco Center
Behind Garware House,
8, Subhash Road, Vile Parle (East)
Mumbai - 400 057
Tel No: +91 22 4082 0907/4082 4901
Fax No: +91 22 2682 0502
Email: sejal.ipo@saffronadvisor.com
Investor Grievance Email: sejal.ipo@saffronadvisor.com
Website: www.saffronadvisor.com
Contact Person: Ms. Rupal Khandelwal/Mr. Saurabh Vijay

Syndicate Members

Saffron Global Markets Private Limited

A Wing, 1st Floor,
Western Tower,
Western Express Highway,
Parsi Wada, Vile Parle (E)
Mumbai - 400 057
Tel No: +91 22 4082 0907/4082 4901
Fax No: +91-22-2682 0502
Email: sejal.ipo@saffronadvisor.com
Investor Grievance Email: sejal.ipo@saffronadvisor.com
Website: www.saffronadvisor.com
Contact Person: Ms. Sharmilee Chitale

Enam Securities Private Limited

Khatau Building,
2nd Floor, 44, Bank Street,
Off. Shaheed Bhagat Singh Road,
Fort, Mumbai - 400 001,
Tel.: +91-22- 2267 7901
Fax: +91-22- 2266 5613
Website: www.enam.com
E-mail: ajays@enam.com
Contact Person: Mr. Ajay Sheth

Registrar to the Issue

Intime Spectrum Registry Limited

C- 13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West)
Mumbai 400 078
Tel: + 91 22 2596 0320
Fax: + 91 22 2596 0328
Website: www.intimespectrum.com
E-mail: sagl.ipo@intimespectrum.com
Contact Person: Mr. Sachin Achar

Legal Advisors to the Issue

M/s. Crawford Bayley & Co

Advocates, Solicitors and Notaries
State Bank Buildings, 4th Floor,
N.G.N. Vaidya Marg,
Fort, Mumbai - 400 023.
Tel: +91-22-22663713
Fax: +91-22-22663978.
Email: sanjay.asher@crawfordbayley.com
Contact Person: Mr. Sanjay Asher

Legal Advisors to the Company

Mr. P.H. Bathiya

2, Tardeo A/C market,
4th Floor, Tardeo Road,
Mumbai- 400 034
Tel No: +91- 22- 23523811
Fax No: +91- 22 -23516587
Email: bathiya@vsnl.com
Contact Person: Mr. Pankaj Bathiya

Banker to the Issue / Escrow Collection Bankers

ICICI Bank Limited

Capital Market Division
30, Mumbai Samachar Marg,
Mumbai- 400001
Tel No: +91-22-22627600
Fax No: +91-22-22611138
E-mail: venkataraghavan.t@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Venkataraghavan T A

HDFC Bank Limited

2nd Floor, Process House
Kamala Mills Compound
Senapati Bapat Marg,
Lower Parel,
Mumbai - 400 013.
Tel No: +91-22-24988484
Fax No: +91-22-24963871
E-mail: kripa.kalro@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Ms. Kripa Kalro/ Mr. Rahul Sampat.

Refund Banker

ICICI Bank Limited

Capital Market Division
30, Mumbai Samachar Marg,
Mumbai - 400 001
Tel No: +91-22-22627600
Fax No: +91-22-22611138

E-mail: venkataraghavan.t@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Venkataraghavan T A

Bankers to the Company

State Bank of Patiala

Commercial Branch,
Atlanta Building,
Nariman Point,
Mumbai - 400 021.
Tel No: + 91-22-22047016
Fax No: +91-22-22047016
E-mail: sbp313@rediffmail.com
Website: www.sbp.co.in
Contact Person: Mr. N. S. Srivatsa /Mr. Brijesh

Punjab National Bank

7, Bhikhaji Cama Place,
New Delhi -110066
Tel No: + 91-11-26102303
Fax No: +91-11-26196456
E-mail: pnb.ecehouse@hotmail.com
Website: www.pnbindia.com
Contact Person: Mr.Rajesh Jindal / Mr. S.A.R. Zaidi

State Bank of Mysore

24/26, Cama Buiding,
Fort, Mumbai- 400 001
Tel No: + 91-22-22654943
Fax No: +91-22-22656346
E-mail: dalalst@sbm.co.in
Website: www.sbm.co.in
Contact Person: Mr. Sevekar / Mr. Arun Bagul

Indian Overseas Bank

Plot No.4/4 Sector 5, Vashi,
New Mumbai -400 703
Tel No: + 91-22-27821115
Fax No: +91-22-27823937
E-mail : vashibr@nunurc01.iobnet.co.in
Website: www.iob.com
Contact Person: Mr. Ambre / Mr. Dalvi

State Bank of Saurashtra

GRESHAM House,
Sir P.M. Road,
Fort, Mumbai - 400 001
Tel No: + 91-22-22613976
Fax No: +91-22-22612254
E-mail: mum.fort@sbs.co.in
Website: www.sbs.co.in
Contact Person: Mr. Srikant Hota / Mr. S.S. Bhatia

Bank of India

Banking Branch
M.D.I. Building, 1st Floor,
28, S.V.Road, Andheri (West),
Mumbai - 400 058.
Tel No: + 91-22-26702346
Fax No: +91-22-26247655
E-mail: cbb@bankofindia.co.in
Website: www.bankofindia.co.in
Contact Person: Mr. Srinivasan / Mr. R.C. Jain

Punjab and Sind Bank
J.K. Somani Building.
Fort, Mumbai - 400 001.
Tel No:+91 22 22702213 / 22651737
Fax No: +91 22 22651752
E-mail: fortmum@psb.co.in
Website: www.psbindia.com
Contact Person: Mr. G. S. Kanwal

Axis Bank
Atlanta, Ground Floor, 209,
Nariman Point,
Mumbai - 400 021
Tel No: + 91-22-22870328
Fax No: +91-22-66390935
E-mail : nuti.chakravarthy@axizbank.com
Website: www.axisbank.com
Contact Person: Mr. N. Chakravarthy

State Bank of Indore
Commercial Branch
Mittal Court, B Wing, Ground Floor,
Nariman Point,
Mumbai - 400 021
Tel No: + 91-22-22821527
Fax No: +91-22-22821558
E-mail : sbn3324@sbnindore.co.in
Website: www.indorebank.org
Contact Person: Mr. Kamlesh Verma / Mr. Kumar Satyendran

Statutory Auditors

M/s. S.S. Puranik & Co.
56, Gokul, 1st Floor
Jayprakash Nagar,
Goregaon (East),
Mumbai - 400 063.
Tel No: +91-22- 26865387
Fax No: +91-22- 26865387
Email: puranikss@rediffmail.com
Contact Person: Mr. Shripad Puranik

Statement of Inter se Allocation of Responsibilities for the Issue

Saffron Capital Advisors Private Limited has been appointed as the sole BRLM and all activities pertaining to the issue, as described below shall be coordinated by Saffron.

No.	Activity	Responsibility	Coordination
1.	Capital Structuring with the relative components and formalities such as type of instruments, etc.	Saffron	Saffron
2.	Conducting a due diligence of the Company's operations/management/business plans/legal, etc. Drafting and designing the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus. Ensuring compliance with the Guidelines for Disclosure and Investor Protection and other stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI	Saffron	Saffron
3.	Primary co-ordination with SEBI, RoC and Stock Exchanges up to bidding and coordinating interface with lawyers for agreements	Saffron	Saffron
4.	Primary co-ordination of drafting/proofing of the design of the Red Herring Prospectus, bid forms including memorandum containing salient features of the Prospectus with the printers. Primary coordination of the drafting and approving the statutory advertisement.	Saffron	Saffron
5.	Drafting and approving all publicity material other than statutory advertisement as mentioned in (4) above including corporate advertisement, brochure, etc.	Saffron	Saffron
6.	Appointing the Registrars, Appointing Bankers to the Issue, Appointing other intermediaries viz., printers and advertising agency	Saffron	Saffron
7.	Marketing of the Issue, which will cover inter alia: <ul style="list-style-type: none"> ▪ Formulating marketing strategies, preparation of publicity budget, ▪ Finalising media & public relations strategy, ▪ Finalising centers for holding conferences for press and brokers etc, ▪ Finalising collection centers, ▪ Following-up on distribution of publicity and Issue material including form, prospectus and deciding on the quantum of the Issue material, ▪ Preparing all road show presentations, ▪ Appointment of brokers to the issue, and ▪ Appointment of underwriters and entering into underwriting agreement. 	Saffron	Saffron
8.	Coordinating institutional investor meetings, coordinating pricing decisions and institutional allocation in consultation with the Company	Saffron	Saffron
9.	Finalising the Prospectus and RoC filing	Saffron	Saffron
10.	Co-ordinating post bidding activities including management of Escrow accounts, coordinating with registrar and dispatch of refunds to Bidders, etc.	Saffron	Saffron

11.	Follow-up with the bankers to the issue to get quick estimates of collection and advising the issuer about closure of the issue, based on the correct figures.	Saffron	Saffron
12.	<p>The Post-Issue activities for the Issue will involve essential follow up steps, which include finalizing basis of allotment / weeding out of multiple applications, the listing of instruments and dispatch of certificates and dematerialized delivery of shares with the various agencies connected with the work such as the Registrars to the Issue and Bankers to the Issue and the bank handling refund business.</p> <p>The BRLM shall be responsible for ensuring that these agencies fulfil their functions and enable it to discharge this responsibility through suitable agreements with the Company.</p>	Saffron	Saffron

The selection of various agencies like the Bankers to the Issue, Escrow Collection Bank(s), Syndicate Members, Brokers, Advertising agencies etc. will be finalised by the Company in consultation with the BRLM.

Grading

IPO Grading Agency

CRISIL Limited

CRISIL House,
121-122, Andheri-Kurla Road,
Andheri (East),
Mumbai - 400 093.
Tel No: +91 22 6758 8023
Fax No: + 91 22 6758 8088
Email: www.crisil.com
Contact Person: Mr. Vishal Thakkar

This Issue has been graded by CRISIL Limited and has been assigned a CRISIL IPO Grade 1/5 (pronounced “one on five”) indicating that the fundamentals of the issue are poor relative to other listed equity securities in India, through its letter dated March 10, 2008 and revalidated on May 26, 2008. The IPO grading is assigned on a five point scale from 1 to 5 with an “IPO Grade 5” indicating strong fundamentals and an “IPO Grade 1” indicating poor fundamentals.

In CRISIL’s opinion, the grading reflects the challenges Sejal Architectural Glass Limited is likely to face as a glass processor in setting up a largely debt-funded float glass project (Float Glass project cost is about Rs. 4.8 billion with debt funding of about Rs. 3.2 billion). The float glass industry, apart from being capital-intensive, is dominated by a few large global players and is categorized by profit cyclicity. Sejal Architectural Glass Limited has done well to become one of the five largest glass processing companies in India over the last few years. However, its ability to stabilize and upgrade a float glass plant and also sell about six times its current volume of glass, remains to be seen. The grading also reflects the below average corporate governance structure at Sejal Architectural Glass Limited.

A copy of the report provided by Crisil, furnishing the rationale for its grading is available for inspection at the registered office of our Company from 10.00 am to 4.00 pm on working days from the date of this Red Herring Prospectus until the bid/issue closing date.

Credit Rating

As this is an Issue of Equity Shares, credit rating is not required.

Project Appraisal and Monitoring Agency

The Project is not being appraised by any Financial Institution / Bank / Merchant Banker. As the net proceeds of the Issue will be less than Rs. 50,000 Lacs, under the SEBI Guidelines it is not required that a monitoring agency be appointed by our Company.

Trustees

As the Issue is of Equity Shares, the appointment of Trustees is not required.

Book Building Process

Book Building refers to the process of collection of Bids from the Investors, which is based on the Price Band, with the Issue Price being finalized after the Bid/Issue Closing Date.

The principal parties involved in the Book Building Process are:

- (1) The Company;
- (2) Book Running Lead Manager;
- (3) Syndicate Members who are intermediaries registered with SEBI or registered as brokers with the Stock Exchange(s) and eligible to act as Underwriters. Syndicate Members are appointed by the BRLM;
- (4) Registrar to the Issue in this case being Intime Spectrum Registry Limited and;
- (5) Escrow Collection Bank(s).

The SEBI Guidelines permit an issue of securities to the public through the 100% Book Building Process, under Clause 2.2.2 wherein atleast 50% of the Net offer to the public shall be available for allocation to Qualified Institutional Buyers (QIBs) on a proportionate basis (out of which 5% shall be allocated proportionately to Mutual Funds. Mutual Fund applicants shall also be eligible for proportionate allocation under the balance available for Qualified Institutional Buyers. Further, upto 15% of the Net offer Issue to the public shall be available for allocation on a proportionate basis to Non Institutional Bidders and upto 35% of the Net offer Issue to the public shall be available for allocation on a proportionate basis to Retail Bidders subject to valid Bids being received at or above the Issue Price. We will comply with the SEBI Guidelines for this Issue. In this regard, we have appointed the BRLM to manage the Issue and to procure subscriptions to the Issue.

Pursuant to recent amendments to the SEBI Guidelines, QIB Bidders are not allowed to withdraw their Bid (s) after the Bid/Issue Closing Date. In addition, QIBs are required to pay 10% Margin Amount upon submission of their Bid and allocation to QIBs shall be on a proportionate basis and for further details please refer to the section titled "Terms of the Issue" beginning on page 236 of this Red Herring Prospectus.

Our Company shall comply with guidelines issued by SEBI for this Issue. In this regard, our Company has appointed Saffron Capital Advisors Private Limited, as the BRLM to manage the Issue and to procure subscription to the Issue.

The process of book building, under SEBI Guidelines, is subject to change from time to time and the investors are advised to make their own judgment about investment through this process of book building prior to making a Bid in the Issue.

Illustration of Book Building and Price Discovery Process *(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue)*

Bidders can bid at any price within the price band. For instance, assume a price band of Rs. 20 to Rs. 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders out of which one bidder has bid for 500 shares at Rs.24 per share while another has bid for 1,500 shares at Rs.22 per share. A graphical representation of the consolidated demand and price would be made available at the bidding centers during the bidding period. The illustrative book as shown below shows the demand for the shares of the Company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Quantity	Subscription
500	24	500	27.77%
1000	23	1500	83.33%
1500	22	3000	166.67%
2000	21	5000	277.78%
2500	20	7500	416.67%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off i.e. Rs. 22 in the above example. The issuer, in consultation with the BRLM, will finalise the issue price at or below such cut off price, i.e., at or below Rs. 22. All Bids at or above this issue price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken for Bidding:

1. Check eligibility for making a Bid (see section titled "Issue Procedure" beginning on page 243 of the Red Herring Prospectus);
2. Ensure that the Bidder has a demat account and the demat account details are correctly mentioned in the Bid-cum-Application Form;
3. Ensure that the Bid-cum-Application Form is duly completed as per instructions given in the Red Herring Prospectus and in the Bid-cum-Application Form; and
4. Ensure that the Bid-cum-Application Form is accompanied by the Permanent Account Number. For details please refer to the section titled 'Issue Procedure' beginning on page 243 of this Red Herring Prospectus. Bidders are specifically requested not to submit their General Index Register number instead of the Permanent Account Number as the Bid is liable to be rejected.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date without assigning any reason therefor.

In the event of withdrawal of the Issue anytime after the Bid/Issue Opening Date, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after our Company become liable to repay it, i.e. from the date of withdrawal, then our Company, and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money

Bid/Issue Programme

BID/ISSUE OPENS ON - **MONDAY, JUNE 9, 2008**

BID/ISSUE CLOSING ON - **THURSDAY, JUNE 12, 2008**

Bids and any revision in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centers mentioned on the Bid-cum-Application Form except that on the Bid/Issue Closing Date, Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded till (i) 5.00 p.m. in case of Bids by QIB

Bidders, Non-Institutional Bidders where the Bid Amount is in excess of Rs. 1,00,000 and (ii) till such time as permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders where the Bid Amount is up to Rs. 1,00,000. Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will only be accepted on working days.

Investors please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and holidays as declared by the Exchanges.

The Price Band will be decided by us in consultation with the BRLM. The announcement on the Price Band shall also be made available on the websites of the BRLM and at the terminals of the Syndicate.

We reserve the right to revise the Price Band during the Bidding Period in accordance with SEBI Guidelines. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20%.

In case of revision in the Price Band, the Bidding/Issue Period will be extended for three additional days after revision of Price Band subject to the Bidding/Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to the NSE and the BSE, by issuing a press release, and also by indicating the change on the web sites of the BRLM and at the terminals of the Syndicate.

Underwriting Agreement

After the determination of the Issue Price and allocation of our Equity Shares but prior to filing of the Prospectus with RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLM shall be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfill their underwriting obligations.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:
(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with RoC)

Name and Address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. in Lacs)
Saffron Capital Advisors Private Limited Ground Floor, Vilco Center Behind Garware House, 8, Subhash Road, Vile Parle (East) Mumbai - 400 057 Tel No: +91 22 4082 0907/4082 4901 Fax No: +91 22 2682 0502 Email: sejal.ipo@saffronadvisor.com Website: www. saffronadvisor.com Contact Person: Ms. Rupal Khandelwal/Mr. Saurabh Vijay	45,97,000	[•]
Saffron Global Markets Private Limited A Wing, 1st Floor, Western Tower,	155	[•]

Western Express Highway, Parsi Wada, Vile Parle (E) Mumbai - 400 057 Tel No: +91 22 4082 0907/4082 4901 Fax No: +91-22-2682 0502 Email: sejal.ipo@saffronadvisor.com Website: www. saffronadvisor.com Contact Person: Ms. Sharmilee Chitale		
Enam Securities Private Limited Khatau Building, 2nd Floor, 44, Bank Street, Off. Shaheed Bhagat Singh Road, Fort, Mumbai - 400 001, Tel.: +91-22- 2267 7901 Fax: +91-22- 2266 5613 Website: www.enam.com E-mail: ajays@enam.com Contact Person: Mr. Ajay Sheth	45,97,000	[•]
Total	91,94,155	[•]

The above mentioned amount is indicative underwriting and this would be finalized after pricing and actual allocation. The above Underwriting Agreement is dated [•]

In the opinion of the Book Running Lead Manager and the Board of Directors acting through the Chairman and Managing Director, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. All the above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the stock exchanges. The above Underwriting Agreement has been accepted by the Board of Directors of our Company and has issued letters of acceptance to the Underwriters.

Allocation among Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default, the respective Underwriter in addition to other obligations to be defined in the Underwriting Agreement, will also be required to procure/subscribe to the extent of the defaulted amount.

CAPITAL STRUCTURE

The Equity Share Capital as on the date of filing of this Red Herring Prospectus with SEBI is as set forth below:

Particulars		Nominal Value (Rs.)	Aggregate Value (Rs.)
A.	AUTHORISED CAPITAL		
	3,30,00,000 Equity Shares of Rs. 10/- each	33,00,00,000	33,00,00,000
B.	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
	1,88,05,845 Equity shares of Rs. 10/- each	18,80,58,450	
C.	ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS		
	91,94,155 Equity Shares of Rs. 10/- each at a premium of Rs. [•]/- per share	9,19,41,550	[•]
D.	NET ISSUE TO THE PUBLIC		
	91,94,155 Equity Shares of Rs. 10/- each at a premium of Rs. [•]/- per share	9,19,41,550	[•]
E.	PAID UP CAPITAL AFTER THE PRESENT ISSUE		
	2,80,00,000 Equity shares of Rs. 10/- each	28,00,00,000	[•]
F.	SHARE PREMIUM ACCOUNT		
	Before the issue		28,52,16,050
	After the issue		[•]

Note: The Company has issued 5,09,425 equity shares as Pre-IPO placement to certain investors. Hence the issue size is reduced by the same number of shares. Net Issue to Public is 32.84% of the post issue paid-up capital.

Notes to Capital Structure:

1. Details of Increase in Authorised Equity Share Capital

Sr. No.	Particulars of Increase/Modification	No. of Shares	Face Value	Date of Meeting	Whether AGM / EGM
1	Subscription to Memorandum	25,000	100	Incorporation	-
2	Increased from 25 Lacs to Rs.150 Lacs	1,50,000	100	February 20, 1999	EGM
3	Increased from Rs. 150 Lacs to Rs. 300 Lacs	3,00,000	100	December 10, 1999	EGM
4	Increased from Rs. 300 Lacs to Rs. 1500 Lacs	15,00,000	100	September 26, 2006	EGM
5	Subdivision of Equity shares of Rs. 100 each into equity shares of Rs.10 each	1,50,00,000	10	September 30, 2006	AGM
6	Increased from Rs.1500 Lacs to Rs.3300 Lacs	3,30,00,000	10	September 29, 2007	AGM

2. Equity Share Capital Build-up: Our existing Equity Share Capital has been subscribed and allotted as under:

Date of Allotment / Fully Paid-up	No. of Equity Shares	Face Value (Rs.)*	Issue Price (Rs.)	Consideration	Remarks	Cumulative Paid-up Capital (Rs.)	Cumulative Share Premium (Rs.)
December 11, 1998	2,000	100	100	Cash	Subscription to Memorandum	2,00,000	Nil
January 31, 1999	90	100	100	Cash	Further Allotment	2,09,000	Nil
January 13, 2000	2,51,270	100	100	Cash	Further Allotment	2,53,36,000	Nil
March 18 2002	46,640	100	100	Cash	Further Allotment	3,00,00,000	Nil
September 30, 2006	30,00,000	10			Subdivision	3,00,00,000	Nil
The face Value of equity shares of Rs. 100/- each were subdivided into equity shares of Rs.10/- each through a resolution passed in the AGM held on September 30, 2006.							
October 4, 2006	28,35,000	10	10	Cash	Further Allotment	5,83,50,000	Nil
November 25, 2006	45,00,000*	10	Nil	Bonus	Issue of Bonus Shares in the ratio of 3:2	10,33,50,000	Nil
August 14, 2007	17,69,500	10	10	Cash	Further Allotment	12,10,45,000	Nil
August 23, 2007	1,50,000	10	50	Cash	Further Allotment	12,25,45,000	60,00,000
August 30, 2007	9,45,000	10	10	Cash	Further Allotment	13,19,95,000	60,00,000
September 8, 2007	15,39,000	10	10	Cash	Further Allotment	14,73,85,000	60,00,000
September 14, 2007	50,000	10	10	Cash	Further Allotment	14,78,85,000	60,00,000
September 22, 2007	25,000	10	100	Cash	Further Allotment	14,81,35,000	82,50,000
October 03, 2007	10,000	10	60	Cash	Further Allotment	14,82,35,000	87,50,000
October 31, 2007	9,10,500	10	10	Cash	Further Allotment	15,73,40,000	87,50,000
October 31, 2007	24,66,000	10	100	Cash	Further Allotment	18,20,00,000	23,06,90,000

November 22, 2007	96,420	10	100	Cash	Further Allotment	18,29,64,200	23,93,67,800
March 25, 2008	5,09,425	10	100	Cash	Further Allotment (Pre-IPO Placement)	18,80,58,450	28,52,16,050

* the Bonus shares allotted on November 25, 2006, were approved by the shareholders at the AGM of the Company held on September 30, 2006,

3. Shares issued for consideration other than cash

We have issued 45,00,000 equity shares as bonus shares in the ratio of three shares for every two share held as on September 30, 2006.

4. Capital built up of the Promoters is detailed below:

Name of Promoters	Date of Allotment / Transfer and made fully paid	Consideration/ Nature of Allotment (Bonus, Rights etc.)	No. of Shares	Face Value	Issue Price / Transfer Price	% of Post Issue Paid up Capital
Mr. Amrut S. Gada*	Incorporation	Cash	1,000	100	100	
	January 13, 2000	Cash	88,250	100	100	
	Sub Total		89,250			
	September 30, 2006	Sub-division of Equity Shares	8,92,500	10	10	3.18%
	October 4, 2006	Cash	70,000	10	10	0.25%
	November 25 2006	Bonus	13,38,750	10	Nil	4.78%
	October 31, 2007	Cash	2,73,000	10	100	0.98%
	Total		25,74,250			9.19%
Mr. Dhiraj S. Gada*	Incorporation	Cash	1,000	100	100	
	January 13, 2000	Cash	15,600	100	100	
	Sub Total		16,600			
	September 30, 2006	Sub-division of Equity Shares	1,66,000	10	10	0.59%
	October 4, 2006	Cash	7,75,000	10	10	2.77%
	November 25 2006	Bonus	2,49,000	10	Nil	0.89%
	October 31, 2007	Cash	1,24,250	10	100	0.44%
	Total		13,14,250			4.69%
Mr. Kanji V. Gada*	January 31, 1999	Cash	10	100	100	
	January 13, 2000	Cash	6,600	100	100	
	February 9, 2002	Transfer	8,750	100	100	
	October 13, 2003	Transfer	5,500	100	100	
	Sub Total		20,860			

	September 30, 2006	Sub-division of Equity Shares	2,08,600	10	10	0.75%
	October 4, 2006	Cash	30,000	10	10	0.11%
	November 25, 2006	Bonus	3,12,900	10	Nil	1.12%
	October 31, 2007	Cash	64,750	10	100	0.23%
	Total		6,16,250			2.20%
Mr. Mitesh K. Gada*	January 31, 1999	Cash	10	100	100	
	January 13, 2000	Cash	1,400	100	100	
	March 18, 2002	Cash	1,800	100	100	
	October 13, 2003	Transfer	2,000	100	100	
	Sub Total		5,210			
	September 30, 2006	Sub-division of Equity Shares	52,100	10	10	0.19%
	October 4, 2006	Cash	9,15,000	10	10	3.27%
	November 25, 2006	Bonus	78,150	10	Nil	0.28%
	October 31, 2007	Cash	2,38,000	10	100	0.85%
	Total		12,83,250			4.58%
Mr. Shantilal S. Gada*	January 31, 1999	Cash	10	100	100	
	January 13, 2000	Cash	2,500	100	100	
	Sub Total		2,510			
	September 30, 2006	Sub-division of Equity Shares	25,100	10	10	0.09%
	October 4, 2006	Cash	10,25,000	10	10	3.66%
	November 25, 2006	Bonus	37,650	10	Nil	0.13%
	October 31, 2007	Cash	2,00,250	10	100	0.72%
	Total		12,88,000			4.60%
	Grand Total		70,76,000			25.27%

* Out of the total shares held by our Promoters the following shares are held jointly by them as first holders

Particulars	No of shares
Mr. Amrut S. Gada Jointly with Mrs. Bhavna A. Gada	22,06,250
Mr. Dhiraj S. Gada Jointly with Mrs. Anju D. Gada	3,90,000
Mr. Kanji V. Gada Jointly with Mrs. Navalben K. Gada	1,65,000
Mr. Mitesh K. Gada Jointly with Mrs. Priti M. Gada	35,000
Mr. Shantilal S. Gada Jointly with Mrs. Kanchanben S. Gada	62,500

5. The details of the shares locked in for three years are given below:

Promoters' Contribution and Lock-in details in respect of Promoters, whose names figure in the Red Herring Prospectus as Promoters in the section titled "Our Promoters and their Background" are as under:

Name of Promoters	Date of Allotment / Transfer and made fully paid	Consideration/ Nature of Allotment (Bonus, Rights etc.)	No. of Shares	Face Value	Issue Price / Transfer Price	% of Post Issue Paid up Capital	Lock in Period (Years)*
Mr. Amrut S. Gada	September 30, 2006	Sub-division of Equity Shares	3,16,750	10	10	1.13%	
	October 4, 2006	Cash	70,000	10	10	0.25%	
	November 25, 2006	Bonus	13,38,750	10	Nil	4.78%	
	Total		17,25,500			6.16%	3
Mr. Dhiraj S. Gada	September 30, 2006	Sub-division of Equity Shares	1,66,000	10	10	0.59%	
	October 4, 2006	Cash	7,75,000	10	10	2.77%	
	November 25, 2006	Bonus	2,49,000	10	Nil	0.89%	
	Total		11,90,000			4.25%	3
Mr. Kanji V. Gada	September 30, 2006	Sub-division of Equity Shares	2,08,600	10	10	0.75%	
	October 4, 2006	Cash	30,000	10	10	0.11%	
	November 25, 2006	Bonus	3,12,900	10	Nil	1.12%	
	Total		5,51,500			1.97%	3
Mr. Mitesh K. Gada	September 30, 2006	Sub-division of Equity Shares	52,100	10	10	0.19%	
	October 4, 2006	Cash	9,15,000	10	10	3.27%	
	November 25, 2006	Bonus	78,150	10	Nil	0.28%	
	Total		10,45,250			3.73%	3
Mr. Shantilal S. Gada	September 30, 2006	Sub-division of Equity Shares	25,100	10	10	0.09%	
	October 4, 2006	Cash	10,25,000	10	10	3.66%	
	November 25, 2006	Bonus	37,650	10	Nil	0.13%	
	Total		10,87,750			3.88%	3
	Grand Total		56,00,000			20.00%	3

* 20% of the Post-Issue Paid-up Equity Share Capital, as determined after the book-building process, would be locked-in for a period of three years from the date of allotment and the balance Pre-Issue Paid-up Equity Share Capital would be locked-in for a period of one year from the date of allotment. The lock-in period shall be reckoned from the date of allotment of Equity Shares in the present Issue.

The equity shares have been locked in on a LIFO basis, i.e. the securities issued last have been locked in first. All the equity shares which are being locked in for three years are not ineligible for computation of Promoters' contribution and lock in as per SEBI (DIP) Guidelines.

6. The specific written consent has been obtained from the Promoters for inclusion of such number of their existing shares and further subscription in the Issue, if any, to ensure minimum Promoter's contribution subject to lock-in to the extent of 20% of Post-Issue Paid-up Equity Share Capital.
7. The Equity Shares forming part of Promoters' contribution do not consist of any private placement made by solicitation of subscription from unrelated persons, either directly or through any intermediary.
8. For the purpose of computing Promoters' contribution, the same has been considered for the specified minimum lot of Rs. 25,000/- per application from each individual and Rs. 1,00,000/- from companies.
9. The Pre-Issue and Post-Issue shareholding pattern of our Promoter Group is as under:

Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of shares	% Holding	No. of shares	% Holding
a.	Promoters				
1	Mr. Amrut S. Gada	2574250	13.69%	2574250	9.19%
2	Mr. Dhiraj S. Gada	1314250	6.99%	1314250	4.69%
3	Mr. Kanji V. Gada	616250	3.28%	616250	2.20%
4	Mr. Mitesh K. Gada	1283250	6.82%	1283250	4.58%
5	Mr. Shantilal S. Gada	1288000	6.85%	1288000	4.60%
	Sub total (a)	7076000	37.63%	7076000	25.27%
b.	Immediate Relatives of the Promoters				
1	Ms. Anju D. Gada	501500	2.67%	501500	1.79%
2	Ms. Aruna A. Karia	471250	2.51%	471250	1.68%
3	Ms. Bhavna A. Gada	345000	1.83%	345000	1.23%
4	Ms. Diwali S. Gada	117000	0.62%	117000	0.42%
5	Ms. Kanchanben S. Gada	691250	3.68%	691250	2.47%
6	Ms. Naval K. Gada	134000	0.71%	134000	0.48%
7	Ms. Preeti M. Gada	515500	2.74%	515500	1.84%
8	Mr. Shivji V. Gada	437750	2.33%	437750	1.56%
9	Ms. Damyanti D. Shah	30,000	0.16%	30000	0.11%
	Sub total (b)	3243250	17.25%	3243250	11.58%
c.	Companies in which 10% or more of the share capital is held by the Promoter / an immediate relative of the Promoter / a firm or HUF in which the Promoter or any one or more of their immediate relatives is a member				
1	Sejal Glass Craft Pvt. Ltd.	1027500	5.46%	1027500	3.67%

Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of shares	% Holding	No. of shares	% Holding
2	Sejal International Ltd.	175000	0.93%	175000	0.63%
3	Sejal Float Glass Limited	1211000	6.44%	1211000	4.33%
	Sub total (c)	2413500	12.83%	2413500	8.62%
d.	Companies in which Company mentioned in c. above holds 10% or more of the share capital	0	0.00%	0	0.00%
	Sub total (d)	0	0.00%	0	0.00%
E	HUF or firm in which the aggregate share of the Promoter and his immediate relatives is equal to or more than 10% of the total				
1	Shivji V. Gada [Karta of Shivji . V. Gada - HUF]	120000	0.64%	120000	0.43%
2	Amrut S. Gada, karta of Amrut S. Gada HUF	75,000	0.40%	75000	0.27%
3	Dhiraj S. Gada, Karta of Dhiraj S. Gada HUF	124000	0.66%	124000	0.44%
4	Kanji V. Gada Karta of Kanji V. Gada HUF	110000	0.58%	110000	0.39%
5	Mr. Shantilal S. Gada Karta of Shantilal S. Gada HUF	5,000	0.03%	5000	0.02%
6	Mitesh K. Gada Karta of Mitesh K. Gada HUF	197500	1.05%	197500	0.71%
	Sub total (e)	631500	3.36%	631500	2.26%
F	All persons whose shareholding is aggregated for the purpose of disclosing in the prospectus as "Shareholding of the Promoter Group".				
1	Mr. Mihir D. Karia jointly with Ms. Ruchi M. Karia	130000	0.69%	130000	0.46%
2	Ms. Ruchi M. Karia jointly with Mr. Mihir D. Karia	208500	1.11%	208500	0.74%
3	Mr. Dhiraj D. Karia jointly with Ms. Hemlata D. Karia	181250	0.96%	181250	0.65%
4	Ms. Hemlata D. Karia jointly with Mr. Dhiraj D. Karia	492750	2.62%	492750	1.76%
5	Mr. Ashish D. Karia jointly with Mr. Mihir D. Karia	213000	1.13%	213000	0.76%
	Sub total (f)	1225500	6.52%	1225500	4.38%
	Grand Total (a+b+c+d+e+f)	14589750	77.58%	14589750	52.11%

*Post Issue Shareholding pattern may change if any persons forming part of the Promoter group as mentioned hereinabove are allotted Equity Shares in the Issue.

10. During the past six months, there are no transactions in our Equity Shares, which have been undertaken / financed directly or indirectly by our promoter, his relatives and associates, persons in promoter group and our directors.

11. Pre- Issue Shareholding Pattern of the Company as per the format prescribed in clause 35 is as follows:

Category Code	Category of Shareholders	No. of Shareholders	Total No. of Shares	No. of Shares held in dematerialised form	Total shareholding as a percentage of total number of shares	
					As a Percentage of (A+B)	As a Percentage of (A+B+C)
A	Shareholding of Promoter and promoter group					
1	Indian					
A	Individuals/Hindu Undivided Family	25	12176250	0	64.75%	64.75%
B	Central Government /State Governments	0	0	0	0.00%	0.00%
C	Bodies Corporate	3	2413500	0	12.83%	12.83%
D	Financial Institutions/Banks	0	0	0	0.00%	0.00%
E	Any Other	0	0	0	0.00%	0.00%
	Sub-Total (A)(1)	28	14589750	0	77.58%	77.58%
2	Foreign					
A	Individuals (Non-Resident Individuals /Foreign Individuals)	0	0	0	0.00%	0.00%
B	Bodies Corporate	0	0	0	0.00%	0.00%
C	Institutions	0	0	0	0.00%	0.00%
D	Any Other (Specify)	0	0	0	0.00%	0.00%
	Sub-Total (A)(2)	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group A = (A)(1)+(A)(2)	28	14589750	0	77.58%	77.58%
B	Public Shareholding ³					
1	Institutions					
A	Mutual Funds/UTI	0	0	0	0.00%	0.00%
B	Financial Institutions /Banks	0	0	0	0.00%	0.00%
C	Central Government /State Governments	0	0	0	0.00%	0.00%
D	Venture Capital Funds	0	0	0	0.00%	0.00%
E	Insurance Companies	0	0	0	0.00%	0.00%
F	Foreign Institutional Investors	0	0	0	0.00%	0.00%
g	Foreign Venture Capital Investors	0	0	0	0.00%	0.00%
H	Any Other (Specify)	0	0		0.00%	0.00%
	Sub-Total (B)(1)	0	0	0	0.00%	0

Category Code	Category of Shareholders	No. of Shareholders	Total No. of Shares	No. of Shares held in dematerialised form	Total shareholding as a percentage of total number of shares	
					As a Percentage of (A+B)	As a Percentage of (A+B+C)
2	Non-Institutions					
A	Bodies Corporate	1	25,000	0	0.13%	0.13%
B	Individuals					
	1. Individual Shareholders holding nominal share capital up to Rs.1 lakh	33	1165950	0	6.20%	6.20%
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh	151	3025145	0	16.09%	16.09%
C	Any Other	0	0	0	0.00%	0.00%
	Sub-Total (B)(2)	185	4,216,095	0	22.42%	22.42%
	Total Public Shareholding B = (B)(1)+(B)(2)	185	4,216,095	0	22.42%	22.42%
	Total (A)+(B)	213	18,805,845	0	100.00%	100.00%
C	Shares held by Custodian and against which Depository Receipts have been issued	0	0	0	0	0
	Grand Total (A)+(B)+(C)	213	18,805,845	0	100.00%	100.00%

The Pre-Issue and Post Issue Shareholding pattern is given as under:

Category	Pre Issue		Post Issue*	
	No. of shares	% Holding	No. of shares	% Holding
Promoters	7076000	37.63%	7076000	25.27%
Promoter Group	7513750	39.95%	7513750	26.83%
Friends, Relatives & Others	4184095	22.25%	4184095	14.94%
Employees	32000	0.17%	32000	0.11%
Public	0	0.00%	9194155	32.84%
Total	18805845	100.00%	28000000	100.00%

*The above shareholding pattern is indicative, and is based on the fact that all shareholders in their respective categories will subscribe to 100% of the shares offered in their respective categories. The final Post Issue Shareholding pattern will be determined after the Book-Building Process.

12. The entire pre-issue Equity Share Capital of our Company, other than the minimum Promoters' contribution, which is locked-in for a period of three years, shall be locked-in for a period of one year from the date of allotment in the present Public Issue. Hence 13205845 equity shares shall be locked in for one year.

13. The securities which are subject to lock-in shall carry the inscription 'non-transferable' and the non-transferability details shall be informed to the depositories. The details of lock-in shall also be

provided to the stock exchanges, where the shares are to be listed, before the listing of the securities.

14. Our Company has made the issue of Equity Shares during preceding one year, details of which are mentioned hereunder:

Sr. No.	Date of Issue	Name of the Persons	No. of Shares	Issue Price (in Rs.)	Whether Part of Promoter Group
1.	August 14, 2007	Sejal Float Glass Limited	1,30,000	10	YES
		Mr. Ashish D. Karia jointly with Mihir D. Karia	1,57,500	10	YES
		Mr. Amrut S. Gada, Karta of Amrut S. Gada HUF	45,000	10	YES
		Mr. Dhiraj S. Gada, Karta of Dhiraj S. Gada HUF	49,000	10	YES
		Mr. Mihir D. Karia jointly with Mr. Ruchi M. Karia	60,000	10	YES
		Mr. Ruchi M. Karia jointly with Mr. Mihir D. Karia	1,87,500	10	YES
		Mr. Dhiraj D. Karia jointly with Ms. Hemlata D. Karia	95,000	10	YES
		Ms. Hemlata D. Karia jointly with Mr. Dhiraj D. Karia	4,55,000	10	YES
		Mr. Shivji V. Gada, Karta of Shivji V. Gada HUF	20,000	10	YES
		Ms. Geeta H. Shah jointly with Mr. Hasmukh J. Shah	20,000	10	NO
		Ms. Jayshree R. Shah jointly with Mr. Ramesh J. Shah	20,000	10	NO
		Mr. Ramesh J. Shah jointly with Ms. Jayshree R. Shah	30,000	10	NO
		Mr. Hasmukh J. Shah jointly with Ms. Geeta H. Shah	30,000	10	NO
		Mr. Shantilal A. Chheda jointly with Mr. Amit A. Chheda	17,000	10	NO
		Mr. Satish A. Chheda jointly with Mr. Shantilal A. Chheda	17,000	10	NO
		Ms. Jagruti S. Chheda	16,400	10	NO
		Mr. Amit A. Chheda	17,000	10	NO
		Ms. Chandrika S. Chheda jointly with Mr. Shantilal A. Chheda	16,300	10	NO
		Mr. Ranjan A. Chheda	16,300	10	NO
		Mr. Kanji V. Gada Karta of Kanji V. Gada HUF	5,000	10	YES
		Mr. Navalben K. Gada	7,500	10	YES
		Ms. Diwaliben S. Gada	5,000	10	YES
		Mr. Shantilal S. Gada karta of Shantilal S. Gada HUF	5,000	10	YES
		Mr. Mitesh K. Gada karta of Mitesh K. Gada HUF	10,000	10	YES
		Mr. Pinakin G. Satra	20,000	10	NO

Sr. No.	Date of Issue	Name of the Persons	No. of Shares	Issue Price (in Rs.)	Whether Part of Promoter Group
2.		Mr. Hitesh G. Satra	10,000	10	NO
		Mr. Gangji V. Satra	10,000	10	NO
		Mr. Chandrakant B. Shah jointly with Ms. Daksha C. Shah	1,00,000	10	NO
		Mr. Dharamshi S. Nishar jointly with Ms. Punjiben D. Nishar	10,000	10	NO
		Mr. Dhiraj D. Nishar jointly with Ms. Minaxi D. Nishar and Mr. Hiren D. Nishar	10,000	10	NO
		Mr. Bharat D. Nishar jointly with Chandan B. Nishar and Mr. Dharmshibhai S. Nishar	10,000	10	NO
		Mr. Navin D. Nishar jointly with Ms. Jagruti N. Nishar and Mr. Dharmshi S. Nishar	10,000	10	NO
		Mr. Jayanti D. Nishar jointly with Ms. Naina J. Nishar and Mr. Hezal J. Nishar	10,000	10	NO
		Mr. Devji S. Karia jointly with Mr. Laxmichand D. Karia	18,000	10	NO
		Ms. Sandhya P. Satra	10,000	10	NO
		Ms. Jamnaben G. Satra	10,000	10	NO
		Ms. Beena H. Satra	10,000	10	NO
		Ms. Sejal R. Boricha	25,000	10	NO
		Ms. Shantiben V. Boricha	25,000	10	NO
		Mr. Mansukh.V. Boricha	25,000	10	NO
		Mr. Rasik V. Boricha	25,000	10	NO
		Total	17,69,500		
	August 23, 2007	Ms. Ami A. Bharani jointly with Mr. Atul S. Bharani	30,000	50	NO
		Mr. Ashok S. Bharani jointly with Ms. Ramila A. Bharani	20,000	50	NO
		Mr. Atul S. Bharani jointly with Ms. Ami A. Bharani	20,000	50	NO
		Ms. Ramila A. Bharani jointly with Mr. Ashok Bharani	30,000	50	NO
		Mr. Nilesh S. Bharani jointly with Ms. Lina N. Bharani	20,000	50	NO
		Ms. Lina N. Bharani jointly with Mr. Nilesh S. Bharani	30,000	50	NO
		Total	1,50,000		
3.	August 30, 2007	Ms. Alpa V. Shah jointly with Mr. Vijay S. Shah	10,000	10	NO
		Mr. Pinakin G. Satra karta of Pinakin Gangji Satra HUF	10,000	10	NO
		Mr. Hitesh Gangji Satra karta of	10,000	10	NO

Sr. No.	Date of Issue	Name of the Persons	No. of Shares	Issue Price (in Rs.)	Whether Part of Promoter Group
		Hitesh Gangji Satra HUF			
		Mr. Gangji Vershi Satra karta of Gangji Vershi Satra HUF	10,000	10	NO
		Mr. Dinesh D. Shah karta of Dinesh D. Shah HUF	30,000	10	NO
		Ms. Kasturi D. Shah	30,000	10	NO
		Mr. Umesh K. Shah, Karta of K. Shah HUF	40,000	10	NO
		Mr. Rasik P. Nisar	10,000	10	NO
		Rasik P. Nisar HUF	5,000	10	NO
		Mr. Premji P. Nisar	10,000	10	NO
		Ms. Swati R. Nisar	10,000	10	NO
		Ms. Bhamiben P. Nisar	10,000	10	NO
		Mr. Ratanshi P. Nisar	10,000	10	NO
		Premji P. Nisar HUF	5,000	10	NO
		Ms. Nalini R. Nisar	10,000	10	NO
		Mr. Devesh H. Gada	50,000	10	NO
		Mr. Pares H. Gada	50,000	10	NO
		Ms. Maniben R. Chhavda	1,00,000	10	NO
		Mr. Ramnik D. Chhavda	1,00,000	10	NO
		Mr. Hansraj R. Shah Karta of Hansraj Randhir Shah HUF	15,000	10	NO
		Mr. Hansraj R. Shah jointly with Mr. Rahul H. Shah	15,000	10	NO
		Ms. Punaiben H. Shah jointly with Mr. Pinakin H. Shah	15,000	10	NO
		Mr. Raahul H. Shah jointly with Mr. Pinakin H. Shah	15,000	10	NO
		Mr. Pinakin H. Shah jointly with Mr. Raahul H. Shah	15,000	10	NO
		Ms. Vikita P. Shah jointly with Mr. Pinakin H. Shah	15,000	10	NO
		Mr. Javer H. Savla	10,000	10	NO
		Mr. Laxmichand D. Karia jointly with Neeta L. Karia	25,000	10	NO
		Ms. Neeta L. Karia jointly with Mr. L. Devji Karia	30,000	10	NO
		Mr. Tirtha L. Karia	5,000	10	NO
		Jitendra H. Savla HUF	15,000	10	NO
		Mr. Pares D. Shah jointly with Ms. Preeti P. Shah	50,000	10	NO
		Mr. Atul D. Shah jointly with Mr. Hemal A. Shah	50,000	10	NO
		Ms. Bhavni M. Nisar	10,000	10	NO
		Mansukh R. Nisar HUF	5,000	10	NO
		Ratanshi P. Nisar HUF	5,000	10	NO

Sr. No.	Date of Issue	Name of the Persons	No. of Shares	Issue Price (in Rs.)	Whether Part of Promoter Group
		Mr. Harakhchand B Savla, karta of Harakhchand B Savla HUF	25,000	10	NO
		Mr. Mansukh P. Nisar	10,000	10	NO
		Mr. Velji J. Nandu jointly with Laxmi V. Nandu	20,000	10	NO
		Mr. Rohit V. Nandu jointly with Awadhi R. Nandu	25,000	10	NO
		Mr. Chanchal J. Karia	1,000	10	NO
		Mr. Jayantilal D. Karia	2,000	10	NO
		Mr. Sandeep J. Karia	2,500	10	NO
		Ms. Komal H. Karia	1,000	10	NO
		Mr. Hiren J. Karia	2,500	10	NO
		Mr. Raj H. Karia(Minor) jointly with Mr. Hiren J. karia	1,000	10	NO
		Ms. Yogita J. Gada	10,000	10	NO
		Mr. Jignesh V. Gada	20,000	10	NO
		Mr. Velji M. Gada	20,000	10	NO
		Total	9,45,000		
4.	September 8, 2007	Mr. Jugal V. Gada	40,000	10	NO
		Ms. Vimla V. Gada	10,000	10	NO
		Mr. Devji D. Gada	50,000	10	NO
		Mr. Pares D. Gada	50,000	10	NO
		Mr. Harakhchand B. Savla	8,000	10	NO
		Mr. Jitendra H. Savla	17,000	10	NO
		Kewal L. Karia jointly with Mr. Laxmichand D. Karia	15,000	10	NO
		Ms. Prachi S. Karia jointly with Mr. Sandeep Karia	1,000	10	NO
		Ms. Namrata S. Karia	1,000	10	NO
		Mr. Jayantilal D. Karia, Karta of Jayantilal D. Karia HUF	2,000	10	NO
		Ms. Bhanumati M. Shah	50,000	10	NO
		Ms. Manjula N. Shah	50,000	10	NO
		Dilip N. Gada HUF	40,000	10	NO
		Mr. Nilesh C. Chheda jointly with Hansa N. Chheda	10,000	10	NO
		Mr. Alpesh C. Chheda jointly with Jigna A. Chheda	10,000	10	NO
		Ms. Anjana B. Shah jointly with Mr. Bipin V. Shah	20,000	10	NO
		Mr. Jayesh C. Chheda jointly with Mr. Alpesh C. Chhedda	10,000	10	NO
		Vinod Velji Shah HUF jointly with Ms. Pragna V. Shah	15,000	10	NO
		Ramnik Velji Shah HUF jointly with	10,000	10	NO

Sr. No.	Date of Issue	Name of the Persons	No. of Shares	Issue Price (in Rs.)	Whether Part of Promoter Group
		Ms. Jyoti R. Shah			
		Ms. Bhavna P. Gala	20,000	10	NO
		Mr. Vinod B. Shah jointly with Ms. Urmila V. Shah	50,000	10	NO
		Ms. Urmila V. Shah jointly with Mr. Vinod B. Shah	75,000	10	NO
		Mr. Gaurav A. Shah	1,25,000	10	NO
		Mr. Arvind B. Shah	1,25,000	10	NO
		Javer A. Shah jointly with Mr. Arvind B. Shah	75,000	10	NO
		Shah Nenshi B. HUF jointly with Vimlaben Nenshi Shah	40,000	10	NO
		Shah Kanji B. HUF jointly with Jayaben K. Shah	40,000	10	NO
		Shah Bhanji J. HUF jointly with Diwaliben B. Shah	40,000	10	NO
		Diwali B. Shah jointly with Mr. Bhanji J. Shah	40,000	10	NO
		Vimlaben Shah jointly with Mr. Nenshi B. Shah	50,000	10	NO
		Jayaben K. Shah jointly with Mr. Kanji B. Shah	50,000	10	NO
		Kunjal M. Shah jointly with Mr. Mayur K. Shah	40,000	10	NO
		Mr. Nenshi Shah jointly with Vimlaben N. Shah	50,000	10	NO
		Mr. Mayur Shah jointly with Mr. Kanji B. Shah	30,000	10	NO
		Mr. Bhanji J. Shah jointly with Diwali B. Shah	20,000	10	NO
		Mr. Kanji B. Shah jointly with Mr. Jayaben K. Shah	50,000	10	NO
		Ms. Damyanti D. Shah	30,000	10	NO
		Ms. Nita D. Shah	20,000	10	NO
		Mr. Sandeep D. Shah	10,000	10	NO
		Ms. Awadhi R. Nandu jointly with Mr. Rohit V. Nandu	10,000	10	NO
		Mr. Nanji R. Shah	10,000	10	NO
		Ms. Kesarben U. Gada	10,000	10	NO
		Mr. Deepak D. Shah	20,000	10	NO
		Mr. Dungarshi M. Shah	20,000	10	NO
		Mr. Ugamshi R. Shah	10,000	10	NO
		Mr. Babulal R. Shah	20,000	10	NO
		Ms. Kanchan S. Rita	20,000	10	NO
		Mr. Shantilal V. Rita	20,000	10	NO
		Mr. Shantilal V. Rita, Karta of Shantilal V. Rita HUF	10,000	10	NO

Sr. No.	Date of Issue	Name of the Persons	No. of Shares	Issue Price (in Rs.)	Whether Part of Promoter Group
		Total	15,39,000		
5.	September 14, 2007	Mr. Jitendra V. Gala	8,000	10	NO
		Ms. Induben S. Gala	7,000	10	NO
		Mr. Shashikant V. Gala	7,000	10	NO
		Ms. Chanchalben J. Shah	7,000	10	NO
		Mr. Jayantilal V. Gala	7,000	10	NO
		Mr. Vershi G. Gala	7,000	10	NO
		Ms. Rashmi J. Gala	7,000	10	NO
		Total	50,000		
6.	September 22, 2007	Titan Safety Vault Pvt. Ltd.	25,000	100	NO
		Total	25,000		
7.	October 3, 2007	Ms. Neeta J. Rita jointly with Mr. Jayesh M. Rita	10,000	60	NO
		Total	10,000		
8.	October 31, 2007	Mr. Lakhamshi V. Nandu	15,000	10	NO
		Ms. Aruna A. Karia	4,60,000	10	YES
		Vijay S. Mehta -HUF	15,000	10	NO
		Mr. Bharat S. Mehta	10,000	10	NO
		Ms. Kokila B. Mehta	10,000	10	NO
		Ms. Alpa V. Mehta	15,000	10	NO
		Mr. Vijay S. Mehta	20,000	10	NO
		Mr. Hiren B. Mehta	15,000	10	NO
		Mr. Manoj B. Mehta	10,000	10	NO
		Ms. Meghna M. Mehta	15,000	10	NO
		Mr. Mihir Karia	70,000	10	NO
		Mr. Prakash Gada	27,000	10	NO
		Mr. Amrut S. Gada Karta of Amrut S. Gada HUF	30,000	10	YES
		Ms. Anju D. Gada	5,000	10	YES
		Ms. Bhavna A. Gada	22,500	10	YES
		Ms. Diwaliben S. Gada	5,000	10	YES
		Mr. Kanji V. Gada Karta of Kanji V. Gada HUF	5,000	10	YES
		Ms. Priti M. Gada	1,05,000	10	YES
		Ms. Kanchanben S. Gada	56,000	10	YES
		Mr. Amit Cheddha	10,000	100	NO
		Mr. Chandrakant Cheddha	9,000	100	NO
		Ms. Jagruti Cheddha	7,000	100	NO
		Ranjan A. Cheddha	9,000	100	NO

Sr. No.	Date of Issue	Name of the Persons	No. of Shares	Issue Price (in Rs.)	Whether Part of Promoter Group
		Mr. Ashish Karia	55,500	100	YES
		Ms. Hemlata Karia	37,750	100	NO
		Ms. Ruchi Karia	21,000	100	NO
		Ms. Anju D.Gada	31,250	100	YES
		Ms. Diwaliben S. Gada	500	100	YES
		Sejal Float Glass Limited	1,081,000	100	YES
		Sejal Glass Craft Private Limited	2,27,500	100	YES
		Mr. Shivji V. Gada	73,750	100	YES
		Mr. Amrut S. Gada	2,73,000	100	YES
		Mr. Dhiraj S.Gada	1,24,250	100	YES
		Mr. Kanji V.Gada	64,750	100	YES
		Mr. Mitesh K. Gada	2,38,000	100	YES
		Mr. Shantilal S. Gada	2,00,250	100	YES
		Mr. Prakash Gada	2,500	100	YES
9.	November 22, 2007	Total	33,76,500		
		N. Nagappan	2600	100	NO
		P. Narayan Iyer jointly with Aparajitha Iyer	1300	100	NO
		Aparajitha Iyer jointly with P. Narayan Iyer	3250	100	NO
		B. Sudha	520	100	NO
		Jayantilal A. Gala Jointly with Kamla Gala	1000	100	NO
		Jethlal P. Chhadwa	1000	100	NO
		Pravin Avchar Gala	500	100	NO
		Dhiraj Karia jointly with Hemlata Karia	86250	100	YES
		Total	96,420		
10	March 25, 2008	R. N. Subramanian	1300	100	No
		Hasumati Nagindas Goradia Jointly Held With Vijay Nagindas Goradia	25000	100	No
		Neeta Vijay Goradia Jointly Held With Vijay Nagindas Goradia	25000	100	No
		Nagindas Mohanlal Goradia Jointly Held With Vijay Nagindas Goradia	25000	100	No
		Vijay Nagindas Goradia Jointly Held With Neeta Vijay Goradia	25000	100	No
		Rasik P. Hingoo (Huf)	25000	100	No
		Himanshu Kantilal Bheda Jointly Held With Hemali Bheda	25000	100	No
		Bharti Nikhil Savla Jointly Held With Nikhil Premji Savla	12500	100	No
		Rajul Milind Dhaimade Jointly Held With Milind Dhaimade	12500	100	No

Sr. No.	Date of Issue	Name of the Persons	No. of Shares	Issue Price (in Rs.)	Whether Part of Promoter Group
		Pravin Bhimshi Chheda	25000	100	No
		Kapoorchand Roopchand Jain Jointly Held With Subhash K. Jain	3000	100	No
		Subhash Kapoorchand Jain Jointly Held With Neeta S. Jain	2000	100	No
		Rekha Shashikant Sayar Jointly Held With Shashikant Laxmidas Sayar	25000	100	No
		Shashikant Laxmidas Sayar Jointly Held With Rekha Shashikant Sayar	25000	100	No
		Rajul Pankaj Sayar Jointly Held With Pankaj Vithaldas Sayar	25000	100	No
		Pankaj Vithaldas Sayar Jointly Held With Rajul Pankaj Sayar	25000	100	No
		Geeta Suresh Gala	25000	100	No
		Kashyap Kanaiyalal Mehta Jointly Held With Rupal Kashyap Mehta	50000	100	No
		Kodai Investment & Trading Co.	25000	100	No
		Gaurang Suresh Gala	25000	100	No
		Shantiben Kanji Rita	25000	100	No
		Rashmi Mahendra Zaveri	25000	100	No
		Nana Shankar Deshpande Jointly Held With Swati Nana Deshpande	3125	100	No
		Chhaganlal Shivji Nandu Jointly Held With Dilip Shivji Nandu	12500	100	No
		Ramaniklal Shivji Nandu Jointly Held With Premila Ramaniklal Nandu	12500	100	No
		Total	5,09,425		

15. In terms of Clause 4.16.1(a) of the SEBI Guidelines, the Equity Shares held by persons, other than our Promoters prior to the Issue, may be transferred to any other person holding the Equity Shares which are locked-in as per Clause 4.14 of the SEBI Guidelines, subject to continuation of the lock in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

The Equity Shares to be held by the Promoters under lock-in period shall not be sold/hypothecated/transferred during the lock in period. In terms of Clause 4.16.1(b) of the SEBI Guidelines, the Equity Shares held by our Promoters may be transferred to and amongst the Promoter group or to new Promoters or persons in control of our Company subject to continuation of the lock in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

16. Out of the total 75,13,750 Shares of the Promoter Group 61,75,750 Equity Shares are pledged as a collateral security with the consortium of banks ('hereinafter referred to as Pledged Equity Shares') for a term loan of Rs. 31,800 Lacs for the objects of the issue as per the sanction letter of State Bank of Patiala dated March 13, 2007. The State Bank of Patiala is the lead Banker of the consortium as per the Joint Term Loan Agreement dated October 16, 2007. The details of the Joint Term Loan Agreement with the consortium of bankers are detailed below:

Name of the Financial Institution(s) and the date of the sanction Letter	<ol style="list-style-type: none"> 1. State Bank of Patiala - The Lead Banker 2. Punjab National Bank 3. State Bank of Mysore 4. Indian Overseas Bank 5. State Bank of Saurashtra 6. Bank of IndiaR 7. Punjab and Sind Bank 8. Axis Bank Limited 9. State Bank of Indore <p>Sanction letter of State Bank of Patiala dated March 13, 2007 and Joint Term Loan Agreement dated October 16, 2007</p>
Security	First Charge on the Project Fixed assets and second charge on the Project Current assets
Period of Repayment	The term loan is repayable in 26 structured quarterly instalments commencing from April 2009 and ending in September 2015.
Particulars of pledged security	
Name of the Promoters Group	No. of shares
Sejal Float Glass Ltd.	12,11,000
Shivji Valji. Gada [Karta of Shivji V. Gada- HUF]	1,20,000
Amrut Shivji Gada [Karta of Amrut Shivji Gada- HUF]	75,000
Dhiraj Shivji Gada [Karta of Dhiraj Shivji Gada - HUF]	1,24,000
Mrs. Naval Kanji Gada	1,21,500
Mrs. Bhavana Amrut Gada	1,92,000
Mrs. Preeti Mitesh Gada	5,11,750
Mrs. Kanchanben Shantilal Gada	4,37,500
Mrs. Anju Dhiraj Gada	4,16,500
Mitesh Kanji Gada [Karta of Mitesh Kanji Gada - HUF]	1,97,500
Shantilal Shivji Gada [Karta of Shantilal Shivji Gada - HUF]	5,000
Kanji Valji Gada [Karta of Kanji Valji Gada- HUF]	1,10,000
Sejal International Ltd.	1,75,000
Sejal Glass Craft Pvt. Ltd.	10,27,500
Mrs. Anju Dhiraj Gada Jointly held with Mr. Dhiraj S. Gada	13,750
Mrs. Naval Kanji Gada Jointly held with Mr. Kanji Valji Gada	12,500
Mrs. Preeti Mitesh Gada Jointly held with Mr. Mitesh Kanji Gada	3,750
Mrs. Diwali Shivji Gada Jointly held with Mr. Shivji Valji Gada	12,500
Mr. Shivji Valji Gada	2,06,500
Mrs. Diwali Shivji Gada	1,04,500
Mrs. Aruna Ashish Karia Jointly held with Mr. Ashish Dhiraj Karia	4,60,000
Mrs. Kanchanben Shantilal Gada Jointly held with	2,53,750

Mr. Shantilal Shivji Gada	
Mr. Shivji Valji Gada Jointly held with Mrs. Diwali Shivji Gada	2,31,250
Mrs. Bhavana Amrut Gada Jointly held with Mr. Amrut Shivji Gada	1,53,000

17. 61,75,750 equity shares locked in for 1 year of the Promoter Group are pledged to State Bank of Patiala Consortium of Banks. The State Bank of Patiala is the Lead Bank to the consortium as per the Joint Term Loan Agreement dated October 16, 2007. However the pledge of shares is one of the terms of sanction of loan and the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue.
18. As on the date of filing of this Red Herring Prospectus with SEBI, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
19. Our Company, our Promoters, our Directors and the BRLM to this Issue have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company through this Red Herring Prospectus.
20. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
21. An over-subscription to the extent of 10% of the net offer to public can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment being equal to 60 Equity Shares, which is the minimum application size in this issue.

Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue to Public, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock- in shall be suitably increased; so as to ensure that 20% of the Post Issue paid-up capital is locked in.
22. In case of over-subscription in all categories, atleast 50% of the Net Issue to the Public shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (including specific allocation of 5% within the category of QIBs for Indian Mutual Funds). Further upto 15% of the Net Issue to the Public shall be available for allocation on a proportionate basis to Non-Institutional Bidders and upto 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.
23. Under subscription, if any, in the Non-institutional Portion and Retail Portion shall be allowed to be met with spill over from the other categories, at the sole discretion of our Company and BRLMs. In case of Under-subscription in the Qualified Institutional Buyers Portion (i.e. subscription less than 50% mandatory of the Net Issue), the same shall not be available to other categories and full subscription monies shall be refunded. However, if the aggregate demand by Mutual Funds is less than 5% of QIB Portion, the balance share available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allocated proportionately to QIB Bidders.
24. As on date of filing of this Red Herring Prospectus with SEBI, the entire Issued Share Capital of our Company is fully paid-up.
25. Particulars of top ten shareholding is as follows:

a. As on the date of filing this Red Herring Prospectus

Sr. No.	Name of shareholder	No. of Shares	% of Issued Capital
1)	Mr. Amrut S. Gada	25,74,250	13.69%
2)	Mr. Dhiraj S. Gada	13,14,250	6.99%
3)	Mr. Shantilal S. Gada	12,88,000	6.85%
4)	Mr. Mitesh K. Gada	12,83,250	6.82%
5)	Mr. Kanji V. Gada	6,16,250	3.28%
6)	Sejal Glass Craft Pvt Ltd	10,27,500	5.46%
7)	Sejal Float Glass Ltd	12,11,000	6.44%
8)	Ms. Kanchan S. Gada	6,91,250	3.68%
9)	Ms. Preeti M. gada	5,15,500	2.74%
10)	Ms. Anju D. Gada	5,01,500	2.67%

b. 10 days prior to the date of filing this Red Herring Prospectus

Sr. No.	Name of shareholder	No. of Shares	% of Issued Capital
1)	Mr. Amrut S. Gada	25,74,250	13.69%
2)	Mr. Dhiraj S. Gada	13,14,250	6.99%
3)	Mr. Shantilal S. Gada	12,88,000	6.85%
4)	Mr. Mitesh K. Gada	12,83,250	6.82%
5)	Mr. Kanji V. Gada	6,16,250	3.28%
6)	Sejal Glass Craft Pvt Ltd	10,27,500	5.46%
7)	Sejal Float Glass Ltd	12,11,000	6.44%
8)	Ms. Kanchan S. Gada	6,91,250	3.68%
9)	Ms. Preeti M. Gada	5,15,500	2.74%
10)	Ms. Anju D. Gada	5,01,500	2.67%

c. 2 years prior to the date of filing this Red Herring Prospectus

Sr. No.	Name of shareholder	No. of Shares	% of Issued Capital
1)	Mr. Amrut S. Gada	89,250	29.75%
2)	Sejal Glass Craft Pvt Limited	21,000	7.00%
3)	Mr. Kanji V. Gada	20,860	6.95%
4)	Mr. Dhiraj S. Gada	16,600	5.53%
5)	Mr. Kanchanben S. Gada	15,410	5.14%
6)	Mr. Shivji V. Gada	13,760	4.59%
7)	Mitesh K. Gada Karta of Mitesh K. Gada HUF	7,500	2.50%
8)	Ms. Bhavna A Gada	6,150	2.05%
9)	Mr. Mitesh K. Gada	5,210	1.74%
10)	Navalben K. Gada	5,060	1.69%

26. Our Company has not raised any bridge loan against the proceeds of this Issue.

27. In respect of various agreements entered into by our Company with the lenders and the sanction letters issued by our lenders to us, we are bound by certain restrictive covenants regarding the alteration of our Capital structure and other restrictive covenants. As per the loan agreements and sanction letters, we require written consent from the lenders, amongst others from State Bank of Patiala, Punjab National Bank, State Bank of Mysore, Indian Overseas Bank, State Bank of Saurashtra, Bank of India, Punjab and Sind Bank, Axis Bank Limited, State Bank of Indore. Pursuant

to the aforesaid covenants, we have obtained prior written approvals from the lenders in relation to this Issue.

28. There would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Red Herring Prospectus with SEBI until the Equity Shares issued through the Prospectus are listed or application moneys refunded on account of failure of Issue.
29. We presently do not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split/ consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise. However, if we go in for acquisitions or joint ventures, we may consider raising additional capital to fund such activity or use Equity Shares as currency for acquisition or participation in such joint ventures.
30. Our Company undertakes that at any given time, there shall be only one denomination for the Equity shares of our Company and our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
31. Since the entire money of Rs. [●]/- per share (Rs. 10/- face value + Rs. [●]/- premium) is being called on application, all the successful applicants will be issued fully paid-up shares only.
32. A Bidder cannot make a Bid for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
33. Our Company has not revalued assets since inception. We confirm that the bonus shares issued, as mentioned above are from the free reserves of our Company.
34. No payment, direct or indirect in the nature of discount, commission, allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this issue.
35. We have 213 members as on the date of filing of this Red Herring Prospectus.

SECTION V- OBJECTS OF THE ISSUE

The objects of the Issue are to raise capital for financing the funds required for:

- 1) Setting up of a new manufacturing facility for the production of float glass.
- 2) General Corporate Purposes
- 3) Meeting the Public Issue Expenses

The other objects of the Issue also include creating a public trading market for the Equity Shares of our Company by listing them on NSE and BSE. We believe that the listing of our Equity Shares will enhance our visibility and brand name and enable us to avail of future growth opportunities.

The main object clause of Memorandum of Association of our Company enables us to undertake the existing activities and the activities for which the funds are being raised by us through the present Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

Description of the Project

We propose to set up a manufacturing facility for the production of float glass with an installed capacity of 2,00,750 MT per annum in Jhagadia Industrial Estate at Dist. Bharuch in Gujarat.

Setting up of this project would be a step towards backward integration for our Company and would enable us to control costs and enhance the quality of glass used for our value added products and brands like Kool Glass, Armor Glass, Fort Glass, Tone Glass, etc. This plant site is approximately 8 Kms from NH-8 and has the necessary infrastructure facilities required for our float glass project.

Cost of Project and Means of Finance

The Cost of Project and Means of Finance as estimated by our management are given below:

Cost of Project

(Rs. in Lacs)		
Sr. No.	Particulars	Amount
1	Setting up of new manufacturing facility for the production of float glass.	
A.	Acquisition of Land	1,195.82
B.	Land Development, Construction of Buildings and Other Civil Works	8,375.00
C.	Plant & Machinery	30,977.78
D.	Miscellaneous Fixed Assets	400.00
E.	Preliminary and pre- operative Expenses	1,500.00
F.	Margin Money for Working Capital Requirements	1,037.50
2	General Corporate Purpose	[•]
3	Public Issue Expenses	[•]
	Total	[•]

Means of Finance

(Rs. in Lacs)		
Sr. No.	Particulars	Amount
1.	Term loan	31,800.00

2.	Funds raised through issue of Equity Shares (including pre-IPO placement of 5,09,425 shares)	3,982.75
3.	Unsecured Loans	1500.00
4.	Internal Accruals	[•]
5.	Initial Public Offer	[•]
	Total	[•]

[•] - The relevant figure will be updated on finalization of the issue price.

Proceeds from the Initial Public Offer would be crystallized on finalization of the Issue Price on conclusion of the book building process.

We confirm that firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through proposed public issue has been made.

Total of firm arrangements made by the Company:

Sr. No.	Particulars	Amount
1.	Term loan	31,800.00
2.	Funds raised through issue of Equity Shares	3,982.75
3.	Unsecured Loans	1,500.00
	Total	36,773.72

We confirm that the above arrangements will be in excess of 75% of the means of finance, excluding the amount to be raised through proposed public issue.

For the project, the State Bank of Patiala led consortium has sanctioned a term loan of Rs. 31,800.00 lacs. The banks may have done an appraisal for their limited internal purposes of sanctioning the loan and have not appraised the project for the purpose of this proposed public issue.

The fund requirement and deployment are based on our management estimates and the quotations received from the suppliers. Our capital expenditure plans are subject to a number of variables, including possible cost overruns; construction/development delays or defects; receipt of critical governmental approvals; availability of working capital finance on acceptable terms; and changes in management's views of the desirability of current plans, amongst others.

DETAILED BREAK UP OF THE PROJECT COST

1. Setting up of new manufacturing facility for the production of float glass.

A. Acquisition of Land

Our Company has already acquired 6,08,540 sq. mts of land for the project at Jhagadia Industrial Estate, Dist. Bharuch, Gujarat at a cost of Rs. 1,152.44 Lacs from Gujarat Industrial Development Corporation (GIDC) on lease vide agreement dated October 16, 2007. We confirm that our Promoters/Directors are not related to GIDC. For further details of the land please refer to the section titled "Property" beginning on page 124 of this Red Herring Prospectus. Further, our Company has also incurred the expenditure of Rs. 43.38 Lacs for the purpose of study and survey of land. Hence the total expenditure for the acquisition of land aggregates to 1195.82 Lacs.

B. Land Development, Construction of Buildings and Other Civil Works

The land development, construction of buildings and other civil works consists of earthworks, design and construction of civil and structural works of main plant structure, administrative block, canteen, security office, furnace, float bath, warehouse, chimney, compound wall, and site grading works. The cost of building and civil works would be Rs. 8,375.00 Lacs as per the quotations and estimates of our Company. We have entered into an agreement dated April 11, 2007 with L&T for carrying Design and Construction of Civil and Structural.

C. Plant and Machinery

Our Company proposes to purchase plant & machinery aggregating Rs. 30,977.78 Lacs comprising of imported machinery aggregating Rs.25,769.82 Lacs and Indigenous Plant & Machinery aggregating Rs. 5,207.96 Lacs.

a. Plant & Machinery - Imported

- i. The following new Plant & Machinery are proposed to be imported for which the orders have been placed:

<i>(Rs.in Lacs)</i>							
Sr. No.	Particulars	Name of the supplier	Cost Per Unit	Qty	Total Cost	Date of Agreement	Machinery Received
1	Hot End (Furnace, Tin Bath, Annealing Lehr and waste gas treatment plant)	Fives Stein India Projects Private Limited (formerly known as Stein Heurtey) and Stein Heurtey, France, China	20,262.06	1	20,262.06	January 16, 2007	1202.17*
2	Cold End (Cutting Line)	Grenzebach Maschinenbau GmbH, Germany	3,007.20	1	3,007.20	November 27, 2006	
3.	Batch House and Cullet Return System	Zippe Industrieanlagen GmbH	980.56	1	980.56	January 31, 2007	
	Total				24,249.82		1207.17

* Till date, our company has already received Fused Cast Refractories aggregating Rs. 1,202.17 Lacs from Fives Stein India Projects Private Limited. These refractories are part of Hot End Machinery.

- ii. Following new Plant & Machinery are proposed to be imported for which the orders are yet to be placed:

<i>(Rs. in Lacs)</i>						
Sr. No.	Particulars	Name of the supplier	Estimated Cost Per Unit	Qty	Estimated Total Cost	Date of Quotation
1	Sand Washing Plant	TBS	1,520	1	1,520.00	October 08, 2007
	Total				1,520.00	

b) Plant & Machinery - Indigenous

The following indigenous Plant & Machinery are to be purchased for which orders are yet to be placed:

<i>(Rs. In Lacs)</i>						
Sr. No.	Particulars	Name of the supplier	Estimated Cost Per Unit	Qty	Estimated Total Cost	Date of Quotation
1.	Air Compressor (Compressor+Integrated HOC dryer)	Atlas Copco Compressor Sales	51.52	3	154.56	March 28, 2007
2.	Water pump	Kirloskar Brothers Limited	5.56	3	16.68	April 5, 2007
3.	Cooling Tower	Pahapur Cooling Towers Limited	44.01	1	44.01	October 24, 2007
4.	Weighing bridge	Avery India Limited	7.94	1	7.94	April 30, 2007
5.	LPG Bullet and Mixing Station	Oil and Gas Plant Engineers (I) Pvt. Ltd	292.27	1	292.27	August 24, 2007
6.	Softening plant and DM water Plant	Hydrochem Systems (I) Pvt. Ltd.	40.55	1	40.55	August 9, 2007
7.	EOT Cranes	Shree Engineers	-	8	43.05	August 11, 2007
8.	Truck Tippler	Jaypee Engg. and Hydraulic Equipment Co. Ltd.	8.00	1	8.00	June 19, 2007
9.	Electrical Equipments including erection and installations*	JSJ Jodeit	Lumpsum		1,780.00	October 03, 2007
10.	Piping and Mechanical Contract*	JSJ Jodeit	Lumpsum		1,300.00	October 03, 2007
11.	Batch Plant Equipments including erection and installations*	JSJ Jodeit	Lumpsum		1,500.00	October 03, 2007
12.	Forklift Truck	Godrej and Boyce Mfg Co. Ltd	10.45	2	20.90	July 07, 2007
	Total				5207.96	

Note: The actual suppliers of the Plant & Machinery, the type of plant and machinery and the prices may differ considering the conditions prevailing while placing the orders.

*JSJ Jodeit has done the cost estimation for equipments, erection and commissioning based on the basic engineering and design. For the above plant & machinery, the tenders shall be floated in due course of time.

Our Company does not propose to buy any second hand Plant & Machinery for the proposed float glass Project.

D. Miscellaneous Fixed Assets

Miscellaneous Fixed Assets includes the cost of furniture and fixture, office equipments, air conditioners, vehicles etc. The estimated cost for Miscellaneous Fixed Assets will be Rs. 400.00 Lacs.

E. Preliminary and Pre Operative Expenses

Preliminary and Pre Operative Expenses include mortgage expenses, travelling expenses, insurance, survey and study expenses etc. which works out to Rs. 1500.00 Lacs.

F. Margin Money for Working Capital Requirements

We will need additional working capital for the new project. We have estimated our additional working capital requirements for fiscal 2010 for the proposed project out of which 25% margin will be funded through the proposed public issue. The details of working capital margin requirements are as under:

(Rs. in Lacs)		
Particulars	Assumptions (in Months)	March 31, 2010 Projected
Raw Materials	1.77 months	790.00
Work-in-progress	0.43 months	430.00
Finished Goods	0.84 months	830.00
Sundry Debtors	1.40 months	4,300.00
Other Current assets		4,200.00
Total Current Assets (A)		10,550.00
Less: Current Liabilities		
Sundry Creditors	3 months	2,700.00
Other Current Liabilities (Other than Bank Borrowings)		3,700.00
Total Current Liabilities (B)		6,400.00
Total Working Capital Requirement (A-B)		4,150.00
25% Working Capital Margin to be funded out of the proceeds of Public Issue		1,037.50

2. General Corporate Purposes

Our Company intends to deploy the excess issue proceeds aggregating Rs. [•] Lacs, towards the general corporate purposes, including but not restricted to payment of interest during construction period, strategic initiatives, and technology upgradation, investment in the other segments of the industry, advertising and brand building, meeting exigency, which our Company in the ordinary course of business may not foresee, or any other purpose as approved by our Board of Directors.

3. Public Issue expenses

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. The estimated Issue expenses are as follows:

Activity	Expenses* (Rs. Lacs.)	% of Issue Size	% of Issue expenses
Lead management, underwriting and selling commission	[•]	[•]	[•]
Advertisement and marketing expenses	[•]	[•]	[•]
Printing and stationery (including expenses on transportation of the material)	[•]	[•]	[•]
Others (Registrar's fees, legal fees, listing fees, etc.)	[•]	[•]	[•]
IPO grading expenses	6.74	[•]	[•]
Total	[•]	[•]	[•]

* Will be incorporated after finalization of the Issue Price

Details of Means of Finance

1. Term Loan

The project is to be part financed by way of Rupee Term Loan aggregating Rs. 31,800 Lacs and the same has been sanctioned by the following consortium of bankers as detailed below vide a joint Term loan agreement dated October 16, 2007 :

(Rs. In Lacs)

Sr. No.	Name of the lender	Sanction Letter Date	Amount of sanction
1.	State Bank of Patiala- Lead Banker	March 13, 2007	6,900.00
2.	Punjab National Bank- Co Lead Banker	August 02, 2007	5,000.00
3.	State Bank of Mysore	June 28, 2007	5,000.00
4.	Indian Overseas Bank	July 21, 2007	3,000.00
5.	State Bank of Saurashtra	March 28, 2007	2,500.00
6.	Bank of India	June 07, 2007	2,500.00
7.	Punjab and Sind Bank	July 10, 2007	2,500.00
8.	Axis Bank Limited	August 06 , 2007	900.00
9.	State Bank of Indore	October 08, 2007	3,500.00
	Total		31,800.00

For further details about the term loan please refer to the paragraph titled "Restrictive Covenants" in the chapter titled "Our Business" beginning on page 99 of this Red Herring Prospectus.

2. Funds raised through issue of Equity Shares

Our Company has raised Rs. 3,982.75 Lacs through the issue of 11,305,845 Equity Shares at par/premium. This includes shares issued by our Company during October 2006 till date of this Red Herring Prospectus. The details of fund raised through issue of shares are as under:

Date of Issue	No. of Shares	Issue Price	Amount (Rs. in Lacs)
4-Oct-06	2,835,000	10	283.50
14-Aug-07	1,769,500	10	176.95
23-Aug-07	150,000	50	75.00
30-Aug-07	945,000	10	94.50
8-Sep-07	1,539,000	10	153.90
14-Sep-07	50,000	10	5.00
22-Sep-07	25,000	100	25.00
3-Oct-07	10,000	60	6.00
31-Oct-07	910,500	10	91.05
31-Oct-07	2,466,000	100	2,466.00
22-Nov-07	96,420	100	96.42

25-Mar-08	509,425	100	509.43
Total	11,305,845		3,982.75

For further details about the issue of shares, please refer to the section titled “Capital Structure” beginning on page 47 of this Red Herring Prospectus.

3. Internal Accruals

Our Company intends to deploy Rs. [•] Lacs on the Project through internal accruals. The exact amount of that will be spent out of internal accruals will be the balancing figure and will be finalized only after the issue proceeds are received by our Company.

4. Unsecured Loans

Our Company intends to deploy Rs. 1500.00 Lacs on the Project through unsecured loans to be taken from various persons/entities. We have already raised unsecured loans aggregating Rs. 1,500.00 Lacs for the purpose of our project.

The details of the said unsecured loans are as under:

Sr. No.	Name	Amount (Rs. in Lacs)	Rate of Interest %
1	Amrut S. Gada	96.30	10.50
2	Ashok Commercial Enterprise	50.00	10.00
3	Bhavana A. Gada	1.00	10.50
4	Dayalal C. Shah	0.60	9.50
5	Dhiraj S. Gada	15.00	10.50
6	Lau Ghag	2.00	11.00
7	Minaxi Gala	1.00	9.50
8	Padmaben Savla	1.50	9.50
9	Shantilal S. Gada	20.00	10.50
10	Sharmila A. Parikh	5.00	9.50
11	Shivji V. Gada	1.00	10.50
12	Vanita D. Shah	1.40	9.50
13	Sejal Finance Ltd.	70.00	12.00
14	Sejal Float Glass Ltd.	986.50	12.00
15	Sejal Glass Craft Pvt. Ltd.	85.70	18.00
16	Sejal Insurance Broking Ltd.	46.00	12.00
17	Bajrangdas Estate Pvt. Ltd.	22.00	12.00
18	Kodai Investment & Trading	25.00	18.00
19	Tokyo Finance Ltd.	47.00	12.00
20	Yash Raj Estate Pvt. Ltd.	23.00	12.00
	Total	1,500.00	

As per the terms of the sanction of term loan and management undertaking, our Company undertakes to keep the said amount of unsecured loans invested in the business till such time the term loan from bank is repaid in full.

5. Initial Public Offer

We propose to raise Rs. [•] Lacs by way of public issue of 91,94,155 Equity Shares of Rs. 10/- each of our Company at a price of Rs. [•] in terms of this Red Herring Prospectus.

Schedule of Implementation

Activity	Month of Commencement	Expected Month of Completion	Revised Month of Completion
Setting up of new manufacturing facility for the production of float glass.			
Land and Site Development			
- Land Acquisition	Already Acquired		Already Acquired
- Land Development	April 2007	February 2008	August 2008
Building and Civil Works	May 2007	February 2009	February 2009
Plant & Machinery			
- Placement of Order - Imported	January 2007	March 2008	July 2008
- Placement of Order - Indigeneous	January 2008	March 2008	July 2008
- Receipt of Plant & Machinery	February 2008	October 2008	October 2008
- Erection and Commissioning	April 2008	December 2008	December 2008
Trial Run Production	January 2009	February 2009	February 2009
Commercial Production	March 2009		March 2009

Deployment of Funds in the Project

We have incurred the following expenditure on the project till April 30, 2007. The same has been certified by S.S. Puranik & Co., Chartered Accountants vide their certificate dated May 24, 2008.

(Rs. in Lacs)

Sr. No.	Particulars	Amount
1.	Setting up of new manufacturing facility for the production of float glass.	
A.	Land Acquisition	1,195.82
B.	Land Development, Construction of Buildings and Other Civil Works	3,069.32
C.	Plant & Machinery	4,152.23
D.	Miscellaneous Fixed Assets	59.11
E.	Preliminary and pre- operative Expenses	1455.64
F.	Margin Money for Working Capital Requirements	-
2.	General Corporate Purpose	551.98
3.	Public Issue Expenses	60.20
	Total	10,544.30

The sources of funds for the above mentioned deployment are as follows:

(Rs. in Lacs)

Sr. No.	Particulars	Amount
1	Term loan	5,520.45
2	Funds raised through issue of Equity Shares	3,982.74
3	Unsecured Loans	1,041.11
	Total	10,544.30

The overall cost of the proposed Project and the proposed year wise break up of deployment of funds are as under:

(Rs. in Lacs)

Sr. No.	Particulars	Already Deployed till October 31, 2007	To be Deployed from April'08 to March '09	To be Deployed from April'09 to March '10	Total
1	Setting up of new manufacturing facility for the production of float glass.				
A.	Land Acquisition	1,195.82	0.00	-	1,195.82
B.	Land Development, Construction of Buildings and Other Civil Works	3,069.32	5,305.68	-	8,375.00
C.	Plant & Machinery	4,152.23	26,825.55	-	30,977.78
D.	Miscellaneous Fixed Assets	59.11	340.89	-	400.00
E.	Preliminary and pre-operative Expenses	1,455.64	44.36	-	1,500.00
F.	Margin Money for Working Capital Requirements			1,037.50	1,037.50
2	General Corporate Purpose	551.98	[•]	[•]	[•]
3	Public Issue Expenses	60.2	[•]	[•]	[•]
	Total	10,544.30	[•]	[•]	[•]

Interim Use of Funds

Pending utilization for the purposes described above, we intend to invest the funds in high quality interest bearing liquid instruments including money market mutual funds and deposits with banks for the necessary duration or for reducing overdraft.

In case the Issue does not go as planned or there is any shortfall in the issue proceeds, we will make alternative arrangements like availing of fresh loans and/or internal accruals to meet the shortfall, if any.

Monitoring of Issue proceeds

Our Audit Committee will also monitor the utilization of the Issue proceeds. We will disclose the utilization of the Issue proceeds under separate head in our balance sheet for the Fiscal 2009. Besides, a part of the project cost is funded through term loan lending from banks that will also monitor the utilization of issue proceeds towards the stated objects.

No part of the proceeds of this issue will be paid as consideration to our Promoters, directors, key managerial employees or group concerns/companies promoted by our Promoters.

BASIC TERMS OF THE PRESENT ISSUE

Principal Terms and Conditions of the Issue

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (DIP) Guidelines, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, this Red Herring Prospectus, the Prospectus, Bid-cum-Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Authority for the issue

The Issue has been authorized by a resolution of our Board dated August 14, 2007 and by a special resolution adopted pursuant to Section 81(1A) of the Companies Act, at an annual general meeting of the shareholders of our Company held on September 29, 2007.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in respect of Allotment of Equity Shares under this Issue will be entitled to dividends, voting rights and any other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please see the Section “Main Provisions of the Articles of Association” on page 276 of this Red Herring Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of the Companies Act and recommended by the Board of Directors and the shareholders at their discretion, and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per the provisions of the Companies Act.

Face Value and Issue Price per Share

The Equity Shares having a face value of Rs. 10/- each are being offered in terms of this Red Herring Prospectus at a price of Rs. [●]/- per Equity Share. The issue price will be determined by our Company in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares offered by way of book building. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws. The Issue Price is [●] times the face value of the Equity Shares.

Compliance with SEBI Guidelines

We shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

1. Right to receive dividend, if declared;
2. Right to attend general meetings and exercise voting powers, unless prohibited by law;
3. Right to vote on a poll either in person or by proxy;
4. Right to receive offers for rights shares and be allotted bonus shares, if announced;
5. Right to receive surplus on liquidation;
6. Right of free transferability of shares; and
7. Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, the terms of the listing agreements with the Stock Exchange(s) and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, etc., please refer to the section titled 'Main Provisions of the Articles of Association' beginning on page 276 of this Red Herring Prospectus.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI Guidelines, the trading in the Equity Shares shall only be in dematerialised form for all investors.

Since trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allocation and Allotment through this Issue will be done only in electronic form in multiples of one Equity Share to the successful Bidders subject to a minimum Allotment of 60 Equity Shares. For details of Allocation and Allotment, please refer to the section titled "Issue Procedure" on page 243 of this Red Herring Prospectus.

BASIS FOR ISSUE PRICE

The issue price will be determined by our Company in consultation with the BRLM on the basis of assessment of market demand for the equity shares offered by way of book building.

Investors should read the following summary with the section titled "Risk Factors" beginning on page 10 and the details about our Company and its financial statements included in this Red Herring Prospectus on page 99 & 162 respectively, The trading price of the equity shares of our Company could decline due to these risks and you may lose all or part of your investments.

Qualitative Factors:

1. Profit making company since incorporation

We are an existing profit making Company in operations since inception. Our restated Profit after Tax for last 3 years is given below

<i>(Rs. in Lacs)</i>				
Particulars	March 31, 2005	March 31, 2006	March 31, 2007	Nine months ended December 31, 2007
Net Profit after tax as restated	250.03	216.20	273.91	469.58

2. Our ability to devise glass solutions

Our Promoters have more than 15 years of experience in the glass industry. Mr. Amrut S. Gada, along with his technical team has developed competence to conceptualise the needs of the customers and accordingly devise solutions for them. With this ability, we add value to our products specified by our customers, and develop solutions for them with the shortest possible lead time. This helps us in building a strong and continuous relationship with our customers, strengthening our market position. We have been growing with a vision of devising complete architectural glass solutions for our customers.

3. Highly productive and reliable processing and manufacturing technology

We believe that our growth is sustained by the efforts put in by the employees and the technology that we adopt. Sejal offers a wide range of glass products and has established state of art pre-processing facilities (cutting, edging, drilling and washing) and processing facilities (lamination, insulation and tempering). All the key machineries at our existing as well as the proposed facility are bought from various well established suppliers.

4. Our Quality Policy

The shift from commoditisation to branding has allowed the firms to usher in a new level of quality consciousness.

We understand the quality as fitness in all aspects for the intended purpose of the glass, which is reflected in all that we do. We, as a policy, manufacture and market goods which comply with the customers' need and design specifications. It is our aim to respond with the ever changing needs of the customers in the most cost effective way. To improve our quality, we involve our customers, suppliers and employees in the process.

5. Our Management and Key management Personnel

Our main Promoter Mr. Amrut S. Gada, had the vision of setting up a glass processing and manufacturing facility with thrust on the quality and it is due to continuous support by our Promoter group, along with the Key Managerial Personnel, that we have been able to establish a brand in the market.

We consider our human capital as one of our key strengths. We have developed a professional, talented and dedicated pool of trained employees, who have the required skill sets and ability to manage our Company's operations.

6. Strategic Location of the proposed project

Our proposed project for the float glass is located at Jhagadia, Dist. Bharuch, Gujarat, which is ~8 Kms from NH-8 and has all the necessary infrastructure facilities required for the plant. The site is also well connected to the railway station.

Moreover, our existing manufacturing facility at Silvassa, is within 200 kms from our proposed backward integration project at Bharuch, ensuring logistical benefits and cost savings. Both the locations enjoy easy availability to required raw materials and skilled labour.

7. Established customer base

We have been in the business of providing customized architectural glass solutions to our customers. Through our product differentiation, we try to provide goods as per the specifications provided by our customers. We involve our customers in most of the processes including our quality improvement process. Due to this we enjoy repeated orders and also have an established customer base.

8. Dedicated focus on architectural industry

As per the industry sources, the rise in automobile glass sector has been phenomenal, but, the demand in the automobile glass industry is just one aspect. We believe the other growth story for the glass industry is through architectural glass used in construction industry.

Foreseeing the demand for architectural glass and the increasing trend of using high performance glass in architectural industry, we have state of art processing equipments for handling the latest generation, high performance and spectrally selective glasses. With this our Company is in an advantageous position to become the preferred supplier in this industry.

Quantitative Factors

1. Adjusted Earnings Per Share

Particulars	EPS based on the Restated Financials Statements (Rs.)	Weights
2004-2005	3.33	1
2005-2006	2.88	2
2006-2007	3.08	3
Weighted Average EPS	3.06	

2. Price/Earning Ratio (P/E) in relation to Issue Price of Rs. [●]/- per share

Particulars	P/E at the lower end of the price band	P/E at the higher end of the price

	(Rs. 105)	(Rs. 115)
a) Based on March 31, 2007 EPS of Rs. 3.08	34.09	37.34
b) Based on Weighted Average EPS of Rs. 3.06	34.31	37.58

Industry P/E: Glass Industry	
i. Highest - Borosil Glass	100.00
ii. Lowest - Haldyn Glass Gujarat	5.10
iii. Average	21.30

Source: Capital Market, Volume XXIII/05, May 05 - May 18, 2008

3. Return on Net Worth

Particulars	RONW (%)	Weights
2004-2005	35.13	1
2005-2006	25.12	2
2006-2007	20.38	3
Weighted Average RONW	24.42	

4. Minimum Return on Net Worth needed after the Issue to maintain pre-Issue EPS of Rs.3.08 is

- a) At the higher end of the price band 5.36%
- b) At the lower end of the price band 5.69%

5. Net Asset Value (Rs.)

	Particulars	At the lower end of the price band (Rs. 105)	At the higher end of the price band (Rs. 115)
a)	As on 31 st March 2007	13.00	13.00
b)	As on 31 st December 2007	27.31	27.31
c)	After Issue	54.16	57.44
d)	Issue Price	[●]	

6. Comparison of Accounting Ratios with Peer Group Companies

Particulars	EPS (Rs.)	RONW (%)	NAV (Rs.)
Asahi India Limited	2.10	13.10	17.60
Sejal Architectural Glass Limited (March 31, 2007)	3.08	20.56	13.00

Source: Capital Market, Volume XXIII/05, May 05 - May 18, 2008

7. The face value of our shares is Rs.10/- per share and the Issue Price of Rs. [●]/- is [●] times of the face value of our Equity Shares. The final price would be determined on the basis of the demand from the investors.
8. The Book Running Lead Manager believes that the Issue Price of Rs. [●]/- per share is justified in view of the above qualitative and quantitative parameters. The investors may also want to peruse the risk factors and our financials as set out in the Auditors Report in the Red Herring Prospectus to have a more informed view about the investment proposition.

STATEMENT OF TAX BENEFITS

**The Board of Directors,
Sejal Architectural Glass Limited**
201, Abhilasha, 2nd Floor,
S.V. Road, Kandivali (West),
Mumbai - 400 067

Dear Sirs,

We hereby confirm that the enclosed statement, prepared by the Company, states the possible tax benefits available to SEJAL ARCHITECTURAL GLASS LIMITED ('the Company') and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws and the fact that the Company will not distinguish between the shares offered for subscription and the shares offered for sale by the selling shareholders, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the current tax laws in force in India.

We do not express any opinion or provide any assurance as to whether:

- The Company or its shareholders will continue to avail these benefits in future; or
- The conditions prescribed for availing the benefits, where applicable have been/would be met.

For S S PURANIK & CO.
Chartered Accountants

Mumbai
23rd May, 2008

Shripad S Puranik
Proprietor
M. No. 030670

TAX BENEFITS

A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY.

1. Deduction under Section 80-IB of the Income Tax Act, 1961.

The profits of the Proposed Plant would be eligible for deduction @ 100% under section 80-IB of the Act for the period of first five years after commencement of commercial production and thereafter @ 30% for the next five years. The profits of the Float Glass division for the purposes of Section 80-IB of the Act shall be computed on a stand-alone basis. The benefit is available subject to fulfillment of the conditions prescribed under that section.

- 2.** The Company, a Medium Scale Industrial Unit, was exempted from payment of Central Sales Tax levied under the Central Sales Tax Act, 1956, in respect of certain goods, manufactured / processed in the Union Territory of Dadra and Nagar Haveli by it, w.e.f. 31.01.2000 for the period of 15 years. However, the Central Sales Tax Act, 1956 was amended w.e.f. 01.06.2002 and in terms of the amendment, the exemption from payment of Central Sales Tax was restricted to Inter state sales effected only against submission of "C" forms and in case of consignment sales and stock transfers, against submission of form 'F'. In the absence of "C" form and / or as the case may be "F" form, the exemption from payment of Central Sales Tax stands withdrawn.

B. GENERAL TAX BENEFITS, AVAILABLE TO ALL CATEGORIES OF THE COMPANIES, SUBJECT TO FULFILLING CERTAIN CONDITIONS AS REQUIRED UNDER THE RESPECTIVE ACTS:

BENEFITS AVAILABLE TO THE COMPANY UNDER THE INCOME TAX ACT, 1961.

- 1.** Under Section 10(34) of the Act, dividend income (whether interim or final) in the hands of the company as distributed or paid by any other Company is fully exempt from tax in the hands of the Company.
- 2.** As per the provisions of Section 112 (1) (b) of the Act, long-term capital gains would be subject to tax at the rate of 20% (plus applicable surcharge and education cess). However, as per the proviso to Section 112(1), the long term capital gains resulting on transfer of listed securities or units (not covered by section 10(36) and 10(38)), would be subject to tax at the rate of @ 20% with indexation benefits or 10% without indexation benefits (plus applicable surcharge and education cess) as per the option of the assessee.
- 3.** Long term capital gain arising from transfer of an 'Eligible Equity Share' in a company Purchased on or after the 1st day of March, 2003 and before the 1st day of March, 2004 (both days inclusive) and held for a period of 12 months or more is exempt from tax under section 10(36) of the Act.
- 4.** As per the provisions of section 10(38), long term capital gain arising from the sale of Equity Shares in any company through a recognized stock exchange or from the sale of units of an equity oriented mutual fund shall be exempt from Income Tax if such sale takes place after 1st of October 2004 and such sale is subject to Securities Transaction tax.
- 5.** As per the provisions of section 111A, Short Term capital gains arising from the transfer of Equity Shares in any company through a recognized stock exchange or from the sale of units of equity oriented mutual fund shall be subject to tax @ 10% provided such a transaction is entered into after the 1st day of October, 2004 and the transaction is subject to Securities Transaction Tax.
- 6.** In accordance with and subject to the conditions and to the extent specified in Section 54EC of the Act, the Company would be entitled to exemption from tax on gains arising from transfer of the long term capital asset (not covered by section 10(36) and section 10(38)) if such capital gain is invested in any of the long-term specified assets in the manner prescribed in the said section. Where the long-term specified asset is transferred or converted into money at any time within a

period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the long-term specified asset is transferred or converted into money.

7. As per the provisions of Section 54ED of the Act and subject to the conditions specified therein, capital gains arising from transfer of long term assets, being listed securities or units (not covered by section 10(36) and section 10(38)) shall not be chargeable to tax to the extent such gains are invested in acquiring Equity Shares forming part of an 'eligible issue of share capital' in the manner prescribed in the said section.
8. Deduction under section 32:
As per provisions of Section 32(1)(ia) of the Act, the company is entitled to claim additional depreciation of 15 per cent of the actual cost of any new machinery or plant which has been acquired and installed after 31st March 2005 subject to fulfillment of conditions prescribed therein.

BENEFITS AVAILABLE TO RESIDENT SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961

1. Under Section 10(34) of the Act, dividend (whether interim or final) declared, distributed or paid by the Company is fully exempt from tax in the hands of the shareholders of the Company.
2. As per the provisions of Section 112 of the Act, long-term capital gains would be subject to tax at the rate of 20% (plus applicable surcharge and education cess). However, as per the proviso to Section 112(1), the long term capital gains resulting on transfer of listed securities or units (not covered by sections 10(36) and 10(38)), would be subject to tax @ 20% with indexation benefits or 10% without indexation benefits (plus applicable surcharge and education cess) as per the option of the assessee.
3. As per the provisions of section 10(38), long term capital gains arising from the sale of Equity Shares in any company through a recognized stock exchange or from the sale of units of an equity oriented mutual fund shall be exempt from Income Tax if such sale takes place after 1st of October 2004 and the sale is subject to Securities Transaction tax.
4. As per the provisions of section 111A, Short Term capital gains arising from the transfer of Equity Shares in any company through a recognized stock exchange or from the sale of units of equity oriented mutual fund shall be subject to tax @ 10% provided such a transaction is entered into after the 1st day of October, 2004 and the transaction is subject to Securities Transaction Tax.
5. As per the provisions of section 88E, where the business income of a resident includes profits and gains from sale of taxable securities, a rebate shall be allowed from the amount of income tax equal to the Securities transaction tax paid on such transactions. However the amount of rebate shall be limited to the amount arrived at by applying the average rate of income tax on such business income as provided in the said section.
6. In accordance with and subject to the conditions and to the extent specified in Section 54EC of the Act, the shareholders would be entitled to exemption from tax on gains arising on transfer of their shares in the Company (not covered by sections 10(36) and 10(38)), if such capital gain is invested in any of the long term specified assets in the manner prescribed in the said section. Where the long-term specified asset is transferred or converted into money at any time within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the long-term specified asset is transferred or converted into money.
7. In accordance with and subject to the conditions and to the extent specified in Section 54ED of the Act, the shareholders would be entitled to exemption from long term capital gain tax on transfer of their assets being listed securities or units (not covered by sections 10(36) and 10(38)), to the

extent such capital gain is invested in acquiring Equity Shares forming part of an 'eligible issue of share capital' in the manner prescribed in the said section.

8. In case of a shareholder being an individual or a Hindu Undivided Family, in accordance with and subject to the conditions and to the extent specified in Section 54F of the Act, the shareholder would be entitled to exemption from long term capital gains on the sale of shares in the Company (not covered by sections 10 (36) and 10 (38)), upon investment of net consideration in purchase /construction of a residential house. If part of net consideration is invested within the prescribed period in a residential house, then such gains would not be chargeable to tax on a proportionate basis. Further, if the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains shall be charged to tax as long-term capital gains in the year in which such residential house is transferred.

9. There are no special Tax Benefits available to the Shareholders of the Company

BENEFITS AVAILABLE TO NON-RESIDENT INDIAN SHAREHOLDERS

1. Under Section 10(34) of the Act, dividend (whether interim or final) declared, distributed or paid by the Company on or after 1st April 2004 is fully exempt from tax in the hands of the shareholders of the Company.
2. In the case of shareholder being a non-resident Indian and subscribing to shares in convertible foreign exchange, in accordance with and subject to the conditions and to the extent specified in Section 115D read with Section 115E of the Act, long term capital gains arising from the transfer of an Indian company's shares (not covered by sections 10(36) and 10(38)), will be subject to tax at the rate of 10% as increased by a surcharge and education cess at an appropriate rate on the tax so computed, without any indexation benefit but with protection against foreign exchange fluctuation.
3. In case of a shareholder being a non-resident Indian, and subscribing to the share in convertible foreign exchange in accordance with and subject to the conditions and to the extent specified in Section 115F of the Act, the non resident Indian shareholder would be entitled to exemption from long term capital gains (not covered by sections 10(36) and 10(38)) on the transfer of shares in the Company upon investment of net consideration in modes as specified in sub-section (1) of Section 115F.
4. In accordance with the provisions of Section 115G of the Act, Non Resident Indians are not obliged to file a return of income under Section 139(1) of the Act, if their only source of income is income from investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Act.
5. In accordance with the provisions of Section 115H of the Act, when a Non Resident Indian become assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer along with his return of income for that year under Section 139 of the Act to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.
6. As per the provisions of section 115 I of the Act, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income for that year under Section 139 of the Act, declaring therein that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.

7. In accordance with and subject to the conditions and to the extent specified in Section 112 of the Act, tax on long term capital gains arising on sale on listed securities or units not covered by sections 10(36) and 10(38) will be, at the option of the concerned shareholder, 10% of capital gains (computed without indexation benefits) or 20% of capital gains (computed with indexation benefits) as increased by a surcharge and Education cess at an appropriate rate on the tax so computed in either case.
8. As per the provisions of section 10(38), long term capital gain arising from the sale of Equity Shares in any company through a recognized stock exchange or from the sale of units of an equity oriented mutual fund shall be exempt from Income Tax if such sale takes place after 1st of October 2004 and such sale is subject to Securities Transaction tax.
9. As per the provisions of section 111A, Short Term capital gains arising from the transfer of Equity Shares in any company through a recognized stock exchange or from the sale of units of equity oriented mutual fund shall be subject to tax @ 10% provided such a transaction is entered into after the 1st day of October, 2004 and the transaction is subject to Securities Transaction Tax.
10. As per the provisions of section 88E, where the business income of an assessee includes profits and gains from sale of taxable securities, a rebate shall be allowed from the amount of income tax equal to the Securities transaction tax paid on such transactions. However the amount of rebate shall be limited to the amount arrived at by applying the average rate of income tax on such business income as provided in the said section.
11. In accordance with and subject to the conditions and to the extent specified in Section 54EC of the Act, the shareholders would be entitled to exemption from tax on long term capital gains (not covered by sections 10(36) and 10(38)) arising on transfer of their shares in the Company if such capital gain is invested in any of the long term specified assets in the manner prescribed in the said section. Where the long-term specified asset is transferred or converted into money at any time within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the specified asset is transferred or converted into money.
12. In accordance with and subject to the conditions and to the extent specified in Section 54ED of the Act, the shareholder would be entitled to exemption from tax on long term capital gains (not covered by sections 10(36) and 10(38)) arising on transfer of their assets being listed securities or units to the extent such capital gain is invested in acquiring Equity Shares forming part of an 'eligible issue of share capital' in the manner prescribed in the said section.
13. In case of a shareholder being an individual or a Hindu Undivided Family, in accordance with and subject to the conditions and to the extent specified in Section 54F of the Act, the shareholder would be entitled to exemption from long term capital gains (not covered by sections 10(36) and 10(38)) on the sale of shares in the Company upon investment of net consideration in purchase / construction of a residential house. If part of net consideration is invested within the prescribed period in a residential house, then such gains would not be chargeable to tax on proportionate basis. Further, if the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred.
14. As per the provisions of Section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the Non-Resident.

BENEFITS AVAILABLE TO OTHER NON-RESIDENTS

1. Under Section 10(34) of the Act, dividend (whether interim or final) declared, distributed or paid by the Company on or after 1st April 2004 is completely exempt from tax in the hands of the shareholders of the Company.
2. In accordance with and subject to the conditions and to the extent specified in Section 112 of the Act, tax on long term capital gains arising on sale on listed securities or units before 1st October 2004 will be, at the option of the concerned shareholder, 10% of capital gains (computed without indexation benefits) or 20% of capital gains (computed with indexation benefits) as increased by a surcharge and education cess at an appropriate rate on the tax so computed in either case.
3. As per the provisions of section 10(38), long term capital gain arising from the sale of Equity Shares in any company through a recognized stock exchange or from the sale of units of an equity oriented mutual fund shall be exempt from Income Tax if such sale takes place after 1st of October 2004 and such sale is subject to Securities Transaction tax.
4. As per the provisions of section 111A, Short Term capital gains arising from the transfer of Equity Shares in any company through a recognized stock exchange or from the sale of units of equity oriented mutual fund shall be subject to tax @ 10% provided such a transaction is entered into after the 1st day of October, 2004 and the transaction is subject to Securities Transaction Tax.
5. As per the provisions of section 88E, where the business income of an assessee includes profits and gains from sale of taxable securities, a rebate shall be allowed from the amount of income tax equal to the Securities transaction tax paid on such transactions. However the amount of rebate shall be limited to the amount arrived at by applying the average rate of income tax on such business income as provided in the said section.
6. In accordance with and subject to the conditions and to the extent specified in Section 54EC of the Act, the shareholders would be entitled to exemption from tax on gains arising on transfer of their shares in the Company (not covered by sections 10(36) and 10(38)) if such capital gain is invested in any of the long term specified asset is transferred or converted into money at any time within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the long-term specified asset is transferred or converted into money.
7. In accordance with and subject to the conditions and to the extent specified in Section 54ED of the Act, the shareholders would be entitled to exemption from long term capital gains (not covered by sections 10(36) and 10(38)) on transfer of their assets being listed securities or units to the extent such capital gain is invested in acquiring Equity Shares forming part of an 'eligible issue of share capital' in the manner prescribed in the said section.
8. In case of a shareholder being an individual or a Hindu Undivided Family, in accordance with and subject to the conditions and to the extent specified in Section 54F of the Act, the shareholder would be entitled to exemption from long term capital gains (not covered by sections 10(36) and 10(38)) on the sale of shares in the Company upon investment of net consideration in purchase/construction of a residential house. If part of net consideration is invested within the prescribed period in a residential house, then such gains would not be chargeable to tax on a proportionate basis. Further, if the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred.

9. As per the provisions of Section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the Non Resident.

BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ('FII')

1. In case of a shareholder being a Foreign Institutional Investor (FII), in accordance with and subject to the conditions and to the extent specified in Section 115AD of the Act, tax on long term capital gain (not covered by sections 10(36) and 10(38)) will be 10% and on short term capital gain will be 30%, as increased by a surcharge and education cess at an appropriate rate on the tax so computed in either case. However short term capital gains on sale of Equity Shares of a company through a recognized stock exchange or a unit of an equity oriented mutual fund effected on or after 1st October 2004 and subject to Securities transaction tax shall be taxed @ 10% as per the provisions of section 111A. It is to be noted that the benefits of Indexation and foreign currency fluctuation protection as provided by Section 48 of the Act are not available to FII.
2. As per the provision of Section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the Non Resident.
3. As per the provisions of section 10(38), long term capital gain arising from the sale of Equity Shares in any company through a recognized stock exchange or from the sale of units of an equity oriented mutual fund shall be exempt from Income Tax if such sale takes place after 1st October 2004 and such sale is subject to Securities Transaction tax.
4. As per the provisions of section 88E, where the business income of an assessee includes profits and gains from sale of taxable securities, a rebate shall be allowed from the amount of income tax equal to the Securities transaction tax paid on such transactions. However the amount of rebate shall be limited to the amount arrived at by applying the average rate of income tax on such business income.
5. In accordance with and subject to the conditions and to the extent specified in /section 54EC of the Act, the shareholders would be entitled to exemption from tax on long term capital gains (not covered by sections 10 (36) and 10(38)) arising on transfer of their shares in the Company if such capital gain is invested in any of the long term specified assets in the manner prescribed in the said section. Where the long term specified assets is transferred or converted into money at any time within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the long term specified asset is transferred or converted into money.
6. In accordance with and subject to the conditions and to the extent specified in Section 54ED of the Act, the shareholders would be entitled to exemption from long term capital gain tax (not covered by sections 10 (36) and 10(38)) on transfer of their assets being listed securities or units to the extent such capital gain is invested in acquiring Equity Shares forming part of an 'eligible issue of share capital' in the manner prescribed in the said section.

BENEFITS AVAILABLE TO MUTUAL FUNDS

In case of a shareholder being a Mutual fund, as per the provisions of Section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made there under, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorized by the Reserve Bank of India would be exempt from Income Tax, subject to the conditions as the Central Government may by notification in the Official Gazette specify in this behalf.

BENEFITS AVAILABLE TO VENTURE CAPITAL COMPANIES /FUNDS

In case of a shareholder being a Venture Capital Company / Fund, as per the provisions of Section 10(23FB) of the Act, any income of Venture Capital Companies / Funds registered with the Securities and Exchange Board of India, would exempt from Income Tax, subject to the conditions specified.

BENEFITS AVAILABLE UNDER THE WEALTH TAX ACT, 1957

As per the prevailing provisions of the above Act, no Wealth Tax shall be levied on value of shares of the Company.

BENEFITS AVAILABLE UNDER THE GIFT TAX ACT, 1958

Gift tax is not leviable in respect of any gifts made on or after 1st October 1998. Therefore, any gift of shares will not attract gift tax.

Notes:

1. All the above possible benefits are as per the current tax laws as amended by the Finance Act, 2007.
2. All the stated possible benefits are as per the current tax law and will be available only to the sole / first named holder in case the shares are held by joint holders.
3. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the double taxation avoidance agreements, if any, between India and the country in which the non-resident has fiscal domicile.
4. In view of the individual nature of tax consequences, each investor is advised to consult his / her / its own tax advisor with respect to specific tax consequences of his / her / its participation in the scheme. The shareholder is also advised to consider in his / her / its own case, the tax implications of an investment in the Equity Shares, particularly in view of the fact that certain recently enacted legislations may not have direct legal precedent or may have a different interpretation on the benefits which an investor can avail.

SECTION VI- ABOUT US

INDUSTRY OVERVIEW

Disclaimer: Pursuant to the requirements of the SEBI Guidelines, the discussion on the business of our Company in this Red Herring Prospectus consists of disclosures pertaining to industry grouping and classification. The industry grouping and classification is based on our Company's own understanding and perception and such understanding and perception could be substantially different or at variance from the views and understanding of third parties. Our Company acknowledges that certain products described in the Red Herring Prospectus could be trademarks, brand names and/or generic names of products owned by third parties and the reference to such trademarks, brand names and/or generic names in the Red Herring Prospectus is only for the purpose of describing the products. The industry data has been collated from various industry and/or research publications from, CRISIL and from information available from the World Wide Web.

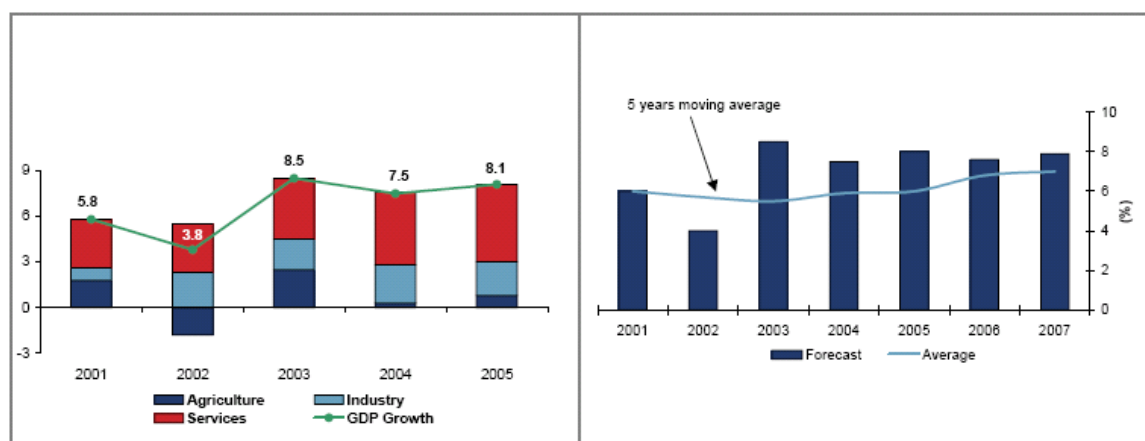
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Glass, without doubt, is the 'Material of the Millennium' and like every new material it needs to be used to its potential.

The Indian Economy

India's economy is on the fulcrum of an ever increasing growth curve. It is the fourth largest economy of the world on the basis of Purchasing Power Parity (PPP). With positive indicators such as a stable 8-9 per cent annual growth, rising foreign exchange reserves of over US\$ 222 billion, a booming capital market with the popular "Sensex" index topping the majestic 15,000 mark, the Government estimating FDI flow of US\$ 15.5 billion in this fiscal, and a more than 20 per cent surge in exports it is one of the most attractive destinations for business and investment opportunities due to huge manpower base, diversified natural resources and strong macro-economic fundamentals. Thus it is easy to understand why India is a leading destination for foreign investment.

The Reserve Bank of India has reported GDP growth of 9.5% in the second half of fiscal 2007. The charts below illustrate the GDP growth and its components, as well as projected GDP growth in fiscal 2006 and fiscal 2007:



Source: Central Statistical Organisation.

REAL ESTATE MARKET

The real estate story in India is growing bigger by the day. Industry experts believe that Indian real estate has huge demand potential in almost every sector -- especially commercial, residential and retail. Real estate sector covers residential housing, commercial offices, and trading spaces such as theatres, hotels and restaurants, retail outlets and industrial buildings such as factories and government buildings.

Growth in commercial office space requirement is led by the burgeoning outsourcing and information technology (IT) industry. By 2010, the IT sector alone is expected to require 1500 million sq.ft. of space across major cities. It is estimated that in the residential sector there is a housing shortage of 19.4 million units out of which 6.7 million are in urban India. The increase in purchasing power and exposure to organised retail formats has redefined the consumption pattern. As a result, retail projects have been mushrooming across even B-grade cities. The retail market is expected to grow at around 35 per cent. Industry observers feel that this growth is facilitated by favourable demographics, increasing purchasing power, existence of customer-friendly banks and housing finance companies, professionalism in real estate and reforms initiated by the Government to attract global investors.

Indian Retail Sector

The Indian retail market, one of India's fastest growing industries, is expected to grow from US\$ 350 billion to US\$ 427 billion by 2010. According to Euromonitor International, the Indian Retail market will grow in value terms by a total of 39.6 per cent between 2006 and 2011, averaging growth of almost 7 per cent a year.

Modern retail accounts for about 4 per cent of the total retail market in India. This share is expected to increase to about 15 -20 per cent with the entry of a number of corporate into the segment. Modern retail formats have grown by 25-30 per cent in India in the last year and could be worth US\$ 175-200 billion by 2016.

Retail space

Retailers in India are the most aggressive in Asia in expanding their businesses, thus creating a huge demand for real estate. Their preferred means of expansion is to increase the number of outlets in a city, and also expand to other regions, revealed the Jones Lang LaSalle third annual Retailer Sentiment Survey-Asia.

Driven by changing lifestyles, strong income growth and favourable demographic patterns, Indian retail is expanding at a rapid pace. The country may have 600 new shopping centres by 2010. Mall space, from a meager one million square feet in 2002, is expected to touch 40 million square feet by end-2007 and an estimated 60 million square feet by end-2008.

(Source: www.ibef.org)

About Glass

Glass is a transparent product chiefly made from sand (silicon dioxide), limestone and sodium carbonate. It differs in color and density depending upon the addition of several other elements and oxides.

Glass is used primarily in the construction sector and automobile sector. In the construction sector, glass is used in exteriors and interiors in residential commercial and industrial buildings, viz.:

- **Exteriors:** Windows, doors, ventilators, lifts, skylights, curtain walling, structural glazing, owing etc.
- **Interiors:** Cabinets, table tops, shower cubicles, partitions, doors, counter tops, wall paneling etc. Mirrors are another major user of glass.

Types of Glass

Glass can be divided into two groups: oxide glass and non-oxide glass. Oxide glasses contain chemical compounds that have oxygen. The oxides render strength to glass by way of hardness and chemical resistance. They also help to add colour to glass. Non-oxide glasses are made from compounds that contain no oxides, and often contain sulphides or metals. Oxide glasses are much more widely used commercially. The most common types of oxide glasses are:

- **Soda lime glass** - Soda lime glass contains 60.75 per cent silicon dioxide, 12.18 per cent sodium oxide and 5.12 per cent of calcium oxide. It is used for making flat glass, containers, electric light bulbs and many other industrial and art objects. More than 90 per cent of all glass is soda lime glass.
- **Soda lead glass** - Commonly called crystal or lead glass, this type of glass is made by using lead oxide instead of calcium oxide, and potassium oxide instead of sodium oxide. This type of glass contains 54.65 per cent silicon dioxide, 18.38 per cent lead oxide and 13.15 per cent potash. Soda lead glass is easy to melt and the lead oxide improves its electrical properties. It has beautiful optical properties and is more expensive than soda lime glass. Soda lead glass has a high refractive index and relatively soft surface. It is used in fine tableware and art objects.
- **Borosilicate glass** - This glass contains 7-13 per cent of boric oxide and 70-80 per cent silica in its composition. The balance composition constitutes of 4-8 per cent sodium oxide and potassium oxide and 2-7 per cent aluminium oxide. This type of glass is heat and shock resistant and about three times as heat and shock resistant as soda lime glass. It is used for chemical and electrical purposes and finds application in products such as ovenware beakers, test tubes and other laboratory equipment.
- **Aluminosilicate glass** - It has aluminium oxide in its composition. It is similar to borosilicate glass but has greater chemical durability and can withstand higher operating temperatures.
- **Ninety Six per cent silica glass** - This type of glass is a borosilicate glass, melted and formed by conventional means, then processed to remove almost all the non-silicate elements from the piece. By reheating to 1200 degree celcius, the resulting pores are consolidated. This glass is resistant to heat shock, up to 900 degrees.
- **Fused silica glass** - Fused silica glass is a highly heat-shock resistant glass that consists entirely of silicon dioxide. It is used in laboratory glassware and optical fibers. It consists of a special borosilicate composition that has been made porous by chemical treatment.

Uses of Glass

- Flat glass is used chiefly in windows. It is also used in mirrors, room dividers and furniture. All flat glass is made in the form of flat sheets. But some of it, such as that used in automobile windshields, is re-heated and curved over moulds.
- Glass containers are used for packaging of food, beverages, medicines, chemicals and cosmetics. They are made from special glass formulas to make sure there will be no contamination or deterioration of blood plasma, serums, and chemicals stored in them.
- Optical glass is used in eyeglasses, microscopes, telescopes, camera lenses and other instruments for factories and laboratories. The raw materials used to make optical glass must be pure. The care required for producing optical glass makes it expensive.
- Fiberglass consists of fine but solid rods of glass, each of which may be less than one twentieth the width of a human hair. Glass fibres are loosely packed together in a wool-like mass that can serve as heat insulation. They are also used like wool or cotton fibres to make glass yarn, tape, cloth and mats. Fiberglass also finds applications in electrical insulation, chemical filtration, and fire fighters' suits. Combined with plastics, fiberglass is used for airplane wings and bodies, automobile bodies, and boat hulls. It is a popular curtain material because it is fire-resistant and washable.
- Specialty glasses are all other types of glass besides flat glass, glass containers, optical glass and fiber-glass. Laminated safety glass, bullet-resisting glass, opal glass, coloured structural glass, laser glass are some of the kinds of specialty glass

Float Glass

The preferred method of glass manufacturing is through what is known as the float process. This differs from the old way of making glass which is known as the drawn sheet method. In the drawn sheet process, sheets are literally drawn out of a vat of molten glass. The result is an inferior glass which is optically impure. The float process entails melting recycled glass, called cullet, silica sand, potash, lime and soda in a furnace. The molten glass is pushed through an opening onto a bed of molten tin, where it cools as it travels along to be cut into sheets. The speed that the molten glass travels at determines its thickness.

The type of float glass used can be broadly divided into the following:

- **Clear glass:** This type of glass is very widely used. It is processed further into mirrors, beveled and etched.
- **Tinted glass:** Tinted glass is manufactured by adding a dye at the molten glass stage. This is used to minimise solar heat gain and glare while it also absorbs heat, the primary use being in interiors - table tops, counter tops, windows, etc. To a limited extent, this is also used in curtain walling.
- **Reflective glass:** Float glass can be treated with a metallic coating which provides a reflective mirror type effect. This is particularly advantageous should the reduction of solar heat gain be desirable. The major use of reflective glass is in curtain walling and structural glazing. This is available in various shades of grey, blue, green etc.
- **Processed glass :** This comprises
 - **Insulating glass/ double glazing:** Used in star hotels, commercial complexes and corporate offices for acoustic and thermal insulation
 - **Toughened glass:** Used in high rise buildings for curtain walling, structural glazing, spandrels, seafronts, banisters.
 - **Laminated glass:** Primarily used for acoustic insulation, shop fronts, etc.

Domestic Glass Industry

For the last few years, the domestic demand for Indian flat (float/sheet) glass has been registering a noteworthy increase of 10 -12 per cent per annum and this increase is likely to be sustained in the coming years as well since the two main consuming sectors of glass- construction and automotive which are both been maintaining a consistently high rate of growth.

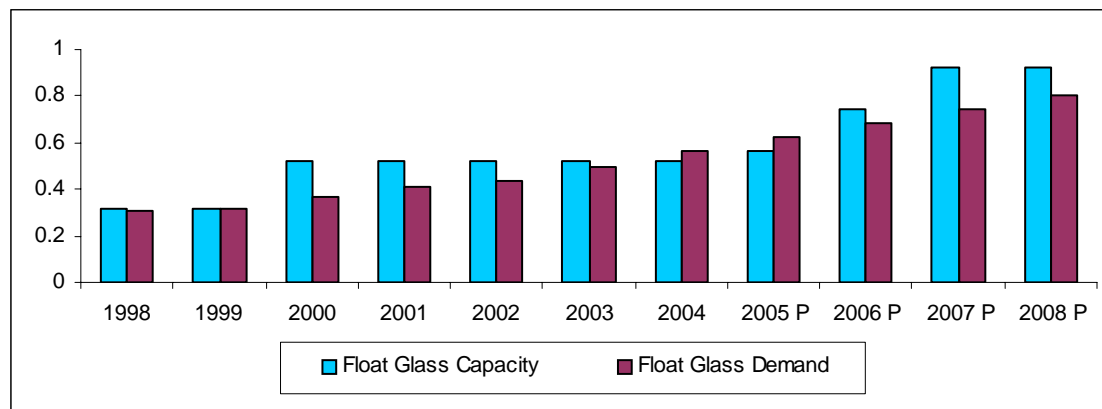
During the calendar year 2005, the aggregate demand for flat (float/sheet) glass in the Indian domestic glass market was 1976.54 tonnes per day on an average, whereas it was only 1668.10 tonnes per day on an average during the previous year 2004. During the year 2005, the total export of float and sheet (including Chinese float glass) was 142.37 (97.38+44.99) tonnes per day on an average whereas a few years ago it was as low as 300 to 350 tonnes per day on an average. The main reason for the decline in exports of float glass in 2005 has been the consistent increase in domestic demand in Indian glass market. The fact is that glass manufacturers get a better price realization in domestic glass market as compared with exports and they resort to exports only when domestic demand falls short of supply so that a balance between domestic demand and supply can be restored to get better prices. (Source: Glassyug December, 2005)

Despite this, market potential in India is still grossly underleveraged. For instance, the consumption of float glass in India is just 0.55 kg per person. It is one-seventh of China, one-tenth of Thailand and one-twenty eighth of the whole developed world.

(Source: www.ibef.org)

Total Float Glass Demand in India

Float glass is one of the products of the glass Industry. Various other products are together commonly known as flat glass. They comprise of float glass, sheet glass, figured and wired glass and polished plate glass. Today, around 95% of the flat-glass produced in the world is of float type. The most significant distinction of float glass from other types of flat glass is its superior quality and distortion free nature. It is extremely clear with light transmission upto 90%.



Source: CRISIL Research

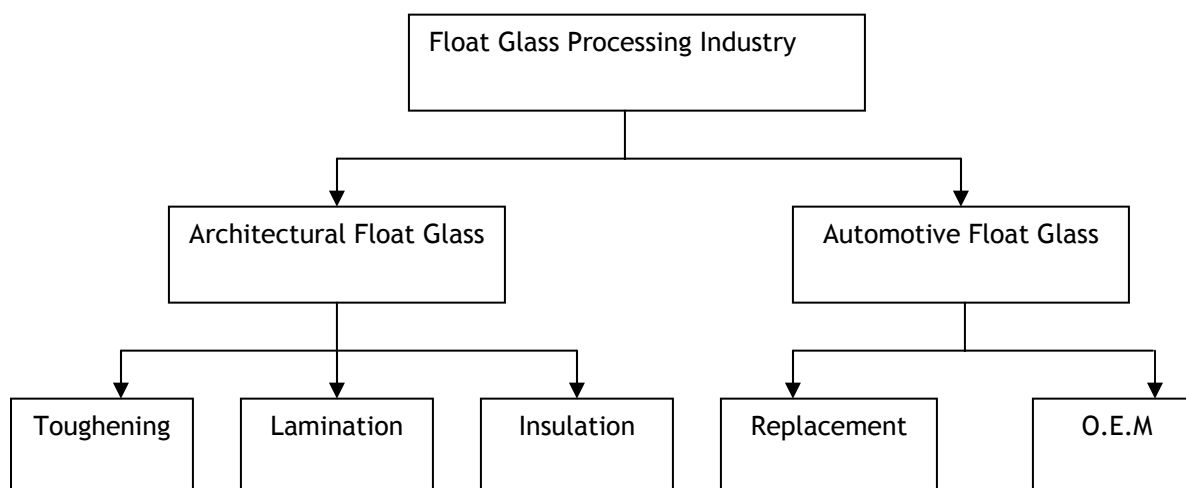
The total float glass manufactured in India is 6,34,275 tonnes of which 76% of the total float glass manufactured in India is supplied to the Indian market. The domestic demand has been on a continuous rise with the infrastructure sector in the country has been seeing stupendous growth.

Float glass demand is usually divided into Automotive and Non-Automotive consumers. In the Financial Year 2004 - 2005, the Non Automotive consumers (tonnage wise) accounted for 93% of the demand drivers for float glass in India.

Domestic demand = Architectural Demand + Automotive Demand

Domestic supply = Manufactured + Imported - Exported

Float Glass Processing Industry



Demand Drivers

1. Real Estate Sector

The real estate story in India is growing bigger by the day. Industry experts believe that Indian real estate has huge demand potential in almost every sector -- especially commercial, residential and retail. Real Estate Industry in India is estimated to be about \$1,200 Crs (2004) and is growing at the pace of 30% each year.

(a) Residential

The growth in the residential sector in India has been driven mainly by rising disposable income, a rapidly growing middle class, and affordable interest rates, fiscal incentives on both interest and principal payments for housing loans, as well as increased urbanization and increase in nuclear families. The conversion of slum, kutchra or semi-pucca in urban areas to pucca non-slums dwelling units has also contributed to residential growth. There is a housing shortage of 19.4 million units with a shortage of 12.7 million in rural areas and 6.7 million in urban areas as of March 2006.

(b) Commercial

In the commercial space, the business opportunity is led by the unprecedented outsourcing activity happening in India, particularly in IT and ITES sectors. As the IT sector expands to Tier III cities across India, the retail phenomenon will spread to smaller cities.

Within IT and ITES sectors, the Indian off shoring operations of multinational companies are expected to increase demand for commercial space. Growth in commercial office space requirement is led by the burgeoning outsourcing and information technology (IT) industry. IT and BPO business alone contributes to around 120 lac square feet of real estate development in 2004 and by 2010, the IT sector alone is expected to require 150 million square feet of space across major cities.

Of the total real estate developed 20% is commercial area comprising of offices, shopping malls, hotels and hospitals. Bangalore, Hyderabad, Chennai and Gurgaon are the growing markets for such commercial space development. (*Source: IBEF*)

(c) Retail and Malls

India has emerged as the most attractive destination for retailers in 2007. With the retail sector experiencing a boom, the country is witnessing a spurt in extremely large retail spaces. According to the latest study, for the third year in a row, India leads the annual list of most attractive emerging markets for retail investment followed by Russia and China.

Organised retail, which currently accounts for only 4.6 per cent of the US\$ 270 billion Indian retail sector, is expected to grow at 37 per cent in 2007 and 42 per cent in 2008, according to India Retail Report 2007. The report adds that organised retail in India has the potential to add over US\$ 45 billion business by the year 2010.

This is expected to create a demand for around 220 million square feet of retail space by 2010. According to industry estimates, 27 million square feet of organised retail space is currently available. Another 90 million square feet is expected to be added by 2008 from 263 mall projects.

As the competition in the market intensifies, builders are going out of their way to be different. Specialised malls, designer brands and multi-movie options are marking the shopper's day out. Shopping malls with over 1 million sq ft of space have become the order of the day.

Driven by changing lifestyles, strong income growth and favourable demographic patterns, Indian retail is expanding at a rapid pace. The country may have 600 new shopping centres by 2010. Mall space, from a meagre one million square feet in 2002, is expected to touch 40 million square feet by end-2007 and an estimated 60 million square feet by end-2008. The new age malls give shopping a whole new experience.

(d) Hospitality Industry

With the increase of disposable income in the hands of upwardly mobile Indian middle class, the propensity of spending a larger portion of their income on tours and travels are going up. This factor, coupled with the changing lifestyle of Indian population and an increase in business travel due to a growing economy, has created demand for quality hotels/resorts across this country. In addition, India is also emerging as a major destination for global tourism which in turn pushing up the demand for hotels/resorts across India. This increasing demand for hotels/resorts across India, offers yet another opportunity for real estate development.

Hospitality industry is witnessing significant changes in its dynamics with increase in tourists and business travel to India. As per the World Travel and Tourism Council (WTTC), India's Travel and Tourism is expected to grow 8.4 % in 2006 and by 8 % per annum, in real terms, between 2007 and 2016. WTTC has also projected India as one of the emerging tourism markets having potential of earning US\$24 billion annual foreign exchange through tourism by 2015. With the industry expected to grow at 8-9% in 2006, the number of business travellers to the country are also likely to increase.

(Source: Central Statistical Organisation).

The majority of segments in the Indian hotel industry have shown robust recent growth in room rates as well as occupancy rates. With increased demand and limited availability of quality accommodation, the average room rates in metropolitan markets have grown at a rapid pace over the last two years. The general increase in room rates and occupancy rates is expected to contribute significantly to the demand for new hotel developments.

(e) SEZs

SEZs are specifically delineated duty free enclaves deemed to be foreign territories for purposes of Indian custom controls, duties and tariffs.

Under the SEZ Act, a Board of Approval (the "SEZ Board") has been set up, which is responsible for promoting SEZs and ensuring their orderly development. The SEZ Board has the authority to approve proposals for the establishment of SEZs, the operations to be carried out in the SEZs by developers and the scope of foreign collaborations and FDIs.

According to the Ministry of Commerce and Industry, 61 SEZs are currently approved and under establishment in India. The currently functional SEZs in India are located at Andheri (East) (Maharashtra), Cochin (Kerala), Kandla and Surat (Gujarat), Chennai (Tamil Nadu), Visakhapatnam (Andhra Pradesh), Falta (West Bengal), Noida (Uttar Pradesh), Manikanchan and Salt Lake (Kolkata), Indore (Madhya Pradesh), Jaipur (Rajasthan) and Mahindra City (Chennai) (Ministry of Commerce and Industry, Department of Commerce (<http://sezindia.nic.in>)). As of March 31, 2005, there were 811 units, employing over a 100,000 people, in operation in the eight SEZs. Investment by the units in these zones is in the order of Rs. 18 billion. SEZs, by virtue of their size, are expected to be a significant new source of real estate demand.

Further, SEZ developers are also eligible for tax benefits under Section 80-IA of the Income Tax Act, pursuant to which they are eligible to avail themselves of tax exemptions for a block of 10 years in a 15 year period at the option of the relevant developer. In addition, developers may import/procure goods without paying duty for the development, operation and maintenance of the SEZ.

2. Automobile Industry

- Industry growth rate is estimated to be 26%(2003-04)
- At the end of 2010 - 20 lac 4--wheelers will be on Indian roads
- Passenger car segment is the fastest growing (28.5% - 2003-04)
 - Compact car segment - 23% growth in 2003-04

- Mid-Size Segment - 51% growth in 2003-04
- Small Car Segment - 38% growth in 2004
- Passenger Utility vehicles and multipurpose vehicles - 27.3% growth in 2003-04
- Exports of passenger cars in 2003-04 accelerated to 80% over 2002-03
- Scaling up of production by following 4-wheeler majors
- New Entrants setting up production in India

3. *Quality and Brand Conscious Consumers*

Till a few years ago, glass was a commodity in India and not a brand. Glass is no longer an undifferentiated commodity. It is now being marketed in India as a product with very specific qualities and properties attached to it. The logic: create awareness about qualities of glass through extensive campaigns. Educate intermediaries such as the architect, the builder, the carpenter, the glass fabricator, the retailer and the interior decorator who will all have a say in the decision-making process of the ultimate consumer.

Because branding and focused marketing is in, the foreign majors have stopped offering the 2-5 per cent discount on float glass they used to offer earlier – a clear indicator that brand consciousness is growing. The shift from commoditization to branding has allowed the Indian firms to usher in a new level of quality consciousness.

4. *Demographic Changes*

The changing demographics like rising disposable incomes, attitudinal shift and fiscal incentives on housing loans have made housing an attractive option. Rising income levels coupled with more job creation, especially in sectors like BPO and insurance is also resulting in enhanced demand for quality housing.

Given the rising income levels and the decreasing age of those buying homes (currently 35 -36 years), the population in the 25 - 44 age group holds the key to the growth in housing demand. At present, about 28% of India's population is in the 25-44 age brackets. This figure is expected to increase to about 30.6 % by 2025, an addition of approximately 5.5 million people each year, which could translate to a further 2.75 million new households per year.

5. *Government policies*

Float glass and glass fibres are classified as high priority items. Items such as block glass, glass beads (except industrial beads), simple glass mirrors, glass bangles, glass hollow wares (produced by mouth blown and/or semi-automatic process), glass marbles of all types and ophthalmic lenses manufactured from glass blanks, are reserved for the small-scale sector. China and Indonesia are the major sources of these cheap float glass imports. However, with the imposition of anti-dumping duty by the government in January 2004, the pricing pressures on domestic players have eased considerably.

Advantages of Using Glass over other materials in the construction sector

- **New Age Look** - Structural glazing has become popular in the last five years as it allows architects and designers to go free with their designing and gives architectural wonders. The variety of colours, texture, form that can be used in wall paneling and ceiling introduces an element of flexibility in architectural design. The various shades of glasses available give it a trendy and classic hi-tech look.
- **Easy Maintenance** - Glass buildings are easier to maintain than cement and concrete structures, with regular cleaning and washing glass buildings can be kept well without the hassle of painting and colouring. They can be easily machined, bolted and riveted.

- **Hygienic** - Glass is a non-porous and inert surface, which does not support the growth of mould, mildew, and bacteria. It is therefore, ideal for the healthcare, hospitality and home segments.
- **Safety and Protection** - Laminated safety/sentry glass has good-tactical resistance, is burglar proof as well as scratch-resistant. It can meet specified wind loads or structural requirements with low mechanical strain under loads and has outstanding post-breakage resistance to creep and collapse after quakes.
- **Privacy and Transparency** - Glass panels provide privacy as well as transparency at the same time. Laminated glass allows people inside the building to view outside whereas outsiders cannot see what is happening in the building.
- **Durability and Longevity** - With technological breakthroughs in toughness and thickness, glass has now become durable and a long term investment in the construction sector.
- **Access to natural light and saves energy consumption** - Structural glazing was developed in the West as it allows natural light into the buildings, thus saving power and energy, which is essential in India where power and energy conservation are of prime importance.
- **Gives a Spacious Feel** - With property being expensive in metros and Tier 1 cities space is a big constraint and thus the use of glass gives a spacious look and feeling to the property.
- **Heat Reflective** - Glass chambers are also good for the environment as they take care of the greenhouse effect by reflecting the infrared waves that build up heat and keep the place cool and pleasant even on the hottest of days.
- **Reduces Sound Transmission:** Glass glass cuts down sound transmissions by as much as 10-decibel points. Studies indicate that less noise means less stress. Glass tends to reduce unwanted noise and people become more creative, productive, and even healthier.

OUR BUSINESS

Sejal Architectural Glass Limited, was incorporated as a private limited company in the year 1998, and its constitution was changed to a public limited company in March 08, 1999. Promoted by the members of the Gada family, our Company is in the business of processing glass. We have processing facilities for insulating, toughened, laminated glasses and for decorative glass as well. Our Company's existing plant is located at Plot No 259/10/1, village Dadra, Union Territory of Dadra, Nagar Haveli, District Silvassa.

Our Company started its commercial operations in the year 2000-01 by setting up a processing facility for insulating glass. As a step forward, we started another process for toughened glass in the year 2001. Since then, our Company has expanded its operations by adding an automated lamination line in January 2007. We have broadened our scope of business activities by processing various value added glass for exterior and interior applications, including decorative glass.

Our Company has already acquired specific skills and knowledge on the processing and marketing of the glass and now as a step towards backward integration, we propose to set up a new manufacturing facility for float glass with a capacity of 2,00,750 MT per annum at Jhagadia, Dist. Bharuch, Gujarat. We have already acquired 6,08,540 sq. mts of land for this backward integration project and L&T has been appointed as the contractor for executing the construction and civil works.

Our Company also operates its trading division from its premises named 'Sejal Encasa', which is located at Kandivali, Mumbai. This division trades in various in-house brands as well as other manufacturers' products. The products traded include tiles, sanitaryware, mirrors, glass, etc. for home and commercial interiors.

The turnover and the net profit After Tax of our Company for the last five financial years is as follows:

	For the period ended 31.12.07	For the year ended 31.03.07	For the year ended 31.03.06	For the year ended 31.03.05	For the year ended 31.03.04	For the year ended 31.03.03
Turnover	4166.17	3824.05	2950.28	2429.65	1969.63	1720.27
Net profit after tax	469.58	273.91	216.20	250.03	172.69	15.07

Our top 10 clients for the nine months period ended December 31, 2007 are:

Name of the customer	Turnover (Rs. in lacs)	% of Total Turnover
Reliance Industries Limited	1,058.40	25.40%
Alupro Building Systems Pvt. Ltd.	774.80	18.60%
Glass Wall Systems	420.00	10.08%
Sp Fabricators Pvt. Ltd.	246.70	5.92%
K-Raheja Corporation	131.60	3.16%
Burhani Glass Corporation	130.50	3.13%
Glass World	104.00	2.50%
Kesar Aluminium India Pvt. Ltd.	72.50	1.74%
Almech Enterprises	70.70	1.70%
Indo Alusys Industries Ltd.	65.70	1.58%

Brief Details about the Project

For details about the Project, please refer section titled 'Objects of the Issue' beginning from page 68 of this Red Herring Prospectus.

Our Competitive Strengths

We believe that the following are our competitive strengths:

1. Ability to devise glass solutions

Our Promoters have more than 15 years experience in the glass industry. Mr. Amrut S. Gada, along with his technical team has developed competence to conceptualise the needs of the customers and accordingly devise solutions for them. With this ability, we add value to our products specified by our customers, and develop solutions for them with the shortest possible lead time. This helps us in building a strong and continuous relationship with our customers, strengthening our market position. We have been growing with a vision of devising complete architectural glass solutions for our customers.

2. High productive and reliable processing and manufacturing technology

We believe that our growth is sustained by the efforts put in by the employees and the technology that we adopt. Sejal offers a wide range of glass products and has established state of art pre-processing facilities (cutting, edging, drilling and washing) and processing facilities (lamination, insulation and tempering). All the key machineries at our existing as well as the proposed facility are bought from various well established suppliers.

3. Our Quality Policy

The shift from commoditisation to branding has allowed the firms to usher in a new level of quality consciousness.

We understand the quality as fitness in all aspects for the intended purpose of the glass, which is reflected in all that we do. We, as a policy, manufacture and market goods which comply with the customers need and design specifications. It is our aim to respond with the ever changing needs of the customers in the most cost effective way. To improve our quality, we involve our customers, suppliers and employees in the process.

4. Our Management and Key management Personnel

Our main Promoter Mr. Amrut S. Gada, had the vision of setting up a glass processing and manufacturing facility with thrust on the quality and it is due to continuous support by our Promoter group, along with the Key Managerial Personnel, that we have been able to establish a brand in the market.

We consider our Human Capital as one of our key strengths. We have developed a professional, talented and dedicated pool of trained employees, who have the required skill sets and ability to manage our Company's operations.

5. Strategic Location of the proposed project

Our proposed project for the float glass is located at Jhagadia, District Bharuch, Gujarat, which is ~8 Kms from NH-8 and has all the necessary infrastructure facilities required for the plant. The site is also well connected to the railway station.

Moreover, our existing manufacturing facility at Silvassa, is within 200 kms from our proposed backward integration project at Bharuch, ensuring logistical benefits and cost savings. Both the locations enjoy easy availability to required raw materials and skilled labour.

6. *Established customer base*

We have been in the business of providing customized architectural glass solutions to our customers. Through our product differentiation, we try to provide goods as per the specifications provided by our customers. We involve our customers in most of the processes including our quality improvement process. Due to this we enjoy repeated orders and also have an established customer base.

Our Strategy

1. *Capitalise on the forecasted demand of architectural glass*

Architectural float glass market in India has been gaining momentum in the recent past. In the financial year 2004 - 2005, the architectural float glass market accounted for 4,97,531 tonnes and is expected to grow at a CAGR of 16.24% for the next five years.

Capitalising on the demand forecast of the architectural glass industry, we have invested in the existing pre processing and processing facilities at Silvassa. As a backward integration measure, we are now setting up a project for manufacturing float glass at Bharuch.

2. *Maintain long term relationships with the Clients*

We believe that business is a by-product of relationships and our business model is based on the demands and needs of the clients. We provide customised solutions to our customers by monitoring their needs and we attempt to provide our customers with the best of architectural solutions at the most competitive prices.

We believe that continuous satisfaction of the requirements of the customers helps the company in fetching better dividends thereby making our mark in the market and continuously growing our market share.

3. *To create our brand image*

Till recently, glass was a commodity in India and not a brand. Our Company has the vision of creating brand image in the market that evokes a sense of awe and faith in the market. We have been selling our products in the market under our own brand and have been continuously adding to the basket offered. We intend to continue to enrich the basket of products offered, backed by aggressive marketing, which will be through the print and broadcast media, as well as direct marketing to consumers through presentations, seminars, billboards, event sponsorships, special event advertisements and advertisements in selected glass periodicals. Additionally, we shall continue to have a strong presence at trade shows and events nationally and internationally.

4. *Technological investment*

With the changing market scenario, new and advanced technologies are being developed for various processes for manufacturing glass. Our Company intends to pass on the benefits derived from new technological developments to our customers.

We have invested in state of the art technologies for glass processing by installing imported machineries. We shall continue to follow the same by upgrading our technology from time to time thereby keeping ourselves abreast of the latest trends and advancements.

5. Reduce operational costs and increase cost competitiveness

Our Company intends to maintain the operational efficiencies at the highest possible level as compared to our peers in the industry. We are trying to improve our cost structure through backward integration that we intend to carry out through this proposed project. With this backward integration, we should be in position to procure the raw materials and supply the finished products to the customers in the shortest possible time. This will also reduce our dependence on external suppliers for glass, reducing our administrative costs, storage cost, transportation costs and inventory levels. We shall always endeavour to adopt best practises and in all functions and processes

6. Increase presence and volumes across existing markets and expanding into new markets

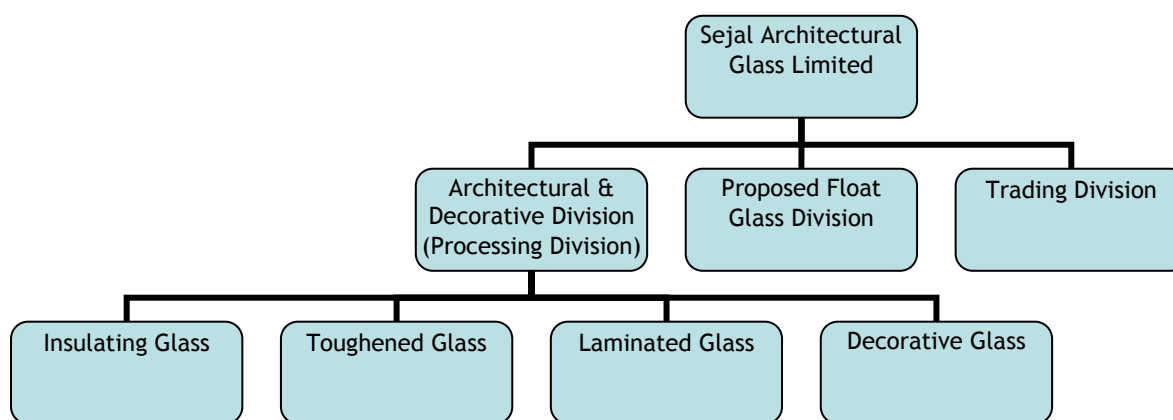
We view geographical expansion of our market as a major source of our future growth and will expand into markets characterized by developing economies. We believe our experience, cost competitiveness and brand association with quality and after sales service will enable us to enter new markets. We have been exporting to countries like Sri Lanka, Bangladesh, Mauritius Uganda, Tanzania etc., and plan to focus on the same as these are growing markets. Further, we plan to grow the existing business through market expansion and product offering enlargement.

Our Vision

- To create a brand image for Sejal that evokes a sense of awe, blind faith and inspiration and to achieve for itself the position of industry leader in the field of manufacturing and processing of float glass.
- Processes, operating systems and procedures shall be adopted with the objective of surpassing the exacting international standards for products and systems.
- Creating and multiplying wealth of the company with continuous expansion for a better future of all stakeholders.

Our products and services

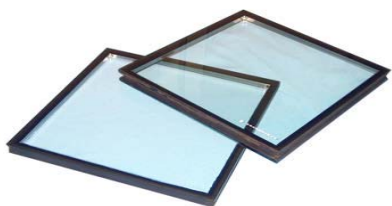
Our Company's operations are broadly divided as under:



Brief details about the processes are described under the heading 'Brief description of the Processes' on page 107 of this Red Herring Prospectus.

We process the following glass products, which have a variety of applications as explained below:

1. INSULATING GLASS



Insulating process bonds two or more parallel glass panels together to form a hermetically sealed unit. Its principle is based on the creation of cavity of dry air (or a special air) between two or more glass sheets. Main characteristic of this glass is to save energy and reduction of noise pollution and also controls sunlight.

Main uses are in commercial and residential projects, IT parks, passenger vehicles, thermal power stations, airports, hospitality industry, pharmaceutical factories, refrigeration industry and other premises where energy conservation and sound insulation is

essential.

Features

- Valuable energy conservation
- Optimum working level's comfort via sound and heat reduction
- Step glazing and triple glazing options
- Minimizes chances of condensation on the exterior of glass
- Low moisture permeability

Following are our brands of insulating glass:

(a) Kool Glass

Kool Glass range of Insulating Glass Units (IGUs) is ideal for maximizing natural light and uniform levels of comfort. It helps strike an optimum balance between transparency and thermal insulation. Kool Glass is ideal for external wall claddings, internal partitions, doors, windows and skylights for the thermal or acoustic insulation. Manufactured through state-of-art technology licenced from Lisec, Austria; this glass is suitable for thermal insulation in transport, pharmaceuticals and refrigeration industries. Kool IGUs enable reduction in shading coefficients from 12-85% and ultraviolet values in the 50-85%, resulting in substantial savings in the initial investments and recurring costs of air conditioning equipments.

The state-of-art technology permits production of Kool IGU in double and triple glazed versions with a provision for conventional, structural, stepped (one/two/three sided steps) and point fixed mountings. The range boasts of a wide choice of clear, tinted and coated glass in annealed, heat- strengthened, toughened and laminated form.

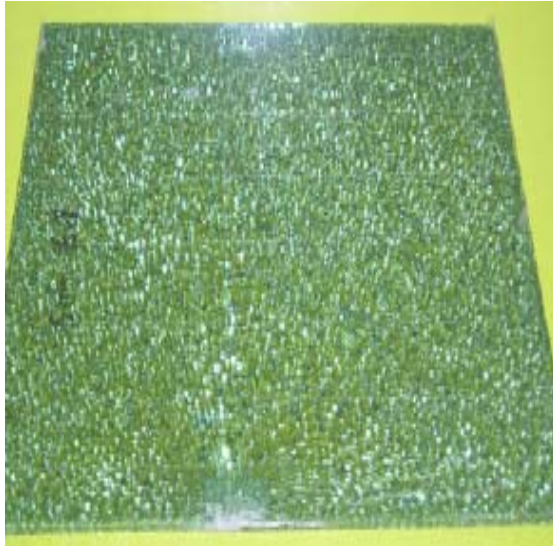
Key features of Kool Glass include:

- i. Reduces investments in air conditioning and heating
- ii. Substantial savings in recurring cost of energy consumption
- iii. Better and uniform comfort levels due to reduction of disagreeable drafts near glazed areas
- iv. Scope for incorporating larger glazed areas without increasing room temperature or electric consumption
- v. Superior sound attenuation
- vi. Aesthetic look in the building

(b) Tone Glass

Tone glass is a specially designed acoustic Insulating Glass Unit, which is ideally suited for noise control. With the help of tone glass, sound attenuations upto 50 dB can be achieved. The units could be configured with high performance glasses to achieve thermal insulation with acoustic insulation for special requirements.

2. TOUGHENED GLASS



Toughened Glass is approximately 4 to 5 times stronger than ordinary glass of same thickness and is recognized as safety glazing material. Heat strengthened glass is approximately 2 - 3 times stronger than an ordinary glass of the same thickness.

Main uses of these glasses are in the following: automobile sector, space research centre, fire zones, power stations and atomic energy establishment, multi storey buildings, gauge for industries using machine oils in furnace, cinema industry, hotel industry, shopping arcades and public premises, shop main doors and architectural uses.

Features

- **Safety:** After breaking, the toughened glass is broken into small bean-like particles, which reduces the possibility of bodily harm.
- **High Strength:** Impact strength and flexural strength of the same thickness of toughened glasses is generally 4-5 times as strong as the common glasses.
- **Thermal Stability:** With good thermal shock resistance, toughened glass is able to withstand temperature differences upto -200°C .

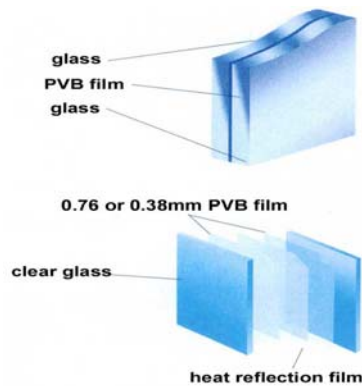
The following are our brands of toughened glass:

(a) Solid Glass (Tempered glass for thermal shock resistance, strength and safety)

Solid glass possesses higher levels of strength and endurance and is ideally suited for the frame less assemblies, shower screens, stairways and for applications requiring resistance to thermal shock. Solid glass is available in two variants:

- **Heat Strengthened (H.S.)** - Solid glass (H.S.) is about two times stronger than annealed glass and is recommended for applications, where strength and/or thermal shock resistance are the only concern.
- **Fully Toughened (F.T.)** - Solid glass (F.T.) is four to five times stronger than standard annealed glass and is considered a safety glass. It crumbles into fragments in case of glass breakage, which greatly minimizes the risk of personal injury.

3. LAMINATED GLASS



This is made-up of two or more layers of glasses and one or more inter layers of Plasticized Poly Vinyl Butyral (PVB) permanently bonded together under heat and pressure. The constituent glass layers of a laminated glass may be annealed; heat strengthened or fully toughened and may have holes and cutouts. Though interlayer of other materials e.g. EVA, Polyurethane and PET are also used in glass lamination to meet specific requirements, PVB is the predominant and most widely used inert layer material for over six decades. The thickness of the inter layer varies from 0.38 mm to 1.52 mm for safety applications depending on the size and the thickness of glass layer and may go up to 3 mm for security applications.

The ability of the laminated glass to retain the glass together in position even after glass breakage makes it a safety glass. The glass continues to act as a barrier even after breakage and hence is an ideal glazing solution for overhead, sloped, glazing's or floorings.

In order to enhance the quality and quantity of production, our Company decided to shift from manual lamination by installing imported pre-processing machines and a lamination line from Bystronic, Germany.

Features

- **High safety performance:** PVB film is firm, rich of adhesion and cannot be penetrated when impacted. Therefore, even when the laminated glass is broken, the sheet glasses are still able to adhere to PVB films and thus the persons around won't be hurt.
- **Good sound insulation performance:** PVB has good dampening action on sound waves; therefore, the laminated glasses are able to minimise the transmission of sound effectively and reduce the noise;
- **Ultraviolet radiation prevention:** Besides ensuring the visible lights are able to enter indoors, PVB films are able to block 99% ultraviolet radiation and prevent the furniture and other items indoors from discoloring due to exposure to ultraviolet radiation.
- **Bullet-proof, anti-riot:** Due to the toughness of PVB, laminated glass will absorb a large amount of impact by any foreign object, such as bullets, stones etc.
- **Sun control characteristics:** Laminated glass with special interlayers reduce the transmission of sunlight, thereby lowering the energy consumption of refrigeration, while weakening sun glare without causing color distortion and maintaining the visibility factor.

Following are our brands of laminated glass:

(a) Armor Glass (Laminated glass for safety glazing applications)

A perfect blend of style and strength, laminated glass is the preferred choice amongst renowned international architects and designers. The unique property of Armor Glass, to remain integral even after breakage of the glass layer, makes it a perfect solution for installations, where the barrier property of the glass is the primary architectural design concern. Armor Glass can be configured with special inter-layers to offer solar performance with special colors and designs to suit specific application requirements. Armor Glass made with solid glass fully toughened or heat strengthened greatly enhances strength of the glass. The excellent dampening property of the interlayer of the Armor Laminated Glass makes it an effective sound barrier and helps in blocking ultraviolet rays.

Benefits:

- i. Best option for safety glass as it sticks to the interlayer on breakage
- ii. Continues to act as a barrier even after breakage of glass layer
- iii. Provides a high level of protection against hurricanes and other natural and man made disasters
- iv. Blocks up to 99% of UV rays, preventing the fading of interior colors.
- v. Provides sound control

(b) Fort Glass (Laminated glass for security glazing applications)

Fort Glass is custom designed to offer specific degree of protection depending on the severity and duration of burglary/forced entry attacks, intensity of ballistic assaults and the energy level of explosion shocks. The glass is specifically configured with alternating layers of glass, high performance plastic and PVB/PET/PU resin. The configuration of units in terms of material, thickness, processing and inter-layers decides the solution for a security application.

Our Company's other brands:**1. Fireban Glass**

FIREBAN products offer an ideal combination to ensure safety from fire for periods up to 120 minutes. These products are based on tempered safety glass with enhanced mechanical strength, classified as impact safety glass. Our Company offers the following variations of Fireban glass; Fireban E, Fireban EW and Fireban EI, with different specifications.

2. Lunaro

Lunaro glass is our latest product offering for residential and commercial structures. These are Pyrolytic on line coated solar heat reflective glass which can be used in single glazing, without any change in its durability over the years. It has excellent technical properties with a combination of solar control with low reflection properties and thermal insulation. There are colour variants of this brand, depending on customer choice and preferences.

3. Fresca

Our Company offers glass under the brand name Fresca, which has the following key features:

- i. Uniform optical characteristics in transmission and reflection
- ii. Optimal light transmission and energy saving, suitable for green buildings
- iii. Aesthetically pleasing with wide choice of colors and light reflection
- iv. A broad spectrum of solar control performance

Decorative Glass

Our Company processes a wide range of glass products mainly used for interior applications, including bowls, basins, mirrors, partitions and doors, etc.

Our existing unit has the facility to shape, mould, fuse, bend, colour, edge, emboss, engrave, etc. to produce infinite variety and range of products for the decorative segment.

This glass is mainly used by architects and interior designers in residence, hotels, restaurants, offices, malls, entertainment plazas etc.

We market these products under the brand 'Décor Glass' and 'Oyster'. This range offers exquisite mirrors, panels, partitions and other custom designed decorative items.

Trading Division

Our Company also operates its trading division from its premises named 'Sejal Encasa', which is located at Kandivali, Mumbai. This division, which was started in April 2007, trades in various in-house brands as well as other manufacturers' products.

The products traded include residential and commercial interior products covering tiles, sanitaryware, mirrors, glass, bathing products, paintings, art and artifacts, sculptures, lights, chandeliers, mirrors and luminaries, amongst others.

Brief description of the Processes

Our Company processes its various glass products using the following processes as described briefly:

a) Insulating glass process

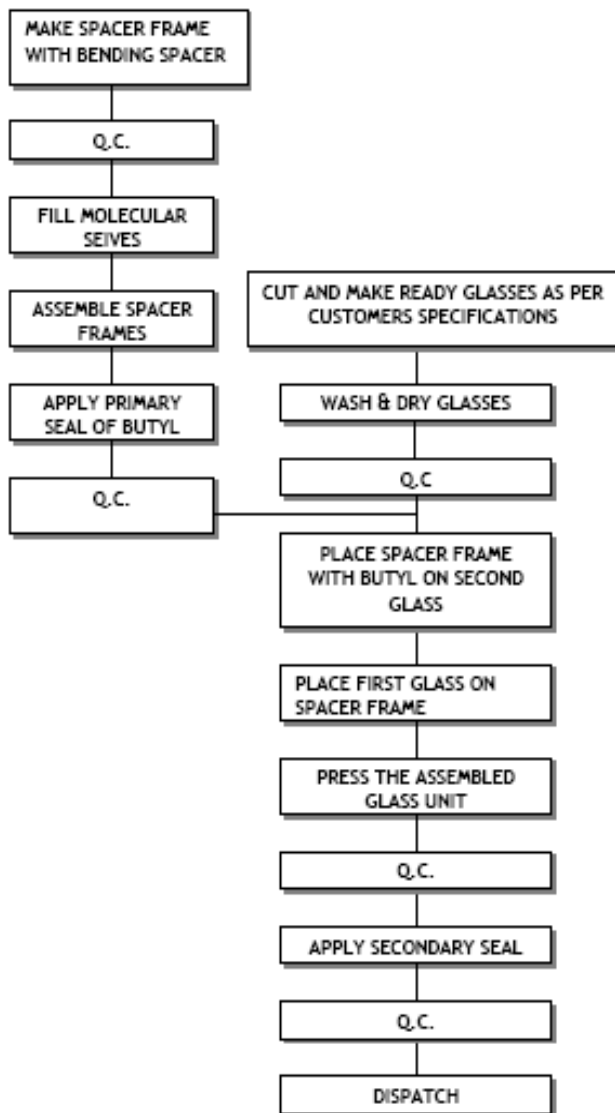
Process and its description

As per the customer's requirement, the glasses are cut to size and further processed and are made ready for insulation. Then, the glasses are washed and dried in the washing section of the IG line.

The 1st glass of the IGU moves upto the pressing section and is picked up and kept in position for assembly in the press. The 2nd glass after drying moves to frame positioning. The spacer frame required for the insulating glass is assembled in the separated process which includes cutting, bending, joining, filing with desiccant or molecular sieve and applying of primary seal which is Polyiso Butylene.

Now the ready spacer frame is placed on the second glass with spacing as specified by the user. The 2nd glass with the frame now moves into the press where it is assembled with the first glass.

This assembled glass then moves to the secondary sealing station. Depending upon the specification either polysulphide or silicone is applied around the periphery of the glass. This secondary sealant provides the necessary bonding

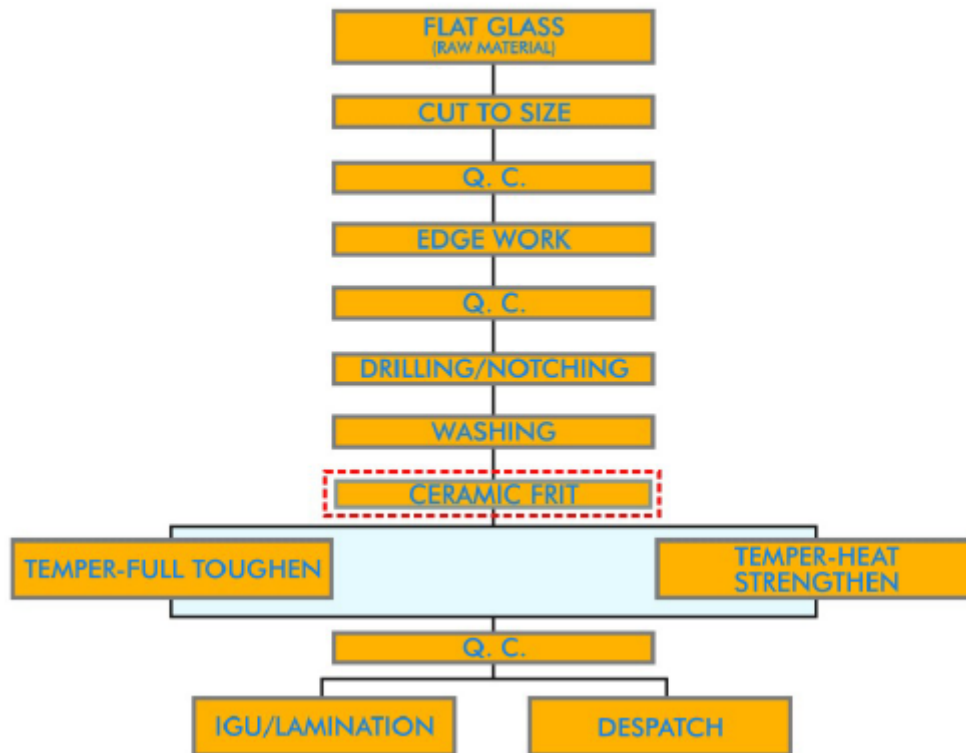


between the two glasses, the spacer frame and the primary sealant.

The glasses are then stored on racks for curing of the sealant and then moves to the dispatch section.

b) Tempering Process

FLOWCHART FOR TEMPERING

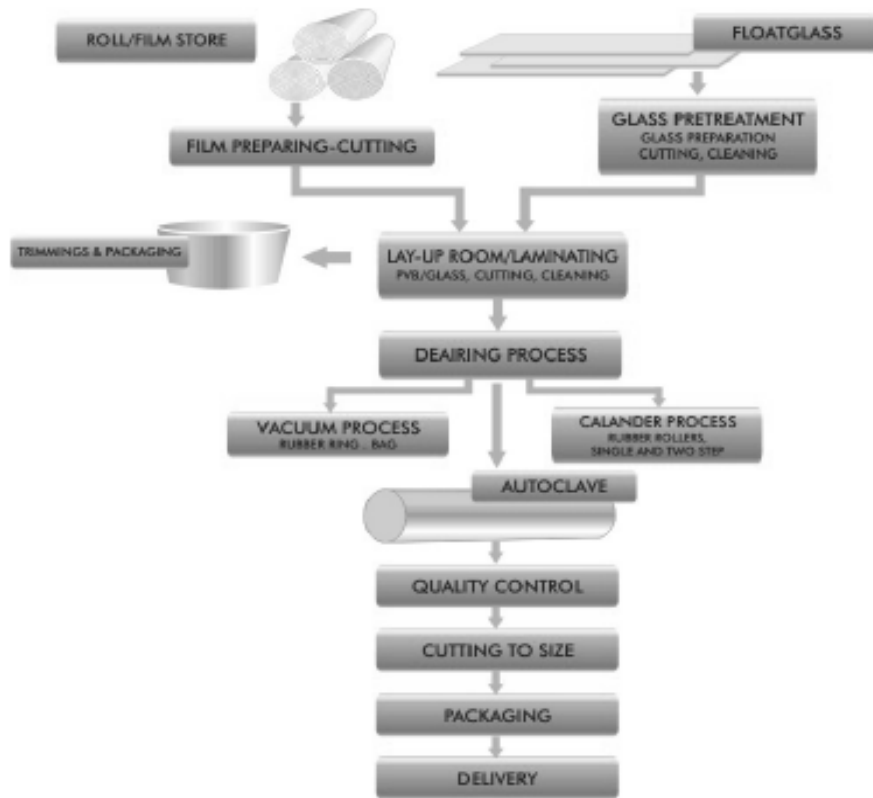


The glasses are first cut to size as per customer requirements. Edge working, drilling, cut outs and ceramic enamelling are carried out on the glasses as required. The tempering machine has two main sections - the furnace and the quench. The glasses to be tempered are heated first in the furnace to a temperature of approx 650 degrees celcius. The glass remains in the furnace till the entire glass is uniformly heated. The glass then rapidly moves to the quench where the top and the bottom surfaces of the glass are suddenly and uniformly cooled by air jets under pressure. The pressure and volume of air flow is regulated automatically depending upon the thickness and the type of tempering required on the glass.

Full toughening ensures glass breaks in the small fragments greatly minimizing chances of injury to people and is therefore classified as a safety glass. Besides, the glass has higher strength and thermal shock resistance compared to heat strengthened glass which is not a safety glass.

The glass cools to near room temperature in the quench and then it is unloaded and moved to the next process.

c) Lamination Process



Process

Firstly, the glasses are cut to size, edge worked, fabricated and/or thermally treated as required. Cleaned and dried glasses are assembled with PVB interlayer of desired thickness and put through a de-airing process. At this stage the assembled glasses are in semi finished state and have a translucent appearance.

Subsequently, the assembled glasses are autoclaved at approx 13 bar pressure and 140°C. During this process the PVB interlayer softens and forms a very strong chemical bond with the glass surface. After the autoclave process the laminated glass attains its clear appearance depending upon the interlayer used.

Details about our proposed project and brief description about the process

FLOAT GLASS DIVISION

Around 95% of the flat-glass produced in the world is of float type. The most significant distinction of float glass from other types of flat-glass is its superior quality and distortion free nature. Float-glass is extremely clear with light transmission upto 90%.

The float process offers advantages over others, mainly on following features:

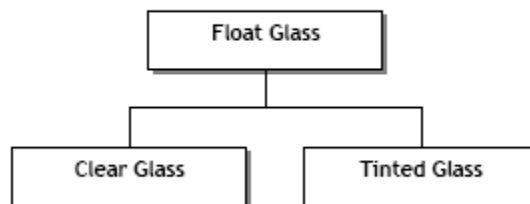
- **Fuel efficiency-** The process consumes less fuel to melt one tonne of glass when compared to other processes.
- **Quality-** It is free from body defects like waves, stones etc.

- **Reliability-** The problem of unstable quality of product, which is common with others processes, is minimized in float process.
- **Wider range of products-** Float process is capable of producing a wider range of product sizes and thickness than is possible with other glass processes. It can have ranges from 2mm to 25 mm as against 2mm to 6mm with other processes. Therefore, the same has higher flexibility in serving market requirements.

Our Company proposes to set up a float glass division for manufacturing float glass

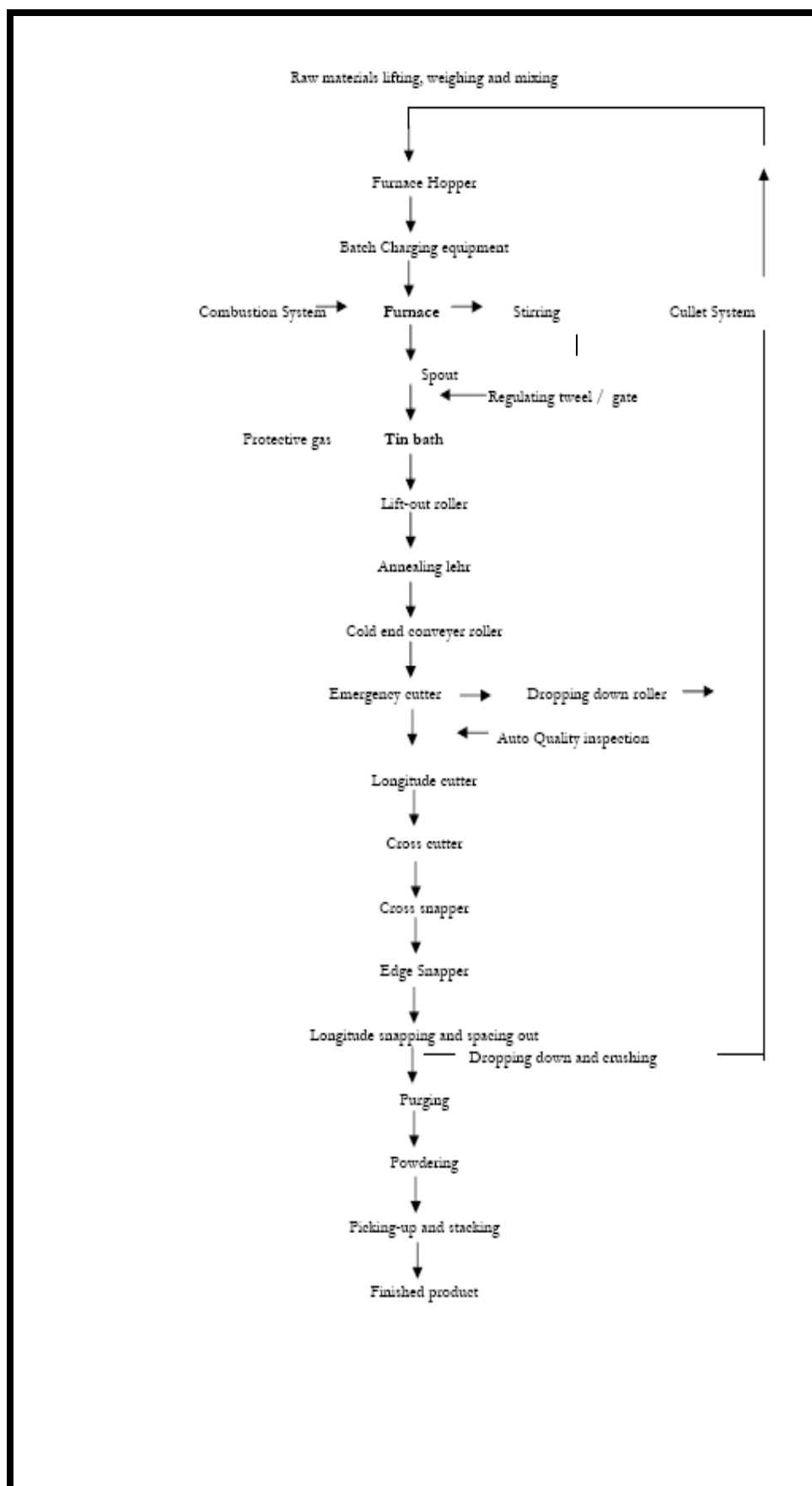
For further details about the project please refer to the section titled “Objects of the Issue” beginning on page 68 of this Red Herring Prospectus.

Types of float glass



FLOAT GLASS PRODUCTION PROCESS

Raw materials required for the production of float glass are silica sand, soda ash, dolomite, limestone, feldspar, sodium sulphate, carbon, and cullet. The system of raw materials consists of raw materials storage, weighing and mixing systems.



Description of the process

First, the raw materials are weighed and fed into the system in prescribed proportions. This is done with reliable electronic scales with all necessary functions and thus acquires a dynamic accuracy of over 1/1000. The weighed raw materials are charged into one forced type mixers where they are homogenously mixed and well mixed batch is then conveyed into the furnace hoppers via a belt conveyor. Then the weighed cullet is uniformly spread onto the surface of mixed batch.

This ready mixed batch is conveyed into the combined float workshop through a belt conveyor. Then the batch together with cullet is charged into the furnace hopped viz. reciprocating belt conveyor. The furnace at 1600°C fires natural gas to achieve a high temperature, under which a batch is melted, refined, homogenized and then cooled into molten glass.

Molten glass then flows into the metal bath. Thereafter from metal bath same will flow over molten tin at about 1000°C to 1100°C. At this stage molten glass naturally spreads and is polished at the same time and finally forms into glass ribbon in desired width and thickness under mechanic pulling force and control of edge stoppers and top rollers. During the course, the glass ribbon travels forward and cools down till 600°C and leaves the tin bath.

Thereafter, glass ribbon goes ahead into the Annealing Lehr to be annealed and cooled down below 70°C to 90°C, and then enters into cold end unit.

During normal production, glass undergoes automatic inspection, longitude cutting, cross cutting, cross snapping, accelerating and spacing out, edge snapping, longitude snapping and spacing out, and purging and then enters the sheet picking-up and stacking area.

One powdering machine is installed in the stacking area and the small size glass sheet will be taken off manually, and large ones will be stacked automatically. Ready stacked or encased glass is then transported into the warehouse by forklift. An emergency cross cutter is installed at the exit of annealing lehr to cut the unqualified glass ribbon and reject/crush the glass through the dropping down roller and then send the cullet into the cullet recovery system.

Out of the above most important and critical processes are at melting furnace, float tin bath, and annealing lehr. Although the technology involved is the same, there could be some difference in process depending on features and designs of each make. However, the function of the three critical stages could broadly be summarized as under:

- a) **Melting Furnace:** The melting furnace would be capable of melting batch material at a rate of 550 MT a day. The batch material will be fed in blanket form into the glass melting furnace. The operation of the feeder would be controlled by a high precision glass level detector. The melting furnace would be a large refractory structure enclosed in structural and binding steel. Different types of refractory materials are used in furnace construction. Each type is carefully selected to be used in certain areas where it will be the best suited for trouble free production. The life of furnace is normally of 10 years and would not contribute to product defects during this period. The furnace refractory, if not properly selected, can be a major source of glass defects. The furnace would be approximately 50 meters long and 10 meters wide and contain about 1500 MT of molten glass. The batch material would be pushed away from the furnace entrance called “Dog House” by the blanket feeder. Floating on the top of the molten glass, the batch would pass under the fuel fires, pouring out of the ports along the furnace sidewall. Temperatures approaching 1600°C would melt the batch ingredients. Combustion gases would be discharged through a stack.

As the batch materials melt into solution, the molten glass would be gradually cooled in the refiner section of the furnace. By the time the glass would reach the furnace front wall, it would be completely free of unmelted batch particles and uniform in composition. This homogeneous blend would now be delivered to the metal bath in a continuous flow through the canal.

- b) **Metal bath:** The metal bath would consist of an electrically heated forming oven. The molten glass would flow onto the surface of a pool of molten tin, maintained at approximately 1000°C to 1100°C. A continuous ribbon would be drawn from this pool and transported and cooled along the length of the metal bath. The soft glass at the bath exit would be approximately 600°C hot and still in plastic stage but hard enough to be removed from the surface of the tin with mechanical rollers without marking. The metal bath would be approximately 7 meters wide and 50 meter long, containing close to 130 tonnes to 145 tonnes of molten tin. The bath chamber would be carefully sealed and maintained under positive pressure by an inert nitrogen atmosphere with traces of hydrogen. This is necessary to maintain a clean pristine surface for the tin, which would otherwise rapidly oxidize in air. The molten glass, when flowing on the surface of the molten tin, forms a ribbon of perfectly flat parallel surface. The thickness of the ribbon is controlled by the pull out speed and can vary from 2mm to 12mm. The ribbon would emerge from the bath at different speeds depending upon the desired thickness.
- c) **Annealing lehr:** The annealing lehr must cool the glass ribbon from 600°C to approximately 90°C, in a precise uniform manner to prevent residual stresses that make cutting difficult and also to prevent temporary stresses that cause ribbon fractures. The annealing lehr would use small amounts of electric heat to keep the edge of the sheet from cooling faster than the center. Special rollers and drive systems are required for the annealing lehr, as well as a sophisticated temperature control system to accomplish controlled cooling.

Collaborations/Tie-up/Association/Other agreements

1. Memorandum of Understanding between Sejal Architectural Glass Limited and Flaschglas Veredlung GmbH & Co. KG., Germany

Parties to the Agreement	Sejal Architectural Glass Limited and Flaschglas-Veredlung GmbH & Co. KG, Germany (Arcon) represented by Kaphs SA- Switzerland (Kaphs SA).
Date of the Agreement	September 25, 2006
Nature of the Agreement	Memorandum of Understanding wherein arcon will give its products to Sejal Architectural Glass Limited for final processing. Sejal Architectural Glass Limited will also give its own brand name to these products i.e. Fresca Gold and Fresca Platinum. These products have been developed with the technical support and guidance of Arcon.
Validity	This Memorandum of Understanding is valid for 3 years with effect from July 7, 2006.
Renewal Clause	It will be revised based on the targets achieved.
Non-Compete/Non-solicit clause	Arcon will not participate in any of the glass exhibitions in India.
Secrecy/Non disclosure clause	None
Termination clause	<u>Termination</u> If the targeted volume, agreed by Sejal Architectural Glass Limited, is not achieved, arcon will be free to terminate this MoU within a period of notice of 3 months.
Assignment clause	None

Dispute Resolution	None
Governing laws	None
Stamp Duty	None
Penalty Clause	None

2. Memorandum of Understanding between Sejal Architectural Glass Limited and Kaphs SA- Montreux - Switzerland (Kaphs SA).

Parties to the Agreement	Sejal Architectural Glass Limited and Kaphs SA- Montreux - Switzerland (Kaphs SA).
Date of the Agreement	September 25, 2006
Nature of the Agreement	Memorandum of Understanding wherein Kaphs shall start marketing and sales of Sejal Architectural Glass Limited existing products and Sejal Architectural Glass Limited and Kaphs SA to work on project plan for starting up an insulating glass line unit in Europe.
Validity	None
Renewal Clause	None
Non-Compete/Non-solicit clause	None
Secrecy/Non disclosure clause	None
Termination clause	<u>Termination</u> None
Assignment clause	None
Dispute Resolution	None
Governing laws	None
Stamp Duty	None
Penalty Clause	None

Major Projects where our products have been used

Name	Location
Raheja Mindspace	Paradigm Bldg., B-Wing, 1st Floor, Behind Toyota Showroom, Mindspace, Malad (West), Mumbai Maharashtra, India & Mindspace, Madhapur, Hyderabad Survey No. 64, APIIC Software Layout, Next to VSNL Hitech City, Madhapur, Hyderabad - 500081, Andhra Pradesh, India
Asian Golf Course	Diyawanna Udana, Battaramulla, Srilanka
Maker Chambers	DDP Maker Chamber V, Nariman Point, Mumbai - 400 023
Silver Metropolis	Silver Metropolis, Jaycoach factory, Western Express Highway, Goregaon (East), Mumbai

Reliance (NOCIL)	Dhirubhai Ambani Corporate Centre, Reliance Premises, Ghansoli R & D gate, Thane Belapur Road, Navi Mumbai
Reliance (DAKC)	Dhirubhai Ambani Corporate Centre, Reliance Premises, Ghansoli R & D gate, Thane Belapur Road, Navi Mumbai
Metro Bhawan	13, Fire Brigade Lane, Barakhamba Road, New Delhi
I- Flex	I-Flex-Solution, Near Nirlon Compound, Goregaon (East), Mumbai
HCL	HCL Technologies, No.94, South Phase, Ambattur Industrial Estate, Chennai
Apollo Hospital	Plot No. 81, Block E, Bashundhara R/A, Dhaka 1229, Bangladesh
Bharat Diamond Bourse	Bharat Diamond Bourse, Bandra Kurla Complex, Near ICICI main gate, Bandra (East), Mumbai - 400 051
Inorbit Mall	Plot # 1406A 28 / A, Near Subkuch Super Market, Link Road, Malad (W), Mumbai - 400 097
Safina Tower	No.3, Ali Asgar Road Bangalore, Karnataka
Akruti Nirman	Pocket-10, Road No-7, Near JVG factory & MIDC Police station, MIDC, Andheri (E), Mumbai
UB City	360/361, IV Phase, Peenya Industrial Estate, Peenya, Bangalore
Peninsula Corporate Park	Peninsula Corporate Park, Sakinaka, Andheri (East), Mumbai
Sun Pharma -R & D centre	Acme Plaza, Andheri-Kurla Road, Andheri (E), Mumbai, Nima Compound, Tandalja, Baroda
TCS	Salarpuria G.R. Tech Park, Dhara Block, Mahadevapura, K R Puram, Bangalore 560 066

OZONE	Saswad Road, Phurshungi, Pune.
DELL	Dell International Services India, Plot No. 42, Hitech City, Hyderabad, A.P.
K Raheja IT Park	Mindpace Cyberabad, S.No.64, (part), APIIC Software Unit Layout, Next to VSNL Building, Hitech City, Madhapur, Hyderabad, 500081
New Bangalore International Airport	Bangalore Airport, Near Anneswar Village, Devanahalli Taluk, Bangalore
Chhatrapati Shivaji International Airport, Domestic Terminal	CSI, Airport Terminal 1 B, Santacruz (East), Mumbai
Asian Heart Institute	Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

Infrastructure facilities and Utilities

Plant & Machinery

For details on Plant & Machinery, please refer to the section titled “Objects of the issue” beginning on page 68 of this Red Herring Prospectus.

Location

Our present manufacturing and processing facility for insulating, toughened, laminated and decorative glass is carried on at Plot No 259/10/1, Village Dadra, Union Territory of Dadra, Nagar Haveli, Dist. Silvassa. This facility is on a plot admeasuring 11,000 sq.mts.

Our Company proposes to set up its float glass project at Plot No.36, Jhagadia Industrial Estate Dist. Bharuch, Gujarat. The site measuring 6,08,540 sq.mts and is well-connected to the major railway and road routes, which will facilitate smooth transportation of raw materials and finished goods. This location also enjoys easy availability of sand, natural gas and skilled labour required for the project.

Raw Materials

Present

For our present processing facility, glass is our basic raw material, which constitutes approx 70-80% of our raw material cost. The glass consists of three types clear glass, tinted glass are available through Gujarat Guardian, Asahi Glass and Saint Gobain. Reflective glass and high performance low-E glass are imported from Glaverbel S.A, (Belgium, Indonesia, Gulf), Pilkington (Germany, U.K. and USA), Guardian (Luxembourg), Arcon (Germany) and various other sources from across the world.

Other raw materials consist of PVB films imported from Dupont and Solutia (Singapore), and Trosifol (Germany). Aluminium space bars are imported from Profil Glass sra (Italy), Molecular and Butyl are imported from Fenzi Spa (Italy), Polysulphide and silicon from Sika, Dowcoring and Fenzi Spa (Italy).

We do not have any long-term agreement with these suppliers for supply of float glass for our existing processing unit.

Proposed

The major raw materials required for production of float glass in the proposed plant are silica sand, soda ash, dolomite, limestone, feldspar, sodium sulphate and cullets and these are available locally.

Power

Present

Presently the power requirement is fully available through GEB (Gujarat Electricity Board) under sanction letter for uninterrupted supply of 1450 KVA. Over and above this our Company has 4 DG sets which can produce power of 1680 KVA.

For the processing of decorative glasses, we have 525 Kg. of LPG in stock through industrial cylinders.

Proposed

A temporary connection of 1200 KVA is sanctioned for the construction purpose. Further, our Company requires continuous supply of natural gas for the production of float glass, which will be provided by Gujarat Gas Company Limited, for which we have entered into an agreement dated June 15, 2007. The captive power plant through which power would be supplied shall be erected and installed along with the necessary auxiliaries prior to the commencement of production. The total requirement for the installed capacity would be about 12000 KW. We shall also apply to GEB for 5,000 KVA power line in due course of time.

Water

Present

We have our own borewell and demineralization unit which supplies water to all the processes.

Proposed:

The water requirement is estimated 6 lac litres per day, which will be supplied by GIDC.

Fire fighting installations

Present:

We have installed 25 fire extinguishers and dry sand in the factory, which are adequate for the existing facilities.

Similar facilities would be installed at the proposed plant at Jhagadia.

Nitrogen and Hydrogen Gas

Present:

Not Required

Proposed:

Availability of nitrogen and hydrogen of required purity and quantity is essential for float glass production. The Company has entered into an agreement with Air Liquide India Holdings Private Limited for supply of the gases.

Manpower

Present

Description	Corporate Office (Mumbai)	Factory at Silvassa	Sejal Encasa	Other Regions	Total
Management Cadre	20	13	4	6	43
Officers/ Clerks/ Supervision	36	5	49	5	95

Workers	8	145	-	-	153
Total	64	163	53	11	291

Proposed:

We propose to employ the following manpower at our new plant

Description	Corporate Office (Mumbai)	Factory at Jhagadia	Other Regions	Total
Management Cadre	9	7	2	18
Officers	9	17	6	32
Clerks/ Supervision	21	66	5	92
Workers	6	450	0	456
Total	45	540	13	598

We would be recruiting the additional manpower as listed above in due course for which we do not envisage any difficulty as the same is easily available in and around our plant location.

Past Production Figures for the Industry

Particulars	2000	2001	2002	2003	2004
Capacity- Flat Glass ('000 MT)	590	697	760	760	760
Production ('000 MT)	461	619	703	746	751
% of Capacity	83%	89%	93%	98%	99%

Competition

Our competitors consist of well established players in the glass market. Major players in float glass manufacturing are Saint Gobain, Asahi India, Gujarat Guardian, amongst others. Amongst the major glass processors are Gold Plus, GSC Glass, Impact Safety Glass Works, Saint Gobain and Asahi India, amongst others.

We have been providing customized architectural glass solutions with range of products to our customers. Our Company now proposes a backward integration project, manufacturing of float glass facility. The use of natural gas for this project shall help us in reducing our overall costs and help us serve our customers with quality product at competitive prices.

Approach to Marketing and Marketing Set-Up

Present marketing setup

Sejal Architectural Glass Limited works in close co-ordination relationship with its customers. Our contribution begins at the processing of the glass and extends to providing spectrally selective glass façade which allows the required balance between the transparency and thermal insulation. We have our own dedicated team of marketing and sales personnel who understand the customer's needs and offer solutions to them in the most cost effective and timely manner.

For the present glass processing unit, our focus is on project based marketing. In order to have good reach and penetration in the market, we have vertically divided our marketing team into two segments viz, specification team and sales and marketing team for processing. Our senior managers make technical presentations to the customers thereby interacting and understanding technical needs of the customers and offering solutions to them as per the need, applications and climatic conditions.

Our business strategy starts from sensing the start of the project at a very initial stage and keeping constant interactions with our following business associates, namely, architects, façade consultants,

project management consultants, developers, corporate clients, direct clients, construction companies and fabricators.

We have our presence in the major metro cities all across the country duly supported by the distributors for those regions. The entire operations are monitored from Mumbai head office.

Marketing Setup for the proposed float glass project

Of the production from the proposed float glass project, we envisage that 80% of the production would be for the domestic market and the balance for the export market. On the domestic front, there would be an inhouse consumption of approx 10%- 20% of our production. The balance would be marketed to other glass processors, dealers and distributors and other direct clients.

On the international front, we would be targeting countries in the Gulf region, European and SAARC nations and segments like traders, glass importers and glass processors.

Future Prospects

India's vibrant economy needs matching improvements in the infrastructure, and our Company shall have a role as far as satiating the needs for glass and glass products for the various infrastructures being created.

IT and ITES boom, proliferation in malls, rising economy, increasing disposable income, brand preference, changes in the tastes of the consumers, etc. depict a rising trend for the glass industry in the years to come. Newer applications are being discovered where glass is the preferred material, which is steadily replacing other conventional materials like, wood, ceramic, steel/aluminium etc. There is an expected demand for around 220 million square feet of retail space by 2010. According to industry estimates, 27 million square feet of organised retail space is currently available. Another 90 million square feet is expected to be added by 2008 from 263 mall projects. Of these, 18 million square feet is slated to come up in Delhi as well as in Mumbai, 9.5 million square feet in Ludhiana, 6 million square feet in Chandigarh and 3.6 million square feet in Ahmedabad. *(Source: www.ibef.org)*

For the last few years, the demand for Indian float glass has been registering a noteworthy increase of 10-12 per cent per annum and this increase is likely to sustain in the coming years as well since the two main consuming sectors of glass construction and automotive have been maintaining a consistently high rate of growth.

With the knowledge and experience of our Promoter supported by a qualified team of technical experts, our Company is poised to take advantage and participate in India's growth story.

Capacity and Capacity Utilization

Installed Capacity for the processing unit

Particulars	Capacity
Installed Capacity	
- Insulating Glass	49,500 Sq. Meters
- Tempering Glass	2,40,000 Sq. Meters
- Laminated Glass	4,500 Sq. Meters

Note: *The nature of operations carried out in the present processing unit prohibits it from reasonably ascertaining capacity utilization. Therefore, the figures regarding capacity utilization for the past 3 years have not being given.*

Capacity and capacity utilization for the proposed float glass project is as under:

Particulars	Period Ended	Period Ended	Period Ended
Float glass section	2009-10	2010-11	2011-12
Installed capacity(TPD)	550	550	550
Proportionate installed capacity(TPD)	550	550	550
Proposed production (TPD)	440	467.5	522.50
Capacity Utilization (%)	80%	85%	90%

Note: Commercial production of float glass is expected to commence in March 2009, as detailed in the schedule of implementation described on page 75 of this Red Herring Prospectus.

Export possibilities and export obligations, if any

Our Company is currently exporting to countries like Sri Lanka, Bangladesh, Mauritius Uganda, Tanzania etc. We look to expand our exports to countries in Europe, Australia and Africa. Furthermore, we are looking at aggressively expanding our market base and escalating our global reach.

We import glass and other raw materials under the Advance License Scheme ("**Scheme**") and have availed duty exemption. As a result, we have to perform export obligations which we are required to be fulfilled within a period of 18 months and extended to 30 months from the date of the issue of the respective licenses. The consequence of not meeting the above commitment would be a retrospective levy of import duty on the utilized portion of the licence.

Additionally, the respective authorities have the discretion to levy penalties and / or interest for any defaults on a case-by-case basis.

The above Scheme requires the importer to submit to the customs authorities, for every advance license, a bond of value equivalent to 100% of the value of the Customs duty involved. This bond is cancelled after the export obligation is completed and the money has been duly received. The details of the advance license are given herein below:

Sr. No.	Details	License No.	Issue Date	Duty Saved (Rs. In Lacs)	Export Obligations (In US \$)	Export Obligation Completed (In US \$)	Balance Export obligation to be completed (In US \$)	Date up to which export obligation to be completed
1	Advance Licence	03/95/045/01459/AM07	23-02-07	17.06	3,87,500.00	147,905.70	239,594.30	25-08-08

Further our Company proposes to import certain plant & machinery for our proposed project, under the EPCG scheme, in terms of which, capital goods may be imported at a concessional rate of custom duty.

Under the EPCG scheme, we are required to export goods aggregating in value to eight times of the import duty saved, failing to which an amount equivalent to the duty amount saved along with the interest at applicable rates would be required to be paid to the Government of India.

We have an aggregate outstanding export obligation of USD \$ 88,75,045.80, which includes licences for the proposed project, the details of which are given below:

Sr. No.	Details	License No.	Issue Date	Duty Saved (Rs. In	Export Obligations (In US \$)	Export Obligation Completed	Balance Export obligation to	Date up to which export
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				Lacs)		(In US \$)	be completed (In US \$)	obligation to be completed
1.	EPCG	0330014 278/2/1 1/00	December 8, 2006	6.83	121,497.86	Nil	121,497.86	December 8, 2014
2.	EPCG	0330010 645/2/1 1/00	December 27, 2005	134.03	2,240,853.66	Nil	2,240,853.66	December 27, 2013
3.	EPCG	0330011 112	February 23, 2006	45.75	823,335.52	Nil	823,335.52	February 23, 2014
4.	EPCG	0330011 105/2/1 1/00	February 22, 2006	340.66	6,131,094.17	574,071.54	5,557,022.63	February 22, 2014
		Total		527.26	9,316,781.21	574,071.54	8,742,709.67	

Intellectual Property

Our Company relies on trademarks and copyrights, to help establish and preserve limited proprietary protection for our products. Our Company has two registered trademarks and eight trademark applications pending. These trademarks are used to establish brand recognition and distinction in our markets.

Our Company currently has the following intellectual property rights for our business:

Trademarks

1. Certificate of Registration of Trade Mark issued by the Registrar of Trade Marks under Section 23 (2), Rule 62(I) of the Trademarks Act, 1999 for our logo “Sejal Tuff” in Class 21, dated January 11, 2001 and bearing no. 983194.
2. Certificate of Registration of Trade Mark issued by the Registrar of Trade Marks under Section 23 (2), Rule 62(I) of the Trademarks Act, 1999 for our logo “Sejal Safe” in Class 21, dated January 11, 2001 and bearing no. 983192.

We have filed the application for the following trademarks:

1. Application bearing no. 1371940 dated July 18, 2005 to the Trade Marks Registry, for registration of our trademark “Oyster” under class 21 of the Schedule III of the Trade Marks Rules, 2002.
2. Application bearing no. 01519662 dated January 12, 2007 to the Trade Marks Registry, for registration of our logo “C-No-C Glass” under class 19 of the Schedule III of the Trade Marks Rules, 2002.
3. Application bearing no. 01519663 dated January 12, 2007 to the Trade Marks Registry, for registration of our logo “Fog-Free Mirror under class 20 of the Schedule III of the Trade Marks Rules, 2002.
4. Application bearing no. 01519664 dated January 12, 2007 to the Trade Marks Registry, for registration of our logo “Fresca” under class 19 of the Schedule III of the Trade Marks Rules, 2002.

5. Application bearing no. 01519661 dated January 12, 2007 to the Trade Marks Registry, for registration of our trademark “Armor Glass” under class 20 of the Schedule III of the Trade Marks Rules, 2002.
6. Application bearing no. 983191 dated January 11, 2001 to the Trade Marks Registry, for registration of our logo “Sejal Kool” under class 21 of the Schedule III of the Trade Marks Rules, 2002.
7. Application bearing no. 1371941 dated July 18, 2005 to the Trade Marks Registry, for registration of our trademark “The Sixth Element” under class 19 of the Schedule III of the Trade Marks Rules, 2002.
8. Application bearing no. 1372951 dated July 21, 2005 to the Trade Marks Registry, for registration of our logo “Solid Glass by Sejal” under class 19 of the Schedule III of the Trade Marks Rules, 2002.

We conduct our business under the trademark “Sejal Glass”. We have acquired rights for using the trademark “Sejal Glass ”, amongst other trademarks, in respect of the activities carried on by our Company, through a deed of assignment of trademark with related goodwill dated November 19, 2007 at a value of Rs. 1,00,000/-, from our group company Sejal Glass Craft Private Limited. For further details of Sejal Glass Craft Private Limited, please see the section titled “Financial Information of Group Companies/Ventures” beginning on page 191 of this Red Herring Prospectus.

The details of the trademarks assigned to our Company, with the related goodwill, through the deed of assignment dated November 19, 2007, are as follows:

Sr. No	Name of the trademark registered	Date of registration	Validity	Class	Registration number	Governing Act
1.	SEJAL GLASS	January 11, 2001	10 years	21	983204	Trademarks Act, 1999
2.	TUFFENED BY TRUST	January 11, 2001	10 years	21	983196	Trademarks Act, 1999
3.	SEJAL GROUP OF COMPANIES	January 11, 2001	7 years, renewed for a further period of 10 years from January 11, 2008	21	983195	Trade and Merchandise Marks Act, 1958
4.	sejalglass.com	January 11, 2001	10 years	9	983193	Trademarks Act, 1999
5.	SEJAL DÉCOR	January 11, 2001	10 years	21	983203	Trademarks Act, 1999
6.	SEJAL DÉCOR THRILL	January 11, 2001	10 years	21	983201	Trademarks Act, 1999
7.	SEJAL DÉCOR MODAK	January 11, 2001	10 years	21	983198	Trademarks Act, 1999
8.	SEJAL DÉCOR PUZZLE	January 11, 2001	10 years	21	983197	Trademarks Act, 1999
9.	SEJAL DÉCOR WRINKLE	January 11, 2001	10 years	21	983202	Trademarks Act, 1999
10.	SEJAL DÉCOR	January 11,	10 years	21	983199	Trademarks Act,

	CRACKLE	2001				1999
11.	SEJAL DECOR ICY	January 11, 2001	10 years	21	983200	Trademarks Act, 1999

Property

The following table sets forth the location and other details of such properties owned or occupied by our Company:

Freehold Property

Sr. No.	Details of Agreement	Address	Consideration (in Rs.)	Existing Use
1.	Sale Agreement dated April 26, 1999 between Shri Hasamvali Mohamed Chhabda, Shri Mohamed Anif Hasamat Chhabda, Shri Idrish Hasam Chhabda (the “Vendors”) and Sejal Architectural Glass Limited (the “Purchaser”)	Area of 600 square meters survey no. 259/10/1, situated village Dadra, Union Territory of Dadra and Nagar Haveli, Pin-396191	1,50,000	Our Company’s existing Factory at Silvassa
2.	Sale Agreement dated April 26, 1999 between Shri Hasamvali Mohamed Chhabda, Shri Mohamed Anif Hasamat Chhabda, Shri Idrish Hasam Chhabda (the “Vendors”) and Sejal Architectural Glass Limited (the “Purchaser”)	Area of 3,400 square meters at survey no. 259/10/2 and survey no. 259/10/3, situated at village Dadra, Union Territory of Dadra and Nagar Haveli, Pin-396191	8,50,000	Our Company’s existing Factory at Silvassa
3.	Sale Agreement dated April 26, 1999 between Laxminarayan Holdings (I) Private Limited (the “Vendors”) and Sejal Architectural Glass Limited (the “Purchaser”)	Area of 7,000 square meters at survey no. 259/10/11, situated at village Dadra, Union Territory of Dadra and Nagar Haveli, Pin-396191	10,50,000	Our Company’s existing Factory at Silvassa.
4.	Deed of Conveyance May 24, 2005 between Mr. Madhusudan Mathuradas Thakkar, Smt. Tarlaben Madhusudan Thakkar, Mr. Suhrad Madhusudan Thakkar (Vendor No. 1) and (family members of Vendor no. 1,) Smt. Manjula Kaushik Vora (Vendor no. 2), Mr. Kanhaiyalal Sunderdas Thakkar (Vendor No. 3), Mr. Laxmikant Sunderdas Thakkar (Vendor No. 4), Mr. Jitendra Sunderdas Thakkar (Vendor no. 5), Mr. Praveen Sunderdas Thakkar (Vendor no. 6) Smt. Divyabala Ravji Ruparel (Vendor no. 7), Smt. Urmi Vijay Kumar Aiya (Vendor no. 8), Mr. Jagdish Laxmidas Thakkar (Vendor no. 9), Mr. Ashok Laxmidas Thakkar (Vendor no. 10) and Sejal Architectural Glass Limited (the “Purchasers”)	Area of 986.38 square meters at CTS no. 65, Near Seasons Hotel, S.V. Road, Kandivali(W), Mumbai -400067	1,79,00,000	Our Company’s trading division.

5.	Agreement dated August 30, 2007 between Neeta Bhupesh Vora, Sushila Mansukhlal Vora (the “Vendors”) and Sejal Architectural Glass Limited (the “Purchaser”)	Area of 789.50 square feet at Flat No. 201 on the second floor of the building known as ‘Abhilasha’ at 86, Junction of S. V. Road and Kilachand Road, Kandivali (West), Mumbai - 400 067.	44,50,000	Our Company’s Registered Office.
6.	Agreement dated August 30, 2007 between Swati Samir Vora, Sushila Mansukhlal Vora (the “Vendors”) and Sejal Architectural Glass Limited (the “Purchaser”)	Area of 667.50 square feet at Flat No. 202 on the second floor of the building known as ‘Abhilasha’ at 86, Junction of S. V. Road and Kilachand Road, Kandivali (West), Mumbai - 400 067	44,00,000	Our Company’s Registered Office.
7.	Sale deed dated July 14, 2004 between Diptiben Nileshkumar Shah (the “Vendor”) and Sejal Architectural Glass Limited (the “Purchaser”)	Land and building situated at Plot No. 7/1 situated at village Dadra, Dadra and Nagar Haveli along with six residential flats constructed thereon	9,95,000	Residence of employees of our Company’s.
8.	Order dated November 23, 2007, by the Joint Charity Commissioner, Baroda, for sale of property under Articles 36 of the Bombay Public Trust Act from Shri Gunatit Jyot Mahila Trust, Vallabh Vidya Nagar, Taluka and District Anand.A/1108/Anand Application No. 36/10/06 to our Company by way of the bidding procedure.	Area of 986.38 square meters at Mauje Mumbai District Taluka Borivali bearing CTS no. 65,65/1, 65/8, Village Malad (North)	19,51,000	Our Company’s trading division
9.	Deed of Conveyance January 28, 2008 between Shree Gunatit Jyot Mahila Trust (the “Vendors”) and Sejal Architectural Glass Limited (the “Purchaser”)	1/18 th undivided share, right title and interest (54.80 square meters), of an Area of 986.38 square meters at CTS no. 65, Near Seasons Hotel, S.V. Road, Kandivali(W), Mumbai -400067	19,51,000	Our Company’s trading division.

Leasehold Properties

Sr. No.	Details of Agreement	Address/Property	Consideration (in Rs.)	Type of Property/purpose	Tenure
1.	Agreement dated October 16, 2007 between Gujarat Industrial Development Corporation (the “Licensor”) and Sejal Architectural Glass Limited (the “Licensee”)	Area of 6,08,540 sq. mtrs. at Plot No.36, Jhagadia, Dist. Bharuch	11,52,44,000	Leasehold property for float glass project	99 years
2.	Agreement dated November 21, 2007 between Amit Dayalal Shah, Rita Amit Shah (The Owners) and Ashwin S. Shetty, Company Secretary of Sejal Architectural Glass Limited	Flat No. 301, 3 rd Floor, Abhilasha, 86, S. V. Road, Kandivali (West), Mumbai - 400 067	Monthly License Fee of Rs. 7,500/- and interest free security deposit of Rs. 1,50,000/-	Corporate Office	11 months from November 1, 2007 to September 30, 2008

3.	Lease Agreement dated October 9, 2007 between Sheela James and Sejal Architectural Glass Limited	Bungalow No. 5, Abhishek Avenue, Plot No. 1106/7, GIDC, Ankleshwar.	Monthly lease rent of Rs. 14,000/- and interest free security deposit of Rs. 42,000/-	Residential Accommodation for the employees of our Company.	11 months from October 21, 2007 to September 20, 2008
4.	Leave and License agreement dated April 15, 2008 between Dhananjay D. Yadav and Sejal Architectural Glass Limited	Flat no. 304, Third Floor, Plot no. 276, Silvassa-Vapi, Main Road, Chanod, Vapi.	License fee of Rs. 4000/- per month and Rs. 600/- per month maintenance charges and Rs. 35,000/-	Residential Accommodation for the employees of our Company.	11 months from April 15, 2008 to March 15, 2009

Properties taken on rent by Our Company

Sr. No.	Details of Agreement	Address/Property	Consideration (in Rs.)	Type of Property/purpose	Tenure
1.	Rent Agreement dated October 17, 2006 between Jyoti Khanna (First Party) and Sejal Architectural Glass Limited (Second Party, Tenant)	Portion of third floor out of property bearing No. 28/14, East Patel Nagar, New Delhi	Monthly rent of Rs. 8,000/- and Rs. 36,000/- as interest free security deposit	Office / Business	3 years from October 15, 2006 to October 14, 2009
2.	Rent agreement dated February 4, 2008 between A. Karthick (Landlord) and Sejal Architectural Glass Limited (Tenant)	First floor, Premises no. 34, Choolaimedu High Road, Choolaimedu, Chennai - 600 094	Monthly rent of Rs. 5,000/- and Rs. 50,000/- as interest free caution deposit	Administrative Office	11 months from February 4, 2008 to January 3, 2009

Insurance

We maintain insurance for standard fire and special perils policy, which provides insurance cover against loss or damage by fire, explosion, riot and strikes, terrorism, burglary, theft and robbery, which we believe is in accordance with customary industry practices.

However, the amount of our insurance coverage may be less than the replacement cost of all covered property and may not be sufficient to cover all financial losses that we may suffer should a risk materialize. Further, there are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us, for which we may not be adequately insured. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our results of operations and financial position.

The details of our material insurance policies and those of our subsidiaries are as stated below:

Sr. No.	Policy Details	Name of the company	Period covered		Total amount	Property details
			From	To		
1.	Install - Additional Endorsement. Policy no. 5004/0003352	ICICI Lombard General Insurance Company Limited	July 21, 2007	January 20, 2009	Sum insured Rs.8,37,500,00 /- (Project Sum)	Civil construction of float glass plant

	dated October 24, 2007				Rs. 60,00,000/- (Debris Removal) Premium Amount - Rs. 2,89,069/-	situated at Road no. 8, GIDC, Jhagadia, Bharuch District, Gujarat.
2.	Standard fire and Special perils insurance policy. Policy No. 11052394 dated December 24, 2004.	IFFCO-TOKIO General Insurance Co. Ltd.	December 10, 2004	December 09, 2014	Sum Insured- Rs. 20,00,000/- Premium Amount- Rs. 9,367/-	Dwellings. Property situated at Plot No. 7/1 House No. 1073 to 1078, Dadra, Dist- Silvassa, Dadra and Nagar Haveli.
3.	Public Liability Policy (Non-Industrial risks). Policy No. 1103372714100003 dated May 21, 2007.	Reliance General Insurance Company Ltd.	May 21, 2007	May 20, 2008*	Sum Insured- Rs. 10,00,000/- Premium Amount- Rs. 1,124/-	Location of the insured premises- Sejal Encasa, Plot No. 173, Opp. Shreeji Bldg, S.V. Road, Kandivali (W), Mumbai.
4.	Burglary and housebreaking Insurance Policy. Policy No. 1103372911100027 dated May 21, 2007.	Reliance General Insurance Company Ltd.	May 21, 2007	May 20, 2008*	Sum Insured- Rs. 3,00,00,000/- Premium Amount- Rs. 3,476/-	Stock on Premise. Location of the insured premises- Sejal Encasa, Plot No. 173, Opp. Shreeji Bldg, S.V. Road, Kandivali (W), Mumbai.
5.	Office and Prof. Est. Protector Insurance Policy. Policy No. 47101522 dated February 23, 2008.	IFFCO-TOKIO General Insurance Co. Ltd.	February 09, 2008	February 08, 2009	Sum Insured- Rs. 12,50,000/- Premium Amount- Rs. 6,628.34/-	Fire and allied perils, Burglary house breaking perils, money, PA Individual and Public liability. Property situated at 2nd Floor, Abhilasha bldg., S.V. rd, Kandivali

						(W), Mumbai
6.	Plate Glass Insurance Policy. Policy No. 1103372922200002 dated May 21, 2007	Reliance General Insurance Company Ltd.	May 21, 2007	May 20, 2008*	Sum Insured- Rs. 25,00,000/- Premium Amount- Rs. 23,877/-	Plate Glass, Display Boxes and other Glasses. Location of the insured premises- Sejal Encasa, Plot No. 173, Opp. Shreeji Bldg, S.V. Road, Kandivali (W), Mumbai.
7.	Risk held cover letter dated May 21, 2008	Tata AIG Insurance	May 21, 2008	May 20, 2009	Sum insured Rs. 67,10,00,000 Premium amount Rs. 4,40,542/-	Standard fire and allied perils, earthquake, terrorism, burglary, impact damage due to insured's vehicle, removal of debris in excess of 1%, architect surveyor's fees in excess of 3% Location of insured premises - 259/10/1, near Aloke Rubplast, village Dadra, Silvassa
Others						
Sr. No.	Policy Details	Name of the company	Period covered		Total amount	Property details
			From	To		
8.	Private Car Insurance Package Policy. Policy No. 38442406 dated March 6, 2008.	IFFCO-TOKIO General Insurance Co. Ltd.	March 25, 2008	March 24, 2009	Sum Insured- Rs. 8,02,024/- Premium Amount- Rs. 21,025/-	Car insured- Toyota Corolla H1.
9.	Private Car Insurance Package Policy. Policy No. 38442433 dated	IFFCO-TOKIO General Insurance Co. Ltd.	March 23, 2008	March 22, 2009	Sum Insured- Rs. 6,50,027/- Premium Amount- Rs.	Car Insured- Toyota Innova AA.

	March 6, 2008				22,482.02/-	
10.	Private Car Insurance Package Policy. Policy No. 38338969 dated February 22, 2008.	IFFCO-TOKIO General Insurance Co. Ltd.	February 12, 2008	February 11, 2009	Sum Insured-Rs. 5,77,884/- Premium Amount- Rs. 14,573.88/-	Car Insured-Hyundai Elantra GLS.
11.	Private Car Insurance Package Policy. Policy No. 38113340 dated January 19, 2008.	IFFCO-TOKIO General Insurance Co. Ltd	January 21, 2008	January 20, 2009	Sum Insured Rs. 3,01,188/- Premium Amount Rs. 8126.75/-	Car Insured-Mitsubishi Lancer.
12.	Private Car Insurance Package Policy. Policy No. 38113547 dated January 19, 2008	IFFCO-TOKIO General Insurance Co. Ltd	January 31, 2008	January 30, 2009	Sum Insured Rs. 1,30,977. Premium Amount Rs. 3,743/-	Car Insured-Maruti Zen
13.	Two Wheeler Insurance. Policy No. 38527385 dated March 18, 2008	IFFCO-TOKIO General Insurance Co. Ltd	March 22, 2008	March 21, 2009	Sum Insured Rs. 16,618/- Premium Amount Rs. 573.56/-	Two Wheeler Insured-Bajaj Boxer.
14.	Private Car Insurance. Policy No. 38830978 dated May 5, 2008.	IFFCO-TOKIO General Insurance Co. Ltd	May 12, 2008	May 11, 2009	Sum Insured Rs. 190,606/- Premium Amount Rs. 6,068.54/-	Car Insured-Mahindra Bolero.

*** These policies have been renewed by Tata AIG Insurance Risk Held Cover Letter dated May 21, 2008. We are yet to receive the copy of the policy issued in respect of the same.**

Restrictive Covenants

As on December 31, 2007, our Company has an outstanding secured loans aggregating Rs. 7242.00 Lacs from different lenders, including against fixed assets and machinery as primary/ collateral security as provided below:

(Rs. in Lacs)

Sr. No.	Name of Bank	Sanctioned Amount	Amount outstanding as on December 31, 2007
1	State Bank of Patiala	11,164.00	4499.45
2	State Bank of Mysore	5,000.00	0.00
3	Indian Overseas Bank	3,000.00	411.33
4	Punjab National Bank	5,000.00	684.56
5	Punjab and Sind Bank	2,500.00	342.60
6	Axis Bank Limited	900.00	125.32
7	Bank of India	2,500.00	342.77
8	State Bank of Saurashtra	2,500.00	342.60
9	State Bank of Indore	3,500.00	478.03
10	ICICI Bank	18.69	7.85
11	Kotak Bank		7.48
	Total		7242.00

In respect of various agreements entered into by our Company with the lenders, we are bound by certain restrictive covenants. A majority of these covenants, are specific to the conduct of our Company in relation to the hypothecated assets under those agreements, and those covenants asset-specific. Other than the asset-specific covenants, as per the loan agreements, we require written

consent from the lenders in relation to certain actions/matters, amongst others, including entering into any scheme of amalgamation or merger/ demerger/ reconstruction, declaration of any dividends if there are any arrears in making any payment of amount(s) due to our lender(s), not to change/ vary our constitution, not to make any changes to the general nature or scope of the business from that carried on by our Company, prepayment of the outstanding principal amount of the facility on full or in part before the due date, among others.

Some of the asset-specific covenants in our loan agreements are as follows, and we cannot, without the prior written consent of our lender(s) concerned:

1. To sell/pledge/hypothecate/mortgage/assign/securitize or otherwise deal with assets mortgaged to the Bank.
2. To create any charge on the existing or future assets for repayment of term loan.
3. To undertake or permit any merger, takeover
4. Formulate any scheme of amalgamation or reconstruction;
5. To open current account or avail any additional banking facility without concurrence of the consortium.

We have obtained the approvals for the Issue from all lenders from whom we require approvals under the respective loan documents:

1. State Bank of Patiala by its letter dated October 17, 2007
2. Punjab National Bank by its letter dated October 16, 2007
3. State Bank of Mysore by its letter dated October 17, 2007.
4. Indian Overseas Bank by its letter dated October 17, 2007
5. State Bank of Saurashtra by its letter dated October 16, 2007
6. Bank of India by its letter dated October 16, 2007
7. Punjab and Sind Bank by its letter dated October 17, 2007
8. Axis Bank by its letter dated October 16, 2007
9. State Bank of Indore by its letter dated October 17, 2007

KEY INDUSTRY REGULATIONS AND POLICIES

There are no specific laws in India governing the glass manufacturing industry in India. The significant legislations and regulations that generally govern this industry in India are acts such as the Income Tax Act, 1961, Factories Act, 1948, Employees State Insurance Act, 1948, Bombay Shops and Establishments Act, 1948, Employees Provident Fund and Miscellaneous Act 1952, Air (Prevention and Control of Pollution) Act 1981, Petroleum Rules 1967, Contract Labour (Regulation and Abolition Act), 1970, Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975 and such other acts as applicable.

OUR HISTORY AND OTHER CORPORATE MATTERS

Our History and Background

Sejal Architectural Glass Limited, was incorporated as a private limited Company in the year 1998, and its constitution was changed to a public limited company on March 08, 1999. Promoted by the members of the Gada family, our Company is in the business of processing glass. We have processing facilities for insulating, toughened, laminated glasses and for decorative glass as well. Our Company's existing plant is located at Plot No 259/10/1, Village Dadra, Union Territory of Dadra, Nagar Haveli, District Silvassa.

Our Company started its commercial operations in the year 2000-01 by setting up a processing facility for insulating glass. As a step forward, we started another process for toughened glass in the year 2001. Since then, our Company has expanded its operations by adding an automated lamination line in January 2007. We have broadened our scope of business activities by processing various value added glass for exterior and interior applications, including decorative glass.

Our Company has already acquired specific skills and knowledge on the processing and marketing of the glass and now as a step towards backward integration, we propose to set up a new manufacturing facility for float glass with a capacity of 2,00,750 MT per annum at Jhagadia, Dist. Bharuch, Gujarat. We have already acquired 6,08,540 sq. mts of land for this backward integration project and L&T has been awarded as the contractor for executing the construction and civil works.

Our Company also operates its trading division from its premises named 'Sejal Encasa', which is located at Kandivali, Mumbai. This division trades in various in-house brands as well as other manufacturers' products. The products traded include tiles, sanitaryware, mirrors, glass, etc. for home and commercial interiors.

Our Milestones

Sr.No.	Major Events	Year
1.	Incorporation	1998
2.	Started Commercial Production of Insulating Glass	2000
3.	Started Commercial Production of Toughened Glass	2001
4.	"Good" eQ rating of 8.1% by AC Nielson Research Pvt. Ltd.	2005
5.	Acquired Land for the float glass project at Jhagadia, Gujarat	2006
6.	Completed expansion of the New Lamination Line	2007
7.	Contract for Machinery Supply with Stein Heurtey, France for float glass project	2007
8.	Inauguration of "SEJAL ENCASA" the exclusive Glass Trading Outlet	2007
9.	Roll out of Supply Chain Management Enterprise Resource Planning (ERP) modules in our organisation	2008

Changes in the Registered Office of our Company

From	To	Year
4, Shyam Nirmal Apartments, Narshi Lane, S.V. Road, Malad (West), Mumbai- 400 064	50/D Govt. Industrial Estate, Charkop, Kandivali (W), Mumbai- 400 067	1999
50/D Govt. Industrial Estate, Charkop, Kandivali (W), Mumbai- 400 067	Abhilasha, 2 nd Floor, Near Shopper's Stop, S.V. Road, Kandivali (W), Mumbai- 400067	2007

Changes in the Memorandum of Association of our Company

Since Incorporation, the following changes have been incorporated in Memorandum of Association of our Company, after approval of the Members:

Increase in the Authorised Equity Share Capital

Sr. No.	Change	Date	Type of Meeting
1	Subscription to Memorandum	Incorporation	-
2	Increased from 25 Lacs to Rs.150 Lacs	February 20, 1999	EGM
3	Increased from Rs. 150 Lacs to Rs. 300 Lacs	December 10, 1999	EGM
4	Increased from Rs. 300 Lacs to Rs. 1500 Lacs	September 26, 2006	EGM
5	Subdivision of Equity shares of Rs. 100 each into equity shares of Rs.10 each	September 30, 2006	AGM
6	Increased from Rs.1500 Lacs to Rs.3300 Lacs	September 29, 2007	AGM

Change in the Main Objects of our Company

Sr. No.	Change	Date	Type of Meeting
1	Alteration of Main Object Clause by insertion of new clause 1A immediately after Clause 1. Description 1A. To carry on the business, in India or abroad, as ,manufacturers, distributors, agents, traders, importers and exporters of or dealers in products, goods, articles, items, accessories, or decorative items, of whatsoever kind, nature or description, and further whether of commercial, industrial or household use or purpose, made of glass, acrylic, fibre, wood, or timber, plastic steel or otherwise, such as but without prejudice to the generality of foregoing, laminates, decorative doors and panels, veneers, tiles, fancy electric switches, Cp fittings, moulded furniture and interior products, as well as electrical and electronic products, sanitary or healthcare products, marble or granite, hardware items, wall posters or pieces and work of art.	June 07, 2003	EGM

Our Main Objects:

The main objects of our Company as stated in the Memorandum of Association are:

1. To carry on the business of manufacturing, processing, crafting, buying, selling, importing, exporting, and/or otherwise dealing in all types of glass and mirror, like architectural glass, toughened glass, safety glass, processed glass, stain glass, screen glass, beveled glass, antique glass, reflective glass, lead crystal glass, cast glass, decorative mirrors, cut glass, curved (Bend) glasses, layered glass, fused glass, insulating glass, fiber glass, glass-bricks, gift articles of glass accessories, flat glass and mirrors and decorative glass products, glass wares, automobile glass, sheet float and plate glass, welding glass, coloured glass, glass doors and fittings and all types of glass articles or products.
- 1A. To carry on the business, in India or abroad, as ,manufacturers, distributors, agents, traders, importers and exporters of or dealers in products, goods, articles, items, accessories, or decorative items, of whatsoever kind, nature or description, and further whether of commercial, industrial or household use or purpose, made of glass, acrylic, fibre, wood, or timber, plastic steel or otherwise, such as but without prejudice to the generality of foregoing, laminates, decorative doors and panels, veneers, tiles, fancy electric switches, Cp fittings, moulded furniture and interior products, as well as electrical and electronic products, sanitary or healthcare products, marble or granite, hardware items, wall posters or pieces and work of art.

Subsidiaries of our Company

Our Company does not have any subsidiary company.

Shareholders' Agreement

There is no Shareholders' Agreement amongst the shareholders of our Company.

Other Agreements

We have entered into the following Non-Compete Agreements with some of the ventures promoted by our Promoters, details of which are as follows:

1. Non-Compete Agreement between our Company and Sejal International Limited ("SIL")

Our Company has entered into a Non-Compete Agreement ("the **said Agreement**") dated November 19, 2007 with SIL (our Company and SIL collectively referred to as the "**parties**"), for a consideration of Rs. 11,000/-, whereby it has been agreed between the parties that with effect from the date of the said Agreement, SIL shall not directly or indirectly through its affiliate(s), compete or endeavour to compete with our Company directly or indirectly, and shall not directly or indirectly endeavour to obtain the person, firm or corporation that is a customer of our Company, nor carry on any trading in glass business/transaction developed by our Company during its expansions and operations, during the subsistence of the said Agreement, SIL shall not directly or indirectly operate or cause to be operated any business or undertaking within the territory which is engaged in or concerned with the products which are similar to or compete with the products or the glass business without the prior written approval of our Company, which our Company will not be obliged to grant. SIL shall not, in relation to any of the products in which it trades or business, utilise any existing or future trademark or name, brand or logo etc;(whether registered or not) that is or may be owned by/used by our Company without the prior consent of our Company in writing.

2. Non-Compete Agreement between our Company and Sejal Float Glass Limited (“SFGL”)

Our Company has entered into a Non-Compete Agreement (“the **said Agreement**”) dated November 19, 2007 with SFGL (our Company and SFGL collectively referred to as the “**parties**”), for a consideration of Rs. 11,000/-, whereby it has been agreed between the parties that with effect from the date of the said Agreement, SFGL shall not directly or indirectly through its affiliate(s), compete or endeavour to compete with our Company directly or indirectly, and shall not directly or indirectly endeavour to obtain the person, firm or corporation that is a customer of our Company, nor carry on any trading in glass business/transaction developed by our Company during its expansions and operations, during the subsistence of the said Agreement, SFGL shall not directly or indirectly operate or cause to be operated any business or undertaking within the territory which is engaged in or concerned with the products which are similar to or compete with the products or the glass business without the prior written approval of our Company, which our Company will not be obliged to grant. SFGL shall not, in relation to any of the products in which it trades or business, utilise any existing or future trademark or name, brand or logo etc;(whether registered or not) that is or may be owned by/used by our Company without the prior consent of our Company in writing.

3. Non-Compete Agreement between our Company and Sejal Glass Craft Private Limited (“SGCPL”)

Our Company has entered into a Non-Compete Agreement (“the **said Agreement**”) dated November 19, 2007 with SGCPL (our Company and SGCPL collectively referred to as the “**parties**”), for a consideration of Rs. 11,000/-, whereby it has been agreed between the parties that with effect from the date of the said Agreement, SGCPL shall not directly or indirectly through its affiliate(s), compete or endeavour to compete with our Company directly or indirectly, and shall not directly or indirectly endeavour to obtain the person, firm or corporation that is a customer of our Company, nor carry on any trading in glass business/transaction developed by our Company during its expansions and operations, during the subsistence of the said Agreement, SGCPL shall not directly or indirectly operate or cause to be operated any business or undertaking within the territory which is engaged in or concerned with the products which are similar to or compete with the products or the glass business without the prior written approval of our Company, which our Company will not be obliged to grant. SGCPL shall not, in relation to any of the products in which it trades or business, utilise any existing or future trademark or name, brand or logo etc;(whether registered or not) that is or may be owned by/used by our Company without the prior consent of our Company in writing.

Strategic Partners

Presently, our Company does not have any strategic partners.

Financial Partners

Presently, our Company does not have any financial partners.

OUR MANAGEMENT

Our Company is currently managed by a Board of Directors comprising of 10 Directors. As per our Articles of Association, our Board shall consist of not less than three Directors and not more than twelve Directors.

Board of Directors

The Board of Directors of our Company, comprises of 10 directors, of which 5 Directors are independent Directors. Mr. Amrut S. Gada is our Chairman and Managing Director and is in-charge of the overall management of our Company, subject to the supervision and control of the Board. He is well supported by other whole time directors, professionals and technically qualified team of executives.

The following table sets forth the details regarding our Board of Directors as on the date of filing of this Red Herring Prospectus with SEBI:

Sr. No.	Name, Age, Designation, Fathers Name, DIN, Occupation and Nationality of Director	Residence Address	Other Directorships	Date of Appointment and Term of Directorship
1)	Mr. Amrut S. Gada , 38 years, Chairman and Managing Director S/o. Mr. Shivji V. Gada DIN-00163290 Occupation: Industrialist Nationality: Indian	503, Sarla Sadan, Gambers Estate, Behind Sanjar Furniture, S. V. Road, Malad (West) Mumbai- 400064	<ul style="list-style-type: none"> ▪ Sejal International Ltd. ▪ Sejal Insurance Broking Ltd. ▪ Sejal Float Glass Limited ▪ Sejal Finance Ltd. 	Re- appointed as Chairman and Managing Director on April 1, 2006 for a period of 5 years
2)	Mr. Dhiraj S. Gada , 34 years Joint Managing Director S/o. Shivji V. Gada DIN-00170501 Occupation: Industrialist Nationality: Indian	503, Sarla Sadan, Gambers Estate, Behind Sanjar Furniture, S. V. Road, Malad (West) Mumbai- 400064	<ul style="list-style-type: none"> ▪ Sejal Glass Craft Pvt. Ltd. ▪ Sejal International Ltd. ▪ Sejal Insurance Broking Ltd. ▪ Sejal Float Glass Limited ▪ Sejal Finance Ltd. 	Appointed as Joint Managing Director on September 30, 2005 for a period of 3 years
3)	Mr. Mitesh K. Gada , 29 years Whole Time Director S/o. Kanji V. Gada DIN- 00148934 Occupation: Industrialist Nationality: Indian	601/A, Mamta Apartments, M. G. Road, Tilak Road, Goregaon (West), Mumbai- 400062	<ul style="list-style-type: none"> ▪ Sejal Glass Craft Pvt. Ltd. ▪ Sejal International Ltd. ▪ Sejal Float Glass Limited 	Appointed as a Whole time Director on September 29, 2007, for a period of 5 years
4)	Mr. R. Subramanian , 54 years Director- Operations S/o. R. C. H. Lakshmanan DIN-00566396 Occupation: Service Nationality: Indian	A-103, Shivlok CHSL, Raheja Complex, Balkum Village, Thane (West), Thane-400608	None	Re- appointed as Whole Time Director on September 29, 2007 for a period of 2 years.
5)	Mr. Ashish D. Karia , 29 years	9, Patel Chambers, 3 rd Floor,	<ul style="list-style-type: none"> ▪ Hero Multipap Pvt. Ltd. 	Appointed as a Whole time

Sr. No.	Name, Age, Designation, Fathers Name, DIN, Occupation and Nationality of Director	Residence Address	Other Directorships	Date of Appointment and Term of Directorship
	Whole Time Director S/o. Dhiraj Devji Karia DIN-00170455 Occupation: Industrialist Nationality: Indian	Fort, Mumbai - 400001	<ul style="list-style-type: none"> Sejal Float Glass Ltd. 	Director on September 29, 2007 for a period of 5 years
6)	Mr. Atul S. Bharani , 51 years Independent Director S/o Shamji Bharani DIN - 00069419 Occupation: Business Nationality: Indian	A/115, Karachi Citizens C.H. S.L. Versova Link Road, Andheri (W) Mumbai- 400 053	<ul style="list-style-type: none"> Jayanti Agency Private Limited Sunshine Housing and Infrastructure Pvt. Ltd. (formerly known as Sunshine Housing Development Pvt. Ltd.) Navketan Premises Pvt. Ltd. Sunshine Global Technologies Private Limited (formerly known as Saumya Leasing Private Limited) Mayurpankh Fine Builders Pvt. Ltd. Mayurpankh Properties Pvt. Ltd. Aarts Module International Private Limited Sunshine Projects Private Limited Panchratna Realtors Pvt. Ltd. Sun-N- shine Entertainers Pvt. Ltd. Sunshine Tracon Pvt. Ltd. Sunshine Housing Pvt. Ltd. Sunrise Housecon Pvt. Ltd. 	Appointed as an Additional Director on July 03, 2007 and further appointed on September 29, 2007 till the conclusion of the next Annual General Meeting.
7)	Mr. Praful N. Satra , 43 years Independent Director S/o Nanji Satra DIN- 00053900 Occupation- Business Nationality: Indian	702, Rehana Heights, 6 th Chapel Lane, Santacruz (W) Mumbai- 400 054	<ul style="list-style-type: none"> Satra Properties (India)Limited Satra Property Developers Pvt. Limited Savla Realtors and Developers Private Limited Shravan Developers 	Appointed as an Additional Director on October 20, 2007, for a period till the conclusion of the next Annual General

Sr. No.	Name, Age, Designation, Fathers Name, DIN, Occupation and Nationality of Director	Residence Address	Other Directorships	Date of Appointment and Term of Directorship
			<ul style="list-style-type: none"> Private Limited ▪ Prime Multi Tiles Trading Private Limited ▪ Satra Infrastructure Development Private Limited ▪ Satra Land Development Private Limited ▪ BKC Developers Private Limited ▪ Anupam Stock Broking Private Limited ▪ Satra Novelties Private Limited ▪ Satra Retail Private Limited ▪ Satra Reality and Builders Limited ▪ Satra Redevelopment Company Limited ▪ Satra Property Development Private Limited ▪ Satra Infrastructure and Land Developers Private Limited ▪ Satra Buildcon Private Limited ▪ Satra Lifestyles Private Limited ▪ Satra Estate Development Private Limited ▪ C. Bhansali Developers Private Limited 	Meeting.
8)	Ms. Vimla M. Shah , 42 years Independent Director D/o Mr. Malshi R. Shah DIN- 01864605 Occupation- Professional Nationality: Indian	402, A- Wing, Ameya Apartment, Nariman Road, Vile Parle (E), Mumbai- 400 057	Nil	Appointed as an Additional Director on October 20, 2007, for a period till the conclusion of the next Annual General

Sr. No.	Name, Age, Designation, Fathers Name, DIN, Occupation and Nationality of Director	Residence Address	Other Directorships	Date of Appointment and Term of Directorship
				Meeting.
9)	Mr. Hasmukh N. Shah , 43 Years Independent Director S/o Nanji B. Shah DIN- 01856708 Occupation- Professional Nationality: Indian	B-59 Gita, 6 th Floor, Dr. Pandita Ramabai road, Gamdevi Mumbai- 400007	Nil	Appointed as an Additional Director on October 20, 2007, for a period till the conclusion of the next Annual General Meeting.
10)	Mr. Mitil R. Chokshi , 37 years Independent Director S/o Rajnikant Chokshi DIN- 01209404 Occupation: Professional Nationality: Indian	20, Sagar Darshan, 81/83, Bhulabhai Desai Road, Mumbai - 400 036	<ul style="list-style-type: none"> ▪ Steve Cragg Advertising Private Limited ▪ Ravin Cables Limited ▪ Citco India Services Private Limited 	Appointed as Additional Director on October 31, 2007 till the conclusion of the next Annual General Meeting

Brief Profile of our Board of Directors

Mr. Amrut S. Gada, aged 38 years, son of Mr. Shivji V. Gada, is the Chairman and Managing Director of our Company. Mr. Amrut S. Gada hails from a business family based in Vagad district of Kutch, Gujarat. After completing Intermediate Education he started his career in 1989 as a working partner in M/s Taskant Glass Centre which traded in Glass and Glass Products till 1991. From 1991 onwards, Mr. Gada started his own retail glass Proprietary firm M/s Sejal Glass House, which traded in indigenous and imported Glass and Glass Products. In 1993, he incorporated Sejal Glass Craft Private Limited, which is into the business of manufacturing Interior, Decorative and Designing Glasses. He promoted Sejal Architectural Glass Limited in 1998 to process specialty glasses such as insulating, toughened and laminated and decorative glass and within the next few years, he shaped the company for its current project of float glass.

As the Chairman and Managing Director, he is actively involved in the day to day operations of our Company and in developing strategies for future growth and expansion based on his know how on the glass industry.

Our Promoter has received many awards to his name. He has been given the Leadership Excellence Award for Industrial Development by Indian Economic Development and Research Association, New Delhi. He has also been awarded Girnar Award (Industry Award for exceptional Achievement in the field of glass industry) by Bruhad Mumbai Gujarati Samaj.

Mr. Dhiraj S. Gada, aged 34 years, is the son of Mr. Shivji V. Gada and Joint Managing Director of our Company. He has done his F-MBA (Family Management Business Administration) from NMIMS, Mumbai. After his graduation in 1996, he joined Mr. Amrut Gada in his venture. He completed his F-MBA in 2005 from NMIMS, and has been involved with our Company since incorporation and handles all marketing aspects of all the group concerns. He is also Director of other Group Companies i.e. Sejal Glass Craft Private Limited, Sejal International Limited, Sejal Insurance Broking Limited, Sejal Float Glass Limited, Sejal Finance Limited.

He is specialized in the field of marketing and is responsible for the overall marketing functions of our Company along with his team of executives. His liaisoning and customer relationship skills have enabled our Company to forge and establish long term relationships with customers.

Mr. Mitesh K. Gada, aged 29 years, is the son of Mr. Kanji V. Gada and the Director of our Company. He has done his Bachelor of Commerce from Mumbai University. After completing his graduation in 1999, he completed F-MBA in 2005 from NMIMS institute. He joined the family business in 1999 on completion of his graduation and has been involved in development of our Company's range of decorative products for interiors and exteriors and their acceptance in India as well as overseas market. He is also the incharge of our trading division.

Mr. R. Subramanian, aged 54 years, is the son of Mr. R. C. H. Lakshmanan and the Director (Operations) of our Company. He is a B.Tech (Mech) from IIT, Madras (1976) and is in-charge of factory operations, processing technology, product and application development, and application support at our present factory situated at Silvassa. Worked with Telco Jamshedpur as Assistant Engineer (P.P.&C.), and was involved in planning and scheduling of aggregates and components for assembly of vehicles from 1976 to 1981. From 1981 to 1986, he was with Widia (India) Limited, Mumbai as Sr. Sales and Service Engineer looking after Sales and Technical Service of Products to a segment of Mumbai region. From 1986 onwards he was associated with Pam Pharmaceuticals and allied Machinery Co. Private Limited as Sales Manager. From 1988 to Aug 1995 he worked with Manugraph Industries Limited, Mumbai as Sales Manager. He then worked from Z. Bavelloni Singapore Pvt. Ltd., Mumbai as Territory Manager - India and South Asia and was involved in Sales and Marketing of Bavelloni Products in India, Advertising and Publicity, trade Shows and Exhibitions. From April 2001, he is associated with Sejal Architectural Glass Limited and currently designated Director Operations. His job responsibilities includes Factory Operations, Processing Technology, Products and applications development and application support.

Mr. Ashish D. Karia, aged 29 years, is the son of Mr. Dhiraj Devji Karia, and is the Director of our Company. He has done a course on "technology and marketing management of paper from Institute of Paper technology and is incharge of the implementation of the float glass project of our Company. From 1996 onwards Mr. Ashish Karia has been closely associated with paper Industry and specializes in marketing and operational functions of the paper business. He is a Director in Hero Multi paper Private Limited. Mr. Ashish Karia has been associated with us for the Float Glass Project since October 2005 and is in charge of the Float Project activities. He is also Director of Sejal Float Glass Limited.

Mr. Atul S. Bharani, aged 51 years, is the son of Mr. Shamji Bharani and an independent director in our Company. An intermediate by qualification, he started his own financing firm named 'Bharani Investments' in 1980, which was facilitating finance between various borrowers and Lenders.

In 2000 he ventured into Real Estate under the banner of 'Sunshine Group' which has constructed residential and commercial properties in Mumbai. He has also ventured into construction and leasing of Malls and Banquets. He has nearly 27 years of experience in finance and is also the Chairman of Progressive Co-operative Bank Limited.

Mr. Praful N. Satra, aged 43 years, is the son of Mr. Nanji Satra and an independent director of our Company. An intermediate, he has 18 years experience in real estate development, execution and management of wide variety of construction and development projects, including 5 projects that collectively consist of more than 3 million square feet of constructed space in Mumbai.

Ms. Vimla M. Shah, aged 42 years, is the daughter of Mr. Malshi R. Shah and an independent director in our Company. She has completed her LLB from Mumbai University and is a Solicitor from Bombay Incorporated Law Society. From 1987 to 1995, she worked with Mr. Harakchand Gada of M/s Harakchand & co., Advocates and Solicitors in the Capacity of Article clerk and Advocate Assistant and from 1995 onwards, started her own independent Proprietary firm in the name and style of M/s Vimla

& Co. Advocates and Solicitors and is associated with it since then. She is also on the panel of Central Bank of India. She is at present the chairman of our Shareholders/Investor Grievances Committee.

Mr. Hasmukh N. Shah, aged 43 years, is the son of Mr. Nanji R. Shah and an independent Director in our Company. He is a C.A., C.S., L.L.B., C.P.A (USA) by qualification and has also completed the Business Consultancy Studies Course conducted by Jamnalal Bajaj Institute of Management Studies. He is the proprietor of Hasmukh Shah and Co. Chartered Accounts and Partner in M/s Shah and Vijayan, Chartered Accountants. He has an experience of in the area of taxation laws, company law, and corporate finance. He is an independent director of our Company.

Mr. Mitil R. Chokshi, aged 37 years, is the son of Mr. Rajnikant Chokshi and an independent director in our Company. He is a C.A., C.W.A. and has completed the Business Consultancy Studies Course conducted by Jamnalal Bajaj Institute of Management Studies, jointly with Bombay Chartered Accountants' Society. He was one of the youngest Chairman of the Western India Regional Council of the Institute of Chartered Accountants of India in the year 2003-2004. He is a partner in Chokshi and Chokshi, Chartered Accountant firm since the Last 12 years. He specializes in banking and non- banking financial services sector, assurance and auditing services, international tax and cross border consultations. Presently, he is the chairman of Audit Committee.

Borrowing Powers of the Board

The Board of Directors of our Company has power to borrow up to Rs. 50,000 Lacs as per the members' resolution passed in the AGM of our Company held on April 25, 2006. The extract of the resolution of our Company authorizing the Board's borrowing powers is reproduced:

We hereby certify that the following Ordinary Resolution has unanimously been passed at the meeting aforesaid, and the same has properly been recorded in the Minutes Book kept for the Purpose.

“RESOLVED that, in supersession of the earlier resolution(s) passed and in pursuance of the provisions of Section 293(1)(d) of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing, whether by way of loans, mortgage or otherwise, from time to time, any sum or sums of moneys, on such terms and conditions, and further with or without security, as the Board of Directors may think fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys so borrowed by the Board shall not, at any time, exceed the limit of Rs.500,00,00,000/- (Rupees Five Hundred Crores Only).

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to do and perform all such acts, deeds and things, as may be necessary, desirable or expedient to give effect to this resolution.”

WE CONFIRM THAT THE BORROWING POWERS OF DIRECTORS ARE IN COMPLIANCE WITH THE RELEVANT PROVISIONS OF COMPANIES ACT 1956.

Compensation to Managing Director/Whole-Time Directors

Mr. Amrut S. Gada, Chairman and Managing Director

The remuneration of our whole time director is as per the resolution passed in the Annual General Meeting held on September 29, 2007. The details of the same are as follows:

I) Salary

Salary Rs.1,50,000/- p.m.

II) Perquisites

In addition to salary he will be entitled to perquisites, allowances, benefits, facilities and amenities (collectively called “perquisites”) as under, as per the policy / Rules of the Company in force or as may be approved by the Board from time to time.

1. Medical Benefits

Reimbursement of medical expenses for self and family in accordance with Income Tax provisions or as per the Rules of the Company or as per the scheme of the Company.

2. Leave Travel Allowance

Leave travel concession for self and family in accordance with Income tax provisions or as per the Rules of the Company or as per the scheme of the Company.

3. Club Fees

Fees of one Club. This will not include admission and life membership fees.

Category - B

1. Provident Fund

The Company’s Contribution to Provident Fund as per the scheme of the Company.

2. Gratuity

As per the statutory provisions of the Gratuity Act.

Category - C

1. Car and Telephone

Payment for car expenses for use of personal car for business and payment of telephone bills at residence will not be considered as perquisites. Personal long distance calls on telephone shall be billed by the Company.

2. Leave

Privileged Leave as per the rules of the Company.

The total remuneration including perquisites shall not exceed the limits specified in Schedule XIII to the Companies Act, 1956.

If the Company has no profits or its profits are inadequate in any financial year, the remuneration determined as payable by the Board, within the aforesaid limits, shall become the minimum remuneration payable to the said Director, subject however, to the approval of the Central Government and shareholders or any other relevant authority/(ies), if any.

The Company do execute an Agreement with the said Mr. Amrut S. Gada, Chairman and Managing Director of the Company.

Mr. Dhiraj S. Gada, Joint Managing Director

The remuneration of our Joint Managing Director is as per the resolution passed in the Annual General Meeting held on September 29, 2007. The details of the same are as follows:

I) Salary

Salary Rs.1,25,000/- p.m.

II) Perquisites

In addition to salary he will be entitled to perquisites, allowances, benefits, facilities and amenities (collectively called “perquisites”), as per the policy / Rules of the Company in force or as may be approved by the Board from time to time.

III) Car and Telephone

Payment for car expenses for use of personal car for business and payment of telephone bills at residence will not be considered as perquisites. Personal long distance calls on telephone shall be billed by the Company.

Provided however, if the Company has no profits or its profits are inadequate in any financial year, the remuneration determined as payable by the Board, within the aforesaid limits, shall become the minimum remuneration payable to the said Director, subject however, to the approval of the Central Government and shareholders or any other relevant authority/(ies), if any.

The Company do execute an Agreement with the said Mr. Dhiraj S. Gada, Joint Managing Director of the Company.

The total remuneration including perquisites shall not exceed the limits specified in Schedule XIII to the Companies Act, 1956.

Mr. Mitesh K. Gada, Whole-Time Director

The remuneration of our whole time director is as per the resolution passed in the General Meeting held on September 29, 2007. The details of the same are as follows:

I) Salary

Salary Rs.1,00,000/- p.m.

II) Commission

The commission was revised vide the board meeting held on October 31, 2007 and subsequently approved by the shareholders at the EGM held on November 16, 2007 and was to be restricted to such amount, as may be decided by the Board of Directors of the Company, after evaluating the performance of the Company, not exceeding 1% (one per cent) of the net profits of the Company computed in the manner prescribed under Sections 349 and 350 of the Companies Act, 1956.

III) Perquisites

In addition to salary he will be entitled to perquisites, allowances, benefits, facilities and amenities (collectively called “perquisites”) as under, as per the policy / Rules of the Company in force or as may be approved by the Board from time to time.

Category - A

1. Medical Benefits

Reimbursement of medical expenses for self and family in accordance with Income Tax provisions or as per the Rules of the Company or as per the scheme of the Company.

2. Leave Travel Allowance

Leave travel concession for self and family in accordance with Income tax provisions or as per the Rules of the Company or as per the scheme of the Company.

3. Club Fees

Fees of one Club. This will not include admission and life membership fees.

Category - B

1. Provident Fund

The Company's Contribution to Provident Fund as per the scheme of the Company.

2. Gratuity

As per the statutory provisions of the Gratuity Act.

Category - C

1. Car and Telephone

Payment for car expenses for use of personal car for business and payment of telephone bills at residence will not be considered as perquisites. Personal long distance calls on telephone shall be billed by the Company.

2. Leave

Privileged Leave as per the rules of the Company.

Provided that, the total remuneration including commission on net profits and perquisites shall not exceed the limits specified in Schedule XIII to the Companies Act, 1956, and if the same exceeds those limits, then the amount of commission on net profits as may be due and payable to the said Director shall be reduced to such amount so as to limit the remuneration within the limits as provided by the aforesaid Schedule to the said Act.

If the Company has no profits or its profits are inadequate in any financial year, the salary determined as payable by the Board, within the aforesaid limits, shall become the minimum remuneration payable to the said Director, subject however, to the approval of the Central Government and shareholders or any other relevant authority/(ies), if any.

The Company do execute an Agreement with the said Mr. Mitesh K. Gada, Whole-time Director of the Company.

Mr. R. Subramanian, Whole Time Director

The remuneration of our whole time director is as per the resolution passed in the Annual General Meeting held on September 29, 2007. The details of the same are as follows:

I) Salary

Salary Rs.1,00,000/- p.m.

II) Commission

The commission was revised vide the board meeting held on October 31, 2007 and subsequently approved by the shareholders at the EGM held on November 16, 2007 and was to be restricted to such amount, as may be decided by the Board of Directors of the Company, after evaluating the performance of the Company, not exceeding 1% (one per cent) of the net profits of the Company computed in the manner prescribed under Sections 349 and 350 of the Companies Act, 1956.

III) Perquisites

In addition to salary he will be entitled to perquisites, allowances, benefits, facilities and amenities (collectively called “perquisites”) as under, as per the policy / Rules of the Company in force or as may be approved by the Board from time to time.

Category - A

1. Medical Benefits

Reimbursement of medical expenses for self and family in accordance with Income Tax provisions or as per the Rules of the Company or as per the scheme of the Company.

2. Leave Travel Allowance

Leave travel concession for self and family in accordance with Income tax provisions or as per the Rules of the Company or as per the scheme of the Company.

3. Club Fees

Fees of one Club. This will not include admission and life membership fees.

Category - B

1. Provident Fund

The Company's contribution to Provident Fund as per the scheme of the Company.

2. Gratuity

As per the statutory provisions of the Gratuity Act.

Category - C

1. Car and Telephone

Payment for car expenses for use of personal car for business and payment of telephone bills at residence will not be considered as perquisites. Personal long distance calls on telephone shall be billed by the Company.

2. Leave

Privileged Leave as per the rules of the Company.

Provided that the total remuneration including commission on net profits and perquisites shall not exceed the limits specified in Schedule XIII to the Companies Act, 1956, and if the same exceeds those limits, then the amount of commission on net profits as may be due and payable to the said Director shall be reduced to such amount so as to limit the remuneration within the limits as provided by the aforesaid Schedule to the said Act.

If the Company has no profits or its profits are inadequate in any financial year, the salary determined as payable by the Board, within the aforesaid limits, shall become the minimum remuneration payable to the said Director, subject however, to the approval of the Central Government and shareholders or any other relevant authority/(ies), if any.

The Company do execute an Agreement with the said Mr. R. Subramanian, Whole-time Director of the Company.

Mr. Ashish D. Karia, Whole Time Director

The remuneration of our whole time director is as per the resolution passed in the Annual General Meeting held on September 29, 2007. The details of the same are as follows:

I) Salary

Salary Rs.1,00,000/- p.m.

II) Commission

The commission was revised vide the board meeting held on October 31, 2007 and subsequently approved by the shareholders at the EGM held on November 16, 2007 and was to be restricted to such amount, as may be decided by the Board of Directors of the Company, after evaluating the performance of the Company, not exceeding 1% (one per cent) of the net profits of the Company computed in the manner prescribed under Sections 349 and 350 of the Companies Act, 1956

III) Perquisites

In addition to salary he will be entitled to perquisites, allowances, benefits, facilities and amenities (collectively called “perquisites”) as under, as per the policy / Rules of the Company in force or as may be approved by the Board from time to time.

Category - A

1. Medical Benefits

Reimbursement of medical expenses for self and family in accordance with Income Tax provisions or as per the Rules of the Company or as per the scheme of the Company.

2. Leave Travel Allowance

Leave travel concession for self and family in accordance with Income tax provisions or as per the Rules of the Company or as per the scheme of the Company.

3. Club Fees

Fees of one Club. This will not include admission and life membership fees.

Category - B

1. Provident Fund

The Company's Contribution to Provident Fund as per the scheme of the Company.

2. Gratuity

As per the statutory provisions of the Gratuity Act.

Category - C

1. Car and Telephone

Payment for car expenses for use of personal car for business and payment of telephone bills at residence will not be considered as perquisites. Personal long distance calls on telephone shall be billed by the Company.

2. Leave

Privileged Leave as per the rules of the Company.

Provided that the total remuneration including commission on net profits and perquisites shall not exceed the limits specified in Schedule XIII to the Companies Act, 1956, and if the same exceeds those limits, then the amount of commission on net profits as may be due and payable to the said Director shall be reduced to such amount so as to limit the remuneration within the limits as provided by the aforesaid Schedule to the said Act.

If the Company has no profits or its profits are inadequate in any financial year, the salary determined as payable by the Board, within the aforesaid limits, shall become the minimum remuneration payable to the said Director, subject however, to the approval of the Central Government and shareholders or any other relevant authority/(ies), if any.

The Company do execute an Agreement with the said Mr. Ashish D. Karia, Whole-time Director of the Company.

Corporate Governance

The provisions of the Listing Agreement to be entered into with NSE and BSE with respect to Corporate Governance and the SEBI Guidelines in respect of corporate governance will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the Stock Exchanges.

Our Company has taken necessary steps to implement the provisions and is complying with the Corporate Governance norms detailed in the listing agreements to be entered into with the stock exchanges. The constitution of our Board of Directors is in compliance with the said provisions and it has the necessary committees in place in compliance with the said provisions:

- a) Audit Committee
- b) Remuneration Committee
- c) Shareholders/Investor Grievances Committee

Composition of Board of Directors

The Board of Directors of our Company has an optimum combination of executive and non-executive Directors as required under Clause 49 of the Listing Agreement. Our Board has 10 Directors out of which 5 are independent directors in accordance with the requirement of clause 49 of the listing agreement of the stock exchanges.

Board Structure

Name and Designation	Nature of Directorship
Mr. Amrut S. Gada	Chairman and Managing Director
Mr. Dhiraj S. Gada	Joint Managing Director
Mr. Mitesh K. Gada	Wholetime Director
Mr. R. Subramanian	Director - Operations
Mr. Ashish D. Karia	Wholetime Director
Mr. Atul S. Bharani	Independent and Non-Executive Director
Mr. Praful N. Satra	Independent and Non-Executive Director
Ms. Vimla M. Shah	Independent and Non-Executive Director
Mr. Hasmukh N. Shah	Independent and Non-Executive Director
Mr. Mitil R. Chokshi	Independent and Non-Executive Director

Audit Committee

Our Company has constituted an Audit Committee, as per the provisions of Section 292A of the Companies Act. The constitution of the Audit Committee was approved at a meeting of the Board of Directors.

The terms of reference of Audit Committee complies with the requirements of Clause 49 of the listing agreement, which will be entered into with the Stock Exchange in due course. The committee consists of three independent directors and one executive director.

Sr. No.	Name of the Director	Designation	Nature of Directorship
1)	Mr. Mitil R. Chokshi	Chairman	Independent and Non-Executive Director
2)	Mr. Praful N. Satra	Member	Independent and Non-Executive Director
3)	Mr. Hasmukh N. Shah	Member	Independent and Non-Executive Director
4)	Mr. Dhiraj S Gada	Member	Non- Independent and Executive

Our Company Secretary, Mr. Ashwin S. Shetty is the Secretary of the Committee.

The terms of reference of the Audit Committee as adopted by the Board in its meeting dated November 14, 2007 are given below:

- I. The audit committee shall meet at least four times in a year.
- II. The audit committee shall have powers to;
 - a) To investigate any activity within its terms of reference.
 - b) To seek information from any employee.
 - c) To obtain outside legal or other professional advice.
 - d) To secure attendance of outsiders with relevant expertise, if it considers necessary.
 - e) The role of the audit committee shall include the following:
 - Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
 - Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
 - Monitoring of Issue Proceeds
 - Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval
 - Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - Discussion with internal auditors any significant findings and follow up there on.
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 - Discussion with statutory auditors before the audit commences, about the Nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 - To review the functioning of the Whistle Blower mechanism, in case the same is existing
 - Carrying out any other function as is mentioned in the terms of reference.

III. The Audit Committee shall also review the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee

Remuneration Committee

Our Company has constituted the Remuneration Committee. The constitution of the Remuneration Committee was approved by a meeting of the Board of Directors held on October 20, 2007. The Remuneration Committee has been formed to decide and approve the terms and conditions for appointment of executive directors and/ or whole time directors and remuneration payable to other directors and matters related thereto.

Sr. No.	Name of the Director	Designation	Nature of Directorship
1)	Mr. Praful N. Satra	Chairman	Independent and Non-Executive Director
2)	Mr. Atul S. Bharani	Member	Independent and Non-Executive

			Director
3)	Ms. Vimla M. Shah	Member	Independent and Non-Executive Director

The Terms of reference of the Remuneration Committee are given below:

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

Shareholders/Investor Grievances Committee

Our Company has constituted a Shareholders/Investor Grievances Committee. The constitution of the Investor Grievances Committee was approved by a meeting of the Board of Directors held on October 20, 2007.

Sr. No.	Name of the Director	Designation	Nature of Directorship
1)	Ms. Vimla M. Shah	Chairman	Independent and Non-Executive Director
2)	Mr. Atul S. Bharani	Member	Independent and Non-Executive Director
3)	Mr. Mitesh K. Gada	Member	Non- Independent and Executive Director

The Terms of reference of the Shareholders/Investor Grievances Committee are given below:

To allot the equity shares of the Company, and to supervise and ensure:

- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- Redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc;
- Issue of duplicate / split / consolidated share certificates;
- Allotment and listing of shares;
- Review of cases for refusal of transfer / transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances;
- And to otherwise ensure proper and timely attendance and redressal of investor queries and grievances.

Shareholding of Directors including qualification shares, if any

As per the Articles of Association of our Company, a Director is not required to hold any shares in our Company to qualify him for the office of Director of our Company. The following table details the shareholding of our Directors in their personal capacity and either as sole or first holder, as at the date of this Red Herring Prospectus.

Name	No. of Shares	% of Pre-Issue Paid-up Share Capital
Mr. Amrut S. Gada	25,74,250	14.07%
Mr. Dhiraj S. Gada	13,14,250	7.18%
Mr. Mitesh K. Gada	12,83,250	7.01%
Mr. R. Subramanian	Nil	Nil
Mr. Ashish D. Karia	2,13,000	1.16%
Mr. Atul S. Bharani	20,000	0.11%
Mr. Praful N. Satra	Nil	Nil
Ms. Vimla M. Shah	Nil	Nil
Mr. Hasmukh N. Shah	Nil	Nil
Mr. Mitil R. Chokshi	Nil	Nil
Total	54,04,750	29.53%

Interest of Directors

Except as stated in the section titled “Related Party Transactions” beginning on page 182 of this Red Herring Prospectus, all our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them in accordance with the provisions of the Companies Act and in terms of the Articles.

The Directors may also be regarded as interested in the shares, if any, held by them or that may be subscribed by and allotted/transferred to the companies, firms and trusts and other entities in which they are interested as Directors, members, partners and/or trustees or otherwise as also any benefits, monetary or otherwise derived there from. All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners as declared in their respective declarations.

Interest as to Property

Except as stated otherwise in this Red Herring Prospectus, the directors have not entered into any contract, agreements or arrangements during the preceding two years from the date of the Red Herring Prospectus in which the directors are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Directors Remuneration for the year ended March 31, 2008

Sr. No	Name of Director	Sitting Fees	Salaries / Perquisites	Commission	Total
1.	Mr. Amrut S. Gada	-	1,500,000	-	1,500,000
2.	Mr. Dhiraj S. Gada	-	1,170,000	-	1,170,000
3.	Mr. Mitesh K. Gada	-	600,000	-	600,000
4.	Mr. R. Subramanian	-	909,360	-	909,360
5.	Mr. Ashish D. Karia	-	600,000	-	600,000
6.	Mr. Atul S. Bharani	30,000	-	-	30,000
7.	Mr. Praful N. Satra	45,000	-	-	45,000
8.	Ms. Vimla M. Shah	40,000	-	-	40,000

9.	Mr. Hasmukh N. Shah	35,000	-	-	35,000
10.	Mr. Mitil R. Chokshi	20,000	-	-	20,000
Total		170,000	4,779,360	-	4,949,360

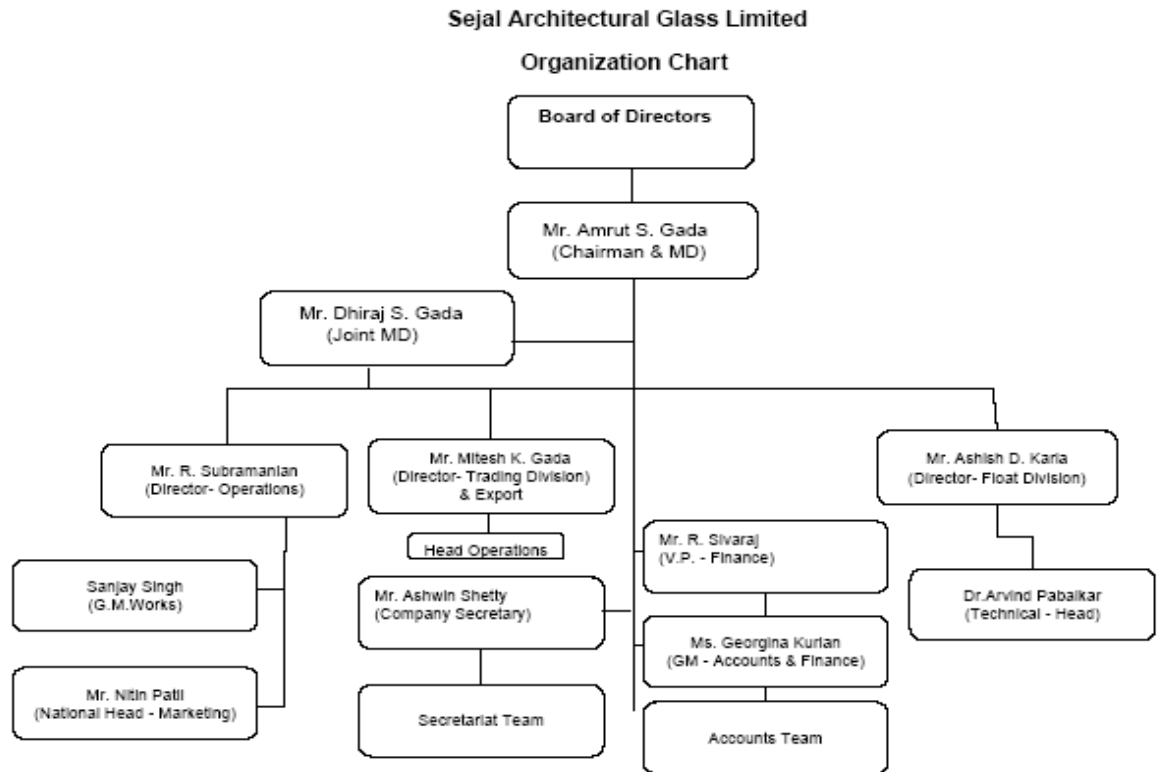
For details of payments or benefits paid to our executive directors, please refer to paragraph 'Compensation to Managing Directors/Wholetime Directors' in the section titled "Our Management" beginning on page 136 of this Red Herring Prospectus.

Changes in the Board of Directors during the last three years

The following changes have taken place in the Board of Directors of our Company during the last three years:

Sr. No	Name of the Director	Date of Change	Reason for Change
1.	Mr. Kanji V. Gada	September 30, 2005	Appointment as a Vice Chairman for three years
2.	Mr. Dhiraj S. Gada	September 30, 2005	Appointment as Joint Managing Director for three years
3.	Mr. R. Subramanian	September 30, 2005	Appointed as Whole Time Director with Designation Director (Operations) for one year
4.	Mr. Ashish D. Karia	March 2, 2006	Appointed as Additional Director of the Company
5.	Mr. Amrut S. Gada	April 1, 2006	Re-appointment as Managing Director for five years
6.	Mr R. Subramanian	September 30, 2006	Appointed as Whole Time Director with Designation Director (Operations) for one year
7.	Mr. Atul S. Bharani	July 3, 2007	Appointment as Additional Director
8.	Mr R. Subramanian	October 1, 2007	Appointed as Whole Time Director with Designation Director (Operations) for two years
9.	Mr. Mitesh K. Gada	October 1, 2007	Appointment as Whole time Director for 5 Years
10.	Mr. Ashish D. Karia	October 1, 2007	Appointment as Whole time Director for 5 Years
11.	Mr. Atul S. Bharani	September 29, 2007	Appointment as Independent Director
12.	Mr. Kanji V. Gada	October 20, 2007	Ceased to be a Director upon resignation
13.	Mr. Shantilal S. Gada	October 20, 2007	Ceased to be a Director upon resignation
14.	Mr. Hasmukh N. Shah	October 20, 2007	Appointment as Additional Director
15.	Mr. Praful N. Satra	October 20, 2007	Appointment as Additional Director
16.	Ms. Vimla M. Shah	October 20, 2007	Appointment as Additional Director
17.	Mr. Mitil R. Chokshi	October 31, 2007	Appointment as Additional Director

ORGANISATION CHART OF OUR COMPANY



Key Managerial Personnel

Sr. No	Name, Age and Designation	Qualifications	Date of joining	Experience in years	Functional Responsibility	Previously employed with	Compensation Paid during last F.Y.	Other Facilities / Benefits
1.	Dr. Arvind Pabalkar 64 years Technical Head	B.Sc, Doctorate in Technical Science	April 1, 2007	40	Technical Head	Sejal Float Glass Limited	--	Mobile phone+ chauffer driven car+ furnished accommodation
2.	Mr. R. Sivaraj 56 Years Vice President- Finance	M. Sc. (Mathematics), CAIIB and MMS in Finance and Systems from Madras University	February 17, 2007	32	Vice President - Finance	State Bank of Hyderabad	97,143/-	Mobile phone
3.	Mr. Nitin Patil 40 Years National Head (Sales and Marketing)	MMM in Marketing	April 2, 2007	19	National Head - Sales and Marketing	SKF India Limited	--	Mobile Phone
4.	Mr. Sanjay Singh 38 years General Manager - Works	MBA (Marketing)	April 11, 2003	17	General Manager - Works	Insotherm Glass Systems Pvt Ltd.	3,38,651/-	Mobile phone
5.	Mrs. Georgina Kurian	Chartered Accountant	November 1, 2007	12	General Manager - Finance and Accounts	V V F Limited	--	Mobile Phone
6.	Mr. Ashwin S. Shetty	Company Secretary	October 22, 2007	11	Secretarial and Legal Compliances	Atcomaart Limited	--	Mobile Phone
7.	Mr. Achal Pratham 33 years Senior Manager - Commercial	B.Com; Intermediate C.A.	January 2, 2001	10	Imports and exports, banking transactions, central excise, sales tax.	Gautam Parekh and Associates, Chartered Accountants	3,90,000/-	Mobile phone
8.	Mamta Shah, 26 Manager Commercial	Chartered Accountant	October 1, 2007	4	Accounts, Finance and Statutory	Sejal Float Glass Limited	--	Mobile Phone

Brief Profile of our Key Managerial Personnel

Dr. Arvind P. Pabalkar (Technical Head), aged 64 years, is a Bachelor of Science (Silicate Technology) and a doctorate in technical Science from Poland. He was previously associated with one of our group company i.e. Sejal Float Glass Limited. Before this he was working with Haryana Sheet Glass Ltd. where his job responsibility included all technical matters relating to plant. He has been associated with us from April 1, 2007, as the Technical Head, and is looking after the float glass plant in Jhagadia, Gujarat.

Mr. R. Sivaraj (Vice President, Finance) aged 56 years, has done his MMS and CAIIB. He has an experience of about 32 years in the banking sector and was previously associated with the State Bank of Mysore as a Zonal Officer. Currently, he is the Vice President (Finance) of our Company from

February, 2007. His functional responsibility includes liaising with banks and FIs to ensure smooth fund flow.

Mr. Nitin S Patil (National Head - Sales and Marketing), aged 40 years, has done his post graduation in management with specialisation in marketing from NMIMS, Mumbai. He was previously employed with SKF India Limited, where he was responsible for all India sales. He joined our Company in April, 2007 as National Head (Sales and Marketing) and is overall incharge of marketing.

Mr. Sanjay Singh (General Manager, Works), aged 38 years is an MBA in marketing. He was previously employed with Insotherm Glass Systems Pvt. Ltd. as an assistant manager works. He has an experience of about 17 years and is presently responsible for our production and administration of our factory at Silvassa.

Ms. Georgina Kurian, aged 39 years, is the General Manager, Finance and Accounts, is a Chartered Accountant by qualification. She has previously worked at VVF Limited as the Deputy General Manager (Finance and Accounts). She has work experience of 11 years.

Mr. Ashwin S. Shetty, aged 36 years, is the Compliance Officer and Company Secretary of our Company. He has joined our Company in 2007 and is responsible for the secretarial and legal compliance of the Company. He has work experience of 11 years, and was previously working as Manager, Compliance, Company Law and Legal, with Atcomaart Limited

Mr. Achal Pratham, aged 33 years, is the Senior Manager - Commercial, and has joined our Company in 2001. He has previously worked with Gautam Parekh and Associates as a consultant. He has work experience of 10 years.

Ms. Mamta Shah, aged 26 years, is a Chartered Accountant and has joined our Company in 2007. She is our Manager Commercial and looks after accounts, finance, statutory, legal and such other activities along with personal accounts of the Directors.

Shareholding of Key Managerial Personnel

None of the Key Managerial Personnel holds any shares in our Company as on the date of filing of this Red Herring Prospectus.

Bonus or Profit Sharing Plan for the Key Managerial Personnel

The bonus is paid as per the rules of our Company. Further, there is no profit sharing plan for the key managerial personnel.

Changes in the Key Managerial Personnel during last 3 years

Sr No	Name	Date of Appointment	Date of Resignation	Reason
1.	Mr. Arvind Pabalkar	April 01, 2007	-	Appointment
2.	Mr. R. Sivaraj	February 17, 2007	-	Appointment
3.	Mr. Nitin Patil	April 02, 2007	-	Appointment
4.	Mrs. Georgina Kurian	November 01, 2007	-	Appointment
5.	Mr. Ashwin S. Shetty	October 22, 2007	-	Appointment
6.	Ms. Mamta Shah	October 1, 2007	-	Appointment

Notes:

- All the Key Managerial Personnel mentioned above are on the payrolls of our Company as the permanent employees.

- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned personnel have been recruited.
- The Key Management Personnel mentioned above are not related parties as per the Accounting Standard 18.

Relationship with our KMPs

The Promoters/Directors of our Company do not have any relationship whatsoever with any of our Key Managerial Personnel.

Employees

The details about our employees appear under the paragraph titled 'Manpower' in the section titled "Our Business" on page 99 of this Red Herring Prospectus.

ESOP/ESPS scheme to employees

Presently, we do not have ESOP/ESPS scheme for employees.

Payment or Benefit to our Officers


Except as stated above, we do not provide any other benefit to our employees.

Interest of Key Managerial Personnel

The Key Managerial Personnel of our Company do not have any interest in our Company, other than to the extent of the remuneration or benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

OUR PROMOTERS AND THEIR BACKGROUND

The Promoters of our Company are five natural persons; Mr. Amrut S. Gada, Mr. Kanji V. Gada, Mr. Dhiraj S. Gada, Mr. Shantilal S. Gada and Mr. Mitesh K. Gada.

	MR. AMRUT S. GADA, CHAIRMAN AND MANAGING DIRECTOR	
	Identification Particulars	Details
	PAN	AADPG5298D
	Passport	F7624003
	Voter ID No.	NA
	Driving Licence	24126
<p>Mr. Amrut S. Gada, aged 38 years, son of Mr. Shivji V. Gada, is the Chairman and Managing Director of our Company. Mr. Amrut S. Gada hails from a business family based in Vagad district of Kutch, Gujarat. After completing Intermediate Education he started his career in 1989 as a working partner in M/s Taskant Glass Centre which traded in Glass and Glass Products till 1991. From 1991 onwards, Mr. Gada started his own retail glass Proprietary firm M/s Sejal Glass House, which traded in indigenous and imported Glass and Glass Products. In 1993, he incorporated Sejal Glass Craft Private Limited, which is into the business of manufacturing Interior, Decorative and Designing Glasses. He promoted Sejal Architectural Glass Limited in 1998 to process specialty glasses such as insulating, toughened and laminated and decorative glass and within the next few years, he shaped the company for its current project of float glass.</p> <p>As the Chairman and Managing Director, he is actively involved in the day to day operations of our Company and in developing strategies for future growth and expansion based on his know how on the glass industry.</p> <p>Our Promoter has received many awards to his name. He has been given the Leadership Excellence Award for Industrial Development by Indian Economic Development and Research Association, New Delhi. He has also been awarded Girnar Award (Industry Award for exceptional Achievement in the field of glass industry) by Bruhad Mumbai Gujarati Samaj.</p>		



MR. KANJI V. GADA

Identification Particulars	Details
PAN	AAAPG9442Q
Passport	F0937245
Voter ID No.	MT/09/042/186673
Driving License	NA

Mr. Kanji V. Gada, aged 57 years, a resident Indian National, son of Mr. Valji Gada, is the Promoter of our Company.

Mr. Kanji V. Gada brings in sense of focus and direction due to the 38 years of experience from his own manufacturing unit.

He has been associated with our Company since 1999 as a Promoter and has been actively managing the affairs of our Company specifically looking into the overall finance of the Company and general management functions.





MR. DHIRAJ S. GADA, JOINT MANAGING DIRECTOR

Identification Particulars	Details
PAN	ADJPG7772P
Passport	E9141035
Voter ID No.	NA
Driving License	MH-02-92-23797

Mr. Dhiraj S. Gada, aged 34 years, a resident Indian National, son of Mr. Shivji V Gada, is the Promoter and Joint Managing Director of our Company.

He has done his F-MBA (Family Management Business Administration) from NMIMS, Mumbai. After his graduation in 1996, he joined Mr. Amrut Gada in his venture. He completed his F-MBA in 2005 from NMIMS, and has been involved with our Company since incorporation and handles all marketing aspects of all the group concerns. He is also Director of other Group Companies i.e. Sejal Glass Craft Private Limited, Sejal International Limited, Sejal Insurance Broking Limited, Sejal Float Glass Limited, Sejal Finance Limited.

He is specialized in the field of marketing and is responsible for the overall marketing functions of our Company along with his team of executives. His liaisoning and customer relationship skills have enabled our Company to forge and establish long term relationships with customers.

	<p>MR. SHANTILAL S. GADA</p> <table border="1"> <thead> <tr> <th>Identification Particlars</th><th>Details</th></tr> </thead> <tbody> <tr> <td>PAN</td><td>ADJPG7770R</td></tr> <tr> <td>Passport</td><td>A4134102</td></tr> <tr> <td>Voter ID No.</td><td>NA</td></tr> <tr> <td>Driving License</td><td>16100</td></tr> </tbody> </table> <p>Mr. Shantilal S. Gada, aged 39 years, a resident Indian National, son of Mr. Shivji V. Gada is the Promoter of our Company. He joined his Brother Mr. Amrut Gada in his Glass Business and has been associated with the Glass Industry since then for then last 13 years.</p> <p>He looks into the retail sales of our Company. He has helped us in developing retail network by appointing and tying up with various glass dealers/ galleries and fabricators spread all across India.</p> <p>He has been associated with our Company since 2001 as a Promoter and has been instrumental in forming our retail network and also increasing the sales of value added processed glass of the Company.</p>	Identification Particlars	Details	PAN	ADJPG7770R	Passport	A4134102	Voter ID No.	NA	Driving License	16100
Identification Particlars	Details										
PAN	ADJPG7770R										
Passport	A4134102										
Voter ID No.	NA										
Driving License	16100										
	<p>MR. MITESH K. GADA, DIRECTOR</p> <table border="1"> <thead> <tr> <th>Identification Particulars</th><th>Details</th></tr> </thead> <tbody> <tr> <td>PAN</td><td>ADGPG3984Q</td></tr> <tr> <td>Passport</td><td>F6813031</td></tr> <tr> <td>Voter ID No.</td><td>FVY1281385</td></tr> <tr> <td>Driving License</td><td>NA</td></tr> </tbody> </table> <p>Mr. Mitesh K. Gada, aged 29 years, a resident Indian National, son of Mr. Kanji V. Gada is the Director of our Company.</p> <p>He has done his Bachelor of Commerce from Mumbai University. After completing his graduation in 1999, he completed F-MBA in 2005 from NMIMS institute. He joined the family business in 1999 on completion of his graduation and has been involved in development of our Company's range of decorative products for interiors and exteriors and their acceptance in India as well as overseas market. He is also the incharge of our trading division.</p>	Identification Particulars	Details	PAN	ADGPG3984Q	Passport	F6813031	Voter ID No.	FVY1281385	Driving License	NA
Identification Particulars	Details										
PAN	ADGPG3984Q										
Passport	F6813031										
Voter ID No.	FVY1281385										
Driving License	NA										

The Permanent Account Number, Bank Account details and Passport Number of our Promoters have been submitted to The Bombay Stock Exchange Limited and The National Stock Exchange of India Limited (NSE), on which our Company proposes to list its Equity Shares at the time of filing of this Draft Red Herring Prospectus.

Further, our Promoters have not been identified as wilful defaulters by Reserve Bank of India or any other Government Authority and there are no violations of securities laws committed by our Promoters in the past or any such proceedings are pending against our Promoters.

Common Pursuits

Our three Group concerns viz. Sejal Glass Craft Private Limited, Sejal Float Glass Limited, Sejal International Limited, have the objects similar to that of our Company.

Our Company has entered into the following non-compete agreements on account of the common pursuits arising out of similar business operations between our Company and the said companies.

1. Sejal Glass Craft Private Limited, dated November 19, 2007,
2. Sejal Float Glass Limited, dated November 19, 2007 and
3. Sejal International Limited, dated November 19, 2007.

For details on the non -compete agreements, refer the section titled “Our History and other Corporate Matters’ beginning on page 134 of this Red Herring Prospectus.

Interest of Promoters

Our Promoters are interested in the promotion of our Company and are also interested to the extent of their shareholding, for which they are entitled to receive the dividend declared, if any, by our Company. Further, some of our Promoters, being Executive Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the Articles.

The Chairman and Managing Director and Whole time Director are interested to the extent of remuneration paid to them for services rendered to us. Further, the Promoters are interested to the extent of equity shares that they are holding and or allotted to them out of the present Issue, if any, in terms of the Red Herring Prospectus and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated hereinabove and as stated in ‘Related Party Transactions’ appearing under section titled ‘Financial Information’ beginning on page 162 of this Red Herring Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Red Herring Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Payment or Benefit to our Promoters

For details of payments or benefits paid to the Promoters, please refer to the paragraph ‘Compensation to Managing Directors/Whole time Directors’ in the section titled ‘Our Management’ in this Red Herring Prospectus.

Sales or Purchase between companies in the Promoter Group

There have been no sales or purchases between companies in the Promoter Group of our Company exceeding in value in the aggregate 10% of the total sales or purchases of our Company.

Related Party Transactions

The details of related party transactions have been disclosed as a part of the Auditors Report. For details, please refer to the section titled “Financial Information” beginning page 162 of this Red Herring Prospectus.

CURRENCY OF PRESENTATION

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India. All references to “Rupees” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. All references to “USD”, “U.S. Dollar” or “US Dollars” are to United States Dollars, the official currency of the United States of America.

DIVIDEND POLICY

Dividends may be declared at the Annual General Meeting of the Shareholders based on a recommendation by the Board of Directors. The Board of Directors may recommend dividends, at its discretion, to be paid to the members. Generally the factors that may be considered by the Board, but not limited to, before making any recommendations for the dividend include future expansion plans and capital requirements, profits earned during the financial year, cost of raising funds from alternate sources, liquidity, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and money market conditions. Our Company has paid dividends during the past 5 years.

Details of Rates of Dividend

(Rs. in Lacs)

Particulars	Face Value (Rs. Share)	9 Months ended December 31, 2007	Year ended March 31, 2007	Year ended March 31, 2006	Year ended March 31, 2005	Year ended March 31, 2004	Year Ended March 31, 2003
<i>Class of Shares</i>							
Equity Share Capital	10.00	1829.64	1,033.50	300.00	300.00	300.00	300.00
Preference Shares		-	-	-	-	-	-
<i>Dividend on Equity Shares</i>							
<u>Interim Dividend</u>		-	-	-	-	-	-
<u>Final Dividend</u>							
Rate		-	4.73%	15.00%	15.00%	10.00%	-
Amount		-	48.90	45.00	45.00	30.00	-
Corporate Dividend Tax		-	8.31	6.31	6.31	3.92	-
Tax		-	16.99	14.02	14.02	13.07	-
<i>Dividend on Preference Shares</i>							
<u>Interim Dividend</u>		-	-	-	-	-	-
<u>Final Dividend</u>		-	-	-	-	-	-

*Note: * Rs. 100.00 face value per Equity Shares was split in Rs.10.00 per Equity Share in Annual General Meeting Held on September 30, 2006*

** The amount paid as dividend in the past is not indicative of the dividend policy in the future*

SECTION VII - FINANCIAL STATEMENTS

23rd May, 2008

The Board of Directors,
Sejal Architectural Glass Limited
201, Abhilasha, 2nd Floor,
S.V. Road, Kandivali (West)
Mumbai - 400 067.

- I. a) We have examined the annexed financial information of **SEJAL ARCHITECTURAL GLASS LIMITED**. (“the Company”), for the year ended 31st March 2003, 31st March 2004, 31st March 2005, 31st March 2006, 31st March 2007 (Last five years) and for the period from April 1, 2007 to December 31, 2007 being the last date to which the accounts of the Company have been made up and audited by us. The financial statements for the period ended December 31, 2007 are approved by the Board of Directors of the Company for the purpose of disclosure in the Offer Document being issued by the Company in connection with the Issue of Equity Shares of the Company (referred to as ‘the Issue’).
- b) In accordance with the requirements of
- (i) Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 (‘the Act’);
 - (ii) The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (‘the SEBI Guidelines’) issued by the Securities and Exchange Board of India (‘SEBI’) on January 19, 2000 in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments and
 - (iii) Our terms of reference with the Company dated 31st October, 2007 requesting us to carry out work in connection with the Offer Document as aforesaid,

We report that the restated assets and liabilities of the Company as at March 31, 2003, March 31, 2004, March 31, 2005, March 31, 2006, March 31, 2007 and December 31, 2007 are as set out in Annexure I to this report after making such adjustments / restatements and regrouping as in our opinion are appropriate and are subject to the Significant Accounting Policies as appearing in Annexure III.

We report that the restated profits of the Company for the financial years ended 31st March 2003, 31st March 2004, 31st March 2005, 31st March 2006, 31st December 2007 and for the period from April 1, 2007 to December 31, 2007 are as set out in Annexure II to this report. These profits have been arrived at after charging all expenses including depreciation and after making such adjustments / restatements and regrouping as in our opinion are appropriate and are subject to the Significant Accounting Policies and Notes to Accounts appearing in Annexure III to this report. The Company has not paid any dividend on equity shares for the year ended 31st March, 2003. However, Dividend on Equity shares has been paid @ 10%, for the year ended 31st March, 2004 and @ 15% for the year ended 31st March 2005, 31st March 2006 and 31st March 2007.

- II. We have examined the following financial information relating to the Company proposed to be included in the Offer Document, as approved by you and annexed to this report.
- (i) Statement of Audit Qualifications as appearing in Annexure IV to this report;
 - (ii) Statement of Accounting Ratios enclosed as Annexure V to this report;
 - (iii) Statement of Cash Flow as appearing in Annexure VI to this report;
 - (iv) Details of Unsecured Loans as appearing in Annexure VII to this report;
 - (v) Statement of Investment as appearing in Annexure VIII to this report;
 - (vi) Statement of Sundry Debtors as appearing in Annexure IX to this report.

- (vii) Statement of Loans and Advances as appearing in Annexure X to this report;
 - (viii) Statement of Other Income as appearing in Annexure XI to this report;
 - (ix) Statement of Tax Shelters as appearing in Annexure XII to this report;
 - (x) Details of Secured Loans as appearing in Annexure - XIII to this report;
 - (xi) Details of Contingent Liabilities as appearing in Annexure XIV to this report;
 - (xii) Statement of Related Party transactions as appearing in Annexure XV to this report.
 - (xiii) Segment wise Financial Statements as per Annexure - XVI.
 - (xiv) Capitalization Statement as at December 31, 2007 as appearing in Annexure XVII to this report;
- III. a) In our opinion the financial information of the Company as stated in Para A and B above read with Significant Accounting Policies enclosed in Annexure III to this report, after making adjustments / restatements and regroupings as considered appropriate and subject to certain matters as stated in Notes to the Accounts, has been prepared in accordance with Part II of Schedule II of the Act and the SEBI Guidelines.
- b) This report is intended solely for your information and for inclusion in the Offer Document in connection with the specific Issue of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For S S Puranik & Co.
Chartered Accountants

Shripad S Puranik
Proprietor
Membership No. 030670

ANNEXURE - I

STATEMENT OF ASSETS AND LIABILITIES (AS RESTATED)

(Rs in Lacs)

Sr. No.	Particulars	For the Period ended 31.12.07	For the year ended 31.03.07	For the year ended 31.03.06	For the year ended 31.03.05	For the year ended 31.03.04	For the year ended 31.03.03
A	Fixed Assets						
	Gross Block	5715.08	4459.25	2650.32	1330.84	1250.12	1121.47
	Less: Depreciation	558.24	401.41	279.10	214.34	155.42	100.32
	Net Block	5156.84	4057.84	2371.22	1116.50	1094.70	1021.15
	Capital Work In Progress	1741.57	1909.66	1140.66	3.66	10.85	37.85
	Pre-operative expenses - Float Glass Project	1448.02	416.37	-	-	-	-
	Pre-operative expenses - Sejal Encasa Project	-	30.85	2.00	-	-	-
	Total	8346.43	6414.72	3513.88	1120.16	1105.55	1059.00
B	Investment	6.00	1.00	12.00	1.00	1.00	1.00
C	Current Assets, Loans & Advances						
	Inventories	1595.76	1014.77	497.77	242.95	280.12	302.21
	Sundry Debtors	1775.90	1573.07	699.49	630.19	614.76	545.58
	Cash and Bank Balances	147.78	193.69	60.25	30.19	28.85	19.54
	Loans & Advances	5532.38	784.66	249.97	332.69	196.44	51.78
	Total	9051.82	3566.19	1507.48	1236.02	1120.17	919.11
D	Liabilities & Provisions						
	Secured Loans	7242.00	2468.68	1511.01	942.77	1023.76	1051.48
	Unsecured Loans	1702.10	581.70	443.24	101.55	48.40	-
	Deferred Tax Liability	282.11	205.08	133.78	114.88	102.48	56.69
	Current Liabilities & Provisions	3176.30	2415.48	2084.77	486.28	551.84	504.07
	Total	12402.51	5670.94	4172.80	1645.48	1726.48	1612.24
E	Net Worth (A+B+C-D)	5001.74	4310.97	860.56	711.70	500.24	366.87
F	Represented by						
	Share Capital	1829.64	1033.50	300.00	300.00	300.00	300.00
	Share Application Money*	5.00	2967.00	-	-	15.42	20.42
	Reserves & Surplus	3167.10	310.47	560.56	411.70	184.82	46.51
	Less: Miscellaneous Exp. (To the extent not written off)	-	-	-	-	-	0.06
	Net Worth	5001.74	4310.97	860.56	711.70	500.24	366.87

*The Company has allotted shares against share application money of Rs. 5.00 Lacs, outstanding as on 31.12.07 on 25.03.08.

STATEMENT OF PROFIT AND LOSS (AS RESTATED)

(Rs in Lacs)

Sr No.	Particulars	For the period ended 31.12.07	For the year ended 31.03.07	For the year ended 31.03.06	For the year ended 31.03.05	For the year ended 31.03.04	For the year ended 31.03.03
A	Income						
	Sales & Income from Operation	3538.00	3366.64	2950.28	2419.77	1932.29	1720.27
	Traded Sales	628.17	457.41	-	9.88	37.34	-
		4166.17	3824.05	2950.28	2429.65	1969.63	1720.27
	Other Income	289.22	145.60	107.05	43.65	25.72	7.74
	Increase / (Decrease) in Stock	47.37	-33.97	14.83	-24.92	6.34	-10.94
	Total	4502.76	3935.68	3072.16	2448.38	2001.69	1717.07
B	Expenditure						
	Raw Material Consumed	2139.08	2142.50	2037.56	1531.37	1287.86	1200.68
	Cost of sale of Goods Traded	401.07	370.49	-	-	-	-
	Labour Charges	92.74	53.02	56.87	68.46	40.16	28.04
	Salaries, Wages and Employee Benefits	279.89	230.86	121.99	86.93	64.62	40.16
	Manufacturing, Selling and Other Expenses	521.39	459.00	392.15	296.52	189.51	161.69
	Total	3434.17	3255.88	2608.57	1983.28	1582.15	1430.57
C	Net Profit before Interest, Depreciation, Tax and Extraordinary Items	1068.59	679.80	463.59	465.10	419.54	286.50
	Depreciation	160.29	122.32	64.75	59.57	55.12	50.90
	Net Profit Before Interest, Tax and Extraordinary Items	908.30	557.49	398.84	405.53	364.42	235.60
	Financial Expenses	283.75	157.20	92.75	102.67	131.77	175.87
	Profit before Tax	624.55	400.28	306.09	302.86	232.65	59.73
	Provision for Taxation						
	- Current Tax	72.75	46.44	59.48	28.00	17.82	4.99
	- Deferred Tax	77.02	68.12	18.90	12.40	45.79	34.64
	- Fringe Benefit Tax	5.20	7.50	4.84	-	-	-
D	Net Profit after Tax but before Extraordinary Items	469.58	278.22	222.87	262.46	169.04	20.10
	Extraordinary Items	-	-	-	-	-	-
	Less : Prior Period Expenses, restated in respective years	-	4.43	7.32	12.43	3.11	5.16
	Add : Prior Period Income, restated in respective years	-	0.12	0.65	-	6.76	0.13
E	Net Profit after Tax	469.58	273.91	216.20	250.03	172.69	15.07

NOTES TO RESTATED PROFIT AND LOSS AND RESTATED ASSETS AND LIABILITIES

1.) SIGNIFICANT ACCOUNTING POLICIES**I BASIS OF ACCOUNTING**

The Financial statements are prepared under the historical cost convention, on an accrual basis to comply in all material aspects and in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India and referred to in Section 211(3C) of the Companies Act, 1956.

ACCOUNTING POLICIES

The same set of accounting policies are followed in the interim financial statements for the period ended on December 31, 2007 as those followed in the preceding financial year except otherwise stated herein this statement.

II FIXED ASSETS

Fixed Assets are stated at historical cost (net of cenvat Credit /Sales Tax set off /VAT Set off) less accumulated Depreciation/ amortization thereon. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use and also comprises of borrowing Costs, including Interest on Cash Credit account wherever applicable, as attributable to acquisition and construction of assets up to the date when such asset is ready for its intended use, satisfying the parameters set by the management. The assets, though installed and commissioned are not capitalized till the required results are obtained to the satisfaction of the management of the company.

III DEPRECIATION

- Depreciation is provided on Straight Line Method at the rates and in the manner specified in the Schedule XIV of the Companies Act, 1956. Depreciation on Furnishing in Leased premises is written off over the period of lease of the premises. However, on purchase of the premises, previously taken on lease, the amount amortised till the date of purchase has been withdrawn from the Gross Block of the Asset and the net cost carried forward has been treated as gross cost of the asset.
- Depreciation on the Fixed Assets added / disposed off / discarded during the period has been provided on pro-rata basis with reference to the date of addition / disposal / discarding.
- Depreciation on the amounts capitalized on account of foreign exchange fluctuation is provided prospectively over residual life of the assets.

IV BORROWING COST

- Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date when such assets is ready for its intended use.
- Other borrowing costs are recognized as an expense in the period in which they are incurred.

V FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are recorded at the rate of exchange prevailing on the date of transaction. Current assets and current liabilities in foreign currency are stated at the period ended closing rates. The resulting exchange gain/loss is recognized in the profit and loss account. Exchange differences attributable to the acquisition of the fixed assets outside India are adjusted to the cost of the respective assets till the assets are installed and commissioned.

VI INVESTMENTS

All Investments are stated at cost less provision, if any, for permanent diminution in their value.

VII INVENTORIES

- Raw Materials, components, stores and spares are valued at cost.

- Work in Progress and finished goods are valued at lower of cost and net realizable value. Finished goods and work in progress include costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
- Cost of inventories is computed on FIFO basis. Glass off-cuts are valued at average rate of Glass of respective thickness or quality.

VIII REVENUE RECOGNITION

- Sales are recognised when goods are removed from the company's premises and accounted net off excise duty, sales tax, VAT, sales returns and trade discounts/credits.
- Income and Expenditure are generally accounted on accrual basis as they are earned or incurred except in cases of uncertainties as envisaged by the management.
- As regards free samples, the goods dispatched from the plant to the marketing department of the company, are deemed to have been fully distributed free of cost to intending customers of the company.
- Export sales are accounted by converting the foreign currency amount at an approximate rate of exchange. On realization of export proceeds, the difference between amount realized and the amount booked is charged off/back to Profit & Loss account as Loss/Gain due to Exchange rate difference.

IX RETIREMENT BENEFITS

- The Company's contributions in respect of Provident Fund are charged to the profit & loss account for each period.
- The Company's contribution to Life Insurance Corporation of India (LIC) for group gratuity scheme policy is charged off to Profit and Loss account for each period. The contribution to group gratuity policy is based on values as actuarially determined on 1st April of the financial year. The expenditure towards this contribution is accounted for as and when the contribution is demanded by LIC during the financial year. No provision is made in the accounts for the interim period as the demand was not raised by LIC of India during this interim period.
- Liability for accumulated earned leave of employees is ascertained and provided for as per Company Rules, as at the end of the financial year.
- The provisions of Accounting Standard 15(Revised) have not been considered for the financial statements for the period from April 01, 2007 to December 31, 2007.

X TAXES ON INCOME

- Provision for taxation comprises of Current Income tax, Fringe Benefit Tax and Deferred Tax. Current Income tax Provision has been made in accordance with the provisions of the Income Tax Act, 1961.
- Deferred tax for timing differences between the book profits and tax profits for the period is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date.
- Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.
- Deferred tax assets are recognized on unabsorbed losses only if there is virtual certainty that such deferred tax asset can be realized against future taxable profit.

2.) NOTES TO ACCOUNTS FOR THE PERIOD ENDED DECEMBER 31, 2007

- (1) Provision for Leave Encashment and Gratuity has not been made for this interim period of accounting.

In respect of Provision for Current Income tax for the period ended 31ST December, 2007, adjustment of Depreciation under Income Tax Act, 1961 alone has been considered vis-a-vis the book profits for the period. No other disallowances could be considered as the provision relates to part period of the financial year. Likewise for the provision for deferred tax, timing differences due to depreciation adjustment only have been considered.

Foreign currency assets and liabilities have not been restated for the purpose of these interim financial statements as the respective adjustments are made only at the end of the financial year.

- (2) **Segment Information - Activity wise and Geography wise**
The management has identified that the company has activity wise Primary business segments i.e. Manufacturing Activity and Retail Trading activity. The Trading segment primarily has domestic revenue.
- (3) In the opinion of the Board, the current assets, Loans and advances are approximately of the value stated and are realizable in the ordinary course of business and the provision for all known liabilities is adequately made.
- (4) All Insurance Claims, lodged by the Company are accounted for, unless the management is uncertain about the acceptability of the same by the insurance authorities.
- (5) A Survey U/S 133A of the Income Tax Act, 1961 was conducted in August 2007 at all the premises of the Company as well as all the group concerns at their respective locations. The Chairman Shri Amrut Gada declared an additional income of Rs.5.00 Crore to the Income Tax Authorities on account of all the group concerns. He has however, confirmed to the Board of Directors that the declaration of income has been made in his personal capacity to buy peace of mind and that the resultant Income Tax Liability shall be borne by him in his individual capacity and that the company has no liability in this behalf. A letter to this effect has also been submitted to the Income Tax Department by him. The Board of Directors have taken due note of the above.
- (6) The previous year's figures have been regrouped and rearranged, wherever necessary.
- (7) **Contingent Liabilities :-**
- | | |
|--|----------------|
| a) Counter Guarantees given by the Company against Guarantees issued on behalf of Company by State Bank of Patiala
(net off Margin provided by the Company in the form of Fixed Deposits) | Rs.174.15 Lacs |
| b) CST not charged in Sales Invoices to a customer | Rs. 47.17 Lacs |
| c) Amount claimed by a customer towards damages for supply of defective material. | Rs. 35.20 Lacs |

NOTES ON ADJUSTMENTS FOR RESTATED FINANCIAL STATEMENTS

1. Deferred Tax Liability:

The Company adopted Accounting Standard 22 (AS 22) 'Accounting for taxes on Income' issued by the Institute of Chartered Accountants of India in the year commencing 1st April, 2005 for the first time. The AS 22 became mandatory w.e.f. 01.04.2002 and as such the accounts have been restated giving necessary effect for the financial year commencing 1.4.2002.

2. Prior period adjustments:

In the financial statements for the years ended 31st March 2003, 2004, 2005, 2006, 2007 and for the period from April 01, 2007 to December 31, 2007, certain items of expenses have been identified as prior period items. For the purpose of the restated financial information, such prior period items have been appropriately adjusted in respective years. Correspondingly, the effect of Tax provisions also has been adjusted in the respective years.

3. Certain Liabilities written back:

In the financial statements for the years ended 31st March 2006 and 2007, Liability created during the year ended 31st March 2003 and 2004 was written back to income. For the purpose of the restated financial information, the said liability has been appropriately adjusted. Correspondingly, the effect of Tax provisions also has been adjusted in the respective years.

4. The effect of the above adjustments on the Profit of the Company is given below:

Sr. No.	Particulars	For the period ended 31.12.07	For the year ended 31.03.07	For the year ended 31.03.06	For the year ended 31.03.05	For the year ended 31.03.04	For the year ended 31.03.03
1	Deferred Tax Liability:	-	-	(3.18)	12.40	45.79	34.64
2	Prior period adjustments: (NET)	-	4.31	6.67	12.43	(3.65)	5.03
		(4.31)	(6.67)	(12.43)	3.65	(5.03)	-
3	CST Written back:	-	-	(11.25)	(11.12)	11.25	11.12

ANNEXURE IV

STATEMENT OF AUDIT QUALIFICATIONS:

Financial year ended March 31, 2003

1. Non Provision of Deferred Tax Liability as per Accounting Standard 22 in respect of Taxes on Income of Rs.3707680/- for the year and non appropriation of Rs.2204639/- from Reserves (Balance in Profit & Loss Account) to Deferred Tax Liability as at the beginning of the year on April 1, 2002, the consequential effect of which being overstatement of profit after tax for the year by Rs.3707680/- and overstatement of Reserves & Surplus (Balance in Profit & Loss Account) by Rs.5912319/- as at March 31st, 2003.

Financial year ended March 31, 2004

1. Non Provision of Deferred Tax Liability as per Accounting Standard 22 in respect of Taxes on Income
2. Personal travelling expenses of Two Directors debited to Profit & Loss account amounting to Rs.430628/-.
3. The Company has during the year accepted deposits from the Public. The Company has however contravened the directives issued by the Reserve Bank of India and the provisions of section 58A & 58AA by paying interest at higher rate than that mentioned in the Fixed Deposit Receipts issued to parties. Also in case of prepayments, no recovery of interest excess paid to the parties has been made. The Company Law Board has not passed any Order.

Financial year ended March 31, 2005

1. Non Provision of Deferred Tax Liability as per Accounting Standard 22 in respect of Taxes of Income.
2. non confirmation of Sundry Debtors' accounts balances.
3. The Company has during the year accepted deposits from the Public. The Company has however contravened the directives issued by the Reserve Bank of India and the provisions of section 58A & 58AA by paying interest at higher rate than that mentioned in the Fixed Deposit Receipts issued to parties. Also in case of prepayments, no recovery of interest excess paid to the parties has been made. According to the information and explanations given to us, no order has been passed The Company Law Board.
4. In regard to the delay in repayment of Term Loan Instalments, the instalments of Rs.304556/- and Rs.122195/-, pertaining to the two Working Capital Term loan Accounts, due to be paid on 9th March 2005

were paid on 4th May 2005 and one instalment of Rs.1184295/- pertaining to a Term Loan Account, due to be paid on 12th March, 2005 was paid on 31st May, 2005. There are no borrowings from Financial Institutions and there are no debenture holders.

5. 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 utilised its working capital funds for acquiring Long Term assets by making advance payments for the same.

Financial year ended March 31, 2006

1. 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 utilised its working capital funds for acquiring Long Term assets by making advance payments for the same. The Interest pertaining to such advances has however been capitalised to the respective assets. No long term funds have been used to finance short term assets.

Financial year ended March 31, 2007

1. The company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor education protection fund, Employees' State insurance, Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Customs Duty, Excise Duty, Cess, and other material statutory dues, as applicable to it, except that in respect of excise duty, payments have been delayed in certain cases & in respect of Central sales tax, no payments have been made during the year.

For the Period from April 01, 2007 to December 31, 2007

In regard to the delay in repayment of Term Loan Instalments,

1. the instalment of Rs.9835000/-, due to be paid on a) 1ST of July, 2007 was paid on 28th August, 2007, b) 1st of October 2007 was paid on 24th October 2007 and 22nd November, 2007,
2. the instalment of Rs.3225000/-, due to be paid on a) 1ST of July, 2007 was paid on 8th August, 2007, b) 1st of October 2007 was paid on 11th October 2007.
3. the instalment of Rs.2172400/-, due to be paid on a) 1ST of July, 2007 was paid on 11th August, 2007, b) 1st of October 2007 was paid on 11th October 2007.

MANDATORY ACCOUNTING RATIOS

Particulars		31.12.07	31.03.07	31.03.06	31.03.05	31.03.04	31.03.03
Net Profit after Tax available for equity shareholders (Rs. in Lacs)	A	469.58	273.91	216.20	250.03	172.69	15.07
No of shares outstanding at the end of the year/period	B	18296420	10335000	300000	300000	300000	300000
Weighted Average Number of Equity Shares at the end of the year/period	C	13184527	5272685	300000	300000	300000	300000
Basic Earning per share (In Rs.) -	D = A/C	3.56	5.19	72.07	83.34	57.56	5.02
Weighted Average Number of Equity Shares at the end of the Year	E	13184527	8882548	7500000	7500000	7500000	7500000
Basic Earning per share (In Rs.) -	F = A/E	3.56	3.08	2.88	3.33	2.30	0.20
Net Worth (Rs in Lacs)	G	4996.74	1343.97	860.56	711.70	484.82	346.45
Return on Net Worth (%)	H=A/G	9.40	20.38	25.12	35.13	35.62	4.35
Net Asset Value Per Share (In Rs.)	I=G/B	27.31	13.00	286.85	237.23	161.61	115.48

Notes:

1(a) Weighted Average number of shares as per C is arrived after considering issue of Bonus shares only in the year of issue.

1(b) Weighted Average number of shares as per E is arrived after considering issue of Bonus shares for all the prior years.

2) Bonus Shares to the tune of 45,00,000 shares were issued on 30.09.2006.

3(a) EPS represents earning per share calculated as net profit after tax divided by weighted average number of equity shares, without considering Bonus issue for all the years.

3(b) EPS represents earning per share calculated as net profit after tax divided by weighted average number of equity shares, after allocating Bonus shares on all the prior years

4) Net Worth referred above excludes Share Application Money.

5) Return on net worth is arrived at by dividing PAT by total shareholder's funds (net worth) at the end of the year.

6) Net Assets value per share, computed as per net equity method, is arrived at as net worth at the end of the year divided by the number equity shares outstanding at the end of the year

CASH FLOW STATEMENT AS RESTATED

ANNEXURE - VI
(Rs in Lacs)

Sr No.	Particulars	31.12.07	31.03.07	31.03.06	31.03.05	31.03.04	31.03.03
A	Cash Flow from Operating Activities						
	Net Profit before Tax	624.55	400.28	306.09	302.86	232.65	59.73
	ADD :						
	Prior period adjustments	(4.31)	(6.67)	(12.43)	3.65	(6.68)	(2.02)
	Depreciation	160.29	122.32	64.75	59.57	55.12	50.90
	Finance Expenses (Net)	283.75	157.20	92.75	102.68	131.77	175.87
	LESS :						
	Interest on Trade Deposit	-	(0.32)	(0.32)	(0.32)	(1.44)	(1.13)
	Dividend Income	(0.15)	(0.15)	(0.20)	-	(0.30)	(0.06)
	Interest on Bank Deposits	(3.83)	(2.71)	(1.90)	(4.18)	(1.08)	-
	Others	(237.56)	(0.40)	(1.53)	(45.92)	(23.02)	(6.83)
	Operating Profit before working Capital changes	822.74	669.55	447.22	418.35	387.01	276.46
	Decrease/(Increase) in Inventories	(580.99)	(517.00)	(254.82)	37.17	22.09	(46.29)
	Decrease/(Increase) in Sundry Debtors	(202.83)	(873.58)	(69.30)	(15.43)	(69.18)	(252.67)
	Decrease/(Increase) in Other Current Assets	(4747.72)	(534.69)	82.72	(136.25)	(144.66)	64.92
	Increase/(Decrease) in Trade and Other Payables	191.55	311.00	1596.31	(76.62)	14.64	288.43
	Cash generated from Operations	(4517.25)	(944.73)	1802.12	227.22	209.90	330.84
	IT Provision Written back	-	-	-	-	(0.05)	-
	TDS W/off & Income tax Refund due	-	-	-	-	0.18	-
	Income Tax & FBT Paid (Net of Refund)	(116.30)	(57.68)	(55.89)	(26.17)	(8.88)	(1.65)
	Miscellaneous Expenditure w/off	-	-	-	-	0.06	0.06
	Net Cash from Operating Activities(a)	(4633.55)	(1002.41)	1746.24	201.05	201.21	329.25
B	Cash Flow from Investing Activities						
	Capital Expenditure including interest				(74.18)	(101.67)	(21.66)
	Dividend Income	0.15	0.15	0.20	-	0.30	0.06
	Interest on Bank Deposits	3.83	-	-	4.18	1.08	0.00
	Interest Others including Interest on Trade Deposit	237.56	3.44	3.74	46.24	24.47	7.96
	(Purchase)/Sales of Fixed Assets including Capital Work In Progress	(1091.20)	(2577.94)	(2456.47)	-	-	-
	Preoperative Expenses for Float Glass Project	(1000.80)	(445.22)	(2.01)	-	-	-
	Sale of Investments in M/s Sejal Float Glass Ltd company under the same management		11.00	-	-	-	-
	(Increase)/Decrease in Investments	(5.00)	-	(11.00)	-	-	-

	Net Cash from Investing Activities(b)	(1855.46)	(3008.57)	(2465.54)	(23.76)	(75.82)	(13.63)
C	Cash Flow from Financing Activities						
	Share Application Money		2967.00	-	-	-	9.36
	Proceeds from Issue of Share Capital, including Share Premium	227.82	283.50	-	-	-	-
	Proceeds from Borrowings						
	Disbursement From Term Loan	3503.78	2260.70	433.20	92.52	74.86	2.46
	Increase/(Decrease) in Cash Credit/LC Discounting	1269.53	(428.14)	246.54	(43.07)	100.19	(16.82)
	Repayment of Borrowings		(874.90)	(134.32)	(130.46)	(202.77)	(104.90)
	Fixed Deposits & Intercoperate deposits	1120.4	138.46	341.69	37.73	43.40	(14.55)
	Buyer's Credit	654.21	-	-	-	-	-
	Equity Dividend	(48.89)	(45.00)	(45.00)	(30.00)	-	-
	Finance Expenses (Net)	(283.75)	(157.20)	(92.75)	(102.67)	(131.77)	(175.87)
	Net Cash from Financing Activities©	6443.10	4144.42	749.36	(175.95)	(116.09)	(300.32)
D	Net Increase in Cash and Cash Equivalent(a+b+c)	(45.91)	133.44	30.06	1.34	9.31	15.29
	Opening Balance Cash and Cash Equivalent	193.69	60.25	30.19	28.85	19.54	4.24
	Closing Balance Cash and Cash Equivalent	147.78	193.69	60.25	30.19	28.85	19.54
	Net Increase / (Decrease) in cash and cash equivalent	(45.91)	133.44	30.06	1.34	9.31	15.30

ANNEXURE VII
(Rs in Lacs)

DETAILS OF UNSECURED LOANS						
Particulars	31.12.07	31.03.07	31.03.06	31.03.05	31.03.04	31.03.03
From Group / Associate Companies / Directors /Promoters	1190.30	409.80	329.30	4.25	-	-
From Others	511.80	171.90	113.94	97.30	48.40	-
TOTAL	1702.10	581.70	443.24	101.55	48.40	-
Unsecured loans will not be paid till the term loan are repaid						

Terms of Unsecured Loans for the period April 01,2007 to December 31,2007		
NAME OF THE DEPOSITOR	Amount (Rs. In Lacs)	Rate of Interest %
AMRUT S GADA	96.30	10.50
ASHOK COMMERCIAL ENTERPRISE	250.00	9.50
BHAVANA A GADA	1.00	10.50
DAYALAL C SHAH	0.60	9.50
DHIRAJ S GADA SHD FLOAT	15.00	10.50
LAU GHAG	2.00	11.00
MINAXI GALA	1.00	9.50
PADMABEN SAVLA	1.50	9.50
SHANTILAL S GADA SHD FLOAT	20.00	10.50
SHARMILA A PARIKH	5.00	9.50
SHIVJI V GADA	1.00	10.50
VANITA D SHAH	1.40	9.50
SEJAL FINANCE LTD	70.00	12.00
SEJAL FLOATGLASS LTD	986.50	12.00
SEJAL GLASS CRAFT PVT LTD	87.80	18.00
SEJAL INSURANCE CONSULTANTS	46.00	12.00
BAJRANGDAS ESTATE PVT LTD	22.00	12.00
KODAI INVESTMENT & TRADING	25.00	18.00
TOKYO FINANCE LTD	47.00	12.00
YASH RAJ ESTATE PVT LTD	23.00	12.00
TOTAL RS.	1702.10	

ANNEXURE VIII
(Rs in Lacs)

STATEMENT OF INVESTMENTS						
Particulars	31.12.07	31.03.07	31.03.06	31.03.05	31.03.04	31.03.03
Long term Unquoted - Non-Trade						
Ordinary Shares of Cosmos Co - Operative Bank Ltd	1.00	1.00	1.00	1.00	1.00	1.00
Equity Shares - Sejal Float Glass Ltd	-	-	11.00	-	-	-
Long term Unquoted						
Units of SBI Infrastructure Fund	5.00	-	-	-	-	-
TOTAL	6.00	1.00	12.00	1.00	1.00	1.00

ANNEXURE IX
(Rs in Lacs)

DETAILS OF SUNDRY DEBTORS						
Age - wise Break - up	31.12.07	31.03.07	31.03.06	31.03.05	31.03.04	31.03.03
Related Parties						
Outstanding for more than Six Months	0.80	20.09	-	-	12.98	-
Other Debts	2.54	104.34	6.90	10.09	24.04	11.50
Others						
Outstanding for More than Six Months	374.30	249.23	222.15	335.35	239.75	108.15
Other Debts	1398.26	1199.41	470.44	284.75	337.99	425.93
TOTAL	1,775.90	1,573.07	699.49	630.19	614.76	545.58

Note: - The above figures include amounts in respect of which the Company holds Deposits & Letter of Credit / Guarantee from Banks.

ANNEXURE X
(Rs in Lacs)

LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)						
Particulars	31.12.07	31.03.07	31.03.06	31.03.05	31.03.04	31.03.03
Advances (Recoverable in Cash or Kind or for Value to be received)						
Related Parties	33.16	55.54	130.81	14.23	31.75	12.95
Others	5311.41	627.13	89.18	303.20	149.95	26.52
	5344.57	682.67	219.99	317.43	181.70	39.47
Deposits	137.38	32.93	22.66	8.59	10.16	9.74
Balance with Govt. Authorities	50.44	69.06	7.32	6.67	4.58	2.57
TOTAL	5532.38	784.66	249.97	332.69	196.44	51.78

ANNEXURE XI
(Rs in Lacs)

DETAILS OF OTHER INCOME						
Particulars	31.12.07	31.03.07	31.03.06	31.03.05	31.03.04	31.03.03
Miscellaneous Income:						
Interest Received	3.81	3.43	3.75	4.50	1.44	1.13
Difference in Foreign Exchange	18.57	11.78	6.54	1.11	-	-
Miscellaneous Receipts	266.51	130.39	96.76	38.04	24.28	6.61
TOTAL	288.89	145.60	107.05	43.65	25.72	7.74

STATEMENT OF TAX SHELTER

Particulars		31.12.07	31.03.07	31.03.06	31.03.05	31.03.04	31.03.03
Tax Rates							
- Normal							
Tax Rate		30.00%	30.00%	30.00%	35.00%	35.00%	35.00%
Surcharge (for A.Y. 08-09, if Total Income exceeds Rs 1.00 Crore)		10.00%	10.00%	10.00%	2.50%	2.50%	5.00%
Education Cess		3.00%	2.00%	2.00%	2.00%	-	-
Rate of Tax		33.99%	33.66%	33.66%	36.59%	35.88%	36.75%
- MAT							
Tax Rate		10.00%	10.00%	10.00%	7.50%	7.50%	7.50%
Surcharge (for A.Y. 08-09, if Total Income exceeds Rs 1.00 Crore)		10.00%	10.00%	10.00%	2.50%	2.50%	5.00%
Education Cess		3.00%	2.00%	2.00%	2.00%	-	-
Rate of Tax		11.33%	11.22%	11.22%	7.84%	7.69%	7.88%
Profit before Tax as per Books	A	624.55	400.28	306.09	302.85	232.65	59.73
Add : Prior Period Income		-4.31	-6.67	-12.43	3.65	-6.68	-2.02
		620.24	393.61	293.66	306.52	225.97	57.71
Tax on Profits at Actual Rate		212.28	134.74	103.03	110.82	83.46	21.95
Adjustments:							
Permanent Difference							
Donation		0.00	-	14.97	29.99	2.47	1.99
Others		0.00	5.46	1.65	0.62	0.66	0.25
Total Permanent Difference	B	0.00	5.46	16.62	30.61	3.14	2.24
Timing Difference							
Difference between Tax Depreciation and Book Depreciation		-305.49	-377.73	-150.03	-82.63	-106.72	-132.58
Others		0.00	83.17	-5.12	33.87	20.33	40.61
Total Timing Difference	C	-305.49	-294.56	-155.15	-48.76	-86.39	-91.97
Net Adjustment (B + C)		-305.49	-289.10	-138.53	-18.15	-83.26	-89.73
Adjustment under Chapter VI-A		-103.19	-33.35	-56.07	-251.46	-	-
Net Taxable Income/(Loss)		215.87	77.83	111.49	36.91	142.71	-32.02
Tax Saving thereon		108.45	37.42	-	110.82	83.46	21.95
Profit/(Loss) as per Income Tax (A+B+C)	D	215.87	77.83	111.49	36.91	142.71	-32.02
B/f Loss Adjusted	E	-	-	-	-36.91	-142.71	-
Taxable Profit/(Loss)	D+E	215.87	77.83	111.49	-	-	-
							32.02
Tax as per Income Returns			26.20	37.53	-	-	-
Taxable Income as per MAT			44.91	**34.34	24.03	17.37	4.54
** Tax as per MAT provisions for the year ended 31.03.06 is not applicable to the Company. This has been shown for disclosure purpose only.							
@ Tax as per return of income and tax as per MAT provisions not shown, being disclosure for part of the financial year.							

DETAILS OF SECURED LOANS

ANNEXURE XIII
(Rs. In Lacs)

PARTICULARS OF LOAN	31.12.2007	31.03.2007	31.03.2006	31.03.2005	31.03.2004	31.03.2003
<i>Term Loans from Financial Institutions & Banks</i>						
<i>For Architectural Unit</i>						
State Bank of Patiala	1648.58	1,755.06	0.00	0.00	0.00	0.00
Cosmos Co Op Bank Ltd	0.00	0.00	797.30	498.41	536.34	664.25
Sub Total - A - I	1648.58	1,755.06	797.30	498.41	536.34	664.25
<i>For Architectural Mall</i>						
State Bank of Patiala	372.8	438.40	0.00	0.00	0.00	0.00
Sub Total - A - II	372.8	438.40	0.00	0.00	0.00	0.00
<i>For Float Glass Unit</i>						
State Bank of Patiala	945.77	0.00	0.00	0.00	0.00	0.00
State Bank of Saurashtra	342.60	0.00	0.00	0.00	0.00	0.00
Punjab & Sind Bank	342.60	0.00	0.00	0.00	0.00	0.00
Punjab National Bank	684.56	0.00	0.00	0.00	0.00	0.00
Indian Overseas Bank	411.33	0.00	0.00	0.00	0.00	0.00
Bank of India	342.77	0.00	0.00	0.00	0.00	0.00
Axis Bank	125.32	0.00	0.00	0.00	0.00	0.00
State Bank of Indore	478.03	0.00	0.00	0.00	0.00	0.00
Sub Total - A - III	3672.98	0.00	0.00	0.00	0.00	0.00
Sub Total of A	5694.36	2193.46	797.30	498.41	536.34	664.25
<i>Specific Term Loans from Financial Institutions & Banks - Vehicles</i>						
ICICI Bank - For Corolla	4.34	6.88	9.98	0.00	0.00	0.00
ICICI Bank - For Innova	3.51	5.58	8.11	0.00	0.00	0.00
HDFC Bank - For Elantra	-	0.00	4.74	0.00	0.00	0.00
Kotak Bank - For Esteem	3.74	-	-	-	-	-
Kotak Bank - For Esteem	3.74	-	-	-	-	-
Sub Total - B	15.33	12.46	22.83	0.00	0.00	0.00
<i>Cash Credit Accounts & Bill Discounting</i>						
<i>Cash Credit Accounts</i>						
State Bank of Patiala	1499.65	262.76	0.00	0.00	0.00	0.00
Cosmos Co Op Bank Ltd	-	0.00	518.47	423.71	469.46	331.38
(a)	1499.65	262.76	518.47	423.71	469.46	331.38
<i>Bill Discounting</i>						
State Bank of Patiala	32.65	0.00	0.00	0.00	0.00	0.00
Cosmos Co Op Bank Ltd	0.00	0.00	172.41	20.65	17.96	55.85
(b)	32.65	0.00	172.41	20.65	17.96	55.85
Sub Total - C (a + b)	1532.30	262.76	690.88	444.36	487.42	387.23
Total of Secured Loans (A + B + C)	7241.99	2468.68	1511.01	942.77	1023.76	1051.48

Annexure to ANNEXURE XIII

PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Sr No.	Particulars	Nature of Loan	Outstanding Balance As at 31.12.07 (Rs in Lacs)	Repayment terms	Securities offered
1	TERM LOANS FOR ARCHITECTURAL UNIT				
	State Bank of Patiala	Term Loan	1648.58	20 Qly. Installments commencing January - March 2007 Quarter	First Charge on Company's Fixed assets , hypothecation of Equipments and First charge on current assets of the company personal guarantee of five Directors, collaterally secured by equitable mortgage of Shop no.4 & 7 at Sham Nirmal CHS Ltd & Residential Flats of two Promoter Directors
2	TERM LOANS FOR ARCHITECTURAL MALL				
	State Bank of Patiala	Term Loan	372.80	20 Qly. Installments commencing January - March 2007 Quarter	First Charge on Company's Fixed assets , hypothecation of Equipments and First charge on current assets of the company personal guarantee of five Directors, collaterally secured by equitable mortgage of Shop no.4 & 7 at Sham Nirmal CHS Ltd & Residential Flats of two Promoter Directors
3	TERM LOANS FOR FLOAT GLASS UNIT				
a)	State Bank of Patiala	Term Loan	945.77	26 Qly. Installments commencing April 2009	1 st Pari Passu Charge on Project Fixed Assets at Jhagadia project and 2 nd pari passu charge on current assets and personal guarantee of five Directors and pledge of shares
b)	State Bank of Saurashtra	Term Loan	342.60	26 Qly. Installments Commencing April 2009	1 st Pari Passu Charge on Project Fixed Assets at Jhagadia & Hypothecation of Moveable Machinery of the project and 2 nd pari passu charge on current assets and personal guarantee of five Promoter Directors
c)	Punjab & Sind Bank	Term Loan	342.60	26 Qly. Installments commencing April 2009	1 st Pari Passu Charge on Project Fixed Assets at Jhagadia & Machinery and other assets of the project and 2 nd pari passu charge on current assets of Float Project and personal guarantee of Five Directors.
d)	Punjab National Bank	Term	684.56	26 Qly.	1 st Pari Passu Charge on Fixed Assets

	TOTAL	Loan	7241.99	Installments	of Float Glass project at Jhagadia & 2nd pari passu charge on current assets and personal Guarantee of five Directors.
				commencing April 2009	
e)	Indian Overseas Bank	Term Loan	411.33	26 Qly. Installments commencing April 2009	1 st Pari Passu Charge on Project Fixed Assets, Collaterally secured by second charge on block assets of Company's plant at Silvassa and personal guarantee of five Directors.
f)	Bank of India	Term Loan	342.77	20 Qly. Installments commencing 31st December 2009	1 st Pari Passu Charge on Fixed Assets of Float Glass project & 2 nd pari passu charge on current assets and personal guarantee of five promoter Directors
g)	Axis Bank	Term Loan	125.32	26 Qly. Installments commencing April 2009	1 st Pari Passu Charge on Fixed Assets of Float Glass project & 2 nd pari passu charge on current assets and personal guarantee of five Directors.
h)	State Bank of Indore	Term Loan	478.03	26 Qly. Installments commencing April 2009	1 st Pari Passu Charge on Fixed Assets of Float Glass project & 2 nd pari passu charge on Project current assets and personal guarantee of five Directors
4	Vehicle Loans				
a)	ICICI Bank	Term Loan	4.34	Rs.0.33 Lacs p.m.(EMI)	Hypothecation of Vehicle (Corrola)
b)	ICICI Bank	Term Loan	3.51	Rs.0.26 Lacs p.m.(EMI)	Hypothecation of Vehicle (Innova)
c)	Kotak Bank - For Esteem	Term Loan	3.74		Hypothecation of Vehicle (Esteem)
d)	Kotak Bank - For Esteem	Term Loan	3.74		Hypothecation of Vehicle (Esteem)
5	Cash Credit Accounts & Bill discounting				
a)	Cash Credit Accounts				
	State Bank of Patiala	Working Capital	1499.65		Hypothecation of Stocks & Receivables on First Charge basis and Second charge on the fixed assets of the company. Further secured by Personal Guarantee of five Promoter Directors and collaterally secured by equitable mortgage of Shop no.4 & 7 at Sham Nirmal CHS Ltd & Residential Flats of two Promoter Directors.
b)	Bill Discounting				
	State Bank of Patiala	Working Capital	32.65		Hypothecation of Stocks & Receivables on First Charge basis and Second charge on the fixed assets of the company. Further secured by Personal Guarantee of five Promoter Directors and collaterally secured by equitable mortgage of Shop no.4 & 7 at Sham Nirmal CHS Ltd & Residential Flats of two Promoter Directors.

DETAILS OF CONTINGENT LIABILITIES

ANNEXURE - XIV

Sr. No.	Particulars	31.12.07	31.03.07	31.03.06	31.03.05	31.03.04	31.03.03
1	Counter Guarantees given by the Company against Guarantees issued by The Cosmos Co-op Bank Ltd on behalf of the Company (net of margin provided by the Company in the form of Fixed Deposits with the Bank)	-	30.20	30.20	14.29	70.79	27.50
2	Counter Guarantees given by the Company against Guarantees issued by State Bank of Patiala on behalf of the Company (net of margin provided by the Company in the form of Fixed Deposits with the Bank)	174.15	12.56	-	-	-	-
3	CST not charged in the Sales Invoices to a customer	47.17	38.52	-	-	-	-
4	Amount claimed by a customer towards damages for supply of defective material.	35.20	35.20	-	-	-	-

RELATED PARTY TRANSACTIONS**ANNEXURE - XV**

The Company has entered into following related party transactions. As on December 31, 2007 such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India

(I) List of Related Parties

Sr.No.	Name of the Related Party	Relationship
	Key Managerial Personnel	
1	Mr. Amrut S. Gada	Chairman & Managing Director
2	Mr. Dhiraj S. Gada	Jt.Managing Director
3	Mr. Kanji V. Gada	Director (Upto 29.09.07)
4	Mr. Shantilal S. Gada	Director (Upto 29.09.07)
5	Mr. Mitesh K. Gada	Director
6	Mr. R. Subramanian	Technical Director
7	Mr. Ashish Karia	Director

	Subsidiary Company	
	N.A	N.A

Sr. No.	Companies / Firms in which Directors are substantially interested
1	Sejal Glass Craft Private Limited
2	Sejal International Limited
3	Sejal Insurance Consultants Limited
4	Sejal Glass House
5	Sejal Float Glass Limited
6	Sejal Finance Limited

Sr.No.	Relative of Key Managerial Personnel	
1.	Mr. Amrut S. Gada	Mr. Shivji V. Gada - Father
		Mrs. Diwaliben S.Gada - Mother
		Mrs. Bhavna A.Gada - Wife
2.	Mr. Dhiraj S. Gada	Mr. Shivji V. Gada - Father
		Mrs. Diwaliben S.Gada - Mother
		Mrs. Anju D. Gada - Wife
3.	Mr. Kanji V. Gada	Mrs. Navalben K. Gada - Wife
		Mr. Shivji V. Gada - Brother
		Mr. Mitesh K. Gada - Son
4.	Shantilal S. Gada	Mr. Shivji V. Gada - Father
		Mrs. Diwaliben S.Gada - Mother
		Mrs. Kanchanben S. Gada - Wife
5.	Mr. Mitesh K. Gada	Mr. Kanji V. Gada - Father

		Mrs. Navalben K. Gada - Mother
		Mrs. Priti M. Gada -Wife
6.	Mr. R. Subramanian	Mrs. Padma Subramanian - Wife Proprietor Supadam Consultants
7.	Mr. Ashish Karia	Hero Paper Stores Hero Multi Paper Pvt Ltd - Director

Sr. No.	Name of The Party	Nature of transaction	31.12.2007	31.3.2007	31.3.2006	31.3.2005	31.3.2004	31.3.2003	Total
1	Sejal Glass Craft Private Limited	Purchase of Machinery	1.79	-	-	0.86	27.50	-	30.15
		Purchase of Material	24.13	20.19	1.69	0.70	0.83	3.79	51.32
		Machinery Hire Charges	-	-	-	-	1.75	3.00	4.75
		Labour Charges	15.65	14.61	10.80	22.77	8.64	5.74	78.21
		Electricity Charges	-	-	-	0.77	2.23	-	2.99
		Rent Paid	-	-	-	0.50	1.20	1.20	2.90
		ICD received / received back	87.80	-	5.40	16.25	3.50	9.05	122.00
		ICD refunded / placed	-	-	5.40	-	10.00	3.25	18.65
		Car Hire Charges	-	-	-	-	1.67	1.79	3.47
		Sale of Goods	3.99	2.83	0.10	4.39	11.01	12.40	34.72
		Labour Charges Received	-	0.06	0.05	0.12	-	0.12	0.36
		Interest paid on Deposit	4.56	-	-	-	-	-	4.56
		Consultancy charges	-	-	19.29	-	-	-	19.29
		Exhibition charges	-	-	-	-	-	0.47	0.47
		Legal & Professional fees	-	6.89	-	-	-	-	6.89
		Advertisement expenses	-	3.09	-	-	-	-	3.09
		Sales Promotion expenses	-	-	0.07	-	-	-	0.07
		Motor Car expenses	-	-	0.01	0.66	0.77	0.75	2.19
		Foreign exchange Purchased	-	0.97	-	-	-	-	0.97
		Telephone charges	0.03	0.09	-	-	0.19	-	0.31
		Traveling Expenses	-	-	-	1.15	0.54	-	1.69
		Insurance Premium	-	-	-	-	0.09	-	0.09
2	Sejal Glass House	Purchase of Material	0.21	3.05	-	0.21	-	-	3.47
		Sale of Goods	24.57	46.77	36.17	34.54	36.50	5.30	183.85
		Purchase of Material	2.33	-	-	-	-	-	2.33
		Interest paid on Deposit	-	-	0.19	-	0.65	-	0.83
		Labour Charges Received		-	0.05	-	-	-	0.05
		Unsecured Loan		53.00	31.55	25.65	1.60	-	111.80

		received / refund							
		Unsecured Loan refunded / placed		53.00	31.55	25.40	1.60	-	111.55
		FDR received		-	50.00	-	35.70	-	85.70
		FDR refunded		-	50.00	-	35.70	-	85.70
		Advertisement expenses		-	3.00	-	-	-	3.00
		Advance to Directors	7.50	-	-	-	-	-	7.50
		Telephone charges	0.04	0.17	-	-	-	-	0.21
3	Sejal International Limited	Purchase of Machinery	0.12	0.30	-	0.41	-	-	0.83
		Purchase of Material	13.40	141.55	0.78	2.01	-	-	157.74
		Rent Paid	-	-	1.23	-	-	-	1.23
		Purchase of DEPB License	-	-	-	-	0.70	-	0.70
		ICD received / refund received	-	4.00	20.39	-	-	-	24.39
		ICD refunded / placed	(20.00)	4.00	10.30	-	-	-	-5.70
		Sale of Goods	40.59	81.54	1.02	8.42	36.88	-	168.45
		Interest earned	-	-	1.46	2.04	-	-	3.50
		Unsecured Loan received / refund	-	-	-	8.38	26.06	-	34.43
		Unsecured Loan refunded / placed	-	-	-	11.69	10.56	-	22.24
		Administrative charges	-	22.45	-	-	-	-	22.45
		Exhibition charges	0.50	-	7.32	-	-	-	7.82
		Legal & Professional fees	-	0.10	-	-	-	-	0.10
		Advertisement expenses	-	7.21	9.19	-	-	-	16.40
		Traveling expenses	-	0.88	1.13	-	-	-	2.01
		Export Clearing charges	-	-	0.06	-	-	-	0.06
		Telephone charges	0.17	0.40	-	-	-	-	0.57
		Staff Welfare	-	0.01	-	-	-	-	0.01
4	Sejal Insurance Limited	ICD received / refund received	16.00	49.83	1.00	-	-	-	66.83
		ICD refunded / placed	-	16.50	5.00	-	-	-	21.50
		Sale of Goods	-	-	0.03	0.10	-	-	0.12
		Unsecured Loan received / refund	-	-	0.20	3.00	-	-	3.20
		Unsecured Loan refunded / placed	-	-	0.20	3.00	-	-	3.20
		Interest paid on Deposit	3.91	1.18	0.03	-	-	-	5.12
		Administrative charges	-	13.47	-	-	-	-	13.47
		Advertisement	-	-	4.00	-	-	-	4.00

		expenses							
5	Sejal Float Glass Limited	ICD received/refund received	677.70	-	413.05	-	-	-	1090.75
		ICD refunded / placed	-	17.10	87.15	-	-	-	104.25
		Expenses towards Company under incorporation	-	-	-	7.40	-	-	7.40
		Interest paid on Deposit	29.08	18.56	10.15	-	-	-	57.80
		Administrative charges	-	-	39.67	-	-	-	39.67
		Donation paid	-	17.24	19.00	-	-	-	36.24
		Legal & Professional fees	-	-	3.24	-	-	-	3.24
		Advertisement expenses	-	-	41.56	-	-	-	41.56
		Traveling expenses	-	0.17	5.52	-	-	-	5.69
		Sales Promotion expenses	-	-	1.00	-	-	-	1.00
		Stamp Duty paid	-	6.09	-	-	-	-	6.09
		Assets transferred	-	1.53	-	-	-	-	1.53
		Security charges	-	0.13	-	-	-	-	0.13
		Telephone charges	0.01	0.97	-	-	-	-	0.98
		Preoperative expenses	-	144.26	-	-	-	-	144.26
6	Sejal Finance Limited	ICD received/refund received	-	69.64	0.36	-	-	-	70.00
		Interest paid on Deposit	6.33	4.10	-	-	-	-	10.43
		Telephone charges	0.07	0.07	-	-	-	-	0.14
7	Dhiraj Gada	FDR received	-	-	16.50	1.50	-	-	18.00
		FDR refunded	-	-	18.00	-	-	-	18.00
		Interest paid on Deposit	-	-	0.49	0.04	-	-	0.53
		Directors Remuneration	7.95	8.40	5.70	3.00	3.00	3.00	31.05
8	Diwaliben Gada	FDR received	-	-	0.74	0.35	-	-	1.09
		FDR refunded	-	-	1.09	-	-	-	1.09
		Interest paid on Deposit	-	-	0.03	0.01	-	-	0.04
9	Shivji Gada	Unsecured Loan received/refund	-	-	7.00	-	-	-	7.00
		Unsecured Loan refunded/placed	-	-	7.00	-	-	4.05	11.05
		FDR received	-	-	4.55	1.35	-	-	5.90
		FDR refunded	-	-	3.35	-	-	-	3.35
		Interest paid on	-	-	0.16	0.04	-	-	0.20

		Deposit							
10	Kanchanben Gada	Unsecured Loan received/refund	-	-	-	-	-	3.00	3.00
		Unsecured Loan refunded/placed	-	-	-	-	-	3.10	3.10
		FDR received	-	-	2.32	1.50	-	-	3.82
		FDR refunded	-	-	3.82	-	-	-	3.82
		Interest paid on Deposit	-	-	0.17	0.04	-	-	0.22
11	Nawalben Gada	Unsecured Loan refunded/placed	-	-	-	-	-	0.20	0.20
		FDR received	-	-	0.91	0.50	-	-	1.41
		FDR refunded	-	-	1.41	-	-	-	1.41
		Interest paid on Deposit	-	-	0.06	0.01	-	-	0.07
12	Bhavna Gada	Unsecured Loan refunded/placed	-	-	-	-	-	0.15	0.15
		FDR received	-	-	2.17	0.60	-	-	2.77
		FDR refunded	-	-	1.77	-	-	-	1.77
		Interest paid on Deposit	0.08	0.10	0.15	0.03	-	-	0.36
13	Anju Gada	Unsecured Loan refunded/placed	-	-	-	-	-	0.15	0.15
		FDR received	-	-	0.50	-	-	-	0.50
		FDR refunded	-	-	0.50	-	-	-	0.50
		Interest paid on Deposit	-	-	0.02	-	-	-	0.02
14	Shivji Gada (HUF)	Unsecured Loan received/refund	-	2.00	-	-	-	-	2.00
		Unsecured Loan refunded/placed	-	2.00	-	-	-	-	2.00
		FDR received	-	-	1.59	-	-	-	1.59
		FDR refunded	-	-	0.59	-	-	-	0.59
		Interest paid on Deposit	0.08	0.10	0.09	-	-	-	0.27
15	Prakash Gada	FDR received	-	-	1.00	-	-	-	1.00
		FDR refunded	-	0.50	0.50	-	-	-	1.00
		Interest paid on Deposit	-	-	0.02	-	-	-	0.02
16	Pravin Gada	Unsecured Loan refunded/placed	-	-	-	-	-	1.20	1.20
		FDR received	-	-	0.50	-	-	-	0.50
		FDR refunded	-	0.50	-	-	-	-	0.50
		Interest paid on Deposit	-	0.03	0.02	-	-	-	0.05
17	Kanji Gada	FDR received	-	-	3.00	2.00	-	-	5.00
		FDR refunded	-	-	5.00	-	-	-	5.00

		Interest paid on Deposit	-	-	0.24	0.06	-	-	0.30
		Directors Remuneration	3.30	6.60	4.50	2.40	2.40	2.40	21.60
18	Kanji Gada (HUF)	Interest paid on Deposit	-	-	0.01	-	-	-	0.01
		FDR received	-	-	1.00	-	-	-	1.00
		FDR refunded	-	-	1.00	-	-	-	1.00
19	Mitesh Gada	Interest earned	-	-	0.06	-	-	-	0.06
		FDR received	-	-	0.75	0.75	-	-	1.50
		FDR refunded	-	-	1.50	-	-	-	1.50
		Interest paid on Deposit	-	-	0.08	-	-	-	0.08
		Traveling expenses	-	5.00	-	-	-	-	5.00
		Director Remuneration	3.00	-	-	-	-	-	3.00
		Sale of Goods	0.60	-	-	-	-	-	0.60
		Advance to Directors	-	-	0.80	-	-	-	0.80
20	Mitesh Gada (HUF)	Interest paid on deposit	-	-	0.03	-	-	-	0.03
		FDR received	-	-	2.30	-	-	-	2.30
		FDR refunded	-	-	2.30	-	-	-	2.30
21	Preeti Gada	FDR received	-	-	0.66	-	-	-	0.66
		FDR refunded	-	-	0.66	-	-	-	0.66
22	Hero Papers	Purchase of Material	1.97	0.16	-	-	-	-	2.13
		Sale of Goods	0.31	-	-	-	-	-	0.31
23	Amrut Gada	Purchase of Assets	-	3.92	-	-	-	-	3.92
		Unsecured Loan received/refund	-	33.50	-	8.90	-	-	42.40
		Unsecured Loan refunded/placed	-	33.50	-	8.90	-	1.30	43.70
		FDR received	-	14.00	13.74	-	-	-	27.74
		FDR refunded	-	14.49	13.25	-	-	-	27.74
		Interest paid on Deposit	4.90	-	0.42	-	-	-	5.32
		Traveling expenses	-	2.05	-	-	-	-	2.05
		Stamp Duty paid	-	0.28	-	-	-	-	0.28
		Directors Remuneration	10.50	12.00	6.30	3.60	3.60	3.60	39.60
24	Padma Subramanian	Professional fees	2.13	2.63	-	-	-	-	4.76
25	R.Subramanian	Directors Remuneration	6.00	6.00	3.00	-	-	-	15.00
26	Ashish Karia	Directors Remuneration	3.00	-	-	-	-	-	3.00

		Sale of Goods	3.96	-	-	-	-	-	3.96
27	Shantilal Gada	Interest paid on Deposit	-	-	-	-	-	-	0.00
		Unsecured Loan received/refund	-	2.00	-	-	-	-	2.00
		Unsecured Loan refunded/placed	-	2.00	-	-	-	-	2.00
		FDR received	-	-	17.85	-	-	-	17.85
		FDR refunded	-	-	17.85	-	-	-	17.85
28	Shantilal Gada (HUF)	Unsecured Loan refunded/placed	-	-	-	-	-	6.82	6.82

SEGMENTWISE FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2007.

(Rs. In Lacs)

	Primary Segment - Business	Process Glass Division	Architectural Mall Division	Inter- Segmental Elimination	Total
a)	Segmental Revenue				
	Sales to External Customers	3538.96	623.40	15.42	4146.94
	Inter Segmental Revenue	15.42	-	0.00	15.42
	Total Segmental Revenue	3554.38	623.40	15.42	4162.36
b)	Segmental Results (PBIT)	849.88	58.41	-	908.29
	Less: Finance Expenses (Net)	250.40	33.35	-	283.75
	Less: Unallocable Expenses net of Unallocable Income	-	-	-	-
	Profit Before Tax	599.48	25.06	-	624.54
	Less: Provision for				
	- Current Tax	72.75	-	-	72.75
	- Deferred Tax	77.02	-	-	77.02
	- Fringe Benefit Tax	5.20	-	-	5.20
	Profit After Tax	444.51	25.06	-	469.57
c)	Carrying Amount of Segmental Assets	-	-	-	-
	Unallocated Assets	-	-	-	-
	Total Assets	-	-	-	-
d)	Carrying Amount of Segmental Liabilities	-	-	-	-
	Unallocated Liabilities	-	-	-	-
	Total Liabilities	-	-	-	-
e)	Cost incurred to acquire Segmental Fixed assets during the year	-	-	-	-
	Unallocated Assets	-	-	-	-
f)	Depreciation / Amortization	-	-	-	-
	Unallocated Depreciation	-	-	-	-

(Rs. in Lacs)

II)	Primary Segments - Geographical	Total
	The Company's Operating facilities are located in India	
	Domestic Revenue	4100.94
	Export Revenue	61.42
	Total	4162.36

CAPITALISATION STATEMENT

(Rs. In Lacs)

Particulars		Pre Issue as at 31.12.07		Post Issue (Refer Note)
Debt				
Secured		7242.00		(*)
Unsecured		1702.10		(*)
Total Debt	A	8944.10		(*)
Shareholder's Funds				
Equity Share Capital		1829.64		(*)
Reserves & Surplus		3167.10		(*)
Less: Miscellaneous Expenditure to the extent not written off		-		(*)
Total Shareholder's Funds	B	4996.74		(*)
Debt - Equity Ratio	A/B	1.79		(*)

* Post issue capitalization will be finalized after the closure of the issue.

Except as stated hereinabove, there are no other material notes to the auditor's report, which have bearing on the financial status of the Company. Further, all notes to the accounts, significant accounting policies as well as the auditor's qualifications, if any, have been incorporated in the Red Herring Prospectus. It is confirmed that the financials of our company have been disclosed as per SEBI (DIP) Guidelines.

FINANCIAL INFORMATION OF GROUP COMPANIES/VENTURES

1. Sejal Glass Craft Private Limited

Sejal Glass Craft Private Limited was incorporated under the Companies Act, 1956 vide Certificate of Incorporation dated September 29, 1993 having Registration No. 11-74230, having registered office at, 201/202, 2nd floor, Abhilasha, S.V. Road, Kandivali (West), Mumbai - 400067, Maharashtra. The Company Identification Number of Sejal Glass Craft Private Limited is U26100MH1993PTC074230.

The Company was promoted by Mr. Amrut S Gada, Mr. Kanji V Gada and Mr. Shivji V Gada with the object of Processing and Dealing in all types of glasses.

Sejal Glass Craft Private Limited is engaged in processing facilities, undertake jobs like edge polishing, beveling, engineering, etching, crafting of works bending, mould edge, decorative glass and mirror etc. In substance, the company undertakes all types of Glass fabrication and glass crafting works. These jobs are undertaken for various types of glass thicknesses i.e. from 3 mm to 20 mm.

Board of Directors:

Currently, the Board of Directors of Sejal Glass Craft Private Limited is as follows:

Name of the Director	Designation
Mr. Shivji V. Gada	Chairman and Director
Mr. Kanji V. Gada	Director
Mr. Dhiraj S. Gada	Director
Mr. Shantilal S. Gada	Director
Mr. Mitesh K. Gada	Director

Shareholding Pattern:

Sr No.	Name of the Shareholders	No Of Shares (FV Rs. 100)	Amount	%
1	AMRUT SHIVJI GADA	26250	2625000	26.79
2	AMRUT SHIVJI GADA HUF	500	50000	0.51
3	ANJU DHIRAJ GADA	2042	204200	2.08
4	ARVINDKUMAR MAGANLAL and CO.	1	100	0.00
5	A.S. AZGAR	10	1000	0.01
6	ARUNA R. SHAH	1	100	0.00
7	BHAVESH GANGJI SHAH	550	55000	0.56
8	BHAVNABEN GADA	3001	300100	3.06
9	BHAVNA PRAVIN GADA	450	45000	0.45
10	DAMJI CHAMPSHI CHHEDA	375	37500	0.38
11	DAMYANTI SATISH GADA	300	30000	0.30
12	DEVJI GANJI GALA	300	30000	0.30
13	DEVJI SURJI CHHEDA	500	50000	0.51
14	DHIRAJ SHIVJI GADA	1240	124000	1.26
15	DHIRAJ SHIVJI GADA HUF	500	50000	0.51
16	DIWALIBEN GADA	1650	165000	1.68
17	HANSABEN DINESH GALA	475	47500	0.48
18	HANSRAJ BHARMAL GADA	200	20000	0.20
19	HARILAL B. RITA	1	100	0.00

20	HASMUKH HARAKHCHAND NISHAR	400	40000	0.40
21	HEMATRADING CO.PVT.LTD	5000	500000	5.10
22	JAGRUTI MITESH CHHEDA	450	45000	0.45
23	JATIN DEVJI GALA	225	22500	0.23
24	JAVDA INDIA IMPEX LTD	5000	500000	5.10
25	JAWAHAR M SHAH	1	100	0.00
26	JAYSHREE HANSRAJ GADA	200	20000	0.20
27	JEEVTIBEN RAMJI CHHEDA	575	57500	0.58
28	KANCHAN SHANTILAL GADA	650	65000	0.66
29	KANJI VALJI GADA	17825	1782500	18.19
30	MAHENDRA HARILAL PRAJAPATI	500	50000	0.51
31	MANIBEN VISANJI NANDU	250	25000	0.25
32	MITESH KANJI GADA	150	15000	0.15
33	MITESH KANJI GADA HUF	500	50000	0.51
34	MUKESH RAMJI CHHEDA	400	40000	0.40
35	NAVAL KANJI GADA	750	75000	0.76
36	NAVIN KHERAJ CHHEDA	300	30000	0.30
37	PRAVIN I HIRANI	1	100	0.00
38	PREETI MITESH GADA	1000	100000	1.02
39	RAMILABEN PADAMSI CHHEDA	250	25000	0.25
40	SHANTILAL SHIVJI GADA	650	65000	0.66
41	SHANTILAL SHIVJI GADA HUF	1000	100000	1.02
42	SHIVJI VALJI GADA	19755	1975500	20.16
43	SHIVJI VALJI GADA HUF	500	50000	0.51
44	SURJI DAMJI CHHEDA	500	50000	0.51
45	SURJI DAMJI CHHEDA HUF	450	45000	0.45
46	VANVIR NONGHA GADA	350	35000	0.35
47	REAL GOLD TRADING CO. PVT LTD.	2000	200000	2.04
48	KUNDANMAL SURESHKUAMR HUF	1	100	0.00
49	OSAKA TRADE CENTRE	1	100	0.00
	Grand Total	97978	9798000	100.00

Brief Financial Performance:

(Rs. in Lacs)

Particulars	For the F.Y. ended 31 st March		
	2005	2006	2007
Equity Share Capital (excluding calls in arrears)	77.98	77.98	95.98
Share Application Money	11.65	15.65	73.65
Reserves (excluding Revaluation Reserves)	0.00	0.00	162.00
Less: Misc. Expenditure to the extent not written off	0.00	0.00	0.00
Net Worth	89.63	93.63	331.63
Total Income	118.11	128.07	129.05
PAT	2.44	(15.81)	7.14
EPS (Rs.)	3.12	Nil	7.43
NAV per share (Rs.)	114.94	120.07	345.51
Face Value (Rs.)	100.00	100.00	100.00

Sejal Glass Craft Private Limited is an unlisted company and does not fall under the definition of a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is

it under winding up. The company has not been restrained from accessing the capital market for any reasons by SEBI or any other authority.

2. Sejal International Limited

Sejal International Limited was incorporated under the Companies Act, 1956 vide Certificate of Incorporation dated December 27, 2002 with Company Identification Number U51909 MH2002 PTC 138420, having registered office at 201/202, 2nd floor, Abhilasha, S.V. Road, Kandivali (West), Mumbai - 400067, Maharashtra.

Sejal International Limited was promoted by Mr. Amrut S. Gada, Mr. Dhiraj S. Gada and Mitesh K. Gada. The Company was incorporated with the object of importing and exporting goods of all kinds.

Sejal International Limited deals in variety of items of sanitary wares, Decorative Glass pieces, Hardware items etc.

Board of Directors:

Currently, the Board of Directors of Sejal International Limited comprises the following:

Name of the Director	Designation
Mr. Amrut S. Gada	Chairman and Director
Mr. Dhiraj S. Gada	Director
Mr. Mitesh Gada	Director
Mr. Shantilal S. Gada	Director

Shareholding Pattern:

Sr. No	Name of the Shareholders	No. of Shares	% Holding
1	Amrut Gada HUF	750	3.75
2	Mr. Amrut S. Gada	1000	5.00
3	Ms. Anju D. Gada	2000	10.00
4	Ms. Bhavna A. Gada	2000	10.00
5	Mr. Dhiraj S. Gada	1000	5.00
6	Dhiraj S. Gada (HUF)	750	3.75
7	Ms. Diwaliben S. Gada	2000	10.00
8	Ms. Kanchanben S. Gada	2000	10.00
9	Mr. Kanji V. Gada	500	2.50
10	Mr. Mitesh K. Gada	1000	5.00
11	Mitesh K. Gada (HUF)	1000	5.00
12	Ms. Navalben K. Gada	1500	7.50
13	Ms. Priti M. Gada	1000	5.00
14	Mr. Shantilal S. Gada	1000	5.00
15	Shantilal S. Gada (HUF)	750	3.75
16	Mr. Shivji V. Gada	1000	5.00
17	Shivji V. Gada (HUF)	750	3.75
	TOTAL	20000	100

Financial Performance:

(Rs. in Lacs)

Particulars	For the F.Y. ended 31 st March		
	2005	2006	2007
Equity Share Capital (excluding calls in arrears)	6.00	7.50	20.00
Share Application Money	4.65	14.00	3.00
Reserves (excluding Revaluation Reserves)	0.20	1.39	2.98
Less: Misc. Expenditure to the extent not written off	0.57	0.29	0.00
Net Worth	10.28	22.60	25.98
Total Income	104.33	282.23	356.31
PAT	10.38	2.04	1.59
EPS (Rs.)	172.93	27.22	7.97
NAV per share (Rs.)	171.31	301.36	129.91
Face Value (Rs.)	100.00	100.00	100.00

Sejal International Limited has not made any public issue of its shares. The company does not fall under the definition of a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. The company has not been restrained from accessing the capital market for any reasons by SEBI or any other authority.

3. Sejal Insurance Broking Limited

Sejal Insurance Broking Limited (formerly known as Sejal Insurance Consultants Limited) was incorporated under the Companies Act, 1956 vide Certificate of Incorporation dated November 18, 2004 having Registration No. U67200MH2004PLC149584, having registered office at 201/202, 2nd floor, Abhilasha, S.V. Road, Kandivali (West), Mumbai - 400067, Maharashtra. The name of the company was changed to Sejal Insurance Broking Limited on October 04, 2007. The Company Identification Number of Sejal Insurance Broking Limited is U67200MH2004PLC149584.

Sejal Insurance Broking Limited was promoted by Mr. Amrut S. Gada, Mr. Dhiraj S. Gada and Mr. Kanji V. Gada. Sejal Insurance Broking Limited is engaged in marketing and consultancy services for various insurance companies.

Sejal Insurance Broking Limited was incorporated with the object of:

- Acting as an agent or consultants of or to insurance companies.
- Acting as an agent or consultants in relation to insurance business.

Board of Directors:

Currently, the Board of Directors of Sejal Insurance Broking Limited comprises the following:

Name of the Director	Designation
Mr. Amrut S. Gada	Chairman and Director
Mr. Dhiraj S. Gada	Director
Mr. Kanji V. Gada	Director
Mr. Prakash J. Shah	Director

Shareholding Pattern:

Sr. No	Name of the Shareholders	No of shares	% Holding
1	Mr. Amrut S. Gada	13625	27.25

2	Mr. Chandrakant J. Shah	300	0.60
3	Mr. Dhiraj S. Gada	6100	12.20
4	Ms. Harsha P. Shah	300	0.60
5	Mr. Kanji V. Gada	700	1.40
6	Ms. Manjula C. Shah	300	0.60
7	Mr. Mitesh K. Gada	8700	17.40
8	Mr. Prakash J. Shah	11000	22.00
9	Mr. Ramesh S. Shah	300	0.60
10	Ms. Rekha R. Shah	300	0.60
11	Mr. Shantilal S. Gada	7375	14.75
12	Mr. Shivji V. Gada	1000	2.00
	TOTAL	50000	100

Financial Performance:

(Rs. in Lacs)

Particulars	For the F.Y. ended 31 st March		
	2005	2006	2007
Equity Share Capital (excluding calls in arrears)	5.00	7.50	50.00
Share Application Money	2.50	5.05	0.00
Reserves (excluding Revaluation Reserves)	0.17	1.54	3.17
Less: Misc. Expenditure to the extent not written off	0.00	0.00	0.00
Net Worth	7.67	14.09	53.17
Total Income	2.01	29.54	78.96
PAT	0.17	2.23	3.91
EPS (Rs.)	3.31	29.76	7.83
NAV per share (Rs.)	153.31	187.90	106.35
Face Value (Rs.)	100.00	100.00	100.00

Sejal Insurance Broking Limited has not made any public issue of its shares. The company does not fall under the definition of a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. The company has not been restrained from accessing the capital market for any reasons by SEBI or any other authority.

4. Sejal Float Glass Limited

Sejal Float Glass Limited was incorporated under the Companies Act, 1956 vide Certificate of Incorporation dated April 15, 2005 having Registration No. U26100MH2005PLC152650, having registered office at 201/202, 2nd floor, Abhilasha, S.V. Road, Kandivali (West), Mumbai - 400067, Maharashtra. The Company Identification Number of Sejal Float Glass Limited is U26100MH2005PLC152650.

Sejal Float Glass Limited was promoted by Mr. Amrut S. Gada, Mr. Dhiraj S Gada, Mr. Kanji V Gada, Shantilal S Gada and Mitesh K Gada.

Sejal Float Glass Limited was incorporated with the object of

- Manufacturing and Trading of glass and glass products
- Dealing in Sanitary wares, Decorative Glass pieces, Hardware items, Glass, Building Materials etc.

Board of Directors: Currently, the Board of Directors of Sejal Float Glass Limited comprises the following:

Name of the Director	Designation
Mr. Amrut S. Gada	Chairman and Director
Mr. Dhiraj S. Gada	Director
Mr. Mitesh K. Gada	Director
Mr. Shantilal S. Gada	Director
Mr. Kanji V. Gada	Director
Mr. Ashish D. Karia	Director

Shareholding Pattern:

Sr. No	Name of the Shareholders	No. of Shares	% Holding
1	Ms. Alpa V. Mehta	15000	0.26
2	Mr. Amarshi A. Gala	1000	0.02
3	Amarshi Gala HUF	2000	0.04
4	Ms. Ami A. Bharani	10000	0.18
5	Mr. Amrut S. Gada	537100	9.42
6	Amrutlal S. Gada (HUF)	87000	1.53
7	Ms. Anju D. Gada	157900	2.77
8	Mr. Ashish D. Karia	10000	0.18
9	Mr. Ashok S. Bharani	10000	0.18
10	Mr. Atul S. Bharani	10000	0.18
11	Bhanji J. Shah HUF	200	0.00
12	Mr. Bharat B. Shah	50000	0.88
13	Mr. Bharat L. Shah	140000	2.45
14	Mr. Bharat S. Mehta	10000	0.18
15	Ms. Bhavna A. Gada	329500	5.78
16	Mr. Chandrakant J. Shah	5000	0.09
17	Mr. Damji A. Gada	2500	0.04
18	Ms. Darshana S. Gala	5000	0.09
19	Mr. Dhiraj S. Gada	257500	4.52
20	Dhiraj S. Gada Karta	16000	0.28
21	Mr. Dinesh S. Faria	500	0.01
22	Ms. Diwali Shah	200	0.00
23	Ms. Diwaliben S. Gada	11000	0.19
24	Mr. Girish G. Shah	5000	0.09
25	Ms. Gunvanti H. Shah	5000	0.09
26	Mr. Hansraj G. Gala	2500	0.04
27	Mr. Hasmukh B. Shah	5000	0.09
28	Hasmukh G. Shah HUF	5000	0.09
29	Mr. Hasmukh G. Shah	5000	0.09
30	Ms. Hemlata J. Gala	21000	0.37
31	Mr. Himanshu A. Shah	10000	0.18
32	Mr. Hiren B. Mehta	15000	0.26
33	Mr. Imdadhusein I. Surti	5000	0.09
34	Ms. Indira M. Dedhia jointly with Mr. Madan Dedhia	50000	0.88
35	Mr. Jagdish R. Rita	10000	0.18

36	Mr. Jatin V. Savla	70000	1.23
37	Ms. Jaya K. Shah	200	0.00
38	Ms. Jaya M. Gala	26000	0.46
39	Ms. Jaya P. Chheda	20000	0.35
40	Mr. Jayantilal A. Gala	10000	0.18
41	Mr. Jekiin C. Gala	1000	0.02
42	Mr. Jethalal P. Chhadwa	13500	0.24
43	Ms. Jigna S. Dedhia	25000	0.44
44	Mr. Jitendra Bhimrajka	2500	0.04
45	Ms. Kanchan S. Gada	284500	4.99
46	Kanji B. Shah HUF	200	0.00
47	Mr. Kanji V. Gada	188500	3.31
48	Kanji V. Gada (HUF)	7000	0.12
49	Kantilal G. Shah HUF	5000	0.09
50	Mr. Kantilal G. Shah	5000	0.09
51	Ms. Kokila B. Mehta	10000	0.18
52	Ms. Kunjal M. Shah	200	0.00
53	Mr. Lakamshi G. Gala	2500	0.04
54	Mr. Lakhamshi M. Shah	80000	1.40
55	Mr. Lalji G. Gala	2500	0.04
56	Ms. Lina N. Bharani	10000	0.18
57	Ms. Manjula K. Shah	5000	0.09
58	Mr. Manilal V. Shah	25000	0.44
59	Ms. Manjula S. Gala	10000	0.18
60	Mr. Manoj B. Mehta	10000	0.18
61	Mr. Mavji A. Gala	16000	0.28
62	Ms. Meghna M. Mehta	15000	0.26
63	Mitesh K. Gada (Karta)	6000	0.11
64	Mr. Mitesh K. Gada	247400	4.34
65	Mr. Moiz A. Kachwala	30000	0.53
66	Mr. Nana Deshpande	10000	0.18
67	Mr. Naren Desai jointly with Mr. Bharat Desai	1500	0.03
68	Ms. Naval K. Gada	6000	0.11
69	Mr. Nemchand G. Gala	2500	0.04
70	Nenshi B. Shah (HUF)	200	0.00
71	Mr. Nilesh S. Bharani	10000	0.18
72	Mr. Parin K. Shah	10000	0.18
73	Mr. Praful H. Gada	7000	0.12
74	Mr. Prakash J. Shah	5000	0.09
75	Mr. Pramod A. Mahale	20000	0.35
76	Mr. Pravin A. Gala	5000	0.09
77	Mr. Pravin B. Gada	5000	0.09
78	Ms. Priti M. Gada	233000	4.09
79	Ms. Priya P. Mahale	10000	0.18
80	Mr. Rajkumar Srivastava	1500	0.03
81	Mr. Ramesh J. Shah	5000	0.09
82	Mr. Ramesh U. Ramchandani	75000	1.32
83	Mr. Ramesh V. Vora	1500	0.03

84	Ms. Ramila A. Bharani	10000	0.18
85	Ms. Ramila L. Shah	30000	0.53
86	Ms. Savita J. Chhadwa	1500	0.03
87	Sejal Finance Limited	852500	14.95
88	Ms. Shantaben M. Gala	5000	0.09
89	Mr. Shantilal S. Gada	420000	7.36
90	Shantilal S. Gada (Karta)	23000	0.40
91	Mr. Shivji V. Gada	429500	7.53
92	Shivji V. Gada (HUF)	25000	0.44
93	Ms. Uma K. Surwade	2500	0.04
94	Mr. Uttam R. Ramchandani jointly with Mr. Ramesh Ramchandani	525000	9.21
95	Ms. Veena S. Bhimrajka	1500	0.03
96	Mr. Vijay S. Mehta	20000	0.35
97	Vijay S. Mehta (HUF)	15000	0.26
98	Ms. Vimlaben Shah	200	0.00
	TOTAL	5702800	100.00

Financial Performance:

(Rs. in Lacs)

Particulars	For the F.Y. ended 31 st March	
	2006	2007
Equity Share Capital (excluding calls in arrears)	223.70	570.28
Share Application Money	280.59	0.00
Reserves (excluding Revaluation Reserves)	0.87	748.80
Less: Misc. Expenditure to the extent not written off	181.15	0.00
Net Worth	324.01	1319.08
Total Income	13.23	29.64
PAT	0.87	(79.24)
EPS (Rs.)	0.04	Nil
NAV per share (Rs.)	14.48	23.13
Face Value (Rs.)	10.00	10.00

Sejal Float Glass Limited has not made any public issue of its shares. The company does not fall under the definition of a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. The company has not been restrained from accessing the capital market for any reasons by SEBI or any other authority.

5. Sejal Finance Limited.

Sejal Finance Limited (SFL) was incorporated under the Companies Act, 1956 vide Certificate of Incorporation dated October 20, 2005 having Registration No. U65990MH2005PTC156894, and registered office at 201/202, 2nd floor, Abhilasha, S.V. Road, Kandivali (West), Mumbai - 400067, Maharashtra. The Company Identification Number of Sejal Finance Limited is U65990MH2005PTC156894.

Sejal Finance Limited was promoted by Mr. Amrut S Gada, Mr, Dhiraj S Gada, Shivji V Gada and Kanji V Gada. SFL was incorporated with the object of:

- Industrial Finance
- Leasing and Hire Purchase Finance

Board of Directors:

Currently, the Board of Directors of Sejal Finance Limited is as follows:

Name of the Director	Designation
Mr. Amrut S. Gada	Chairman and Director
Mr. Dhiraj S. Gada	Director
Mr. Kanji V. Gada	Director
Mr. Shivji V. Gada	Director

Shareholding Pattern:

Sr. No	Name of the Shareholders	No of shares	% Holding
1	Mr. Amrut S. Gada	135000	6.75
2	Ms. Anju D. Gada	154000	7.70
3	Ms. Bhavna A. Gada	135000	6.75
4	Chhaya Securities Private Limited	100000	5.00
5	Dhiraj Gada HUF	1000	0.05
6	Mr. Dhiraj S. Gada	232500	11.63
7	Ms. Diwali S. Gada	105000	5.25
8	Ms. Kanchanben S. Gada	170000	8.50
9	Mr. Kanji V. Gada	52500	2.62
10	Mr. Mitesh K. Gada	122500	6.12
11	Ms. Naval K. Gada	125000	6.25
12	Ms. Priti M. Gada	100000	5.00
13	Sejal Float Glass Limited	300000	15.00
14	Mr. Shantilal S. Gada	202500	10.13
15	Shivji Gada HUF	5000	0.25
16	Mr. Shivji V. Gada	60000	3.00
	TOTAL	2000000	100.00

Brief Financial Performance

(Rs. in Lacs)

Particulars	For the F.Y. ended 31 st March 2007*
Equity Share Capital (excluding calls in arrears)	200.00
Share Application Money	0.00
Reserves (excluding Revaluation Reserves)	0.74
Less: Misc. Expenditure to the extent not written off	0.00
Net Worth	200.74
Total Income	9.30
PAT	0.74
EPS (Rs.)	0.04
NAV per share (Rs.)	10.04
Face Value (Rs.)	10.00

*The company has received permission from ROC for extension of financial year for the first Balance Sheet which shall be as on 31-3-2007

Sejal Finance Limited has not made any public issue of its shares. The company does not fall under the definition of a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is it under winding up. The company has not been restrained from accessing the capital market for any reasons by SEBI or any other authority.

Proprietary Concerns

1. Sejal Glass House

Sejal Glass House is a proprietary concern of Mr. Amrut S. Gada started in the year 1991 and situated at 7, Krishna Kunj, Near Malad Shopping Centre, S.V. Road, Malad (West), Mumbai- 400064.

Sejal Glass House is engaged inter alia in the retail business of dealing in Glass, mirrors and decorative glass items.

Financial Performance:

(Rs. in Lacs)

Particulars	As of March 31,		
	2005*	2006*	2007*
Proprietor's Capital	6.22	8.46	43.38
Total income	152.13	148.65	230.05
Net Profit/(Loss)	3.12	5.32	7.30

*Audited

2. Mitesh Textiles

Mitesh Textiles is a proprietary concern of Mr. Kanji V. Gada started in the year 1992 situated at 317, Madhani Estate, 3rd floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028

Mitesh Textiles is engaged in the dealing of interlining cloth.

Financial Performance:

(Rs. in Lacs)

Particulars	As of March 31,		
	2005*	2006*	2007*
Proprietor's Capital	6.80	7.00	8.05
Total income	69.11	67.53	74.40
Net Profit/(Loss)	1.58	1.94	2.18

*Audited

Charitable Trusts

1. Shri Jethalal Nonghabhai Gada Vagad Educational, Welfare and Research Centre

The "Shri Jethalal Nonghabhai Gada Vagad Educational, Welfare and Research Centre" was formed on January 1, 1997. The former name of the Trust was "Shree Vagad Educational And Welfare Centre". The Registration Number of the Trust under the Bombay Public Trusts Act, 1950 is E-17139/Mumbai. The registered office of the trust is situated at A-7 and 8, Sagar Niwas, 1st Floor, Manchhubhai Road End, Patkarwadi, Malad (East), Mumbai- 400 097.

Shri Jethalal Nonghabhai Gada Vagad Educational, Welfare and Research Centre operates a School for children, Vagad Gurukul International High School whereas Mr. Amrut S. Gada is the Managing Trustee with effect from April 02, 2006. The main objects of the Trust comprise of imparting and promoting education, granting financial aid for education and any other thing of general public utility.

Currently, the Trustees of the said trust are as follows:

1. Mr. Lakhamshi B. Shah
2. Mr. Davsi D. Gada
3. Mr. Chhagan S. Nandu
4. Mr. Amrut S. Gada
5. Mr. Talakshi V. Furia
6. Mr. Lakhamshi M. Charla
7. Mr. Hasmukh N. Gada
8. Mr. Mansukhlal B. Jain
9. Mr. Gangji M. Satra
10. Ms. Vimla M. Shah
11. Mr. Damji K. Gada
12. Mr. Nagji K. Rita
13. Mr. Velji M. Gada
14. Mr. Ravji G. Gala
15. Mr. Praful B. Satra
16. Mr. Mekan J. Gala
17. Mr. Moghiben J. Gada
18. Mr. Lalji K. Shah

Financial Performance:

(Rs. in Lacs)

Particulars	As of March 31,		
	2005*	2006*	2007*
Trust Corpus	667.00	130.00	189.50
Total income	73.65	115.46	198.65
Excess of Income over Expenditure	(25.80)	(23.94)	37.84

*Audited

2. Shree Sachhamata Charitable Trust (Vagad), Mumbai

Shree Sachhamata Charitable Trust was formed on June 19, 2007. The registered office of the trust is situated in Mumbai or at such place in India as the trustees may decide from time to time.

Mr. Amrut S. Gada is the Managing Trustee of this trust. The main objects of the Trust are to collect receipts and use it for public charitable objects for dhyana, vipashyana, and the theory of philosophy.

Currently, the trustees of the said trust are as follows:

1. Mr. Ravji V. Gada
2. Mr. Virji D. Gada
3. Mr. Harakhchand K. Gada
4. Mr. Narshi H. Gada
5. Mr. Murji G. Mota
6. Mr. Amrut S. Gada
7. Mr. Velji M. Gada

Since, the trust is incorporated on June 19, 2007 hence, the first financial year ending for the trust shall be March 31, 2008.

Conflict of Interest:

Except Sejal Glass Craft Private Limited, Sejal International Limited and Sejal Float Glass Limited none of our other Group concerns are in the same line of business as ours. Further, we have entered into non-compete agreements with the following Promoter Group Companies/promoted by our Promoters:

1. Sejal Glass Craft Private Limited dated, November 19, 2007,
2. Sejal International Limited dated, November 19, 2007 and
3. Sejal Float Glass Limited dated, November 19, 2007.

Under the non-compete agreements the abovementioned Promoter Group concerns/ Entities have agreed that the operations and the markets of these companies shall not in any way infringe or compete with those of our Company.

Companies with which the Promoters have disassociated in the last three years.

None of our Promoters have disassociated themselves from any other company, during the past three years.

Changes in accounting policies in the last three years:

There is no change in the accounting policy of our Company during the last three years.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS AS REFLECTED IN THE FINANCIAL STATEMENTS

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements included in this Red Herring Prospectus. You should also read the section titled 'Risk Factors' beginning on page 10 of this Red Herring Prospectus, which enumerates number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company on a standalone basis, and, unless otherwise stated, is based on our restated unconsolidated financial statements, which have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act, 1956, and the SEBI guidelines. Our Financial year ends on March 31 of each year.

OVERVIEW

Sejal Architectural Glass Limited is engaged in the business of processing glass. We have processing facilities for insulating, toughened, laminated glasses and manufacturing facility for decorative glass as well. Our Company's existing plant is located at Plot No 259/10/1, Village Dadra, Union Territory of Dadra, Nagar Haveli, District Silvassa.

Our Company started its commercial operations in the year 2000 by setting up a processing facility for insulating glass. As a step forward, we started another process for toughened glass in the year 2001 having an annual capacity of 2,40,000 Sq. Meters. Since then, our Company has expanded its operations by adding a new lamination line in January 2007. We have broadened our scope of business activities by manufacturing various value added glass and glass products

Our Company has already acquired specific skills and knowledge on the processing and marketing of the glass and now as a step towards backward integration, we propose to set up a new manufacturing facility for float glass with a capacity of 2,00,750 MT per annum at Jhagadia, Dist. Bharuch, Gujarat. We have already acquired 150 acres of land for this backward integration project and L&T has been appointed as the EPC contractor for looking after our construction and civil works.

Our Company also operates its trading division from its premises named 'Sejal Encasa', which is located at Kandivali, Mumbai. This division trades in various in-house brands as well as other manufacturers products. The products traded include home improvement products covering tiles, sanitaryware, mirrors, glass, etc.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST BALANCE SHEET DATE

Except as otherwise stated in this Red Herring Prospectus, after the date of last balance sheet i.e.; December 31, 2007, our Company has done Pre IPO Placement of 5,09,425 Equity Shares of Rs. 10 each at premium aggregating Rs. 509.43 Lacs for part funding the funds requirement of our proposed project. Further our Company has made progress in the implementation of the project as detailed under section Objects of the Issue beginning on page 68 of this Red Herring Prospectus.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

General economic and business conditions: The demand for our products is dependent on general economic conditions in the country and pace of infrastructure and real estate development. Our operations would be affected by any adverse change in the Government Policies, Rules and Regulations.

Political condition: In case of political instability, government could change the spending pattern. This change in policy framework can affect our business.

Demand: The demand for our products is predominantly from real estate and construction sector. We have expanded our customer base in national market. The prospects and earnings growth of the customers and industries will have an impact on our ability to generate sales.

Competition: Selling prices of our products may be affected if competition intensifies. Further, as a result of increased capacity of production, adoption of aggressive pricing strategies by our competitors in order to gain market share or new competitors entering the markets, may adversely affect our operations and financial results.

Capacity: We are currently setting up a manufacturing facility for the production of float glass as a step towards backwards integration. Our ability to fulfill larger orders will depend upon our ability to complete our proposed float glass project as scheduled. We believe that the scale of our production, and lower per unit operating costs due to economies of scale, will give us an edge over our competitors.

Spending by various Governments on infrastructure

There has been a rising trend in the spending by government on various infrastructure and construction projects. Any increase / decrease in spending of various Governments on various infrastructure projects affect our business.

Political condition

In case of political instability, government could change the spending pattern on various sectors. This change in policy framework can affect our business. We derive a significant portion of our income from various construction projects. Any changes in spending pattern of the Government on the construction sector will affect our business.

Our ability to attract and retain Skilled and technical staff

Skilled and technical staff is required by us for our production processes. Thus, our growth is likely to be affected by our ability to attract and retain skill and technical manpower.

OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer to the section titled “Financial Information” beginning on page 162 of this Red Herring Prospectus.

Results of Our Operations

For the nine months ended 31st December 2007

Results of Operation as a % of Income

<i>(Rs. in Lacs)</i>		
Period (in months)	9 Months	% of Turnover
Turnover	4166.17	100.00%
Expenditure excl. Depreciation and Interest	3,434.17	82.43%
Depreciation	160.29	3.85%
Interest	283.75	6.81%
Profit before tax	624.55	14.99%
Taxes	154.97	3.72%
Profit after Tax	469.58	11.27%
		(Rs. in Lacs)
Particulars	Amount	% of Income

Cost of Material	2,540.15	60.97%
Manufacturing Expenses and Selling Expenses	521.39	12.51%
Administrative and Staff Cost	372.63	8.94%
Total	3,434.17	82.43%

We recorded turnover of Rs. 4166.17 Lacs and total expenditure Rs. 3434.17 Lacs for the nine months period ended December 31, 2007. Cost of Material constituted 60.97% of the turnover. The Manufacturing and Selling Expenses and Administrative and Staff Cost constituted 12.51% and 8.94% respectively of the turnover for the period ended December 31, 2007.

Turnover

The Gross Turnover for the period ended December 31, 2007 was Rs. 4166.17 Lacs.

Interest and Financial charges: We incurred interest cost of Rs. 283.75 Lacs for the period ended December 31, 2007.

Depreciation: We incurred depreciation cost of Rs. 160.29 Lacs.

Taxes: Taxes for the period ended December 31, 2007 is Rs. 154.97 Lacs, which include current tax of Rs. 72.75 Lacs, Deferred tax of Rs. 77.02 Lacs and Fringe Benefit tax of Rs. 5.20 Lacs.

Net Profit: Our Profit before Taxes were Rs. 624.55 Lacs for the period ended December 31, 2007. We recorded Net Profit of Rs. 469.58 Lacs. Our net Profit Margin stood at 11.27%.

Loans and Advances:

Loans and Advances for the 9 months period ended December 31, 2007 has increase to 5532.38 Lacs from 784.66 Lacs for the year ended March 31, 2007, showing an increase of 605.07%. This increase was mainly on account of advances given to project suppliers including civil contractor Rs.3044 Lacs, imported plant and machinery suppliers Rs. 1690.00 Lacs.

Secured Loans:

Secured Loans for the 9 months period ended December 31, 2007 has increase to 7242.00 Lacs from 2468.68 Lacs for the year ended March 31, 2007, showing an increase of 193.36%. This increase was mainly due to term loans taken from consortium of bankers to part finance the project. The project is to be part financed by way of Rupee Term Loan aggregating Rs. 31,800 Lacs and the same has been sanctioned by the consortium of bankers. Out of this term loan our Company has already availed Rs. 3673.99 Lacs for the purpose of deployment in the objects of the issue. Further, we have availed term loans of Rs. 372.80 Lacs for our trading division and other term/working capital loans for our existing business.

Unsecured Loans:

Unsecured Loans for the 9 months period ended December 31, 2007 has increase to 1702.10 Lacs from 581.70 Lacs for the year ended March 31, 2007, showing an increase of 192.61%. This increase mainly due to unsecured loans taken to part finance the project. The details of these are as given below:

Sr. No.	Name	Amount (Rs. in Lacs)	Rate of Interest %
1	Amrut S. Gada	96.30	10.50
2	Ashok Commercial Enterprise	50.00	10.00
3	Bhavana A. Gada	1.00	10.50
4	Dayalal C. Shah	0.60	9.50
5	Dhiraj S. Gada	15.00	10.50
6	Lau Ghag	2.00	11.00

7	Minaxi Gala	1.00	9.50
8	Padmaben Savla	1.50	9.50
9	Shantilal S. Gada	20.00	10.50
10	Sharmila A. Parikh	5.00	9.50
11	Shivji V. Gada	1.00	10.50
12	Vanita D. Shah	1.40	9.50
13	Sejal Finance Ltd.	70.00	12.00
14	Sejal Float Glass Ltd.	986.50	12.00
15	Sejal Glass Craft Pvt. Ltd.	85.70	18.00
16	Sejal Insurance Broking Ltd.	46.00	12.00
17	Bajrangdas Estate Pvt. Ltd.	22.00	12.00
18	Kodai Investment & Trading	25.00	18.00
19	Tokyo Finance Ltd.	47.00	12.00
20	Yash Raj Estate Pvt. Ltd.	23.00	12.00
	Total	1,500.00	

Results of Our Operations for last four years

(Rs. in Lacs)

Particulars	31.03.07	31.03.06	31.03.05	31.03.04
	(12 Months)	(12 Months)	(12 Months)	(12 Months)
Turnover	3,824.05	2,950.28	2,429.65	1,969.63
Increase/Decrease (%)	29.62%	21.43%	23.36%	14.50%
Other Income	145.60	107.05	43.65	25.72
Increase/Decrease (%)	36.01%	145.23%	69.72%	232.30%
Increase/Decrease in Stocks/WIP	-33.97	14.83	-24.92	6.34
Increase/Decrease (%)	-329.04%	-159.51%	-493.06%	-157.95%
Total Revenue	3,935.68	3,072.16	2,448.38	2,001.69
Increase/Decrease (%)	28.11%	25.48%	22.32%	16.58%
Material Purchased and Consumed	2,512.99	2,037.56	1,531.37	1,287.86
Increase/Decrease (%)	23.33%	33.05%	18.91%	7.26%
% to Turnover	65.72%	69.06%	63.03%	65.39%
Manufacturing Expenses	512.02	449.02	364.98	229.67
Increase/Decrease (%)	14.03%	23.03%	58.91%	21.05%
% to Turnover	13.39%	15.22%	15.02%	11.66%
Administrative and other Expenses	230.86	121.99	86.93	64.62
Increase/Decrease (%)	89.25%	40.33%	34.53%	60.90%
% to Turnover	6.04%	4.13%	3.58%	3.28%
Total Expenditure	3,255.88	2,608.57	1,983.28	1,582.15
Increase/Decrease (%)	24.81%	31.53%	25.35%	10.60%
% to Turnover	85.14%	88.42%	81.63%	80.33%
Profit Before Depreciation, interest and Tax	679.80	463.59	465.10	419.54
Increase/Decrease (%)	46.64%	-0.33%	10.86%	46.44%
% to Turnover	17.78%	15.71%	19.14%	21.30%
Depreciation	122.32	64.75	59.57	55.12

Increase/Decrease (%)	88.90%	8.70%	8.07%	8.29%
% to Turnover	3.20%	2.19%	2.45%	2.80%
Profit Before Interest and Tax	557.49	398.84	405.53	364.42
Increase/Decrease (%)	39.78%	-1.65%	11.28%	54.68%
% to Turnover	14.58%	13.52%	16.69%	18.50%
Interest	157.20	92.75	102.67	131.77
Increase/Decrease (%)	69.49%	-9.66%	-22.08%	-25.08%
% to Turnover	4.11%	3.14%	4.23%	6.69%
Profit Before Tax	400.28	306.09	302.86	232.65
Increase/Decrease (%)	30.77%	1.07%	30.18%	289.50%
% to Turnover	10.47%	10.37%	12.47%	11.81%
Provision for Tax	122.07	83.22	40.40	63.61
Increase/Decrease (%)	46.69%	105.98%	-36.49%	60.50%
% to Turnover	3.19%	2.82%	1.66%	3.23%
Profit after Tax	273.91	216.20	250.03	172.69
Increase/Decrease (%)	26.69%	-13.53%	44.78%	1045.91%
% to Turnover	7.17%	7.33%	10.29%	8.77%
Effective Tax Rate	30.49%	27.19%	13.34%	27.34%

Fiscal 2007 Vs 2006

Income

Total Income for the Fiscal 2007 increased to Rs. 3935.68 Lacs from Rs. 3072.16 Lacs in Fiscal 2006, showing a growth of 28.11%. In the fiscal 2007, our Company started the retailing of glass products which contributed to the income to the tune of Rs. 457.41 Lacs. This increase was due to improved working capacities and optimum utilization of the resources available.

Expenditure

Expenditure for the Fiscal 2007 increased to Rs. 3255.88 Lacs from Rs. 2608.57 Lacs for fiscal 2006 showing an increase of 24.81%. Total Expenditure as percentage to turnover decreased from 88.42% in the FY 2006 to 85.14% in FY 2007. This decrease was due to improved working capacities and optimum utilization of the resources available.

Material Purchased and Consumed

Material Purchased and Consumed increased from Rs. 2037.56 Lacs for Fiscal 2006 to Rs. 2512.99 Lacs for fiscal 2007 showing an increase of 23.33%. This increase was mainly on account on cost of sales of goods traded. Cost of sales of goods traded was Rs. 370.49 Lacs for the year 2007, this expenditure was not there in the year 2006. Material Purchased and Consumed as percentage of turnover decreased from 69.06% for fiscal 2006 to 65.02% for fiscal 2007. This decrease was due to the fact that increase in turnover was due the increase in the turnover on account of retailing of the glass products.

Manufacturing and Selling Expenses

Manufacturing and Selling Expenses increased from Rs. 449.02 Lacs for Fiscal 2006 to Rs. 512.02 Lacs for fiscal 2007 showing an increase of 14.03%. Manufacturing and Selling Expenses as percentage of turnover decreased from 15.22% for fiscal 2006 to 13.39% for fiscal 2007 due to the reasons mentioned above.

Administrative and Other Expenses

Administrative Expenses which consists of salaries, wages and other employee benefits increased from Rs. 121.99 Lacs for Fiscal 2006 to Rs. 230.86 Lacs for Fiscal 2007 showing an increase of 89.25%. The increase is on account of increase in staff & staff cost. This has increased mainly on account of new recruitment for the purpose of the project. Administrative Expenses as percentage of turnover increased from 4.13% for fiscal 2006 to 6.04% for fiscal 2007.

EBIDTA

EBIDTA increased from Rs. 463.59 Lacs for fiscal 2006 to Rs. 679.80 Lacs showing a increase of approximately of 46.64%. EBIDTA Margin (EBIDTA as percentage to Turnover) increased from 15.71% for fiscal 2006 to 17.78% for fiscal 2007.

Depreciation

Depreciation increased from Rs. 64.75 Lacs in 2006 to Rs. 122.32 Lacs for fiscal 2007 mainly on account of depreciation on new Plant and Machinery acquired by our Company. The gross block increased in fiscal 2007 it was Rs. 4459.25 Lacs as against Rs. 2650.32 Lacs for fiscal 2006.

Interest cost / Financial Charges

Interest / Financial Charges cost increased from Rs. 92.75 Lacs for fiscal 2006 to Rs. 157.20 Lacs for fiscal 2007. The increase in financial expenses was on account increase in secured loans including working capital finance from Rs. 1511.01 Lacs in fiscal 2006 to Rs. 2468.68 Lacs in fiscal 2007. As a percentage of turnover, interest cost increased from 3.14% for fiscal 2006 to 4.11% for fiscal 2007.

Taxes

Taxes increased from Rs. 83.22 Lacs in fiscal 2006 to Rs. 122.07 Lacs in fiscal 2007. The increase in tax expenses was on account higher effective tax rates and increase in total revenue. The effective tax rates increased from 27.19% for fiscal 2006 to 30.49% for fiscal 2007. The total revenue of our Company increased from Rs. 3072.16 Lacs for fiscal 2006 to Rs. 3935.68 Lacs for fiscal 2007.

Profit after Tax (PAT)

PAT increased from Rs. 216.20 Lacs in fiscal 2006 to Rs. 273.91 Lacs in fiscal 2007. PAT margin (PAT as percentage of Turnover) marginally decreased from 7.33% for fiscal 2006 to 7.16% for fiscal 2007. The increase in PAT was due to factors mentioned in above points.

Fiscal 2005 Vs 2006

Income

Income for the Fiscal 2006 increased to Rs. 3072.16 Lacs from Rs. 2448.38 Lacs showing a growth of 25.48%. This increase was due to improved working capacities and optimum utilization of the resources available and increased marketing effort by our Company.

Expenditure

Expenditure for the Fiscal 2006 increased to Rs. 2608.57 Lacs from Rs. 1983.28 Lacs for fiscal 2005 showing a increase of 31.53%. The increase in expenditure was on account of increase in raw material cost and increased marketing cost. The marketing cost has increased since the Company had arranged seminars and conferences in the major cities to bring awareness for use of architectural glass.

Material Purchased and Consumed

Material Purchased and Consumed increased from Rs. 1531.37 Lacs for Fiscal 2005 to Rs. 2037.56 Lacs for fiscal 2006 showing an increase of 33.05%. This increase was on account of stiff increase in raw material cost during the year. Material Purchased and Consumed as percentage of turnover increased from 63.03% for fiscal 2005 to 69.06% for fiscal 2006.

Manufacturing and Selling Expenses

Manufacturing and Selling Expenses increased from Rs. 364.98 Lacs for Fiscal 2005 to Rs. 449.02 Lacs for fiscal 2006 showing an increase of 23.03%. The marketing cost has increased since the Company had

arranged seminars and conferences in the major cities to bring awareness for use of architectural glass. Manufacturing and Selling Expenses as percentage of turnover marginally increased from 15.02% for fiscal 2005 to 15.22% for fiscal 2006.

Administrative and Other Expenses

Administrative Expenses increased from Rs. 86.93 Lacs for Fiscal 2005 to Rs. 121.99 Lacs for Fiscal 2006 showing an increase of 40.33%. Administrative Expenses as percentage of turnover increased from 3.58% for fiscal 2005 to 4.13% for fiscal 2006.

EBIDTA

EBIDTA decreased from Rs. 465.10 Lacs for fiscal 2005 to Rs. 463.59 Lacs showing a decline of 0.33%. EBIDTA Margin (EBIDTA as percentage to turnover) has declined from 19.14% for fiscal 2005 to 15.71% for fiscal 2006. This decline was due to increase in raw material cost and increased marketing cost.

Depreciation

Depreciation increased from Rs. 59.57 Lacs from 2005 to Rs. 64.75 Lacs for fiscal 2006 mainly on account of depreciation on new Plant and Machinery. The gross block increased in fiscal 2006, it was Rs. 1330.84 Lacs in fiscal 2005 and in fiscal 2006 it increased to Rs. 2650.32 Lacs.

Interest cost / Financial Charges

Interest cost / Financial Charges decreased from Rs. 102.67 Lacs for fiscal 2005 to Rs. 92.75 Lacs for fiscal 2006. The average interest rate for fiscal 2006 was 6.14% compared to 10.89% for fiscal 2005.

Taxes

Taxes increased from Rs. 40.40 Lacs in fiscal 2005 to Rs. 83.22 Lacs in fiscal 2006. The increase in tax expenses was on account increase in effective tax rates. The effective tax rates increased from 13.34% for fiscal 2005 to 27.19% for fiscal 2006, the amount of taxes have increased due to increase in revenue and PBT.

Profit after Tax (PAT)

PAT decreased from Rs. 250.03 Lacs in fiscal 2005 to Rs. 216.20 Lacs in fiscal 2006 showing a decline of 13.53%. PAT margin (PAT as percentage to turnover) decreased from 10.29% for fiscal 2005 to 7.33% for fiscal 2006. The decrease in PAT and decrease in PAT margin was due to factors mentioned above.

Fiscal 2004 Vs 2005

Income:

Income for the Fiscal 2005 increased to Rs. 2429.65 Lacs from Rs. 1969.63 Lacs for fiscal 2004 showing a growth of 23.36%. This increase was due to improved working capacities, better realization on the Company's products and optimum utilization of the resources available and increased marketing effort by our Company.

Expenditure

Expenditure for the Fiscal 2005 increased to Rs. 1983.28 Lacs from Rs. 1582.15 Lacs for fiscal 2004 showing a growth of 25.35%. The increase in expenditure was on account of increase turnover. Total Expenditure as percentage to turnover increased from 80.33% in the FY 2004 to 81.63% in FY 2005.

Material Purchased and Consumed

Material Purchased and Consumed increased from Rs. 1287.86 Lacs for Fiscal 2004 to Rs. 1531.37 Lacs for fiscal 2005 showing an increase of 18.91%. This increase was on account of increase in overall turnover. Material Purchased and Consumed as percentage of turnover decreased from 65.39% in FY 2004 to 63.03% in the FY 2005. This decrease was due to improved working capacities and optimum utilization of the resources available.

Administrative and Other Expenses

Administrative Expenses increased from Rs. 64.62 Lacs for Fiscal 2004 to Rs. 86.93 Lacs for Fiscal 2005 showing an increase of 34.53%. The increase is on account of increase expenses on account of staff cost due to increase in salary and wages and new recruitment. Administrative Expenses as percentage of turnover increased from 3.28% for fiscal 2004 to 3.58 % for fiscal 2005.

EBIDTA

EBIDTA increased from Rs. 419.54 Lacs for fiscal 2004 to Rs. 465.10 Lacs for fiscal 2005 showing a growth of approximately of 10.86%. EBIDTA Margin (EBIDTA as percentage to turnover) decreased from 21.30% for fiscal 2004 to 19.14% for fiscal 2005.

Depreciation

Depreciation increased from Rs. 55.12 Lacs for FY 2004 to Rs. 59.57 Lacs for FY 2005 mainly on account of depreciation on new capital assets. The gross block in FY 2004 was Rs. 1250.12 Lacs and was at Rs. 1330.84 Lacs for FY 2005.

Interest cost / Financial Charges

Interest cost / Financial Charges decreased from Rs. 131.77 Lacs for fiscal 2004 to Rs. 102.67 Lacs for fiscal 2005. The average interest rate for fiscal 2005 was 10.89% compared to 12.87% for fiscal 2004. As a percentage of turnover interest cost decreased from 6.69% for fiscal 2004 to 4.23% for fiscal 2005.

Taxes

Taxes decreased from Rs. 63.61 Lacs in fiscal 2004 to Rs. 40.40 Lacs in fiscal 2005. The decrease in tax expenses was on account lower effective tax rates. The effective tax rate for FY 2004 was 27.34% and for FY 2005 it was 13.34%.

Profit after Tax (PAT)

PAT increased from Rs. 172.69 Lacs in fiscal 2004 to Rs. 250.03 Lacs in fiscal 2005 showing an increase of 44.78%. PAT margin was 8.77% for fiscal 2004 and 10.29% for fiscal 2005. This increase was due to improved working capacities, better realization on the Company's products and optimum utilization of the resources available and increased marketing effort by our Company.

Related Party Transactions

For details of related party transactions, please refer to the section titled "Related Party Transactions" beginning on page 182 of this Red Herring Prospectus.

Financial Market Risks

We are exposed to financial market risks from changes in interest rates and inflation.

Interest Rate Risk

Our interest rate risk results from changes in interest rates, which may affect our finance expenses. We bear interest rate risk with respect to the debts, which we have for the half year ended September 30, 2007, since the interest rates could fluctuate in the near future. Any rise in interest rates would result in higher interest bearing debts.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, fuel cost etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

AN ANALYSIS OF REASONS FOR THE CHANGES IN SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE IS GIVEN BELOW

1) Unusual or infrequent events or transactions

There have been no unusual or infrequent events or transactions.

- 2) Significant economic changes that materially affected or are likely to affect income from continuing operations**
Government's focus on the infrastructure and other civil construction Sector will have a major bearing on the companies involved in the glass Industry. Accordingly, any major changes in the policies of the Government could have an impact on the profitability of our Company.
- 3) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue, or income from continuing operations**
Apart from the risks as disclosed under heading 'Risk Factors' beginning on page 10 in this Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.
- 4) Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known**
Our Company's future cost and sale prices will be determined by demand/supply situation, government policies and availability of raw material etc. and prices thereof.
- 5) Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**
Increases in revenues are by and large linked to increases in volume of business.
- 6) Total turnover of each major Industry segment in which our Company operated**
Please refer to page 90 under the heading 'Industry Overview'
- 7) Status of any publicly announced new products or business segment.**
Except as detailed under section titled "objects of the issue" beginning on page 68 of this Red Herring Prospectus, our Company has not publicly announced any new products or business segments.
- 8) The extent to which the business is seasonal.**
Our Company's business is not seasonal.
- 9) Any significant dependence on a single or few suppliers or customers.**
The majority of our income comes from Public/Government Sector Undertakings. We source our major raw material from various suppliers across the region we operate.
- 10) Competitive Conditions**
For details of competitive conditions, please refer to the section titled 'Competition' beginning on page 119 of this Red Herring Prospectus.

SECTION VIII - LEGAL AND REGULATORY INFORMATION

OUTSTANDING LITIGATIONS, MATERIAL DEVELOPMENTS AND OTHER DISCLOSURES

There are no outstanding litigations, suits or civil or criminal prosecution against our Company, our Directors, or any disputes, tax liabilities, non payment of statutory dues, overdues to banks/ financial institutions, defaults against banks/ financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, bonds and arrears on cumulative preference shares issued by our Company, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/ civil/ any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of Part 1 of Schedule XIII of the Companies Act) against our Company, our Directors and our Promoters, except as described below. Further, our Directors and Promoter have not been declared as wilful defaulter by the Reserve Bank of India and also have not been debarred from dealing in securities and/ or accessing the capital markets by SEBI and no disciplinary action has been taken against them by SEBI except as described below:

Outstanding litigation and contingent liabilities of Our Company

The contingent liabilities of our Company as on December 31, 2007 are as follows:

(Amount in lacs)

Sr. No	Particulars	Amount
1.	Counter Guarantees given by the Company against Guarantees issued by State Bank of Patiala on behalf of the Company (net off margin provided by the Company in the form of Fixed Deposits with the Bank)	174.15
2.	CST not charged in the Sales Invoices to a customer	47.17
3.	Amount claimed by a customer towards damages for supply of defective material.	35.20
	Total	256.52

I. Cases filed by and against Our Company

Litigation against our Company

1. Survey under the provisions of the section 133 (A) of Income Tax Act, 1961.

The Income Tax Department carried out survey under the Income Tax Act, 1961, against our Company and our Group entities, namely, Sejal Glass House, Mitesh Textiles, Sejal International Limited, Sejal Glass Craft Private Limited, Sejal Insurance Broking Limited, Sejal Float Glass Limited and Sejal Finance Limited on August 22, 2007. Mr. Amrut S. Gada has vide his letter dated November 14, 2007, declared an additional income of Rs. 5,00,00,000 of which the tax liability on Rs. 4,00,00,000 is payable by Mr. Amrut S. Gada and the tax liability on balance Rs. 1,00,00,000 is to be paid by some of our Group concerns namely; Sejal Glass House, Mitesh Textiles, Sejal International Limited, Sejal Glass Craft Private Limited. Further, Mr. Amrut S. Gada vide his letter dated October 30, 2007, has confirmed and declared to our Company that he in his individual capacity is liable to pay the tax on the additional income of 4,00, 00,000 and that there will be no liability on our Company towards the above mentioned declaration. Mr. Amrut S. Gada has paid an amount of Rs. 50 lacs towards the above tax liability. Mitesh Textiles, our group concern has also paid an amount of Rs. 1 lac towards the said tax liability.

2. Notice from the Electricity Department, Dadra and Nagar Haveli, Silvassa

Our Company has received a notice dated April 23, 2007, from the Electricity Department, Dadra and Nagar Haveli, Silvassa, in respect of the inadequate distance maintained between the industrial shed at our factory premises at Silvassa, from two high voltage electricity cables of 66 Kilo Volts and 11 Kilo Volts (KV) respectively, passing over our factory premises at Silvassa. The tower in respect of the said high voltage electricity cables is situated in our factory premises.

The Electricity Department, by its letter dated April 24, 2004, has granted its approval to our Company, to shift the tower which supports the two high voltage wires at the costs of our Company. Our Company, by its letter dated November 10, 2007, appointed M/s M.M. Thangam for erecting an additional tower. The Company has paid advance of an amount of Rs. 2,44,850/- on the total amount of Rs.14,50,000/- to the said M/s M.M. Thangam. The work of the said tower is completed and M/s M.M. Thangam has confirmed the same *vide* their letter dated March 25, 2008.

3. Notice from Mr. Suresh Sheth, California, USA.

Our company has received a notice dated April 28, 2008, from the law offices of David E. Allen, Jr, on behalf of Mr. Suresh Sheth, ("Mr. Sheth") in respect of glassware purchased by Mr. Sheth from Sejal Encasa, which was destroyed in transit, whilst being delivered from Mumbai to Mr. Sheth in America. The damage occurred in September/October 2007 in transit.

Our Company has been sent the notice, although no claims are raised against our Company. The said Mr. Sheth has claimed \$6,000-\$9,000 from Amber Worldwide, who was the delivery agent for the said glassware delivered from Mumbai.

4. Notice dated May 14, 2008, from Navnit Shah Industrial Estate Service Co-operative Society Limited

Our Company has received a notice dated May 14, 2008, from Navnit Shah Industrial Estate Service Co-operative Society Limited (the "**Society**"), in respect of a gate opened by our Company at the common plot of the Society, without the permission of the Society. The Society also observed that our Company kept cows and used the said plot as a cowshed. The Society claims that the aforesaid act amounted to illegal encroachment and advised that the gate should be closed immediately.

The matter has been settled with the Society. Our Company, *vide* its letter dated May 21, 2008, has issued two pay orders of Rs. 25,000/- each, in respect of security deposit payable to the Society pursuant to the settlement, and requested permission of the Society to maintain the cowshed in the common plot of the Society. Our Company is awaiting the No Objection Certificate to be issued by the Society in respect of the above matter.

Litigation by our Company

5. Complaint No. 87 of 2005, Sejal Architectural Glass Limited versus United India Insurance Company Limited (UIICL), in the Consumer Redressal Forum, Mumbai

Our Company has filed a complaint bearing no. 87 of 2005 in the Consumer Redressal Forum at Mumbai on February 22, 2006 against UIICL. Our Company has availed a Marine Transit Policy arrangement with UIICL. Under the arrangement with UIICL, our Company was required to send a monthly statement of declarations of the consignments insured under the policy and our Company has claimed that the same were complied with. The truck carrying a certain consignment, for a value of Rs. 10,54,273/- met with an accident on August 14, 2002 damaging the entire consignment. Our Company has claimed that a surveyor on UIICL's panel has conducted an investigation and submitted a report with the insurance company. Our Company has then submitted the claim to UIICL, which has refused to settle the same stating that the declaration in relation to the said consignment has been treated as cancelled in the monthly statement. Our Company has claimed that the declaration has been left out only due to clerical error, and that the relevant amount had been deducted as shown in the said monthly

statement. Our Company had also filed a Certificate obtained from our statutory Auditors, S.S. Puranik And Co. dated March 27, 2003, confirming that the consignment was duly insured under the aforesaid insurance policy.

The present complaint has been filed by our Company claiming an amount of Rs. 11,42,812/- on account of net estimated loss, survey fee and other miscellaneous expenses. UIICL has submitted that the complaint should not be determined by the Consumer Redressal Forum but only by a Civil Court, as our Company is not a 'consumer' and that the dispute involved complicated questions of facts and examination of voluminous evidence which cannot be determined in summary proceedings. Further, UIICL has claimed that is not liable to compensate our Company as the consignment appears as cancelled in the monthly statement. The complaint is listed for arguments at the Consumer Redressal Forum, Mumbai on July 16, 2008.

6. Notice from our Company to M/s K.K. Glass, Mr. Vitrag Jejawat and Mr. Bharat Jejawat

Our Company has issued a notice dated May 6, 2008, under section 138 of the Negotiable Instruments Act, 1881, to M/s K.K. Glass, Mr. Vitrag Jejawat and Mr. Bharat Jejawat, in respect of a cheque of an amount of Rs. 1,54,845/- vide cheque number 508557 dated April 19, 2008. The said cheque was drawn on State Bank of Mysore, Kapurbawdi Branch, Thane (West) in respect of payment of balance amount for Armor Glass supplied by our Company. The said cheque was returned by the bank with the remarks "Payment stopped by the drawer". Our Company has therefore claimed the sum of Rs. 1,54,845/- and penal interest at the rate of 18% per annum till the date of realisation. Our Company has not received any reply to the above notice.

II. Cases filed by and against our Directors

Cases filed against our Directors

There are no cases filed against our directors.

Cases filed by our Directors

7. Complaint no. 635 of 1998, Mrs. Padma Subramanian and Mr. R. Subramanian and others ("Complainants") versus Prudential Capital Markets Limited ("Opposite Party") in the District Consumer Disputes Redressal Forum, Mumbai

A complaint bearing Complaint No. 635 of 1998 was filed in the District Consumer Disputes Redressal Forum, Mumbai on December 12, 1998 by the Complainants against the opposite party, in respect of recovery of a sum of Rs. 54,000/- as payable on maturity of the bonds @ 18% p.a. as interest, a sum of Rs. 20,000 towards interest paid on borrowings and mental tension suffered by arranging the funds and an amount of Rs. 10,000/- towards the cost and expenses incurred in the correspondence and towards cost of the complaint. The District Consumer Disputes Redressal Forum, by its order dated September 28, 2000 ordered the Opposite Party to pay to the Complainants a sum of Rs. 54000/- with interest @ 12% per annum and Rs. 1000/- as costs towards the Complaint. The Complainants have not got any response or payment of the decretal amount and have therefore filed an Appeal before the Consumer Disputes Redressal Commission, Maharashtra. The said Appeal is pending before the Consumer Disputes Redressal Commission, Maharashtra.

III. Past Penalties Levied in the Last Five Years

The following penalties have been imposed on our Company by the Assistant Sales Tax Officer, Dadra and Nagar Haveli, under Rule 10(2) of the Central Sales Tax (Dadra and Nagar Haveli) Rules, 1983

Assessment	Penalty imposed	Brief particulars regarding	Remarks
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Year	(In Rs.)	penalty	(Paid / Payable)
1999 - 2000	500/-	Penalty imposed for not filling the quarterly returns in time.	Paid
2000-2001	500/-	Penalty imposed for not filling the quarterly returns in time.	Paid
2002-2003	1,54,649/-	Penalty imposed for short payment.	Paid
2004-2005	1,62,033/-	Penalty of Rs. 1,61,033/- charged as penal interest for duty not paid and Rs. 1000/- imposed for not filing the returns timely and correctly.	Paid

IV. Amount owed to Small Scale Undertaking and Other Creditors:

There are no small scale undertakings whom our Company owes a sum exceeding Rs. 1 Lac which is outstanding more than 30 days, as on December 31, 2007. However, our Company owes an aggregate amount of Rs. 6,48,51,241.54 to various other creditors' exceeding Rs. 1 Lac individually, which is outstanding more than 30 days, as on December 31, 2007.

V Litigation with respect to our Promoters / Promoter Group and other Ventures of our Promoters

Sejal Glass House

Litigation by Sejal Glass House

8. C.C. No. 19/01 of 2005, Sejal Glass House (SGH) versus Yash Distributors (YD) & another, In the Court of Metropolitan Magistrates, 24th Court at Borivali, Mumbai

Sejal Glass House has filed Criminal Complaint bearing no. 19/01 of 2005 in the Court of the Metropolitan Magistrates, 24th Court at Borivali, Mumbai. SGH has alleged that Yash Distributors has issued two cheques, each for a sum of Rs. 55,000/- as payment for goods supplied to Yash Distributors. The said cheques were dishonoured. Sejal Glass House has filed the present complaint under section 138 read with section 141 of the Negotiable Instruments Act, 1881 claiming a total compensation of Rs. 1,18,220/-. An out of court settlement has been arrived at and the Metropolitan Magistrate, by his Order dated May 21, 2008, granted permission to Sejal Glass House to withdraw the matter and accordingly, the matter has been withdrawn by Sejal Glass House.

9. Complaint No. DF/MSD/433/06, Sejal Glass House (SGH) v. Metro Link (ML), before the Consumer Dispute Redressal Forum, Mumbai Suburban District.

Sejal Glass House has filed a complaint bearing no. DF/MSD/433/06 before the Consumer Dispute Redressal Forum, Mumbai Suburban District. Sejal Glass House booked two consignments with Metro Link to be transported by road and made necessary payments for the same. The consignment reached the destination, a customer of Sejal Glass House in broken condition. Sejal Glass House, has alleged that it has come to its notice after making enquiries, that the consignment was transported through railway, when it was booked to be transported by road. Sejal Glass House has alleged that the second consignment did not reach its destination. Sejal Glass House has further alleged that Metro Link has not responded to various enquiries made by it and to the legal notice sent by it. Sejal Glass House has claimed a compensation of Rs. 1,13,330/-, Rs. 63,300/- being the cost of the goods and Rs. 50,000/- for mental agony and loss of business caused to the complaints.

The Consumer Dispute Redressal Forum, Mumbai Suburban District, by its order dated May 14, 2007 directed ML to pay an amount of Rs. 63,300/- together with interest @ 9 % per annum from the date of filing till realization, an amount of Rs. 500/- towards compensation of mental agony and harassment to Sejal Glass House and an amount of Rs. 500/- towards the costs of the litigation.

Litigation against Sejal Glass House

10. Pending Sales Tax Assessments:

Sejal Glass House has received notices in respect of assessment periods as mentioned below:

Serial No.	Details of notice	Date	Amount of duty (Amount in Rs.)	Status	Authority where pending
1.	Notice under section 33(4) of the Bombay Sales Tax, 1959, in respect of non-assessment in the period of April 1, 2003 to March 31, 2004	April 21, 2005	Not quantifiable	July 2008	Sales Tax officer, Class - I, Borivali Division, Mumbai
2.	Show Cause Notice under section 33(4) of the Bombay Sales Tax, 1959 in the period of April 1, 2004 to March 31, 2005	April 21, 2006	Not quantifiable	July 2008	Sales Tax officer, Class - I, Borivali Division, Mumbai

Sejal Glass House has not filed any reply to the above show cause notices as on the date of filing of this Red Herring prospectus.

Other matters involving Sejal Glass House

Serial No.	Details of notice	Date	Amount involved (Amount in Rs.)	Status	Authority where pending
1.	Receipt No. 0080517 dated April 17, 2008, from Inspector of Legal Metrology, under section 73 of the Standard Weights and Measures (Packaged Commodities) Rules, 1977 and the Standard Weights and Measures (Enforcement) Act, 1985 in respect of name, address, date of manufacture, etc., not declared	April 17, 2008	Not quantifiable	Pending	Inspector of Legal Metrology, Kandivali Division

Sejal Glass Craft Private Limited

Litigation by Sejal Glass Craft Private Limited

There are no litigations filed by Sejal Glass Craft Private Limited as on the date of filing this Red Herring Prospectus.

Litigation against Sejal Glass Craft Private Limited

Matters involving Sejal Glass Craft Private Limited

Serial No.	Details of notice	Date	Amount involved (Amount in Rs.)	Status	Authority where pending
1.	Notice under section 73 of the Standard Weights and Measures (Packaged Commodities) Rules, 1977 and the Standard Weights and Measures (Enforcement) Act, 1985 in respect of name, address, date of manufacture, etc., not declared	May 6, 2008	Not quantifiable	Pending	Inspector of Legal Metrology, Kandivali Division
2.	Receipt No. 0035288 dated May 22, 2008, from Inspector of Legal Metrology under the Standard Weights and Measures (Packaged Commodities) Rules, 1977, the Standard Weights and Measures Act, 1976 and the Standard Weights and Measures (Enforcement) Act, 1985 and Maharashtra Weights and Measures (Enforcement) Rules, 1987 in respect of goods not having declaration as per the Standard Weights and Measures (Packaged Commodities) Rules, 1977	May 22, 2008	Not quantifiable Goods worth Rs. 47,900 are seized	Pending	Inspector of Legal Metrology, Kandivali Division

Sejal Glass Craft Private Limited has not filed any replies to the above notice as on the date of the Red Herring Prospectus.

Pending Sales Tax Assessments

Show Cause Notices under section 33(4) of the Bombay Sales Tax, 1959 have been received for the periods:

Serial No.	Show cause notice no.	Date	Amount of duty	Status	Authority where pending
1.	S.T.O.C-4961 Dn./40067/S - 3400 /B- Mumbai for the period from April 1, 2001 to March 31, 2002	29.11.2006	Rs. 87,290/-	Paid	Not Applicable.

2.	S.T.O.C-4961 Dn./40067/S - 3400 /B- Mumbai for the period from April 1, 2002 to March 31, 2003	29.11.2006	Rs. 69,200/-	The Company has made part payment of Rs. 20,780/-, and applied for rectification of order for the balance amount of Rs. 48,420/- vide application dated January 1, 2008, which has been rejected by the departmentby its order dated March 29, 2008.	Assistant Commissioner of Sales Tax C-496, Borivali, Mumbai
3.	S.T.O.C-4961 Dn./40067/S - 3400 /B- Mumbai for the period from April 1, 2003 to March 31, 2004	29.11.2006	Not quantifiable	Next Hearing on June 26, 2008	Assistant Commissioner of Sales Tax C-496, Borivali, Mumbai
4.	S.T.O.C-4961 Dn./40067/S - 3400 /B- Mumbai for the period from April 1, 2004 to March 31, 2005	29.11.2006	Not quantifiable	Next Hearing on June 26, 2008	Assistant Commissioner of Sales Tax C-496, Borivali, Mumbai

Sejal Insurance Broking Limited

Litigation by Sejal Insurance Broking Limited

There are no litigations filed by Sejal Insurance Broking Limited as on the date of filing this Red Herring Prospectus.

Litigation against Sejal Insurance Broking Limited

Letter dated December 5, 2007 issued by the Office of the Commissioner of Service Tax, Mumbai

The Office of the Commissioner of Service Tax, Mumbai, has issued a letter dated December 5, 2007 to Sejal Insurance Broking Limited, in respect of alleged payments made to insurance agents, in the guise of professional fees, referral fees etc., in addition to commission, which did not represent any consideration for the insurance auxiliary service as an agent. The amounts paid to the insurance agents were liable for service tax and hence Sejal Insurance Broking Limited was required to submit certain documents, pursuant to the issue of the said letter. Sejal Insurance Broking Limited, by their letter dated February 9, 2008, has replied to the above letter, clarifying the matter.

Sejal Finance Limited

Litigation by Sejal Finance Limited

There are no litigations filed by Sejal Finance Limited as on the date of filing this Red Herring Prospectus.

Litigation against Sejal Finance Limited

Notice issued under section 5(6), 6(3), 5(2)(a), and 5(3) of the Maharashtra State Tax on Professions, Trades, Callings, and Employments Act, 1975

Sejal Finance Limited has been issued a show cause notice dated November 20, 2007, by the Profession Tax Officer, (16), P Ward, Mumbai. The Profession Tax Officer further called upon Sejal Finance Limited to furnish returns for the year 2006-2007, failing which a penalty of Rs. 5 per day would be levied on Sejal Finance Limited.

Sejal Float Glass Limited

Litigation by Sejal Float Glass Limited

There are no litigations filed by Sejal Float Glass Limited as on the date of filing this Red Herring Prospectus.

Litigation against Sejal Float Glass Limited

Intimation issued under section 143(1) of the Income Tax Act, 1961

Sejal Float Glass Limited has been issued an intimation dated March 29, 2008, by the Deputy Commissioner, Income Tax, ward 15(2), Mumbai, therein assessing an amount of Rs. 53,700 payable as Income Tax. Sejal Float Glass Limited, by its reply dated May 17, 2008 has intimated the Income Tax Officer that an amount of Rs. 2,96,891/- had not been considered as tax deducted at source for the year 2006-2007, and that a refund amounting to Rs. 2,55,274/- is due to them. The matter is pending before the Income Tax Officer, ward 15(2), Mumbai.

VI. Material Developments since the Last Balance Sheet Date:

Except as stated under the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 203 of this Red Herring Prospectus and our financial statements included herein, no material developments have taken place after December 31, 2007, the date of the latest Balance Sheet, that would materially adversely affect the performance or prospects of our Company. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

STATUTORY APPROVALS AND LICENSES

Except for pending approvals mentioned under this heading, our Company has received the necessary material consents, licenses, permissions and approvals from the Government/RBI and various Government agencies required for our present business. Further, except for pending approvals as detailed herein, our Company can undertake all our present activities in view of the present approvals and no further material approvals from any statutory body are required by our Company to undertake the present activities. Except as mentioned in this Section, we have not applied for any licenses/ approvals in relation to the Objects of the Issue.

Approvals for the Issue

We have received the following approvals in relation to the Issue:

I. General approvals

Certificate of Incorporation dated December 11, 1998 bearing Corporate Identification Number 11-117437 issued in the name of Sejal Architectural Glass Private Limited by the Registrar of Companies, Maharashtra, Mumbai.

Fresh Certificate of Incorporation consequent upon change of name on conversion to public limited company from Sejal Architectural Glass Private Limited to Sejal Architectural Glass Limited dated March 8, 1999 bearing Corporate Identification Number 11-117437 issued by the Registrar of Companies, Maharashtra, Mumbai.

II. Approvals for the Issue

The Board of Directors has, pursuant to a resolution passed at its meeting held on August 14, 2007 authorised the Issue, subject to the approval by the shareholders of our Company under section 81(1A) of the Companies Act.

The shareholders have, pursuant to a resolution dated September 29, 2007 under section 81(1A) of the Companies Act, authorised the issue.

III. Business related approvals

We have received the following major approvals pertaining to our business:

A. General approvals

1. Issuance of permanent account number, viz. AADCS8659M under the Income Tax Act, 1961.
2. Certificate of registration bearing number PT/R/1/1/34/8041 dated August 12, 2000 for registration of our Company as an employer under sub-section (1) of section 5 of the Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975.
3. Certificate of enrolment bearing number PT/E/11/00/34/18/1398 dated August 2, 2000 for the enrollment of our Company under sub-section (2) or sub-section (2A) of section 5 of the Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975.
4. Letter No. M/Cov./RM-2350(35-01931-101) dated April 30, 2007 from the Deputy Director, Sub Regional Office, Employee State Insurance Corporation, Marol allotting Code No. 35-01931-101 issued to the Company under the provisions of Section 2(12)/1 (5) of the Employees' State Insurance Act, 1948.

5. Registration certificate of establishment issued on February 14, 2007 bearing registration number RS-11/006545 with respect to our office and marketing activities at CTS No. 65, Near Seasons Hotel, S.V.Road, Kandivali (w), Mumbai - 400067 under the Bombay Shops and Establishments Act, 1948 valid till the year 2009.
6. Registration certificate of establishment issued on October 29, 2007 bearing registration number 760026646 with respect to our office and marketing activities at 2nd floor, Abhilasha Building, Near Shoppers Stop S.V.Road, Kandivali (w), Mumbai - 400067 under the Bombay Shops and Establishments Act, 1948 valid till December 31, 2008.
7. Tax Deduction Account Number (TAN) - MUMS37875F.
8. Certificate of Importer Exporter Code number 0399017062 issued on July 13, 1999 by the Joint Director General of Foreign Trade, Ministry of Commerce, GOI.
9. Letter No. MH/PF/APP/91780/ENFVIII/BAO/MLD/1070 dated January 11, 2001 issued by the Regional Provident Fund Commissioner allotting Code No. MH/91780 to the Company under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
10. Certificate of registration dated September 19, 2006 issued by the sales Tax Officer allotting VAT TIN no. 27580561162V under the Maharashtra Value Added Tax Act, 2002 and allotting CST TIN no. 27580561162V under the Central sales Tax Act, 1956.
11. Public Performance License issued by Phonographic Performance Limited with effect from April 7, 2008 to April 6, 2009, bearing license number 16/B/1042, to Sejal Encasa, authorising the performance of all Sound Recordings controlled by Phonographic Performance Limited.

B. Approvals obtained in respect of our factory situated at Silvassa

1. Registration and factory license bearing registration no. 1489 dated October 25, 2001 issued by the Chief Inspector of Factories, Silvassa under the Factories Act, 1948 valid till December 31, 2008 to manufacture at the unit.
2. Registration of license bearing no. LEO/CL(R&A)/29/2007 dated September 21, 2007 issued by Labour Enforcement Officer/Registering Officer, Silvassa under section 7(2) of Contract Labour (Regulation and Abolition) Act, 1970 to our Company for employing M/s. Patel Enterprises and Sakashalt -Security, Silvassa. The license is valid till September 21, 2008.
3. Registration of license bearing no. LEO/Licence/CL(R&A)Act/84/07 dated August 2007, issued by Labour Enforcement Officer/Licensing Officer, Silvassa under section 12(2) of Contract Labour (Regulation and Abolition) Act, 1970 for granting M/s. Patel Enterprises to employ workmen not exceeding 50 workers. The license is valid till June 9, 2008.
4. Occupancy Certificate bearing no. TPS/OC/Srv.No.259/10/1/Dadra/2003/156 dated February 17, 2003 issued by the Associate Town Planner, TCPD, Dadra and Nagar Haveli, Silvassa in respect of our factory building.
5. Occupancy Certificate bearing no. ATP/OC/Srv.No.259/10/1/Dadra/2006/573 dated July 3, 2006 issued by the Associate Town Planner, Dadra and Nagar Haveli, Silvassa in respect of our industrial building. (for extension of our existing building as mentioned in point no.4 above).
6. No Objection Certificate under Rule 144 of Petroleum Rules, 1967 bearing no. ADM/LAW/120/2002/1972 dated August 1, 2003 issued by District Magistrate Dadra and Nagar Haveli for the storage of 24,000 Litres Petroleum Products Class 'B'.

7. Certificate of Exemption from Sales Tax bearing certificate no. ADM/DNH/EXEMPT/ST/2001/1242 dated November 27, 2001 issued by Sales Tax Officer under the Dadra and Nagar Haveli Sales Tax Regulation, 1978. The certificate is valid till January 30, 2015.
8. Central Certificate of Registration bearing registration no. DNH/CST/3310 dated September 28, 1999, with effect from June 9, 2000 issued by Assistant Commissioner of Sales Tax, Dadra and Nagar Haveli, Silvassa granted to Sejal Architectural Glass Limited as a dealer within the U.T. of Dadra and Nagar Haveli, under section 7(2) of the Central Sales Tax Act, 1956 .
9. Central Certificate of Registration bearing registration no. DNH/ST/3380 dated September 28, 1999 issued by Assistant Commissioner of Sales Tax, Dadra and Nagar Haveli, Silvassa granted to Sejal Architectural Glass Limited as a dealer within the U.T. of Dadra and Nagar Haveli, under section 14 of the Dadra and Nagar Haveli Sales Tax Regulation, 1978. The said Sales Tax No. has been changed under the VAT Regulations, 2005 as 26000003380 vide certificate dated June 23, 2005 and bearing no. ADM/ACST/VAT/05/780 issued by the Deputy Commissioner (VAT).
10. In-Principle clearance to establish new Industrial Undertaking bearing no. DIC/1(2045) NOC/99/944 dated May 25, 1999 issued by General Manager, District Industries Centre (DIC) for manufacture of double/multiple walled insulating glazed glass, toughened (tempered) safety glass, laminated safety glass.
11. Acknowledgement No. 970/SIA/IMO/99 dated May 13, 1999 from Secretariat Of Industrial Assistance, Ministry of Commerce and Industry confirming receipt of the Company's Memorandum for the items manufactured like multiple/double walled insulating glazed glass, other glassware/glass product (including glass beads), and toughened (tempered safety glass).
12. Acknowledgement No. 1942/SIA/IMO/2001 dated August 27, 2001 from Secretariat of Industrial Assistance, Ministry of Commerce and Industry confirming receipt of the Company's Memorandum for the items manufacturing of glass products such as Edge Worked Glass, Decorative and Articles thereof.
13. Certificate of Registration bearing under registration no. AADCS8659MXM001 dated June 19, 2003 issued by Assistant Commissioner of Central Excise and Customs, Silvassa under Rule 9 of the Central Excise Rules, 2002 to certify that Sejal Architectural Glass Limited is a registered for manufacturing of Excisable Goods at Silvassa, Dadra.
14. Allotment of Service Tax Code Number (STC) - AADCS8659MST001 dated January 12, 2005 issued by Assistant Commissioner of Central Excise assigned to Sejal Architectural Glass Limited for allotment of services of Business Auxiliary.
15. Order bearing no. SRV/Aml./Dadra/259/10 and 259/11/99/255 dated August 6, 1999 issued by Survey and Settlement Officer, Dadra and Nagar Haveli, Silvassa for amalgamation of Sino. 259/10/1, 259/10/2, 259/10/3 and 259/11 of village Dadra for the Non-agricultural land.
16. Approval bearing no. A/G/WC/DN/06/10 (G23233) dated April 11, 2008 issued by the Controller of Explosives, for the Joint Controller of Explosives, Petroleum and Explosives Safety Organisation (PESO), West Circle, Navi Mumbai (M.S.), for approval of site layout and construction plan of the proposed storage shed for storage of gas cylinders, subject to the conditions mentioned therein.

C. Approvals obtained in respect of our factory situated at Bharuch.

1. No Objection Certificate bearing no. GPCB/BRCH/NOC-3247/10482 dated April 7, 2006 issued by Environmental Engineer of Gujarat Pollution Control Board under the Water (Prevention and Control of Pollution) Act-1974, the Air Act-1981 and the Environmental (Protection) Act-1986 to

Sejal Float Glass Limited for setting up an industrial plant at Bharuch for the manufacture of clear float glass.

2. Registration of license bearing no. ACL/BCH/CLR/19/2007 dated May 4, 2007 issued by Labour Enforcement Officer/Registering Officer, Jhagadia, under section 7(2) of Contract Labour (Regulation and Abolition) Act, 1970 to our Company for employing Larsen and Toubro.
3. No Objection Certificate bearing no. GPCB/BRCH/NOC-3247/7278 dated March 12, 2007 issued by Environmental Engineer of Gujarat Pollution Control Board to Sejal Architectural Glass Limited to amend the name of the Company from Sejal Float Glass Limited to Sejal Architectural Glass Limited.
4. Certificate of Registration bearing certificate no. AADCS8659MXM002 dated June 1, 2007 issued by Assistant Commissioner of Central Excise and Customs, Ankleshwar under Rule 9 of the Central Excise Rules, 2002 to certify that Sejal Architectural Glass Limited is registered for manufacturing of Excisable Goods at Jhagadia, Gujarat.
5. Certificate of Registration bearing registration no. 24210800327 dated July 10, 2007 issued by Assistant Commissioner Commercial Tax Department, Bharuch under Gujarat Value Added Tax Act, 2003 to certify that Sejal Architectural Glass Limited has been registered under Gujarat Value Added Tax Act, 2003.
6. Certificate of Registration bearing registration no. 24710800327 dated July 11, 2007 issued by Assistant Commissioner Central Tax Department, Bharuch under Central Sales Tax (Registration and Turnover) Rules, 1957 to certify that Sejal Architectural Glass Limited has been registered under section 7(1)/7(2) of the Central Sales Tax Act, 1956.
7. Certificate of registration bearing number PE -2108000017 dated May 25, 2007 for registering as an employer under the Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1975.
8. Acknowledgement No. 6240/SIA/IMO/2006 dated December 29, 2006 from Secretariat Of Industrial Assistance, Ministry of Commerce and Industry, confirming receipt of the Company's Memorandum for the items manufactured like clear float glass, tinted float glass, coated float glass, and float silver glass.

D. Approvals related to intellectual property.

1. Certificate of Registration of Trade Mark issued by the Registrar of Trade Marks under Section 23 (2), Rule 62(I) of the Trademarks Act, 1999 for our logo "Sejal Tuff" in Class 21, dated January 11, 2001 and bearing no. 983194.
2. Certificate of Registration of Trade Mark issued by the Registrar of Trade Marks under Section 23 (2), Rule 62(I) of the Trademarks Act, 1999 for our logo "Sejal Safe" in Class 21, dated January 11, 2001 and bearing no. 983192.

We have applied for the following licenses / approvals:

1. Our Company has applied to the Executive Engineer, Gujarat Industrial Development Corporation, for the approval of the layout/building plan drawing plans in respect of the 550 TPD float glass and mirror project at Bharuch, vide its letter dated October 26, 2007.
2. NOC from the fire department to the fire officer, Silvassa to the letter dated 13.11.2007

3. Application bearing no. 1371940 dated July 18, 2005 to the Trade Marks Registry, for registration of our trademark "Oyster" under class 21 of the Schedule III of the Trade Marks Rules, 2002.
4. Application bearing no. 01519662 dated January 12, 2007 to the Trade Marks Registry, for registration of our logo "C-No-C Glass" under class 19 of the Schedule III of the Trade Marks Rules, 2002.
5. Application bearing no. 01519663 dated January 12, 2007 to the Trade Marks Registry, for registration of our logo "Fog-Free Mirror" under class 20 of the Schedule III of the Trade Marks Rules, 2002.
6. Application bearing no. 01519664 dated January 12, 2007 to the Trade Marks Registry, for registration of our logo "Fresca" under class 19 of the Schedule III of the Trade Marks Rules, 2002.
7. Application bearing no. 01519661 dated January 12, 2007 to the Trade Marks Registry, for registration of our trademark "Armor Glass" under class 20 of the Schedule III of the Trade Marks Rules, 2002.
8. Application bearing no. 983191 dated January 11, 2001 to the Trade Marks Registry, for registration of our logo "Sejal Kool" under class 21 of the Schedule III of the Trade Marks Rules, 2002.
9. Application bearing no. 1371941 dated July 18, 2005 to the Trade Marks Registry, for registration of our trademark "The Sixth Element" under class 19 of the Schedule III of the Trade Marks Rules, 2002.
10. Application bearing no. 1372951 dated July 21, 2005 to the Trade Marks Registry, for registration of our logo "Solid Glass by Sejal" under class 19 of the Schedule III of the Trade Marks Rules, 2002.
11. Application dated March 18, 2008 to the Assistant Commissioner of Labour (State), Gujarat, for renewal of labour license bearing Registration no. MSA/Bharuch/CLA/300/2007 dated July 11, 2007 issued by the Labour Enforcement Officer/Licensing Officer, Bharuch under section 12(2) of Contract Labour (Regulation and Abolition) Act, 1970, to Larsen and Toubro to employ workmen not exceeding 2000 workers.
12. Application for renewal of consent dated May 23, 2008, to establish and operate diesel generator sets to the Member Secretary of Gujarat Pollution Control Board.
13. Our Company has recently started an office at Chennai, and shall be applying for the requisite approvals in due course of time.

Except as stated hereinabove, our Company has received the necessary consents, licenses, permissions and approvals from the Government and various Government agencies required for its present business and no further approvals are required for carrying on the present as well as the proposed business activities.

It must however, be distinctly understood that in granting the above consents/licences/permissions/approvals, the Government does not take any responsibility for the financial soundness of our Company or for the correctness of any statements or any commitments made or opinions expressed herein.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Issue

The Board of Directors have, pursuant a resolution passed at its meeting held on August 14, 2007, authorised this Issue, subject to the approval of the shareholders of our Company under Section 81(1A) of the Companies Act, 1956.

Our shareholders have authorised this Issue by a special resolution adopted pursuant to Section 81 (1A) of the Companies Act, 1956, passed at the Annual General Meeting of our Company held on September 29, 2007.

We have also obtained all necessary contractual approvals required for this Issue. For further details, please refer section titled “Statutory Approvals” beginning on page 220 of this Red Herring Prospectus.

Prohibition by SEBI

Our Company, our Directors, our Promoters, or persons in control of our Promoter Group Companies, companies promoted by our Promoters and companies or entities with which our Company’s Directors are associated as directors / Promoters / partners have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

Prohibition by RBI

Our Company, our Promoters, their relatives, group concerns and associate companies have not been detained as willful defaulters by the RBI or any other government authorities and there are no violations of securities laws committed by them in the past or pending against them.

Eligibility for the Issue

Clause 2.2.1 of the SEBI DIP Guidelines states as follows:

An unlisted company may make an initial public offering (IPO) of equity shares or any other security which may be converted into or exchanged with equity shares at a later date, only if it meets all the following conditions:

- a. The company has net tangible assets of at least Rs. 3 crores in each of the preceding 3 full years (of 12 months each), of which not more than 50% is held in monetary assets: Provided that if more than 50% of the net tangible assets are held in monetary assets, the company has made firm commitments to deploy such excess monetary assets in its business/project;
- b. The company has a track record of distributable profits in terms of Section 205 of the Companies Act, 1956, for at least three (3) out of immediately preceding five (5) years; Provided further that extraordinary items shall not be considered for calculating distributable profits in terms of Section 205 of Companies Act, 1956;
- c. The company has a net worth of at least Rs. 1 crore in each of the preceding 3 full years (of 12 months each);
- d. In case the company has changed its name within the last one year, atleast 50% of the revenue for the preceding 1 full year is earned by the company from the activity suggested by the new name; and

- e. The aggregate of the proposed issue and all previous issues made in the same financial year in terms of size (i.e., offer through offer document + firm allotment + promoters' contribution through the offer document), does not exceed five (5) times its pre-issue networth as per the audited balance sheet of the last financial year.)

Since our Company is not eligible in terms of the above clause 2.2.1(e) of the SEBI DIP Guidelines, the Equity Shares of our company are issued in terms of clause 2.2.2 of the SEBI DIP Guidelines, 2000.

We are eligible for the issue as per Clause 2.2.2 of the SEBI Guidelines as explained under.

Clause 2.2.2 of the SEBI DIP Guidelines state as follows:

An unlisted company not complying with any of the conditions specified in Clause 2.2.1 may make an initial public offering of equity shares or any other security which may be converted into or exchanged with equity shares at a later date, only if it meets both the conditions in (a) and (b) given below:

- (a)(i) The issue is made through the book building process, with atleast 50% of the net offer to the public being allotted to the Qualified Institutional Buyers (QIBs), failing which the subscription monies shall be refunded.*

OR

- (a)(ii) The "project" has atleast 15% participation by Financial Institutions/Scheduled Commercial Banks, of which atleast 10% comes from the appraiser(s). In addition to this, atleast 10% of the issue size shall be allotted to QIBs, failing which full subscription monies shall be refunded.*

AND

- (b)(i) The minimum post issue face value capital of the Company shall be Rs. 10 crores.*

OR

- (b)(ii) There shall be compulsory market making for atleast 2 years from the date of listing of the shares subject to the following:*

- (a) Market makers undertake to offer buy and sell quotes for a minimum depth of 300 shares;*
- (b) Market makers undertake to ensure that the Bid ask spread (difference between quotations for sale and purchase) for their quotes shall not at any time exceed 10%;*
- (c) The inventory of the market makers on each of such stock exchanges, as on the date of allotment of securities, shall be atleast 5% of the proposed issue of the company"*

We are an unlisted company not complying with the conditions specified in Clause 2.2.1 of the SEBI Guidelines and are, therefore, required to meet both the conditions detailed in Sub-Clauses (a) and (b) of Clause 2.2.2 of the SEBI Guidelines.

We are complying with Clause 2.2.2 (a) (i) of the SEBI (DIP) Guidelines and at least 50% of the Net Issue to Public will be allotted to QIB Bidders and in the event we fail to do so, the full subscription monies shall be refunded to the bidders.

We are also complying with Clause 2.2.2 (b) (i) of the SEBI (DIP) Guidelines and the minimum post-issue face value capital of our Company shall be Rs.10 Crores.

Our Company undertakes that the number of allottees in the proposed Issue shall be at least 1,000; otherwise, we shall forthwith refund the entire subscription amount received. In case of delay, if any,

in refund, we shall pay interest on the application money at the rate of 15% per annum for the period of delay.

DISCLAIMER CLAUSE

AS REQUIRED, A COPY OF THIS DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, SAFFRON CAPITAL ADVISORS PRIVATE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SAFFRON CAPITAL ADVISORS PRIVATE LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED DECEMBER 3, 2007 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992, WHICH READS AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS IN CONNECTION WITH THE FINALISATION OF THIS DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE.
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, IT'S DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PROJECTED PROFITABILITY, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY THE COMPANY,

WE CONFIRM THAT:

- a) THIS DRAFT RED HERRING PROSPECTUS FORWARDED TO SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THIS ISSUE;
- b) ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID ISSUE AS ALSO THE GUIDELINES, INSTRUCTIONS, ETC. ISSUED BY SEBI, THE GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
- c) THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THIS DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID.
4. WE SHALL SATISFY OURSELVES ABOUT THE NET WORTH OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SECURITIES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, WILL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THIS DRAFT RED HERRING PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THIS DRAFT RED HERRING PROSPECTUS.
6. WE CERTIFY THAT CLAUSE 4.6 OF THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000, WHICH RELATES TO SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE CLAUSE HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.
7. WE CERTIFY THE REQUIREMENTS OF PROMOTERS' CONTRIBUTION UNDER CLAUSE 4.10 ARE NOT APPLICABLE TO THE ISSUER.
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 73(3) OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER WOULD SPECIFICALLY CONTAIN THIS CONDITION.
10. WE CERTIFY THAT NO PAYMENT IN THE NATURE OF DISCOUNT, COMMISSION, ALLOWANCE OR OTHERWISE SHALL BE MADE BY THE ISSUER OR THE PROMOTERS, DIRECTLY OR INDIRECTLY, TO ANY PERSON WHO RECEIVES SECURITIES BY WAY OF FIRM ALLOTMENT IN THE ISSUE.
11. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE ALLOTTED SHARES IN THE DEMAT MODE ONLY.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
 - a. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE SHARES OF THE COMPANY AND
 - b. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.)

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 AND SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLM, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

Disclaimer Statement from the Company and the BRLM.

Investors may note that Sejal Architectural Glass Limited and Saffron Capital Advisors Private Limited accept no responsibility for statements made other than in this Red Herring Prospectus or in the advertisement or any other material issued by or at the instance of the Issuer Company or Book Running Lead Manager and that any one, placing reliance on any other source of information including our website, www.sejalglass.com would do so at their own risk.

Investors that Bid in this Issue will be required to confirm and will be deemed to have represented to our Company, the BRLM and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not issue, sell, pledge, or transfer the Equity Shares of our Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company and the disclosures as to applicable investment limits in this Red Herring Prospectus are not represented to be complete or accurate and investors should conduct an independent evaluation of their ability to invest in this Issue.

The BRLM does not accept any responsibility, save to the limited extent as provided in terms of the Memorandum of Understanding entered into between our Company and the BRLM and the Underwriting Agreement to be entered into between our Company and the Underwriters.

All information will be made available by the Book Running Lead Manager, Underwriters, Syndicate members and our Company to the public and investors at large and no selective or additional information would be available for any section of the investors in any manner whatsoever including at road shows, presentations, in research or sales reports or at Bidding Centres etc.

Neither our Company nor the Syndicate is liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Disclaimer in Respect of Jurisdiction

This Issue is being made subject to applicable legal requirements, in India to persons resident in India (including Indian nationals resident in India who are majors, HUF's, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in Equity Shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), trusts registered under the applicable trust law or the Societies Registration Act, 1860, as amended from time to time and who are authorized under their constitution to hold and invest in Equity Shares) and to NRIs, non-residents, FIIs and Foreign Venture Capital Investors registered with SEBI, public financial institutions as specified in Section 4A of the Companies Act, Scheduled Commercial Banks, Mutual Funds registered with SEBI, Multilateral and Bilateral development Financial Institutions, venture capital funds registered with SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2500 Lacs and pension funds (Subject to applicable law) with minimum corpus of Rs. 2500 Lacs. This Red Herring

Prospectus does not, however, constitute an invitation to subscribe to Equity Shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public issuing in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus had been filed with SEBI for observations. Accordingly, the Equity Shares, represented thereby may not be issued or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (“the Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. Persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold only (i) in the United States to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States to certain persons in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Bidder where required must agree in the CAN that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption form, or in a transaction not subject to, the registration requirements of the United States of Securities Act, 1933.

Disclaimer Clause of National Stock Exchange of India Limited (“NSE”)

As required, a copy of the Draft Red Herring Prospectus has been submitted to NSE. NSE has given *vide* its letter ref. NSE/LIST/64283-P dated January 9, 2008, permission to the Company to use the NSE’s name in this Red Herring Prospectus as one of the stock exchanges on which this Company’s securities are proposed to be listed. The NSE has scrutinized the Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed to mean that the Draft Red Herring Prospectus has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus; nor does it warrant that this Company’s securities will be listed or will continue to be listed on the NSE; nor does it take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company.

Every person who desires to apply for or otherwise acquires any securities of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause of Bombay Stock Exchange Limited (“BSE”)

Bombay Stock Exchange Limited has given vide its letter no. DCS/IPO/BP/IPO-IP/1739/2007-08 dated January 24, 2008, given permission to this Company to use BSE’s name in this Red Herring Prospectus as one of the stock exchanges on which this Company’s securities are proposed to be listed. BSE has scrutinized the Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:

1. warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus; or
2. warrant that this Company’s securities will be listed or will continue to be listed on BSE; or
3. take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed to mean that the Draft Red Herring Prospectus has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Filing of Prospectus with SEBI and the Registrar of Companies

A copy of the Draft Red Herring Prospectus has been filed with the Corporation Finance Department of SEBI at SEBI Bhavan, Bandra Kurla Complex, Bandra East, Mumbai - 400 051.

A copy of this Red Herring Prospectus along with the documents required to be filed under section 60B of the Companies Act would be delivered for registration to the RoC, Everest, 100 Marine Drive, Mumbai- 400 002, Maharashtra (India) atleast 3 (three) days before the issue opening date. The final Prospectus would be filed with the Corporate Finance Department of SEBI and the ROC at the respective aforesaid addresses upon closure of this issue and on finalization of this issue price. We will comply with all legal requirements applicable till the filing of Prospectus with RoC.

Listing

Applications have been made to the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited for permission to deal in and for an official quotation of our Equity Shares. Our existing Equity Shares are not listed on any Stock Exchanges in India.

NSE shall be the Designated Stock Exchange with which the basis of allotment will be finalized for the QIB, Non Institutional and Retail portion.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by any of the stock exchanges, we shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within eight days after we become liable to repay it, i.e., from the date of refusal or within 70 days from the date of Bid/ Issue Closing Date, whichever is earlier, then we and all our directors jointly and severally shall, on and from expiry of eight days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under Section 73 of the Companies Act.

We shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at NSE and BSE are taken within seven working days of finalization of Basis of Allotment for this Issue.

Consents

Necessary Consents for this issue have been obtained from our Directors, our Promoters our Company Secretary and Compliance Officer, the Auditors, Legal Advisor to this Issue, Bankers to our Company and Bankers to the Issue; and Book Running Lead Manager to this Issue, the Syndicate Members, Escrow Collection Bankers, Registrar to this Issue, legal advisor to our Company, Underwriters to act in their respective capacities.

The said consents would be filed along with a copy of the Red Herring Prospectus with the RoC, Mumbai, Maharashtra, as required under Sections 60 and 60B of the Companies Act, 1956 and such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus, for registration with the RoC, Mumbai, Maharashtra.

Expert Opinion

1. We have obtained the IPO Grading report dated March 10, 2008 and revalidated on May 26, 2008 from Crisil Limited.
2. We have obtained Certificate dated May 23, 2008 from the statutory auditors, S.S. Puranik & Co., Chartered Accountants, detailing the tax benefits.
3. We have obtained Audit report by the statutory auditor, S.S. Puranik & Co., Chartered Accountants dated May 23, 2008 included in the Red Herring Prospectus.
4. We have obtained Certificate from the statutory auditors, S.S. Puranik & Co., Chartered Accountants, dated May 24, 2008 regarding the sources and deployment of funds as on April 30, 2008.

Expenses of this Issue

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. The estimated Issue expenses are as follows:

Activity	Expenses* (Rs. Lacs)	% of Issue Size	% of Issue expenses
Lead management, underwriting and selling commission	[•]	[•]	[•]
IPO Grading expenses	6.74	[•]	[•]
Advertisement and marketing expenses	[•]	[•]	[•]
Printing and stationery (including expenses on transportation of the material)	[•]	[•]	[•]
Others (Registrar's fees, legal fees, listing fees, etc.)	[•]	[•]	[•]
Total	[•]	[•]	[•]

** Will be incorporated after finalization of this Issue Price*

All expenses with respect to this issue will be borne by our Company.

Details of Fees Payable

Fees Payable to the Book Running Lead Manager

The total fees payable to the BRLM will be as per the Memorandum of Understanding signed between us and the BRLM, Saffron Capital Advisors Private Limited dated November 21, 2007, a copy of which is available for inspection at our Registered Office and forms part of Material Contracts and Documents.

Fees Payable to the Registrar to this Issue

The fees payable to the Registrar to this Issue, Intime Spectrum Registry Limited, will be as per the Memorandum of Understanding signed with our Company, a copy of which is available for inspection at our Registered Office and forms part of Material Contracts and Documents.

The Registrar will be reimbursed for all relevant out-of-pocket expenses including such as cost of stationery, postage, stamp duty, communication expenses. Adequate funds will be provided to the Registrar to this Issue to enable them to send refund orders or allocation advice by registered post/ Speed Post. Refund Orders up to Rs. 1,500/- would be send under certificate of posting.

Underwriting Commission, Brokerage and Selling Commission

The Underwriting Commission and Selling Commission for this Issue is as set out in the Syndicate Agreement amongst our Company, the BRLM and Syndicate Members. The Underwriting Commission shall be paid as set out in the Underwriting Agreement based on this Issue Price and amount underwritten in the manner mentioned in the Underwriting Agreement.

Brokerage for this Issue will be paid as set out in the Syndicate agreement by our Company, on the basis of the allotments made against the Bids bearing the stamp of a member of any recognized Stock Exchange in India in the 'Broker' column. Brokerage at the same rate will also be payable to the Escrow Collection Banks in respect of the allotments made against Bids procured by them provided the respective forms of Bid bear their respective stamp in the Broker column. In case of tampering or over-stamping of Brokers'/Agents' codes on the Bid-cum-Application Form, our Company's decision to pay brokerage in this respect will be final and no further correspondence will be entertained in this matter. We, at our sole discretion, may consider payment of additional incentive in the form of kitty or otherwise to the performing brokers on such terms and mode as may be decided by us.

Previous Rights and Public Issues during the Last Five Years

Our Company has not made any public or rights issue of Equity Shares/Debentures in the last 5 years.

Previous Issues of Shares otherwise than for Cash

Our Company has not issued any Equity Shares for consideration other than cash except as detailed in the section entitled 'Capital Structure' beginning on page 47 of this Red Herring Prospectus.

Commission and Brokerage on Previous Issues

Since this is the initial public offering of the Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of our Company since its inception.

Details of capital issue made during last three years in regard to the issuer company and other listed companies under the same management within the meaning of section 370(1)(B) of the Companies Act, 1956.

There have been no capital issues during last 3 years by us. There are no other listed companies under the same management within the meaning of Sec 370(1)(B) of the Act at present or during the last three years.

Our Company has not made any Public Issue in the past.

Option to subscribe

Shares issued pursuant to this Issue shall be allotted in the dematerialized form only.

Listed ventures of Promoters

There are no listed ventures of our Promoters.

Promise vis-à-vis Performance - Last One Issue of Group Companies

There are no listed ventures of our Promoters.

Outstanding debentures or bonds and redeemable preference shares and other instruments issued and outstanding as on the date of this Red Herring Prospectus and terms of Issue

There are no outstanding debentures or bonds or redeemable preference shares and other instruments outstanding as on the date of filing of this Red Herring Prospectus.

Stock Market Data

This being an initial public offering of our Company, the Equity Shares of our Company are not listed on any stock exchange.

Mechanism for redressal of Investor's grievance

The Memorandum of Understanding between the Registrar to this Issue and us, will provide for retention of records with the Registrar to this Issue for a period of at least one year from the last date of dispatch of letters of Allotment, demat credit, refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar to this Issue, giving full details such as name, address of the applicant, application number, number of shares applied for, amount paid on application, Depository Participant, and the bank branch or collection center where the application was submitted.

Sr. No.	Nature of the Complaint	Time Taken
1.	Non-receipt of the refund	Within 7 days of receipt of complaint, subject to production of satisfactory evidence.
2.	Change of Address	Within 7 days of receipt of information.
3.	Any other complaint in relation to Public Issue	Within 7 days of receipt of complaint with all the relevant details.

Disposal of Investors' Grievances and Redressal Mechanism

We estimate that the average time required by us or the Registrar to this Issue for the redressal of routine investor grievances shall be seven working days from the date of receipt of the complaint. In case of non routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Ashwin S. Shetty as the Compliance Officer who would directly liaise with SEBI with respect to implementation/compliance of various laws, rules, regulations and other directives issued by SEBI and matters related to investor complaints. The investors may contact the compliance officer in case of any pre issue/post issue related problems at the following address:

Ashwin S. Shetty
Company Secretary & Compliance Officer

Sejal Architectural Glass Limited

201/202, 2nd floor, Abhilasha,
S.V. Road, Kandivali (West),
Mumbai - 400 067

Tel No: +91-22-2863 3384/85/86;

Fax No: +91-22-2863 3390;

E-mail: ipo@sejalglass.co.in;

Website: www.sejalglass.com

Changes in Auditors during the last three years and reasons thereof

There has been no change in our Auditors during the last 3 years.

Capitalization of Reserves or Profits during last five years

There has been no capitalization of reserves or profits, since inception.

Revaluation of Assets during the last five years

There has not been any revaluation of Assets during the last five years

SECTION IX - ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

Principal Terms and Conditions of the Issue

The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (DIP) Guidelines, our Memorandum and Articles of Association, the terms of this Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, Bid-cum-Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Authority for the issue

The Issue has been authorized by a resolution of our Board dated August 14, 2007 and by a special resolution adopted pursuant to Section 81(1A) of the Companies Act, at an annual general meeting of the shareholders of our Company held on September 29, 2007.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in respect of Allotment of Equity Shares under this Issue will be entitled to dividends, voting rights and any other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please see the section “Main Provisions of the Articles of Association” on page 276 of this Red Herring Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of the Companies Act and recommended by the Board of Directors and the shareholders at their discretion, and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per the provisions of the Companies Act.

Face Value and Issue Price per Share

The Equity Shares having a face value of Rs. 10/- each are being offered in terms of this Red Herring Prospectus at a price of Rs. [●]/- per Equity Share. The issue price will be determined by our Company in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares offered by way of book building. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws. The Issue Price is [●] times the face value of the Equity Shares.

Compliance with SEBI Guidelines

We shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

1. Right to receive dividend, if declared;
2. Right to attend general meetings and exercise voting powers, unless prohibited by law;
3. Right to vote on a poll either in person or by proxy;
4. Right to receive offers for rights shares and be allotted bonus shares, if announced;
5. Right to receive surplus on liquidation;
6. Right of free transferability of shares; and
7. Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, the terms of the listing agreements with the Stock Exchange(s) and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, etc., please refer to the section titled 'Main Provisions of Articles of Association' beginning on page 276 of this Red Herring Prospectus.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI Guidelines, the trading in the Equity Shares shall only be in dematerialised form for all investors.

Since trading of our Equity Shares is in dematerialised form, the tradable lot is 1 (one) Equity Share. Allocation and Allotment through this Issue will be done only in electronic form in multiples of one Equity Share to the successful Bidders subject to a minimum Allotment of 60 Equity Shares. For details of Allocation and Allotment, please refer to the section titled "Issue Procedure" on page 243 of this Red Herring Prospectus.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent court/authorities in Mumbai, Maharashtra, India.

Nomination Facility to the Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares transmitted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/ transfer/ alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner

prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or at the Registrar and Transfer Agents of our Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in this Issue will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the investors require changing the nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

"If our Company does not receive the minimum subscription of 90% of the Net Issue amount including devolvement of Underwriters within 60 days from the Bid/Issue Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under Section 73 of the Companies Act, 1956."

If the number of allottees in the proposed Issue is less than 1,000 allottees, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 days after our Company becomes liable to pay the amount, our Company shall pay interest at the rate of 15% per annum for the delayed period.

Withdrawal of the Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date without assigning any reason thereof.

Arrangements for Disposal of Odd Lots

Our Company's Equity Shares will be traded in dematerialized form only and therefore the marketable lot is one share. Therefore there is no possibility of odd lots.

Restrictions, if any on Transfer and Transmission of Shares

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation/splitting, please refer sub-heading "Main Provisions of the Articles of Association" appearing on page 276 of this Red Herring Prospectus.

There is no reservation for Non Residents, NRIs, FIIs and Foreign Venture Capital Funds and all Non Residents, NRI, FII and Foreign Venure Capital Fund Bidders will be treated on the same basis as other categories for the purpose of allocation
As per the policy of RBI, Overseas Corporate Bodies cannot participate in the Issue.

Application by Non Residents/NRIs/FIIs

There is no reservation for Non Residents, NRIs, FIIs and Foreign Venture Capital Funds and all Non Residents, NRI, FII and Foreign Venture Capital Fund applicants will be treated on the same basis with other categories for the purpose of Allocation.

As per the policy of the RBI, Overseas Corporate Bodies cannot participate in the Issue.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold (i) in the United States to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act in reliance on Rule 144A under the Securities Act, and (ii) outside the United States to certain persons in offshore transactions in compliance with Regulations under the Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

ISSUE STRUCTURE

This Issue is being made through a 100% Book Building Process. The present Issue of 91,94,155 Equity Shares of Rs.10/- each at a price of Rs. [•] for cash aggregating Rs. [•] Lacs .The Net Issue would constitute 32.84% of the fully diluted post issue paid up capital of our Company. The details of the issue structure are as follows:

Particulars	QIBs	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares*	Atleast 45,97,078 Equity Shares	Upto 13,79,123 Equity Shares	Upto 32,17,954 Equity Shares
Percentage of Issue Size available for allocation	Atleast 50% of the Net Issue to the public (of which 5% shall be reserved for Mutual Funds) or Net Issue to the public less allocation to Non-Institutional Bidders and Retail Individual Bidders. Mutual Funds participating in the 5% reservation in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. The Unsubscribed portion, if any, in the Mutual Fund reservation will be available to QIBs.	Upto 15% of the Net issue to the public or Net Issue size less allocation to QIBs and retail individual Bidders.	Upto 35% of the Net issue to the public or Net Issue size less allocation to QIBs and Non institutional Bidders.
Basis of Allocation if respective category is oversubscribed	Proportionate	Proportionate	Proportionate
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds Rs. 1,00,000/- and in multiples of 60 Equity Shares.	Such number of Equity Shares that the Bid Amount exceeds Rs. 1,00,000/- and in multiples of 60 Equity Shares.	60 Equity Shares and in multiples of 60 Equity Shares thereafter.
Maximum Bid	Not exceeding the size of the issue, subject to regulations as applicable to the Bidder	Not exceeding the size of the issue, subject to applicable limits.	Such number of Equity Shares whereby Bid Amount does not exceed Rs. 1,00,000
Mode of Allotment	Compulsorily dematerialized mode	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Trading Lot/Market lot	One (1) Equity Share	One (1) Equity Share	One (1) Equity Share

Who can apply**	Public financial institutions, as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds, foreign institutional investor registered with SEBI, multilateral and bilateral development financial institutions, Venture Capital Funds registered with SEBI, foreign Venture capital investors registered with SEBI, State Industrial Development Corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with minimum corpus of Rs. 2500 Lacs, pension funds with minimum corpus of Rs. 2500 Lacs and National Investment Fund in accordance with applicable law.	Resident Indian individuals, HUF (in the name of Karta), companies, corporate bodies, NRIs, Scientific Institutions, Societies and Trusts	Individuals (including NRIs and HUFs in the name of Karta) applying for Equity Shares such that the Bid Amount does not exceed Rs. 1,00,000 in value.
Terms of payment	Margin Amount applicable to QIB Bidders at the time of submission of Bid-cum-Application form to the members of the syndicate	Margin Amount applicable to Non-institutional Bidder at the time of submission of Bid-cum-Application Form to the Member of Syndicate.	Margin Amount applicable to Retail Individual Bidders at the time of submission of Bid-cum-Application form to the members of the syndicate
Margin Amount	Atleast 10% of the Bid amount in respect of Bids placed by QIB Bidder on bidding	Full amount on bidding	Full amount on bidding

Notes: Subject to valid bids being received at or above the Issue Price. At least 50% of the Net Issue shall be available for allocation on a proportionate basis to QIB Bidders. 5% of the QIB Portion shall be available to Mutual Funds. Mutual Funds participating in the 5% share in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. Further, upto 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and upto 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. If the aggregate demand by Mutual Funds is less than 2,29,854 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund reservation will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders in proportion to their Bids.

In case the Bid-Cum-Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and in the same sequence in which they appear in the Bid-Cum-Application Form.

After the Bid / Issue Closing Date, depending upon the level of subscription, additional margin amount, if any, may be called from the QIB Bidders.

Under-subscription, if any, in any category except in the QIB category would be met with spill over from other categories at our sole discretion, in consultation with the BRLMs. If a minimum allotment of 50% of the Issue is not made to the QIBs, the entire subscription monies shall be refunded.

Bidding / Issue period

BID / ISSUE OPENS ON MONDAY, JUNE 9, 2008

BID / ISSUE CLOSES ON THURSDAY, JUNE 12, 2008

Bids and any revision in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centers mentioned on the Bid-cum-Application Form except that on the Bid/Issue Closing Date, Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded till (i) 5.00 p.m. in case of Bids by QIB Bidders, Non-Institutional Bidders where the Bid Amount is in excess of Rs. 100,000 and (ii) till such time as permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders where the Bid Amount is up to Rs. 100,000. Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will only be accepted on working days.

Investors please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, bids and any revision in Bids shall not be accepted on Saturdays and holidays as declared by the Exchanges.

The Price Band will be decided by us in consultation with the BRLM. The announcement on the Price Band shall also be made available on the websites of the BRLM and at the terminals of the Syndicate.

We reserve the right to revise the Price Band during the Bidding Period in accordance with SEBI Guidelines. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20%.

In case of revision in the Price Band, the Bidding/Issue Period will be extended for three additional days after revision of Price Band subject to the Bidding/Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release, and also by indicating the change on the web sites of the BRLM and at the terminals of the Syndicate.

ISSUE PROCEDURE

Book Building Procedure

This Issue is being made through the 100% Book Building Process wherein at least 50% of the Net Issue will be available for allocation on a proportionate basis to QIBs, out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIBs Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above Issue Price. If at least 50% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, upto 35% of the Net Issue to Public shall be available for Allocation on a proportionate basis to Retail Individual Bidders and upto 15% of the Net Issue to Public shall be available for Allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price.

Bidders are required to submit their Bids through the members of the Syndicate. We, in consultation with the BRLM reserve the right to reject any QIB Bid procured by any or all members of the Syndicate provided the rejection is at the time of receipt of such Bid and the reason for rejection of the Bid is communicated to the Bidder at the time of rejection of the Bid. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company would have a right to reject the Bids only on technical grounds.

Investors should note that Equity Shares will be allotted to successful Bidders only in the dematerialized form. Bidders will not have the option of getting Allotment of the Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid-Cum-Application Form

Bidders shall only use the specified Bid-cum-Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of this Red Herring Prospectus. The Bidder shall have the option to make a maximum of three Bids in the Bid-cum-Application Form and such options shall not be considered as multiple Bids. Upon the allocation of Equity Shares, dispatch of the Confirmation of Allocation Note ("CAN"), and filing of the Prospectus with the Registrar of Companies, Maharashtra at Mumbai, the Bid-cum-Application Form shall be considered as the Application Form. Upon completing and submitting the Bid-cum-Application Form to a member of the Syndicate, the Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus and the Bid-cum-Application Form as would be required for filing the Prospectus with the Registrar of Companies, Maharashtra at Mumbai and as would be required by Registrar of Companies, Maharashtra at Mumbai after such filing, without prior or subsequent notice of such changes to the Bidder.

The prescribed colour of the Bid-cum-Application Form for various categories is as follows:

Category	Colour of Bid-cum-Application Form
Indian public or NRIs applying on a non-repatriation basis	White
Non-residents, NRIs, FIIs, Foreign Venture Capital Fund registered with SEBI, Multilateral and Bilateral Development Financial Institutions applying on repatriation basis	Blue

Who can Bid

1. Indian nationals resident in India who are majors, in single or joint names (not more than three);

2. Hindu Undivided Families or HUFs in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid-cum-Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in the Equity Shares;
4. Indian Mutual Funds registered with SEBI;
5. Indian Financial Institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations, as applicable);
6. Venture Capital Funds registered with SEBI;
7. Foreign Venture Capital Investors registered with SEBI;
8. State Industrial Development Corporations;
9. Multilateral and bilateral development financial institutions;
10. Eligible NRIs and other Non Residents including FIIs on a repatriation basis or non-repatriation basis subject to applicable laws; and
11. Insurance companies registered with the Insurance Regulatory and Development Authority;
12. Provident funds with minimum corpus of Rs. 2500 Lacs and who are authorised under their constitution to hold and invest in Equity Shares;
13. Pension funds with minimum corpus of Rs. 2500 Lacs and who are authorised under their constitution to hold and invest in Equity Shares;
14. Trust/ society registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/ society and who are authorised under their constitution to hold and invest in Equity Shares; and
15. Scientific and/ or industrial research organizations authorised to invest in Equity Shares and
16. Persons otherwise eligible to invest under all applicable laws, rules, regulations and guidelines.

As per existing regulations, OCBs cannot Bid in this Issue.

Note: Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under the relevant laws, rules, regulations, guidelines and approvals.

Participation by Associates of the BRLM and Syndicate Members

The BRLM and Syndicate Members shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligation. However, associates and affiliates of the BRLM, and Syndicate Members may subscribe for Equity Shares in the Issue, including in the QIB Portion and Non-Institutional Portion where the allocation is on a proportionate basis. Such holding or subscription maybe on their behalf or on behalf of their clients.

BIDS BY MUTUAL FUNDS

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Funds Portion. In the event that the demand is greater than the 2,29,854 Equity Shares, allocation shall be made to Mutual Funds on a proportionate basis to the extent of Mutual Funds Portion. The remaining demand by Mutual Funds shall, as part of the aggregate demand by QIB Bidders, be made available for allocation proportionately out of the remainder of the QIB portion, after excluding the allocation in the Mutual Funds Portion. The Bids made by Asset Management Companies or Custodians of Mutual Funds should specifically state the name of concerned schemes for which Bids are made.

As per the current regulations, the following restrictions are applicable for investments by Mutual Funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for

investments in index funds or sector or industry specific funds. No Mutual Fund under its scheme should own more than 10% of any company's paid-up capital carrying voting rights. These limits would have to be adhered to by the mutual funds for investment in the Equity Shares.

In case of a mutual fund, a separate Bid can be made in respect of each scheme of the mutual fund registered with SEBI and such Bids in respect of more than one scheme of the mutual fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

BIDS BY NRIs

Bid-cum-Application forms has been made available for NRIs at the Registered office of our Company and members of the Syndicate.

NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for allotment under the NRI category. The NRIs who intend to make payment through Non-Resident Ordinary (NRO) Account shall use the form meant for Resident Indians (white in colour). All instruments accompanying Bids shall be payable in Mumbai only.

BIDS BY FIIs

As per current regulations, the following restrictions are applicable for investment by FIIs:

No single FII can hold more than 10% of the Post-Issue paid-up capital of our Company (i.e. 10% of 2,80,00,000 Equity Shares of Rs. 10 each). In respect of an FII investing in the Equity Shares of our Company on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total issued capital or 5% of the total issued capital of our Company in case such sub-account is a foreign corporate or an individual.

As of now, the aggregate FII holding in our Company cannot exceed 24% of the total issued capital of our Company, With the approval of the Board of Directors and the shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date no such resolution has been recommended to the shareholders of our Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of Regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended, an FII or its sub-account may issue, deal or hold, off-shore derivative instruments such as Participatory Notes, equity-linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "know your client" requirements. An FII or sub-account shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

Bids and revision to Bids must be made:

- On the Bid-cum-Application Form or Revision Form, as applicable, and completed in full in **BLOCK LETTERS IN ENGLISH** in accordance with the instructions contained therein.
- In a single or joint names (not more than three).
- Bids by NRIs for a Bid amount of up to Rs. 1,00,000 would be considered under the Retail Individual Bidders Portion for the purpose of Allocation and Bids for a Bid amount of more than or equal to Rs. 1,00,000 would be considered under Non-Institutional Bidder Portion for the purposes of allocation; by FIIs or Foreign Venture Capital Fund, Multilateral and Bilateral Development Financial

Institutions for a minimum of such number of Equity Shares and in multiples of 60 Equity Shares thereafter so that the Bid amount exceeds Rs. 1,00,000; for details, please refer the section titled “Maximum and Minimum Bid Size” beginning on page 246 of this Red Herring Prospectus.

- In the names of individuals or in the names of FII's or in the names of Foreign Venture Capital Fund, Multilateral and Bilateral Development Financial Institutions but not in the names of minors, firms or partnerships, foreign nationals or their nominees or OCB's.
- Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. In case of Bidders who remit money payable upon submission of the Bid-cum-Application Form or Revision Form through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post/speed post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid-cum-Application Form. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Non Residents, NRIs, FII's and foreign venture capital funds and all Non Residents, NRI, FII and foreign venture capital funds applicants will be treated on the same basis with other categories for the purpose of allocation.

APPLICATION BY SEBI REGISTERED VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

As per the current regulations, the following restrictions are applicable for investments by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Accordingly, the holding by any individual venture capital fund or foreign venture capital investor registered with SEBI should not exceed 33.33% of the corpus of the venture capital fund/ foreign venture capital investor. The aggregate holdings of venture capital funds and foreign venture capital investors registered with SEBI could, however, go up to 100% of our Company's paid-up equity capital.

Pursuant to the SEBI Guidelines, the shareholding of SEBI registered Venture Capital Funds and Foreign Venture Capital Investors held in a company prior to making an Initial Public Offering would be exempt from Lock in requirements only if the shares have been held by them for atleast one year prior to the time of filing the draft prospectus with SEBI.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations, and our Company and the BRLM shall on no grounds whatsoever be liable for or responsible for any breach of applicable regulations by any investor or category of investors.

Maximum and Minimum Bid Size

- (a) **For Retail Individual Bidders:** The Bid must be for a minimum of 60 Equity Shares and in multiples of 60 Equity Shares thereafter, subject to maximum Bid amount of Rs. 1,00,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 1,00,000. In case the maximum Bid Amount is more than Rs. 1,00,000 due to

revision of the Bid or revision of Price Band or on exercise of the option, then the same would be considered for allocation under the Non-Institutional Bidders category. The Cut-off option is given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process.

- (b) **For Non-Institutional Bidders and QIBs Bidders:** The Bid must be for a minimum of such Equity Shares such that the Bid Amount exceeds Rs. 1,00,000 and in multiples of 60 Equity Shares thereafter. A Bid cannot be submitted for more than the size of the Issue. However, the maximum Bid by a QIB should not exceed the investment limits prescribed for them by the regulatory or statutory authorities governing them. Under existing SEBI guidelines, a QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay the QIB Margin Amount upon submission of the Bid.

In case of revision of Bids, the Non Institutional Bidders who are individuals have to ensure that the Bid Amount is greater than Rs. 1,00,000. In case the Bid Amount reduces to Rs. 1,00,000 or less due to a revision in Bids or revision of Price Band, the same would be considered for allocation under the Retail portion. Non Institutional Bidders and QIB Bidders are not allowed to Bid at 'Cut-Off' price.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limit or maximum number of equity shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

Refund amounts following a permitted withdrawal of a Bid shall be made in the manner described under paragraph "Payment of Refund"

Information for Bidders

- (a) Our Company will file the Red Herring Prospectus with the Registrar of Companies, Maharashtra at Mumbai atleast 3 days before the Bid/ Issue Opening Date.
- (b) The members of the Syndicate will circulate copies of the Red Herring Prospectus along with the Bid-cum-Application Form to potential investors.
- (c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and/ or the Bid-cum-Application Form can obtain the same from our registered office or from any of the BRLM/Syndicate Members.
- (d) Investors who are interested in subscribing for our Company's Equity Shares should approach the BRLM or Syndicate Member or their authorised agent(s) to register their Bid.
- (e) The Bids should be submitted on the prescribed Bid-cum-Application Form only. Bid-cum-Application Forms should bear the stamp of the members of the Syndicate. Bid-cum-Application Forms, which do not bear the stamp of the members of the Syndicate, will be rejected.

Method and Process of Bidding

- a) Our Company and the BRLM shall declare the Bid/Issue Opening Date, Bid/Issue Closing Date and Price Band at the time of filing the Red Herring Prospectus with Registrar of Companies, Maharashtra at Mumbai and also publish the same in one English national daily, one Hindi national daily and in one Regional newspaper with wide circulation. This advertisement shall contain the minimum disclosures as prescribed under Schedule XX-A of the SEBI Guidelines. The BRLM and Syndicate Members shall accept Bids from the Bidders during the Issue Period in accordance with the terms of the Syndicate Agreement.

- b) The Bidding Period shall be a minimum of three working days and shall not exceed seven working days. In case the Price Band is revised, the revised Price Band and Bidding Period will be published in two national newspapers (one each in English and Hindi) by indicating on the websites of the BRLM and at the terminals of the members of the Syndicate. The Bidding Period may be extended, if required, by an additional three working days, subject to the total Bidding Period not exceeding 10 working days.
- c) Each Bid-cum-Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph entitled “Bids at Different Price Levels” below on page 248 of this Red Herring Prospectus) and specify the demand (i.e. the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid-cum-Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation and the rest of the Bid(s), irrespective of the Bid Price, will become automatically invalid.
- d) The Bidder cannot Bid on another Bid-cum-Application Form after such Bidder’s Bids on one Bid-cum-Application Form have been submitted to any member of the Syndicate. Submission of a second Bid-cum-Application Form to either the same or to another member of the Syndicate will be treated as multiple Bids and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Build up of the Book and Revision of Bids” on page 252 of this Red Herring Prospectus.
- e) During the Bidding Period, Bidders may approach the members of the Syndicate to submit their Bid. Every member of the Syndicate shall accept Bids from all clients / investors who place orders through them and shall have the right to vet the Bids.
- f) Along with the Bid-cum-Application Form, all Bidders will be required to make payment in the manner described under the paragraph “Terms of Payment” on page 241 & 250 of this Red Herring Prospectus.
- g) The Syndicate Member will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid-cum-Application Form. It is the responsibility of the Bidder to obtain the TRS from the members of the Syndicate.

Bids at Different Price Levels

- (a) The Price Band has been fixed at Rs. 105 to Rs. 115 per Equity Share of Rs. 10 each, Rs. 105 being the Floor Price and Rs. 115 being the Cap Price. The Bidders can Bid at any price within the Price Band, in multiples of Re 1. In accordance with SEBI Guidelines, our Company in consultation with the BRLM can revise the Price Band by informing the Stock Exchanges, releasing a press release, disclosure on the website of the members of the Syndicate, if any and notification on the terminal of the members of the Syndicate. In case of a revision in the Price Band, the Issue will be kept open for a period of three additional working days after the revision of the Price Band, subject to the total Bidding Period not exceeding ten working days.
- (b) Our Company in consultation with BRLM can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation, to the Bidders. The Price Band can be revised during the Bidding Period in which case the maximum revisions on either side of the Price Band shall not exceed 20% of the Cap Price and the Floor Price disclosed in the Red

Herring Prospectus. Our Company can finalise the issue price in consultation with the BRLM without the prior approval of, or intimation to the Bidders.

- (c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. **Retail Individual may Bid at “Cut-off”. However, Bidding at “Cut-off” is prohibited for QIB or Non Institutional Bidders and such Bids from QIBs and Non-Institutional Bidders shall be rejected.**
- (d) Retail Individual Bidders, who Bid at the Cut-Off agree that they shall purchase the Equity Shares at the Issue price. Retail Individual Bidders bidding at Cut-Off shall submit the Bid-cum-Application form with cheque/ demand draft for the Bid Amount based on the Cap of the Price Band in with the Syndicate Members. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders who Bid at the Cut-off Price (i.e. the total number of Equity Shares allocated in the Issue multiplied by the Issue Price), Retail Individual Bidders shall receive the refund of the excess amounts from the respective Refund Account.
- (e) Any revision in the Price Band shall be widely disseminated including by informing the Stock Exchanges, issuing a press release and making available this information on the Bidding terminals.
- (f) In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall be within the range of Rs. 5,000 to Rs. 7,000. The Issuer Company in consultation with the BRLM shall stipulate the minimum application size (in terms of number of shares) falling within the aforesaid range of minimum application value.
- (g) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders, who had Bid at Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid amount plus additional payment does not exceed Rs. 1,00,000, if the Bidder wants to continue to Bid at Cut-Off Price), with the members of the Syndicate to whom the original Bid was submitted. In case the total amount (i.e. original Bid Amount plus additional payment) exceeds Rs. 1,00,000, the Bid will be considered for allocation under the Non Institutional portion in terms of this Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.
- (h) In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders who have Bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Refund Account.

Option to Subscribe

Equity Shares being issued through this Red Herring Prospectus can be applied for in the dematerlised form only. Bidders will not have the option of getting the allotment in physical form. The Equity Shares on allotment shall be traded only in the dematerlised segment of the Stock Exchanges.

Escrow Mechanism

Our Company and members of Syndicate shall open Escrow Accounts with one or more Escrow Collection Banks in whose favor the Bidders shall make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid amount from Bidders in a certain category would be deposited in the Escrow Accounts. The monies in the Escrow Accounts shall be maintained by the Escrow Collection Banks for and on behalf of the Bidders. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein

and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the monies from the Escrow Account to the Public Issue Account and the Refund Account with the Bankers to the Issue as per the terms of the Escrow Agreement, the Red Herring Prospectus and the Prospectus. Payment of refunds to the Bidders shall be made from the Refund Account as per the terms of the Escrow Agreement and this Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between the Escrow Collection Bank(s), our Company, Book Running Lead Manager, Members of the Syndicate and the Registrar to the Issue to facilitate collections from the Bidders.

Terms of Payment and Payment into the Escrow Accounts

Each Bidder shall provide the applicable Margin Amount, and shall, with the submission of the Bid-cum-Application Form draw a cheque or demand draft for the maximum amount of his/her Bid in favour of the Escrow Account of the Escrow Collection Bank(s) (refer "Payment Instructions" on page 260) and submit the same to the member of the Syndicate to whom the Bid is being submitted. The Bidder may also provide the applicable Margin Amount by way of an electronic transfer of funds through the RTGS mechanism. Each QIB shall provide their QIB Margin Amount only to the BRLM. Bid-cum-Application Forms accompanied by cash/Stockinvest/money order shall not be accepted. The Margin Amount based on the Bid Amount has to be paid at the time of submission of the Bid-cum-Application Form.

The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank(s), which will hold the monies for the benefit of the Bidders until such time as the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds equivalent to the size of the issue from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account maintained by the refund banker

Each category of Bidders i.e. QIBs, Non-Institutional Bidders and Retail Individual Bidders would be required to pay their applicable Margin Amount at the time of the submission of the Bid-cum-Application Form. The Margin Amount payable by each category of Bidders is mentioned under the heading "Issue Structure" on page 240 of this Red Herring Prospectus and shall be uniform across all the Bidders in the same category. Where the Margin Amount applicable to the Bidder is less than 100% of the Bid Amount, any difference between the amount payable by the Bidder for Equity Shares Allocated at the Issue Price and the Margin Amount paid at the time of Bidding, shall be payable by the Bidder no later than the Pay-in-Date, which shall be a minimum period of two days from the date of communication of the allocation list to the members of the Syndicate by the BRLM. If the payment is not made favoring the Escrow Account within the time stipulated above, the Bid of the Bidder is liable to be cancelled. However, if the applicable margin amount for Bidder is 100%, the full amount of payment has to be made at the time of submission of the Bid-cum-Application Form.

Where the Bidder has been allocated lesser number of Equity Shares than he or she had Bid for, the excess amount paid on bidding, if any, after adjustment for allocation, will be refunded to such Bidder within 15 days from the Bid/issue closing date, failing which our Company shall pay interest at 15% per annum for any delay beyond the periods as mentioned above.

Electronic Registration of Bids

- (a) The members of the Syndicate will register the Bids using the on-line facilities of NSE and BSE. There will be atleast one on-line connectivity in each city, where a Stock Exchange is located in India and where Bids are being accepted.
- (b) NSE and BSE will offer a screen-based facility for registering Bids for the Issue. This facility will be available on the terminals of the Syndicate Member and their authorised agents during the Bidding Period. Syndicate members can also set up facilities for off-line electronic registration of Bids

subject to the condition that they will subsequently download the off-line data file into the on-line facilities for book building on a regular basis. On the Bid/Issue Closing Date, the members of the syndicate shall upload the Bids till such time as maybe permitted by the Stock Exchanges.

- (c) BSE and NSE will aggregate demand and price for Bids registered on their electronic facilities on a regular basis and display graphically the consolidated demand at various price levels. This information can be accessed on NSE's website at www.nseindia.com or on BSE's website at www.bseindia.com during the bidding period.
- (d) At the time of registering each Bid, the Syndicate members shall enter the following details of the investor in the on-line system:
 - Name of the investor (Investors should ensure that the name given in the Bid-cum-Application form is exactly the same as the Name in which the Depository Account is held. In case, the Bid-cum-Application Form is submitted in joint names, investors should ensure that the Depository Account is also held in the same joint names and are in the same sequence in which they appear in the Bid-cum-Application Form)
 - Investor Category such as Individual, Corporate, FII, NRI, Mutual Fund, etc.
 - Number of Equity Shares Bid for
 - Bid price
 - Bid-cum-Application Form number
 - Whether Margin Amount has been paid upon submission of Bid-cum-Application Form
 - Depository Participant Identification Number and Client Identification Number of the beneficiary account of the Bidder
- (e) A system generated TRS will be given to the Bidder as a proof of the registration of each of the Bidding options. **It is the Bidder's responsibility to request and obtain the TRS from the members of the Syndicate.** The registration of the Bid by the Syndicate Member does not guarantee that the Equity Shares shall be allocated either by the Syndicate Member or our Company.
- (f) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (g) The BRLM may reject a Bid placed by a QIB for reasons to be recorded in writing provided that such rejection shall be made at the time of acceptance of the Bid and the reasons thereof shall be disclosed to the Bidders. In case of Non-Institutional Bidders and Retail Individual Bidders, Bids would not be rejected except on the technical grounds listed on Page 263 in this Red Herring Prospectus.
- (h) It is to be distinctly understood that the permission given by NSE and BSE to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, BRLM are cleared or approved by NSE and BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company.
- (i) It is also to be distinctly understood that the approval given by NSE and BSE should not in any way be deemed or construed that this Red Herring Prospectus has been cleared or approved by the NSE and BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the NSE and BSE.

Build Up of the Book and Revision of Bids

- (a) Bids registered by various Bidders through the members of the Syndicate shall be electronically transmitted to the NSE or BSE mainframe on a regular basis.
- (b) The book gets built up at various price levels. This information will be available with the BRLM on a regular basis.
- (c) The Price Band can be revised during the Bidding Period, in which case the bidding period shall be extended further for a period of three days, subject to the total bidding period not exceeding ten working days. The Cap on the Price Band shall not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the Floor of Price Band can move up or down to the extent of 20% of the floor of the Price Band disclosed in the Red Herring Prospectus.
- (d) Any revision in the Price Band will be widely disseminated by informing the Stock Exchanges, by issuing a Public Notice in two national newspapers (one each in English and Hindi) and one local newspaper and also indicating the change on the relevant websites and the terminals of the members of the syndicates.
- (e) During the Bidding Period, any Bidder who has registered its interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid-cum-Application Form.
- (f) Revisions can be made in both the desired number of Equity Shares and the Bid price by using the Revision Form. Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the options in such Bidder's Bid-cum-Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid-cum-Application Form and such Bidder is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being changed, in the Revision Form. Incomplete or inaccurate Revision Forms will not be accepted by the members of the Syndicate.
- (g) The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) of the Bid, the Bidders will have to use the services of the same members of the Syndicate through whom he or she had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.
- (h) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of this Red Herring Prospectus. In case of QIBs, the members of the Syndicate shall collect the payment in the form of cheque or demand draft or electronic transfer of funds through RTGS for the incremental amount in the QIB margin, if any, to be paid on account of the upward revision of Bid at the time of one or more revision by the QIB Bidders.
- (i) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the Syndicate Member. **It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**

Only Bids that are uploaded to the online IPO system of NSE/ BSE shall be considered for Allocation / Allotment. In case of discrepancy of data between NSE or BSE and the Syndicate Member, the decision

of the Book Running Lead Manager based on physical records of Bid-cum-Application Forms shall be final and binding to all concerned.

Price Discovery and Allocation

- (a) After the Bid/Issue Closing Date, the BRLM will analyze the demand generated at various price levels and discuss pricing strategy with us.
- (b) Our Company in consultation with the BRLM shall finalise the “Issue Price” and the number of Equity Shares to be allotted in each investor category.
- (c) The Allocation for QIBs, atleast 50% of the Net Issue to Public, of which 5% shall be reserved for Mutual Funds would be proportionate. The allocation to Non-Institutional Bidders and Retail Individual Bidders of upto 15% and 35% of the Net Issue to Public, respectively, would be on proportionate basis, in consultation with Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price.
- (d) In case of over-subscription in all categories, at least 50% of the Net Issue shall be available for allocation on a proportionate basis to QIB Bidders out of which 5% shall be available to Mutual Funds. Mutual Funds participating in the 5% share in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. However, if the aggregate demand by Mutual Funds is less than 5% of the QIB portion the balance Equity Shares from the portion specifically available for allocation to Mutual Funds in the QIB Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders in proportion to their Bids. Further, at least 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and at least 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.
- (e) Under-subscription, if any, in any category except in the QIB category would be met with spill-over from other categories at our sole discretion, in consultation with the BRLMs. If a minimum allotment of 50% of the Net Issue is not made to the QIBs, the entire subscription monies shall be refunded.
- (f) QIB Bidders will be required to deposit the QIB Margin Amount at the time of submitting of their Bids. After the closure of bidding, the level of subscription in the various categories shall be determined. Based on the level of subscription additional margin money, if any, shall be called for from the QIB Bidders. The QIB Bidders shall pay such additional margin money within a period of two days from the date of the letter communicating the request for such additional margin money.
- (g) The BRLM, in consultation with us, shall notify the Syndicate Member of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.
- (h) We reserve the right to cancel the Issue any time after the Bid/Issue Opening Date but before Allotment without assigning any reasons whatsoever.
- (i) Allocation to QIBs, Non-residents, FIIs and NRIs applying on repatriation basis will be subject to the terms and conditions stipulated by the RBI, FIPB, if any while granting permission for Allotment of Equity Shares to them.
- (j) In terms of SEBI Guidelines, QIB Bidders shall not be allowed to withdraw their Bid after the closure of Bidding.

- (k) The Allotment details shall be put up on the website of the Registrar to the Issue.

Notice to QIBs: Allotment Reconciliation

After the Bid/Issue Closing Date, an electronic book will be prepared by the Registrar on the basis of Bids uploaded on the NSE/BSE system. Based on the electronic book, QIBs may be sent a CAN, indicating the number of Equity Shares that may be allocated to them. This CAN is subject to the basis of final Allotment, which will be approved by the Designated Stock Exchange and reflected in the reconciled book prepared by the Registrar. Subject to SEBI Guidelines, certain Bid applications may be rejected due to technical reasons, non-receipt of funds, cancellation of cheques, cheque bouncing, incorrect details, etc., and these rejected applications will be reflected in the reconciliation and basis of Allotment as approved by the Designated Stock Exchange. Consequentially, a revised CAN may be sent to QIBs and the allocation of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. QIBs should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares. The CAN will constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the QIB to pay the entire Issue Price for all the Equity Shares allocated to such QIB. The revised CAN, if issued, will supersede in entirety the earlier CAN.

Signing of Underwriting Agreement and RoC Filing

- (a) We, the BRLM and the Syndicate Members shall enter into an Underwriting Agreement on finalisation of the Issue Price and allocation(s) to the QIB Bidders.
- (b) After signing the Underwriting Agreement, we would update and file the updated Red Herring Prospectus with Registrar of Companies, Maharashtra at Mumbai, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price, Issue Size, underwriting arrangements and would be complete in all material respects.

Filing of the Prospectus with the ROC

We will file a copy of the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

Announcement of pre-Issue advertisement

Subject to Section 66 of the Companies Act, our Company shall after receiving final observations, if any, on this Red Herring Prospectus from SEBI, publish an advertisement, in the form prescribed by the SEBI Guidelines in an English national daily with wide circulation, one Hindi national newspaper and one regional language newspaper.

Advertisement regarding Issue Price and Prospectus

A statutory advertisement will be issued by our Company after the filing of the Prospectus with the Registrar of Companies, Maharashtra at Mumbai in two widely circulated newspapers (one each in English and Hindi) and one local newspaper. This advertisement in addition to the information that has to be set out in the statutory advertisement shall indicate the Issue Price. Any material updates between the date of Red Herring Prospectus and the Prospectus shall be included in the advertisement.

Issuance of Confirmation of Allocation Note ("CAN")

After the determination of Issue Price, the following steps would be taken

- (a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the Syndicate Member a list of their Bidders who have

been Allocated Equity Shares in the Issue. The approval of the basis of allocation by Designated Stock Exchange for QIB Bidders maybe done simultaneously with or before the approval of the basis of allocation for the Retail Individual Bidders and Non Institutional Bidders. However, investors should note that, we shall ensure that the date of Allotment of the Equity Shares to all the investors in this issue shall be done on the same date.

- (b) The BRLM or Syndicate Members would then send the CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares allocated to such Bidder. Those QIB Bidders who have not paid the Bid Amount in full into the Escrow Account at the time of bidding shall pay in full the amount payable into the Escrow Account by the Pay-in Date specified in the CAN.
- (c) Bidders who have been allocated Equity Shares and who have already paid the Margin Amount for the said Equity Shares into the Escrow Account at the time of bidding shall directly receive the CAN from the Registrar to the Issue subject, however, to realization of their cheque or demand draft paid into the Escrow Account. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares to be allotted to such Bidder.
- (d) The issuance of CAN is subject to “Notice to QIB’s: Allotment Reconciliation” as mentioned above.

Designated Date and Allotment of Equity Shares

- (a) We shall ensure the allotment of Equity Shares is done within 15 days of Bid/Issue Closing Date. After the funds are transferred from the Escrow Account to the Public Issue Account and the Refund Account on the Designated Date, we would ensure the credit to the successful Bidders depository account of the allotted Equity Shares to the allottees within two working days of the date of allotment. In case we fail to make allotment within 15 days of the Bid/ Issue Closing Date, interest would be paid to the investors @15% p.a.
- (b) All allottees will receive credit for the Equity Shares directly in their depository account. **As per SEBI Guidelines, equity Shares will be issued only in the dematerialized form to the Allottees.** Allottees will have the option to re-materialize the Equity Shares so allotted, if they so desire, as per the provisions of the Companies Act and the Depositories Act.
- (c) Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be credited to their depository account to them pursuant to Allotment in this Issue.

GENERAL INSTRUCTIONS

Do’s:

- a) Check if you are eligible to apply having regard to applicable laws, rules, regulation, guidelines and approvals and the terms of this Red Herring Prospectus.
- b) Complete the Bid-cum-Application Form(White or Blue in Colour, as the case may be) after reading all the instructions carefully;
- c) Ensure that the details about Depository Participant and beneficiary account are correct as Equity Shares will be allotted in the dematerialized form only;
- d) Ensure that the Bids are submitted at the bidding centers only on forms bearing the stamp of a member of the Syndicate;

- e) Ensure that you have been given a TRS for all your Bid options;
- f) Submit Revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;
- g) Ensure that the Bid is within Price Band;
- h) Ensure that DP account is activated;
- i) Investors must ensure that the name given in the Bid-cum-Application Form is exactly the same as the name in which the Depository Account is held. In case, the Bid-cum-Application Form is submitted in joint names, investors should ensure that the Depository Account is also held in the same sequence as they appear in the Bid-cum- Application Form;
- j) Ensure that the Permanent Account Number is mentioned in the Bid-cum- Application form.
- k) If you have mentioned “applied for” or “not applicable” in the Bid-cum-Application Form in the section dealing with PAN number ensure that you submit Form 60 or 61, as the case may be, together with permissible documents as address proof; and
- l) Ensure that the demographic details as registered with your Depository participant are updated, true and correct at all respects.

Don'ts:

- a) Do not Bid for lower than the minimum Bid size;
- b) Do not Bid/ revise Bid price to less than the lower end of the Price Band or higher than the higher end of the Price Band;
- c) Do not Bid on another Bid-cum-Application Form after you have submitted a Bid to the member of the Syndicate;
- d) Do not pay the Bid amount in cash, through stockinvest, by money order or by postal order;
- e) Do not send Bid-cum-Application Forms by post; instead submit the same to members of the Syndicate only;
- f) Do not Bid at Cut-off Price (for QIBs and non-institutional Bidders);
- g) Do not fill up the Bid-cum-Application Form such that the Equity Shares Bid for exceeds the Issue size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations; or under the terms of this Red Herring Prospectus.
- h) Do not submit the GIR number instead of the PAN;
- i) Do not submit the Bid without the QIB Margin Amount, in case of a Bid by a QIB;
- j) Do not Bid at Bid Amount exceeding Rs 1,00,000 for incase of a Bid by a Retail Individual Bidder.

Instructions for Completing the Bid-cum-Application Form

Bidders can obtain Bid-cum-Application Forms and / or Revision Forms from the BRLM or Syndicate Member.

Bids and Revisions of Bids

Bids and revisions of Bids must be:

- (a) Made only in the prescribed Bid-cum-Application Form or Revision Form, as applicable (white colour for resident Indians, blue for Non-residents, including NRIs, FIIs, Foreign Venture Capital Fund/Multilateral and Bilateral Development Financial Institutions applying on repatriation basis.)
- (b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid-cum-Application Form or in the Revision Form. Incomplete Bid-cum-Application Forms or Revision Forms are liable to be rejected.
- (c) The Bids from the Retail Individual Bidders must be for a minimum of 60 Equity Shares and in multiples of 60 thereafter subject to a maximum Bid amount of Rs. 1,00,000.
- (d) For Non-institutional and QIB Bidders, Bids must be for a minimum of such number of equity shares such that the Bid Amount exceeds Rs. 1,00,000 and in multiples of 60 Equity Shares thereafter. Bids cannot be made for more than the Issue size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of Equity Shares that can be held by them under the applicable laws or regulations.
- (f) In single name or in joint names (not more than three) and in the same order as their Depository Participant details.
- (g) Thumb impressions and signatures other than in the languages specified in the eighth schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bidder's Bank Details

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant-Identification number and beneficiary account number provided by them in the Bid-cum-Application Form, the Registrar to the Issue will obtain from the Depository the Bidders bank account details. These bank account details would be printed on the refund order, if any, to be sent to Bidders or used for sending the refund through direct credit or ECS. Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in credit of refunds to Bidders at the Bidders sole risk and neither the BRLM nor the Bank shall be liable to pay any interest for such delay or shall have any responsibility and undertake any liability for the same.

Bidder's Depository Account Details

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALIZED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID-CUM-APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID-CUM-APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN, WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID-CUM-APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID-CUM-APPLICATION FORM.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant- Identification number and beneficiary account number provided by them in the Bid-cum-Application Form, the Registrar to the Issue will obtain from the Depository demographic details of the Bidders such as address, bank account details for printing on refund orders or giving credit through ECS or direct credit and occupation ("Demographic Details"). These bank account details would be used for giving refunds to the Bidders. Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so can result in delay in credit of refunds to Bidders at the Bidders sole risk and neither the BRLM nor our Company shall be liable to pay any interest for such delay or have any responsibility or undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid-cum-Application Form.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the refund orders/ CANs/allocation advice and printing of bank particulars on the refund order and the demographic details given by Bidders in the Bid-cum-Application Form would not be used for these purposes by the Registrar.

Hence, Bidders are advised to update their Demographic Details as provided to their Depository Participants and ensure that they are true and correct.

By signing the Bid-cum-Application Form, Bidder would have deemed to authorize the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund orders/allocation advice/CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that delivery of refund orders/allocation advice/CANs may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid-cum-Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither our Company nor the Escrow Collection Bank nor the BRLM shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic mode as detailed in this Red Herring Prospectus, Bidders may note that refunds may get delayed if bank particulars obtained from the Depository Participant are incorrect.

In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Bids are liable to be rejected.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum and Articles of Association and/or Bye Laws must be lodged along with the Bid-cum-Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

In case of the Bids made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Bid-cum-Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

In case of Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Bid-cum-Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

In case of Bids made by provident funds with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid-cum-Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

In case of Bids made by Mutual Funds registered with SEBI, Venture Capital fund registered with SEBI and Foreign Venture Capital Fund registered with SEBI, a certified copy of the SEBI registration certificate must be submitted with the Bid-cum-Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

We, in our absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid-cum-Application form, subject to such terms that we may deem fit.

Our Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order / CANs/ Allocation Advice, the Demographic Details given on the Bid-cum-Application Form should be used (and not those obtained from the depository of the Bidder). In such cases, the registrar shall use Demographic Details as given in the Bid-cum-Application Form instead of those obtained from depositories.

Bids by Non-Residents, including Eligible NRIs and FIIs, on a repatriation basis

NRI, FIIs and Foreign Venture Capital funds Bidders to comply with the following:

- a) Individual NRI Bidders can obtain the Bid-cum-Application Forms from our Corporate Office or from members of the Syndicate or the Registrar to the Issue.
- b) NRI Bidders may please note that only such Bids as are accompanied by payment in free foreign exchange through approved banking channels shall be considered for allotment.
- c) NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the Bid-cum-Application form meant for Resident Indians (white in colour).

Bids and Revision of Bids:

- 1. On the Bid-cum-Application Form or the Revision Form, as applicable (blue in color), and completed in full in **BLOCK LETTERS IN ENGLISH** in accordance with the instructions contained therein.
- 2. In a single name or joint names (not more than three) and in the same order as the Depository Participant details.
- 3. Eligible NRIs for a Bid Amount of up to Rs. 1,00,000 would be considered under the Retail Portion for the purposes of Allocation and for a Bid Amount of more than Rs. 1,00,000 would be considered under Non-Institutional Portion for the purposes of Allocation. Other Non-Resident Bidders should Bid for a minimum of such number of Equity Shares and in multiples of 60

thereafter that the Bid Amount exceeds Rs. 1,00,000. For details, please refer the section titled “Maximum and Minimum Bid Size” beginning on page 246 of this Red Herring Prospectus.

4. In the names of individuals, or in the names of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding Eligible NRIs) or their nominees.
5. Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid-cum-Application Form. We will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

It is to be distinctly understood that there is no reservation for Non-Residents, including Eligible NRIs and FIIs, and all Non-Resident Bidders will be treated on the same basis with other categories for the purpose of Allocation.

Payment Instructions

We shall open an Escrow Account with the Escrow Collection Bank(s) for the collection of the Bid Amounts payable upon submission of the Bid-cum-Application Form and for amounts payable pursuant to allocation in the Issue.

Each Bidder shall draw a cheque or demand draft for the amount payable on the Bid and/or on allocation as per the following terms:

Payment into Escrow Account:

- (a) The Bidders shall along with the submission of the Bid-cum-Application Form draw a payment instrument for the Bid Amount in favour of the Escrow Account and submit the same to the members of the Syndicate.
- (b) In case the above Margin Amount paid by the Bidders during the Bidding Period is less than the Issue Price multiplied by the Equity Shares allocated to the Bidder, the balance amount shall be paid by the Bidders into the Escrow Account within the period specified in the CAN which shall be subject to a minimum period of two days from the date of communication of the allocation list to the Syndicate Member by the BRLM.
- (c) The payment instruments for payment into the Escrow Account shall be marked “A/c payee only ” and should be drawn in favour of:

In case of Resident Bidders : “Escrow Account - Sejal Public Issue - R”

Non-residents, NRIs or FIIs applying on a repatriation basis : “Escrow Account - Sejal Public Issue - NR”

In case of Resident QIB Bidders : “Escrow Account - Sejal Public Issue QIB - R”

In case of Non-resident QIB Bidders : “Escrow Account - Sejal Public Issue QIB - NR”

- (d) In case of Bids by NRIs applying on repatriation basis, the payments must be made through Indian Rupee Drafts purchased abroad or cheques or bank drafts, for the amount payable on application

remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of a Non-Resident Ordinary (NRO) Account of a Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or FCNR Account.

- (e) In case of Bids by FIIs, the payment should be made out of funds held in a Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting the Special Rupee Account.
- (f) Where a Bidder has been allocated a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on Bidding, after adjustment towards the balance amount payable on the Equity Shares allocated, will be refunded to the Bidder from the Escrow Account.
- (g) The monies deposited in the Escrow Account will be held for the benefit of the Bidders until Designated Date.
- (h) On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Public Issue Account with the Bankers to the Issue and the surplus amount if any shall be transferred into the Refund Account maintained with the Refund Banker.
- (i) On the Designated Date and no later than 15 days from the Bid/Issue Closing Date, the Refund Bank shall also refund all amounts payable to unsuccessful Bidders and also the excess amount paid on Bidding, if any, after adjusting for allocation to the Bidders.

Payments should be made by cheque, or demand draft drawn on any bank (including a Co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid-cum-Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/ stock invest/money orders/ postal orders will not be accepted. Investors in the QIB Category may also make payment by RTGS.

Payment by Stock invest

In terms of Reserve Bank of India Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 dated November 05, 2003, the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Bid money has been withdrawn. Hence, payment through stockinvest would not be accepted in this Issue.

Submission of Bid-cum-Application Form

All Bid-cum-Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the Syndicate Member at the time of submission of the Bid. At the time of submission of Bid-cum-Application Form and Revision Form, each member of the Syndicate shall collect the 10% or 100% Margin Amount as may be applicable.

No separate receipts shall be issued for the money payable on the submission of Bid-cum-Application Form or Revision Form. However, the collection center of the Syndicate Member will acknowledge the receipt of the Bid-cum-Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid-cum-Application Form for the records of the Bidder.

OTHER INSTRUCTIONS

Joint Bids in the case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid-cum-Application Form or Revision Form ("First Bidder"). All communications will be addressed to the First Bidder and will be dispatched to his or her address, as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid-cum-Application Form for bidding in this Issue. Two or more Bids will be deemed to be multiple Bids if the sole or first Bidder is one and the same.

1. All applications with the same name and age will be accumulated and taken to a separate process file as probable multiple master.
2. In this master, a check will be carried out for the same PAN numbers. In cases where the PAN numbers are different, the same will be deleted from this master.
3. The Registrar will obtain, from the depositories, details of the applicant's address based on the DP ID and Beneficiary Account Number provided in the Bid-cum-Application Form and create an address master.
4. Then the addresses of all these applications from the address master will be strung. This involves putting the addresses in a single line after deleting non-alpha and non-numeric characters i.e. commas, full stops, hash etc. Sometimes, the name, the first line of address and pin code will be converted into a string for each application received and a photo match will be carried out amongst all the applications processed. A print-out of the addresses will be taken to check for common names.
5. The applications will be scanned for similar DP ID and Client ID numbers. In case applications bear the same numbers, these will be treated as multiple applications.
6. After consolidation of all the masters as described above, a print out of the same will be taken and the applications physically verified to tally signatures as also father's/husband's names. On completion of this, the applications will be identified as multiple applications.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the mutual fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made. We reserve the right to reject, in our absolute discretion, all or any multiple Bids in any or all categories.

Procedure for Application by Mutual Funds

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

We reserve the right to reject, in our absolute discretion to accept or reject, all or any multiple Bids in any or all categories.

Permanent Account Number (PAN)

The Bidder or in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without this information are liable to be rejected. In case the sole Bidder and/or the joint Bidder(s) have applied for PAN which has not yet been allotted each of the Bidder(s) should mention "Applied for" in the Bid cum Application Form. Further, where the Bidder(s) has mentioned "Applied for" or has not obtained PAN, the sole/First Bidder and each of the joint Bidder(s), as the case may be, would be required to submit Form 60 (form of declaration to be filed by a person who does not have a permanent account number and who enters into any transaction specified in Rule 114B of the Income Tax Rules, 1962), or, Form 61 (form of declaration to be filed by a person who has agricultural income and is not in receipt of any other income chargeable to income-tax in respect of transactions specified in Rule 114B of the Income Tax Rules, 1962), as may be applicable, duly filled along with a copy of any one of the following documents in support of the address: (a) ration card (b) passport (c) driving license (d) identity card issued by any institution (e) copy of the electricity bill or telephone bill showing residential address (f) any document or communication issued by any authority of the Central Government, state government or local bodies showing residential address (g) any other documentary evidence in support of address given in the declaration. It may be noted that Form 60 and Form 61 have been amended by a notification issued on December 1, 2004 by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance. All Bidders are requested to furnish, where applicable, the revised Form 60 or Form 61 as the case may be

It may be noted that Form 60 and Form 61 have been amended *vide* a notification issued on December 01, 2004 by the Ministry of Finance, Department of Revenue, Central Board of Direct Taxes. All Bidders are requested to furnish, where applicable, the revised Form 60 or 61 as the case may be.

Unique Identification Number ("UIN")

SEBI has, with effect from July 02, 2007 declared that the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Thus the use of UIN has been discontinued.

Our Right to Reject Bids

In case of QIB Bidder's, our Company, in consultation with the BRLM may reject a Bid placed by QIB's for reasons to be recorded in writing provided the rejection is made at the time of submission of Bid and the reasons thereof shall be disclosed to the QIB Bidder's. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company and BRLM have a right to reject Bids based on technical grounds. Consequent refunds shall be made in accordance with the Paragraph Titled "Mode of making refunds" beginning on page 271 of the Red Herring Prospectus.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected among others on the following technical grounds:

- 1) Amount paid doesn't tally with the amount payable for the highest value of Equity Shares Bid for;
- 2) Bank account details (for refund) are not given
- 3) Age of first Bidder not given;

- 4) In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no such partnership firm, shall be entitled to apply;
- 5) Bids by Non Residents, if not in compliance with the appropriate foreign and Indian laws;
- 6) NRIs, except Eligible NRIs.
- 7) Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane persons;
- 8) PAN not mentioned in the Bid-cum-application form
- 9) GIR number furnished instead of PAN;
- 10) Bids for lower number of Equity Shares than specified for that category of investors;
- 11) Bids at a price less than lower end of the Price Band;
- 12) Bids at a price more than the higher end of the Price Band;
- 13) Bids at Cut-off Price by Non-Institutional Bidders and QIB Bidders;
- 14) Bids for number of Equity Shares which are not in multiples of 60;
- 15) Category not ticked;
- 16) Multiple Bids as defined in this Red Herring Prospectus;
- 17) In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- 18) Bids accompanied by Stock Invest/ money order/postal order/cash;
- 19) Signature of sole and / or joint Bidders missing;
- 20) Bid-cum-Application Form does not have the stamp of the BRLM or Syndicate Member;
- 21) Bid-cum-Application Form does not have Bidder's depository account details;
- 22) In case no corresponding record is available with the Depository that matches three parameters: name of Bidder (including sequence of names of joint holders), Depository Participant identification number and beneficiary account number;
- 23) Bid-cum-Application Forms are not delivered by the Bidders within the time prescribed as per the Bid-cum-Application Form, Bid/Issue Opening Date advertisement and this Red Herring Prospectus and as per the instructions in this Red Herring Prospectus and the Bid-cum-Application Form;
- 24) Bids for amounts greater than the maximum permissible amounts prescribed by the regulations. For details, please refer the section titled "Maximum and Minimum Bid Size" beginning on page 246 of this Red Herring Prospectus;
- 25) Bids by OCBs

- 26) Bids by US persons other than “qualified institutional buyers” as defined in Rule 144A of the Securities Act or other than in reliance on Regulation S under the Securities Act; and
- 27) Bids by any persons outside India if not in compliance with applicable foreign and Indian laws.
- 28) Bids by QIBs not submitted through the members of the syndicate
- 29) Bids by any person resident outside India, if not in compliance with applicable foreign and Indian laws.
- 30) Bids not uploaded in the Book would be rejected;
- 31) Bids by NRIs not disclosing their residential status;
- 32) Bid in respect of which Bid cum Application form do not reach the Registrar prior to the finalization of the basis of allotment;
- 33) Bids where clear funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- 34) Any other reason which the BRLM or our Company deem necessary

Equity Shares in Dematerialized Form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Equity Shares in this Issue shall be allotted only in a dematerialized form, (i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among us, the respective Depositories and the Registrar to the Issue:

- a. A tripartite agreement dated January 24, 2008, with NSDL, us and Intime Spectrum Registry Limited, Registrar to the Issue;
- b. A tripartite agreement dated December 29, 2007, with CDSL, us and Intime Spectrum Registry Limited, Registrar to the Issue.

All Bidders can seek allotment only in dematerialized mode. Bids from any Bidder without relevant details of his or her Depository Account are liable to be rejected.

- a. A Bidder applying for Equity Shares must have atleast one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.
- b. The Bidder must necessarily fill in the details (including the beneficiary account number and Depository Participant’s identification number) appearing in the Bid-cum-Application Form or Revision Form.
- c. Equity Shares allotted to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder
- d. Names in the Bid-cum-Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

- e. Non-transferable allotment advice or refund orders will be directly sent to the Bidder by the Registrar to this Issue.
- f. If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid-cum-Application Form or Revision Form, it is liable to be rejected.
- g. The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid-cum-Application Form vis-à-vis those with his or her Depository Participant.
- h. It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
- i. The trading of the Equity Shares of our Company would be in dematerialized form only for all investors.

Investors are advised to instruct their Depository Participants to accept the Equity Shares that may be allocated to them pursuant to this Issue.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or first Bidder, Bid-cum-Application Form number, details of Depository Participant, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof. Investors can contact the Compliance Officer or the Registrar to the Issue in the case of any pre-Issue or post-Issue related problems such as non receipt of letters of allotment, credit of allotted shares in the respective beneficiary account, refund orders etc.

Pre-Issue and Post-Issue related problems

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances shall be seven days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mr. Ashwin S. Shetty, as the Compliance Officer for the purposes of this Issue and he may be contacted at the registered office of our Company at:

Mr. Ashwin S. Shetty
Company Secretary and Compliance Officer
201/202, 2nd Floor,
Abhilasha, S.V. Road,
Kandivali (West), Mumbai - 400 067
Tel No: +91-22-2863 3384/85/96/97
Fax No: +91-22-2863 3390
E-mail: ipo@sejalglass.co.in
Website: www.sejalglass.com

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders, etc.

Disposal of Applications and Applications Money

We shall ensure dispatch of allotment advice and/or refund orders/refund advice (in case refunds made through ECS/ Direct Credit, RTGS, NEFT) as the case may be giving credit to the Beneficiary Account of the Bidders with their respective Depository Participant and submission of the allotment and listing documents to the Stock Exchanges within two working days of finalization of the basis of allotment of Equity Shares. The mode of dispatch of refunds shall be as mentioned in the paragraph titled "Mode of Making Refunds" beginning on page 271 of this Red Herring Prospectus. Where refunds are made through electronic transfer of funds, a suitable communication will be sent to the Bidders within 15 days of closure of the issue, giving details of the Bank where refund will be credited along with amount and expected date of electronic credit of refund.

The bank account details for ECS, Direct Credit, RTGS, National Electronic Funds Transfer (NEFT) credit will be directly taken from the depositories' database and hence Bidders are required to ensure that bank details including the nine digit MICR code (Magnetic Ink Character Recognition) maintained at the depository level are updated and correct.

We will provide adequate funds required for dispatch of refund orders/advice or allotment advice to the Registrar to the Issue.

No separate receipts shall be issued for the money payable on the submission of Bid-cum-Application Form or Revision Form. However, the collection centre of the Syndicate Member will acknowledge the receipt of the Bid-cum-Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid-cum-Application Form for the records of the Bidder.

Save and except refunds effected through the electronic mode i.e. ECS, NEFT, direct credit or RTGS, refunds will be made by cheques, payorders, or demand drafts drawn on a bank appointed by us, as a refund bank, and payable at par at places where Bids are received, except for Bidders who have opted to receive refunds through the electronic facility. Bank charges if any, for encashing such cheques, payorders or Demand drafts at other centres will be payable by the Bidder.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"Any person who:

- (a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or
- (b) otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name,

shall be punishable with imprisonment for a term which may extend to five years."

Interest on Refund of excess Bid Amount

Our Company shall pay interest at the rate of 15% per annum on the excess Bid Amount received if refund orders are not dispatched within 15 days from the Bid/Issue Closing Date as per the Guidelines issued by the GoI, Ministry of Finance pursuant to their letter No.F/8/S/79 dated July 31, 1983, as amended by their letter No. F/14/SE/85 dated September 27, 1985, addressed to the stock exchanges, and as further modified by SEBI's Clarification XXI dated October 27, 1997, with respect to the SEBI Guidelines.

Basis of Allotment or Allocation

A. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The allocation to all the successful Retail Individual Bidders will be made at the Issue Price.
- The Net Issue to Public less allocation to Non-Institutional and QIB Bidders (subject to minimum subscription of 50% of the net issue) shall be available for allocation to Retail Individual Bidders who have Bid in the Issue at a price, which is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to 32,17,954 Equity Shares at or above the Issue Price, full allocation shall be made to the Retail Individual Bidders to the extent of their demand.
- If the aggregate demand in this category is greater than 32,17,954 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis up to a minimum of 60 Equity Shares and multiples of one Equity Shares thereafter. For the method of proportionate basis of allotment, please refer to the section titled “Method of Proportionate Basis of Allotment” on page 269 of this Red Herring Prospectus.

B. For Non-Institutional Bidders

- Bids received from Non Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The allocation to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Net Issue to Public less allocation to QIBs and Retail Portion shall be available for allocation to Non-Institutional Bidders who have Bid in the Issue at a price, which is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to 13,79,123 Equity Shares at or above the Issue Price, full allocation shall be made to Non-Institutional Bidders to the extent of their demand.
- In case the aggregate demand in this category is greater than 13,79,123 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis up to a minimum of 60 Equity Shares and in multiples of 1 Equity Share thereafter. For the method of proportionate basis of allotment, please refer to the section titled “Method of Proportionate Basis of Allotment” on page 269 of this Red Herring Prospectus.

C. For QIB Bidders

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allocation to all the QIB Bidders will be made at the Issue Price.
- The Net Issue to Public less allocation to Non-Institutional Portion and Retail Portion shall be available for allocation to QIB Bidders (subject to minimum subscription of 50% of the net issue) who have Bid in the Issue at a price, which is equal to or greater than the Issue Price.
- Allotment shall be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for upto 5% of the QIB Portion shall be determined as follows;
 - (i) In the event that Mutual Fund Bids exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for upto 5% of the QIB Portion.
 - (ii) In the event that the aggregate demand for Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full allotment to the extent of valid Bids received above the Issue Price.
 - (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available to all QIB Bidders as set out in (b) below;
- (b) In the second instance allocation to all QIBs shall be determined as follows:
 - (i) In the event of the over-subscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.
 - (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.
 - (iii) Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.
- (c) The aggregate allocation to QIB Bidders shall not be less than 45,97,078 Equity Shares.

Under-subscription, if any, in the Non-Institutional and Retail Individual categories would be allowed to be met with spill over from any other category at the sole discretion of our Company and the BRLM.

Procedure and Time Schedule for allotment and demat credit of Equity

The Issue will be conducted through a “100% Book Building Process” pursuant to which the Underwriters will accept Bids for the Equity Shares during the Bidding Period. The Bidding Period will commence on June 9, 2008 and expire on June 12, 2008. Following the expiration of the Bidding Period, our Company, in consultation with the BRLM, will determine the Issue Price, and, in consultation with the BRLM, the basis of allocation and entitlement to allotment based on the Bids received and subject to the confirmation by the BSE. Successful Bidders will be provided with a confirmation of their allocation and will be required to pay any unpaid amount for the Equity Shares within a prescribed time. The Prospectus will be filed with SEBI and the Registrar of Companies and will be made available to investors. SEBI Guidelines require our Company to complete the allotment to successful Bidders within 15 days of the expiration of the Bidding Period. The Equity Shares will then be credited and allotted to the investors’ demat accounts maintained with the relevant depository participant. Upon approval by the Stock Exchanges, the Equity Shares will be listed and trading will commence. This typically takes three trading days from the date of crediting the investor’s demat account, subject to final approval by the Stock Exchanges.

Method of Proportionate Basis of Allotment

In the event the Issue is over-subscribed, the basis of allotment shall be finalised by our Company in consultation with the Designated Stock Exchange. The Executive Director or Managing Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLM and the Registrar to the Issue shall be responsible for ensuring that basis of allotment is finalised in a fair

and proper manner. Allotment to Bidders shall be as per the basis of allocation as set out in this Prospectus under “Issue Structure”.

- a. Bidders will be categorised according to the number of Equity Shares applied for.
- b. The total number of Equity Shares to be allotted to each category, as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
- c. Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio in that category subject to minimum allotment of 60 Equity Shares. The minimum allotment lot shall be the same as the minimum application lot irrespective of any revisions to the Price Band.
- d. In case the proportionate allotment to any Bidders is in fractions, then the same would be rounded off to nearest integer.
- e. In all Bids where the proportionate allotment is less than 60 per Bidder, the allotment shall be made as follows:
 - Each successful Bidder shall be allotted a minimum of 60 Equity Shares; and
 - The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares calculated in accordance with (c) above.
- f. If the proportionate allotment to a Bidder is a number that is more than 60 but is not a multiple of 1 (which is the marketable lot), the number in excess of the multiple of 1 would be rounded off to the higher multiple of 1 if that number is 0.5 or higher. If the number is lower than 0.5, it would be rounded off to the lower multiple of 1. All Bidders in such categories would be allotted Equity Shares arrived at after such rounding off.

Letters of Allotment or Refund Orders

We shall give credit of Equity Shares allotted to the beneficiary account with Depository Participants within 2 working days of finalization of Basis of Allotment. Applicants residing at 15 centres where clearing houses are managed by the Reserve Bank of India (RBI) will get refunds through ECS only (subject to availability of all information for crediting the refund through ECS) except where applicant is otherwise disclosed as eligible to get refunds through direct credit, RTGS, or NEFT. In case of other applicants, we shall ensure dispatch of refund orders, if any, of value up to Rs. 1,500 by “Under Certificate of Posting”, and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post. Applicants to whom refunds are made through Electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit, the bank where their refund shall be credited (as per details given to the Depository Participant), alongwith the amount and the expected date of electronic credit of refund within 15 working days of closure of Issue.

We shall ensure dispatch of refund orders/advice, if any, by “Under Certificate of Posting” or registered post or speed post or Electronic Clearing Service or Direct Credit or RTGS, as applicable, only at the sole or First Bidder’s sole risk within 15 days of the Bid /Issue Closing Date, and adequate funds for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the issuer.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Guidelines, we further undertake that:

- Allotment of Equity Shares will be made only in dematerialised form within 15 working days from the Bid/Issue Closing Date;
- Dispatch of refund orders will be completed within 15 working days from the Bid/Issue Closing Date;
- We shall pay interest at 15% per annum (for any delay beyond the 15 day time period as mentioned above), if allotment is not made, refund orders/advice are not dispatched and in case where a refund is made through electronic mode, the refund instruction have not been given to the clearing system and/or demat credits are not made to investors within the 15 working day time prescribed above as per the guidelines issued by the Government of India, Ministry of Finance pursuant to their letter No.F/8/S/79 dated July 31, 1983, as amended by their letter No.F/14/SE/85 dated September 27, 1985, addressed to the Stock Exchanges and as further modified by SEBI's clarification XXI dated October 27, 1997, with respect to the SEBI Guidelines.

We will provide adequate funds required for dispatch of refund orders/advice or allotment advice to the Registrar to the Issue. Refunds will be made by cheques, pay-orders or demand drafts drawn on a the Refund Bank and payable at par at places where Bids are received, except for Bidders who have opted to receive refunds through the Electronic mode i.e. RTGS, ECS or NEFT facility. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Mode of making refunds

The payment of refund, if any, would be done through various modes in the following order of preference

1. **Direct Credit** - For investors having their Bank Account with the Refund Bankers, the refund amount would be credited directly to their Bank Account with the Refund Banker.
2. **NEFT** - Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method.
3. **RTGS** - Applicants having a bank account at any of the below mentioned sixty-eight centres and whose refund amount exceeds Rs. 10 Lacs, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the Bid-cum-application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.
4. **ECS** - Payment of refund would be done through ECS for Bidders having an account at one of the following centres:

1. Ahmedabad	2. Nashik	3. Sholapur	4. Gorakhpur
5. Bangalore	6. Panaji	7. Ranchi	8. Jammu

9. Bhubaneshwar	10. Surat	11. Tirupati (non-MICR)	12. Indore
13. Kolkata	14. Trichy	15. Dhanbad(non-MICR)	16. Pune
17. Chandigarh	18. Trichur	19. Nellore (non- MICR)	20. Salem
21. Chennai	22. Jodhpur	23. Kakinada(non-MICR)	24. Jamshedpur
25. Guwahati	26. Gwalior	27. Agra	28. Visakhapatnam
29. Hyderabad	30. Jabalpur	31. Allahabad	32. Mangalore
33. Jaipur	34. Raipur	35. Jalandhar	36. Coimbatore
37. Kanpur	38. Calicut	39. Lucknow	40. Rajkot
41. Mumbai	42. Siliguri (non- MICR)	43. Ludhiana	44. Kochi/Ernakulam
45. Nagpur	46. Pondicherry	47. Varanasi	48. Bhopal
49. New Delhi	50. Hubli	51. Kolhapur	52. Madurai
53. Patna	54. Shimla (non- MICR)	55. Aurangabad	56. Amritsar
57. Thiruvananthapuram	58. Tirupur	59. Mysore	60. Haldia (non- MICR)
61. Baroda	62. Burdwan (non-MICR)	63. Erode	64. Vijaywada
65. Dehradun	66. Durgapur (non- MICR)	67. Udaipur	68. Bhilwara

This would be subject to availability of complete Bank Account Details including MICR code wherever applicable from the depository. The payment of refund through ECS is mandatory for Bidders having a bank account at any of the 68 centres as mentioned in SEBI circular no. SEBI/CFD/DIL/DIP/29/2008/01/02 dated February 01, 2008 named herein above, except where Bidder is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

In case of all or any of the aforesaid modes of refund, charges, if any, levied by the Refund Bank(s) for the same would be borne by such applicant opting for RTGS as a mode of refund. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

For all the other applicants except for whom payment of refund is not possible through I, II, III and IV, the refund orders would be dispatched "Under Certificate of Posting" for refund orders less than Rs. 1500 and through Speed Post/Registered Post for refund orders exceeding Rs. 1500. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Refund Banks and be payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Interest in Case of Delay in Despatch of Refund Orders

Our Company agrees that allotment of securities offered to the public shall be made not later than 15 days of the closure of public issue. We further agree that we shall pay interest @15% per annum if the refund orders have not been despatched to the applicants (or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner) within 15 days from the date of the closure of the issue.

Undertaking by our Company

We undertake as follows:

- i) that the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
- ii) that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within seven working days of finalisation of the basis of Allotment;
- iii) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
 - a) that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 working days of closure of the issue, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund
- iv) that the refund orders or allotment advice to the Non Resident Indians shall be dispatched within specified time; and
- v) that no further issue of Equity Shares shall be made till the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.

Utilisation of Issue proceeds

Our Board of Directors certify that:

- i) all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;
- ii) details of all monies utilised out of Issue of shares referred to in sub-item (i) shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilised; and
- iii) details of all unutilised monies out of the Issue of shares, referred to in sub-item (i) shall be disclosed under the appropriate head in our balance sheet indicating the form in which such unutilised monies have been invested; and

We shall not have recourse to the Issue proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the industrial policy of Government of India, or the Industrial Policy and FEMA. While the Industrial Policy prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made.

Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Foreign Investment Promotion Board of Government of India (FIPB) and the RBI. As per current foreign investment policies, foreign direct investment in the sector in which our Company operates (Glass Construction) is allowed upto 100% under the automatic route.

RBI, vide its circular A.P (DIR Series) Circular No. 53 dated December 17, 2003, permitted FIIs to subscribe to shares of an Indian Company in the public issue without prior approval of RBI, so long as the price of equity shares to be issued is not less than the price at which the equity shares are issued to residents.

Investment by Non-Resident Indians

A variety of special facilities for making investments in India in shares of Indian Companies are available to individuals of Indian nationality or origin residing outside India ("NRIs"). These facilities permit NRIs to make portfolio investments in shares and other securities of Indian companies on a basis not generally available to other foreign investors. Under the portfolio investment scheme, NRIs are permitted to purchase and sell equity shares of our Company through a registered broker on the stock exchanges. NRIs collectively should not own more than 10% of the post-issue paid up capital of our Company. No single NRI may own more than 5% of the post- issue paid up capital of our Company. NRI investment in foreign exchange is now fully repatriable whereas investments made in Indian Rupees through rupee accounts remains non repatriable.

Investment by Foreign Institutional Investors

Foreign Institutional Investors ("FIIs") including institutions such as pension funds, investment trusts, asset management companies, nominee companies and incorporated, institutional portfolio managers can invest in all the securities traded on the primary and secondary markets in India. FIIs are required to obtain an initial registration from the SEBI and a general permission from the RBI to engage in transactions regulated under FEMA. FIIs must also comply with the provisions of the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time. The initial registration and the RBI's general permission together enable the registered FII to buy (subject to the ownership restrictions discussed below) and sell freely securities issued by Indian companies, to realise capital gains or investments made through the initial amount invested in India, to subscribe or renounce rights issues for shares, to appoint a domestic custodian for custody of investments held and to repatriate the capital, capital gains, dividends, income received by way of interest and any compensation received towards sale or renunciation of rights issues of shares.

Ownership restrictions of FIIs

Under the portfolio investment scheme, the overall issue of equity shares to FIIs on a repatriation basis should not exceed 24% of post-issue paid-up capital of our Company. However, the limit of 24% can be raised up to the permitted sectoral cap for that Company after approval of the board of directors and shareholders of our Company. The issue of equity shares to a single FII should not exceed 10% of the post-issue paid-up capital of our Company. In respect of an FII investing in equity shares of a Company

on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total issued capital of that Company.

Registration of Equity Shares under US Laws

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, 'U.S. persons' (as defined in Regulation S of the U.S. Securities Act, 1933), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold only (i) in the United States to 'qualified institutional buyers', as defined in Rule 144A of the Securities Act, and (ii) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The above information is given for the benefit of the Bidders and neither our Company nor the BRLM are liable for any changes in the regulations after the date of this Red Herring Prospectus.

SECTION X- DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to the provisions of Schedule II of the Companies Act and the SEBI Guidelines, the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares and other main provisions are as detailed below. Each provision herein below is numbered as per the corresponding article number in the Articles of Association and capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and contents
Share Capital	3. The Authorised Share Capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum Of Association of the Company, with power to increase or reduce such Capital from time to time and power to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or the provisions of the Company or the provisions of the law for the time being in force.
Increase of capital by the Company how carried into effect	4. The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 97 of the Act
New Capital same as existing capital	5. Except so far as otherwise provided by the conditions of issue or by These Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Non Voting Shares	6. The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.
Redeemable Preference Shares	7. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
Voting rights of preference shares	8. The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.

Title of Article	Article Number and contents
Provisions to apply on issue of Redeemable Preference Shares	<p>9.</p> <p>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:</p> <p>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption.</p> <p>(b) No such Shares shall be redeemed unless they are fully paid.</p> <p>(c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.</p> <p>(e) Subject to the provisions of Section 80 of the Act. The redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.</p>
Reduction of capital	<p>10.</p> <p>The Company may (subject to the provisions of section 78, 80 and 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account.</p> <p>in any manner for the time being, authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>
Purchase of own Shares	<p>11.</p> <p>The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.</p>
Sub-division consolidation and cancellation of Shares	<p>12.</p> <p>Subject to the provisions of Section 94 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.</p>

MODIFICATION OF RIGHTS

Title of Article	Article Number and contents
Modification of rights	<p>13.</p> <p>Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall <i>mutatis mutandis</i> apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.</p> <p>The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking <i>pari passu</i> therewith.</p>

SHARES, CERTIFICATES AND DEMATERIALISATION

Title of Article	Article Number and contents
Further issue of shares	<p>15.</p> <p>(1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares then:</p> <p>(a) Such further Shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those Shares at that date;</p> <p>(b) The offer aforesaid shall be made by a notice specifying the number of Shares offered and limiting a time not being less than fifteen days from the date of the offer and the offer, if not accepted, will be deemed to have been declined;</p> <p>(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right;</p> <p>(d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.</p> <p>(2) Notwithstanding anything contained in sub-clause (1), the further Shares aforesaid may be offered to any person(s) (whether or not those persons include the persons referred to in clause (a) sub-clause (1) hereof) in any manner whatsoever.</p> <p>(a) If a Special Resolution to that effect is passed by the Company in General Meeting; or</p> <p>(b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.</p>

Title of Article	Article Number and contents
	<p>(3) Nothing in sub-clause (c) of (l) hereof shall be deemed;</p> <p>(a) To extend the time within which the offer should be accepted; or</p> <p>(b) To authorise any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.</p> <p>(4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued by the Company:</p> <p>(i) To convert such debentures or loans into Shares in the Company; or</p> <p>(ii) To subscribe for Shares in the Company</p> <p>PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:</p> <p>(a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that government in this behalf; and</p> <p>(b) In the case of debentures or loans or other than debentures issued to, or loans obtained from government or any institution specified by the Central Government in this behalf, has also been approved by a Special Resolution passed by the Company in the General Meeting before the issue of the loans.</p>
Shares at the disposal of the Directors	<p>16.</p> <p>Subject to the provisions of Section 81 of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p>
Power to offer Shares/options to acquire Shares	<p>16A</p> <p>1. Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.</p> <p>2. In addition to the powers of the Board under Article 16A(i), the Board may also allot the Shares referred to in Article 16A(i) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A(i)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.</p>

Title of Article	Article Number and contents
	3. The Board, or any Committee thereof duly authorised for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A(i) and (ii) above.
Power also to Company in General Meeting to issue Shares	18. In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.
Power of General Meeting to authorize Board to offer Shares/Options to employees	18A Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose In addition to the powers contained in Article 18A(i), the General Meeting may authorise the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.
Shares at a discount	19. The Company may issue at a discount Shares in the Company of a class already issued, if the following conditions are fulfilled, namely: (a) The issue of the Shares at discount is authorised by resolution passed by the Company in the General Meeting and sanctioned by the Company Law Board; (b) The resolution specifies the maximum rate of discount (not exceeding ten percent or such higher percentage as the Company Law Board may permit in any special case) at which the Shares are to be issued; and (c) The Shares to be issued at a discount are issued within two months after the date in which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.
Instalments of Shares to be duly paid	20. If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by instalments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the

Title of Article	Article Number and contents
	provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such instalments were a call duly made notified as hereby provided.
The Board may issue Shares as fully paid-up	21. Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.
Deposit and call etc., to be debt payable	23. The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Liability of Members	24. Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.
Dematerialisation of securities	25.(B) Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Options to receive security certificates or hold securities with depository	25.(C) Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository. Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.
Securities in depositories to be in fungible form	25.(D) All Securities held by a Depository shall be dematerialised and shall be in a fungible form; nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.
Rights of depositories and beneficial owners	25.(E) (1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner; (2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it; (3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights

Title of Article	Article Number and contents
	and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.
Depository To Furnish Information	25.(F) Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
Option to opt out in respect of any security	25.(H) If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Sections 83 and 108 of the Act not to apply	25.(I) Notwithstanding anything to the contrary contained in the Articles, (1) Section 83 of the Act shall not apply to the Shares held with a Depository; (2) Section 108 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Share certificate	26. (a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.
Renewal of share certificates	27. No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company. PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.
Issue of new certificate in place of one defaced, lost or destroyed	28. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any

Title of Article	Article Number and contents
	other Act, or rules applicable thereof in this behalf. The provision of this Article shall <i>mutatis mutandis</i> apply to Debentures of the Company.
The first name joint holder deemed sole holder	29. If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.
Company not bound to recognize any interest in Shares other than of registered holder	35. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.
Declaration by person not holding beneficial interest in any Shares	37. (1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act 2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act (3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act (4) Not withstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.

INTEREST OUT OF CAPITAL

Title of Article	Article Number and contents
Interest out of capital	42. Where any Shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provisions of any plant which cannot be made profitable for lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid-up,

Title of Article	Article Number and contents
	for the period at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building or the provisions of the plant.

DEBENTURES

Title of Article	Article Number and contents
Debentures with voting rights not to be issued	<p>43.</p> <p>(a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.</p> <p>(b) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 121 of the Act.</p> <p>(c) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 123 of the Act.</p> <p>(d) Certain charges (which expression includes mortgage) mentioned in Section 125 of the Act, shall be void against the Liquidator or creditor unless registered as provided in Section 125 of the Act.</p> <p>(e) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance.</p> <p>(f) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 113 of the Act) within three months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred.</p> <p>(g) The Company shall comply with the provisions of Section 118 of the Act, as regards supply of copies of debenture Trust Deed and inspection thereof.</p> <p>(h) The Company shall comply with the provisions of Section 124 to 145 (inclusive) of the Act as regards registration of charges.</p>

CALLS

Title of Article	Article Number and contents
Directors may make calls	<p>44.</p> <p>(a) Subject to the provisions of Section 91 of the Act, the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by instalments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.</p> <p>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.</p>
When interest on call or installment payable	<p>49.</p> <p>If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not</p>

Title of Article	Article Number and contents
	exceeding eighteen percent per annum as Directors shall fix from the day appointed for the payment thereof upto the time of actual payment but the Directors may waive payment of such interest wholly or in part.
Evidence in action by Company against share holder	<p>50.</p> <p>On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.</p>
Payment in anticipation of calls may carry interest	<p>51.</p> <p>The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.</p> <p>The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.</p> <p>The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.</p>

LIEN

Title of Article	Article Number and contents
Partial payment not to preclude forfeiture	<p>52.</p> <p>Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.</p>
Company's lien on Shares/ Debentures	<p>53.</p> <p>The Company shall have first and paramount lien upon all Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and</p>

Title of Article	Article Number and contents
	bonuses from time to time declared in respect of such Shares/ Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article.
As to enforcing lien by sale	<p>54.</p> <p>The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same PROVIDED THAT no sale shall be made:-</p> <p>(a) Unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.</p> <p>For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorise one of their members to execute a transfer there from behalf of and in the name of such Members</p> <p>(c) The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.</p>
Application of proceeds of sale	<p>55.</p> <p>(a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and</p> <p>(b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).</p>

FORFEITURE OF SHARES

Title of Article	Article Number and contents
If money payable on Shares not paid notice to be given	<p>56.</p> <p>If any Member fails to pay the whole or any part of any call or any instalments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.</p>
Sum payable on allotment to be deemed a call	<p>57.</p> <p>For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.</p>
Form of notice	<p>58.</p> <p>The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>

Title of Article	Article Number and contents
In default of payment Shares to be forfeited	<p>59.</p> <p>If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or instalments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.</p>
Notice of forfeiture to a Member	<p>60.</p> <p>When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.</p>
Forfeited Shares to be the property of the Company and may be sold etc.	<p>61.</p> <p>Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.</p>
Member still liable for money owing at the time of forfeiture and interest	<p>62.</p> <p>Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.</p>
Effects of forfeiture	<p>63.</p> <p>The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.</p>
Power to annul forfeiture	<p>64.</p> <p>The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.</p>
Evidence of forfeiture	<p>68.</p> <p>The declaration as mentioned in Article 65(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.</p>
Validity of sale	<p>69.</p> <p>Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.</p>

TRANSFER AND TRANSMISSION OF SHARES

Title of Article	Article Number and contents
No transfers to minors etc.	71. No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Instrument of transfer	72. The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
Application for transfer	73. (a) An application for registration of a transfer of the Shares in the Company may be either by the transferor or the transferee. (b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice (c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
Execution of transfer	74. The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 108 of the Companies Act, 1956 and any statutory modification thereof for the time being shall be duly complied with.
Transfer by legal representatives	75. A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
Register of Members etc when closed	76. The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.
Directors may refuse to register transfer	77. Subject to the provisions of Section 111A, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused person

Title of Article	Article Number and contents
	or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.
Death of one or more joint holders of Shares	78. In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	81. Subject to the provisions of the Act and Article 78 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".
Refusal to register nominee	82. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.

SHARE WARRANTS

Title of Article	Article Number and contents
Power to issue share warrants	87. The Company may issue warrants subject to and in accordance with provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
Deposit of share warrants	88. (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant (b) Not more than one person shall be recognized as depositor of the Share warrant (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor
Privileges and disabilities of the	89. (a) Subject as herein otherwise expressly provided, no person, being a bearer of a

Title of Article	Article Number and contents
holders of share warrant	share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.
Issue of new share warrant coupons	90. The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Title of Article	Article Number and contents
Share may be converted into stock	91. The Company may, by Ordinary Resolution: i) Convert any fully paid up Share into stock, and ii) Reconvert any stock into fully paid-up Shares.
Transfer of stock	92. The several holders of such stock may transfer there respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit. PROVIDED THAT the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which stock arose.
Right of stock holders	93. The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.
Regulation applicable to stock and share warrant	94. Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Share holder" in these regulations shall include "stock" and "stock holder" respectively.

BORROWING POWERS

Title of Article	Article Number and contents
Power to borrow	95. Subject to the provisions of Sections 58A, 292 and 370 of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being

Title of Article	Article Number and contents
	reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.
Terms of issue of Debentures	98. Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise; However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
Mortgage of uncalled capital	99. If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.

MEETING OF MEMBERS

Title of Article	Article Number and contents
Contents and manner of service of notice	108 (1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat. (2) Subject to the provisions of the Act notice of every General Meeting shall be given; (a) to every Member of the Company, in any manner authorised by sub-sections (1) to (4) Section 53 of the Act; (b) to the persons entitled to a Share in consequence of the death, or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and (c) to the Auditor or Auditors for the time being of the Company in any manner authorised by Section 53 of the Act in the case of Members of the Company PROVIDED THAT, where the notice of a Meeting is given by advertising the same in a newspaper circulating in the neighborhood of Registered Office of the Company under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the Members of the Company. (3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.

Title of Article	Article Number and contents
Chairman's casting vote	122. In the case of equality of votes the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Special notice	125. Where by any provision contained in the Act or in these Articles, special notice is required for any resolution notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.

VOTES OF MEMBERS

Title of Article	Article Number and contents
Number of votes to which Member entitled	128. Subject to the provisions of Article 126, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative), or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in clause (b) of sub-section (2) of Section 87) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.
Votes of Members of unsound mind	129. A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.
Votes of joint Members	130. If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorised under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.

Title of Article	Article Number and contents
Representation of body corporate	<p>131.</p> <p>a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorise such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorised by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.</p> <p>b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.</p>
Votes in respects of deceased or insolvent Members	<p>132.</p> <p>Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.</p>
Voting in person or by proxy	<p>133.</p> <p>Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act.</p>
Rights of Members to use votes differently	<p>134.</p> <p>On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses</p>
Proxies	<p>135.</p> <p>Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself PROVIDED ALWAYS that a proxy so appointed shall not have any right what so ever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.</p>
Proxy either for specified meeting or for a period	<p>136.</p> <p>An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified</p>

Title of Article	Article Number and contents
	in the instrument and every adjournment of any such Meeting.
No proxy to vote on a show of hands	137. No proxy shall be entitled to vote by a show of hands.
Instrument of proxy when to be deposited	138. The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.
Form of Proxy	139. Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act, and signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorised by it.
Validity of votes given by proxy notwithstanding revocation of authority	140. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.
Time for objection to vote	141. No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any Meeting to be the judge of Validity of any value	142. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.

DIRECTORS

Title of Article	Article Number and contents
Number of Directors	144. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and not more than twelve.
Nominee Director or Corporation Director	147. 1) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private

Title of Article	Article Number and contents
	<p>placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/ their places.</p> <p>2) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.</p> <p>3) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall <i>ipso facto</i> vacate such office immediately on the moneys owing by the Company to the Corporation being paid off</p> <p>4) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.</p> <p>5) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation..</p> <p>Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.</p>
Alternate Director	<p>150.</p> <p>The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director</p>

Title of Article	Article Number and contents
	appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.
Additional Directors	152. The Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only upto the date of the next Annual General Meeting and shall be eligible for election at such Meeting.
Qualification shares	153. A Director need not hold any qualification shares.
Extra remuneration to Directors for special work	155. Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided. Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either: i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or ii) by way of commission if the Company by a Special Resolution authorised such payment.
Traveling expenses incurred by Directors on Company's business	156. The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.
Director may act notwithstanding vacancy	157. The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number, of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.
Disqualification of the Director	162. A person shall not be capable of being appointed Director of the Company if:- a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force; b) he is an undischarged insolvent; c) he has applied to be adjudged an insolvent and his application is pending; d) he has been convicted by a Court of any offence involving moral turpitude

Title of Article	Article Number and contents
	<p>sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;</p> <p>e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or</p> <p>f) an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and is in force; unless the leave of the Court has been obtained for his appointment in pursuance of that Section.</p>
Removal of Directors	<p>165.</p> <p>(a) The Company may subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 408 of the Act before the expiry of his period of office.</p> <p>(b) Special Notice as provided by these Articles or Section 190 of the Act, shall be required of any resolution to remove a Director under the Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed.</p> <p>(c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy; thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.</p> <p>(d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so:</p> <p>(i) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and</p> <p>(ii) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\ or because of the Company's default the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting; provided that copies of the representation need not be sent or read out at the Meeting if on the application, either of the Company or of any other person who claims to be aggrieved by the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.</p> <p>(e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 262 of the Act be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under Article 163 hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p> <p>(f) If the vacancy is not filled under sub-clause(e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 153 or Section 162 of the Act, and all the provisions of that Article and Section shall apply accordingly</p> <p>(g) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.</p>

Title of Article	Article Number and contents
	<p>(h) Nothing contained in this Article shall be taken:-</p> <p>(i) as depriving a person removed hereunder of any compensation of damages payable to him in respect of the termination of his appointment as Director, or</p> <p>(ii) as derogating from any power to remove a Director which may exist apart from this Article.</p>
Interested Directors not to participate or vote in Board's proceedings	<p>166.</p> <p>No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void. Provided however, that nothing herein contained shall apply to:-</p> <p>(a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;</p> <p>(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;</p> <p>(i) in his being:</p> <p>(a) a director of such company; and</p> <p>(b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or</p> <p>(ii) in his being a member holding not more than two percent of its paid-up share capital.</p>

MANAGING DIRECTOR

Title of Article	Article Number and contents
Remuneration of Managing Director	<p>183.</p> <p>Subject to the provisions of Sections 309, 310 and 311 of the Act, a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.</p>
Special position of Managing Director	<p>184.</p> <p>Subject to any contract between him and the Company, a Managing or Wholetime Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, <i>ipso facto</i> and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.</p>

POWERS OF THE BOARD

Title of Article	Article Number and contents
General powers of management	<p>203.</p> <p>The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the</p>

Title of Article	Article Number and contents
vested in the Board of Directors	<p>Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.</p> <p>Provided that the Board shall not, except with the consent of the Company in General Meeting :-</p> <p>(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;</p> <p>(b) remit, or give time for the repayment of, any debt due by a Director,</p> <p>(c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;</p> <p>(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;</p> <p>(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;</p> <p>(i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) or as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e)</p> <p>(ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.</p>
Certain powers to be exercised by the Board only at Meetings	<p>204.</p> <p>(1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;</p> <p>(a) the power to make calls, on shareholders in respect of money unpaid on their Shares,</p>

Title of Article	Article Number and contents
	<p>(b) the power to issue Debentures, (c) the power to borrow moneys otherwise than on Debentures, (d) the power to invest the funds of the Company, and (e) the power to make loans</p> <p>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause (c) (d) and (e) to the extent specified below:</p> <p>(2) Every resolution delegating the power referred to in sub-clause (1) (c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.</p> <p>(3) Every resolution delegating the power referred to in sub-clause (1) (d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.</p> <p>(4) Every resolution delegating the power referred to in sub-clause (1) (e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p>
Certain powers of the Board	<p>205.</p> <p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <p>(a) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</p> <p>(b) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.</p> <p>(c) Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> <p>(d) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or otherwise securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p>(e) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.</p> <p>(f) To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed.</p> <p>(g) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other</p>

Title of Article	Article Number and contents
	<p>purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.</p> <p>(h) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon.</p> <p>(i) To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies.</p> <p>(j) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.</p> <p>(k) Subject to the provisions of Sections 291, 292, 295, 370, 372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.</p> <p>(l) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.</p> <p>(m) To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.</p> <p>(n) To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any, Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as a part of the working expenses of the Company.</p> <p>(o) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p> <p>(p) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special</p>

Title of Article	Article Number and contents
	<p>fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.</p> <p>(q) To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, labourers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general conferred by this sub-clause.</p> <p>(r) To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>(s) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>(t) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorise the members for the time being of any such local Board, or any of them to fill up any</p>

Title of Article	Article Number and contents
	<p>vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p> <p>(u) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> <p>(v) Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p> <p>(w) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> <p>(x) To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> <p>(y) To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p> <p>(z) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.</p> <p>(aa) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(bb) To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(cc) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories,</p>

Title of Article	Article Number and contents
	<p>workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(dd) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(ee) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(ff) To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(gg) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(hh) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>

MINUTES

Title of Article	Article Number and contents
Minutes to be made	<p>207.</p> <p>(1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:</p> <p>(a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.</p>

DIVIDENDS AND CAPITALISATION OF RESERVES

Title of Article	Article Number and contents
Division of profits	<p>212.</p> <p>(a) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid but if</p>

Title of Article	Article Number and contents
	<p>and so long as nothing is paid upon any of Share in the Company, dividends may be declared and paid according to the amounts of the Shares;</p> <p>(b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.</p>
The Company at General Meeting may declare dividend	<p>213.</p> <p>The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.</p>
Dividends out of profits only	<p>214.</p> <p>No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 205 of the Act.</p>
Interim dividend	<p>215.</p> <p>The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.</p>
Debts may be deducted	<p>216.</p> <p>(a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.</p> <p>(b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.</p>
Capital paid-up in advance to carry interest, not the right to earn dividend	<p>217.</p> <p>Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.</p>
Dividends in proportion to amounts paid-up	<p>218.</p> <p>All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.</p>
No Member to receive dividend while indebted to the Company and the Company's right in respect thereof	<p>219.</p> <p>No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.</p>
Effect of transfer of Shares	<p>220.</p> <p>A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.</p>
Dividend to joint	<p>221.</p> <p>Any one of several persons who are registered as joint holders of any Shares may give</p>

Title of Article	Article Number and contents
holders	effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	<p>222.</p> <p>The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.</p>
Notice of dividend	<p>223.</p> <p>Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.</p>
Reserves	<p>224.</p> <p>The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.</p>
Dividend to be paid within time required by law.	<p>225.</p> <p>The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-</p> <ul style="list-style-type: none"> a) where the dividend could not be paid by reason of the operation on any law; or b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or c) where there is dispute regarding the right to receive the dividend; or d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.
Unpaid or unclaimed dividend	<p>226.</p> <p>Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called “Sejal Architectural Glass Limited _____ (year) Unpaid Dividend Account”.</p> <p>Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 205C of the Act.</p>

Title of Article	Article Number and contents
	No unclaimed or unpaid divided shall be forfeited by the Board.

DOCUMENTS AND NOTICES

Title of Article	Article Number and Contents
To whom documents must be served or given	<p>239.</p> <p>Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company, PROVIDED that when the notice of the Meeting is given by advertising the same in newspaper circulating in the neighborhood of the office of the Company under Article 109, a statement of material facts referred to in Article 100 need not be annexed to the notice, as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the Members of the Company.</p>

REGISTERS AND DOCUMENTS

Title of Article	Article Number and Contents
Registers and documents to be maintained by the Company	<p>243.</p> <p>The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:</p> <ul style="list-style-type: none"> (a) Register of investments made by the Company but not held in its own name, as required by Section 49(7) of the Act (b) Register of mortgages and charges as required by Section 143 of the Act and copies of instruments creating any charge requiring registration according to Section 136 of the Act. (c) Register and index of Members and debenture holders as required by Sections 150, 151 and 152 of the Act. (d) Foreign register, if so thought fit, as required by Section 157 of the Act (e) Register of contracts, with companies and firms in which Directors are interested as required by Section 301 of the Act. (f) Register of Directors and Secretaries etc. as required by Section 303 of the Act. (g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 307 of the Act. (h) Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 372(2) of the Act. (i) Copies of annual returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act. (j) Register of loans, guarantees, or securities given to the other companies under the same management as required by Section 370 of the Act.

SECTION XI - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of filing of this Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus will be delivered to the Registrar of Companies, Maharashtra for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 201/202, 2nd floor, Abhilasha, S.V. Road, Kandivali (West), Mumbai - 400 067, from 10.00 a.m. to 4.00 p.m. on working days from the date of filing of this Red Herring Prospectus until the date of closure of this Issue.

Material Contracts

1. Memorandum of Understanding dated November 21, 2007 among the Company and Saffron Capital Advisors Private Limited, appointing them as Book Running Lead Manager to the issue.
2. Memorandum of Understanding dated October 12, 2007 between the Company and Intime Spectrum Registry Limited appointing them as Registrar to the issue.
3. Letter of Appointment dated November 01, 2007 appointing Crawford Bayley & Co, as Legal Advisor to the Issue.
4. Tripartite Agreement dated January 24, 2008, between our Company, NSDL and Intime Spectrum Registry Limited.
5. Tripartite Agreement dated December 29, 2007, between our Company, CDSL and Intime Spectrum Registry Limited.
6. Escrow agreement dated May 27, 2008 between our Company, the BRLM, Escrow Collection Banks, and the Registrar to the Issue.
7. Syndicate agreement dated May 27, 2008 between our Company, the BRLM and the Syndicate Members.
8. Underwriting agreement dated [•] 2008 between us, the BRLM and the Syndicate Members.
9. MOU dated September 25, 2006 between Sejal Architectural Glass Limited and Flachglass Veredlung GmbH & Co. KG. , Germany.
10. MOU dated September 25, 2006 between Sejal Architectural Glass Limited and Kaphs SA- Montres-Switzerland.

Documents for inspection

5. Memorandum and Articles of Association of our Company, as amended from time to time.
6. Certificate of incorporation dated December 11, 1998 bearing Certificate of incorporation number 11-117437 issued by the Registrar of Companies, Maharashtra, Mumbai.
7. Resolution of the Board of Directors passed at its meetings held on August 14, 2007, authorising the Issue.

8. Resolution passed under Section 81 (1A) of the Act, at the Annual General Meeting of our Company held on September 29, 2007.
9. Agreement dated November 24, 2007 appointing Mr. Amrut S. Gada as our Chairman and Managing Director.
10. Agreement dated November 24, 2007 appointing Mr. Dhiraj S. Gada as our Joint Managing Director.
11. Agreement dated November 24, 2007 appointing Mr. Mitesh K. Gada as our Whole Time Director.
12. Agreement dated November 24, 2007 appointing Mr. R. Subramanian as our Whole Time Director.
13. Agreement dated November 24, 2007 appointing Mr. Ashish D. Karia as our Whole Time Director.
14. Due Diligence Certificate dated December 03, 2007 to SEBI from Saffron Capital Advisors Private Limited.
15. Consent from the Directors, Compliance Officer, Auditor, Book Running Lead Manager, Registrar to the Issue, Bankers to the Issue, Bankers to our Company, Underwriters, Legal Advisor to the issue, Legal Advisor to the Company and IPO Grading Agency to act in their respective capacities.
16. IPO Grading Report issued by Crisil, dated March 10, 2008 and revalidated on May 26, 2008.
17. Certificate dated May 23, 2008 from the statutory auditors, S.S. Puranik & Co., Chartered Accountants, detailing the tax benefits.
18. Audit report by the statutory auditor, S.S. Puranik & Co., Chartered Accountants dated May 23, 2008 included in the Red Herring Prospectus and copies of the Balance Sheet referred in the said report.
19. Copy of the Certificate from the statutory auditors, S.S. Puranik & Co., Chartered Accountants, dated May 24, 2008 regarding the sources and deployment of funds as on April 30, 2008.
20. Joint Term Loan Agreement dated with the consortium of Bankers dated October 16, 2007.
21. Non-Compete Agreement dated November 19, 2007, between our Company and Sejal Glass Craft Private Limited
22. Non-Compete Agreement dated November 19, 2007, between our Company and Sejal International Limited
23. Non-Compete Agreement dated November 19, 2007, between our Company and Sejal Float Glass Limited
24. Deed of assignment of trademark dated November 19, 2007 with Sejal Glass Craft Private Limited.
25. Copies of Initial Listing Application made to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, both dated December 04, 2007.
26. Copy of in-principal approvals received from National Stock Exchange of India Limited and the Bombay Stock Exchange Limited dated January 9, 2008 and January 24, 2008 respectively.
27. SEBI observation letter no. CFD/DIL/ISSUES/NB/DM/124234 dated April 29, 2008.
28. Reply by the BRLM dated May 27, 2008 for the above SEBI observation letter.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

SECTION XII - DECLARATION

We, the Directors of the Company, hereby declare that all the relevant provisions of the Companies Act, 1956 and the guidelines issued by the government or the guidelines issued by the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956 or the Securities and Exchange Board of India Act, 1992 or rules made there under or guidelines issued, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS

Mr. Amrut S. Gada

Mr. Atul S. Bharani

Mr. Dhiraj S. Gada

Mr. Praful N. Satra

Mr. Mitesh K. Gada

Ms. Vimla M. Shah

Mr. R. Subramanian

Mr. Hasmukh N. Shah

Mr. Ashish D. Karia

Mr. Mitil R. Chokshi

SIGNED BY THE CHAIRMAN AND MANAGING DIRECTOR

Mr. Amrut S. Gada

SIGNED BY THE VICE PRESIDENT (FINANCE)

Mr. R. Sivaraj

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Ashwin S. Shetty

Date: May 29, 2008

Place: Mumbai