



Annual Report
2012-13

SEL Manufacturing Company Ltd.

BOARD OF DIRECTORS

Sh. Ram Saran Saluja	Chairman
Sh. Neeraj Saluja	Managing Director
Sh. Dhiraj Saluja	Jt. Managing Director
Sh. Vinod K. Goyal	Executive Director & CEO
Sh. Navneet Gupta	Executive Director & CFO
Sh. Ashwani Kumar	
Sh. Amit Narang	
Sh. Kanwalnain Singh Kang	
Sh. Ranjan Madaan	
Sh. Prem Kumar	

AUDITORS

Dass Khanna & Co.
Chartered Accountants,
B-XX-711, 1st Floor,
Gurdev Nagar, Pakhowal Road,
Ludhiana - 141 001 (Pb.)

REGISTERED OFFICE

274, Dhandari Khurd, G. T. Road,
Ludhiana (Pb.) 141 014 (India)

REGISTRAR & TRANSFER AGENT

Link Intime India Pvt. Ltd.
(Formerly Intime Spectrum Registry Ltd.)
44, Community Centre, 2nd Floor,
Naraina Ind. Area, Ph-I, PVR Naraina
New Delhi- 110 028
Phone No: 011- 41410592
Fax no: 011- 41410591
E-mail: delhi@linkintime.co.in

COMPANY SECRETARY

Sh. Rahul Kapoor

Contents

	<u>Page No.</u>
	(from)
Notice	01
Directors' Report	05
Corporate Governance Report (including Management Discussion and Analysis)	10
Certificate on Corporate Governance	17
Auditors Report on Financial Statements	18
Balance Sheet	21
Profit & Loss Statement	22
Cash flow Statement	23
Notes on Financial Statements etc.	24
Auditors Report on Consolidated Financial Statements	44
Consolidated Balance Sheet	45
Consolidated Profit & Loss Statement	46
Consolidated Cash Flow Statement	47
Notes on Consolidated Financial Statements etc.	48
Financial Information of Subsidiary Company(ies)/Firm(s)	65

Chairman's Message

Dear Shareholders,

It is my pleasure and privilege to reach you through this Annual Report and share with you the highlights of our Company's performance for the momentous year 2012-13. This was a challenging year caused by uncertain global macro-economic situation. Major economies witnessed slower growth and especially the Eurozone remained uncertain. Within the country, inflation remained the key cause of worry, impacting all input costs and putting margins under pressure.

Despite the global volatile environment, we remain committed to drive the business towards delivering consistent, competitive, profitable and responsible growth. We have been able to sustain operational stability, thanks to our strong market position, geographic spread of scale and low-cost but high quality products. The (Consolidated) Revenue from Operations of your Company stood at Rs. 3776.79 crores for the F.Y. ended 31.03.2013, as compared to Rs. 2221.54 crores during the previous year, a growth of 70.00 % YoY. The Profit after Tax (Consolidated) stood at Rs. 137.91 crores for the F.Y. ended 31.03.2013, as compared to Rs. 82.81 crores during the previous year, a growth of 66.54 % YoY.

The (Standalone) Revenue from Operations of your Company stood at Rs. 3154.21 crores for the F.Y. ended 31.03.2013, as compared to Rs. 2038.34 crores during the previous year, a growth of 54.74 % YoY. The Profit after Tax (Standalone) stood at Rs. 106.43 crores for the F.Y. ended 31.03.2013, as compared to Rs. 71.83 crores during the previous year, a growth of 48.16% YoY.

The evolving economic landscape and the aspirations of the people have driven us to aim higher, execute our plans seamlessly and sustain the growth momentum. We are successfully implementing our new/expansion projects and are confident that our large capital expenditure programme will enable us to take full advantage of our position and achieve our growth ambitions.

We are fortunate to have been able to attract the talent we see today in the Company, across all disciplines and at all levels and I thank all SEL employees for their dedication in making SEL, the company it is today. Sustainability is now firmly at the heart of our business model and is driving growth, reducing costs, building strengths for the future and to invest in building capabilities. We see this as a source of competitive advantage for the business now and in the years ahead and we will continue to invest our resources in taking these initiatives forward.

We strongly believe in doing business with values such as transparency, professionalism and accountability. We will continue to enhance our corporate value by ensuring that all of our business activities are so carried out that we achieve high credibility with our stakeholders across the globe.

Your company growth has been made possible with the support and encouragement from all the stake holders including shareholders, customers, lenders and our loyal, hardworking and committed employees without whose commitment it would be difficult for the company to target the growth that it is aiming for. I would like to express my gratitude to all of them. We seek your continued support in all future endeavours.

With best wishes,
Ram Saran Saluja
Chairman



NOTICE

Notice is hereby given that the 13th Annual General Meeting of the Members of the Company will be held on Tuesday, the 24th day of September, 2013 at 9.30 A.M. at the Registered office of the Company situated at 274, Dhandari Khurd, G.T. Road, Ludhiana (Punjab) 141014 to transact the following business(es):

AS ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Balance Sheet for the financial year ended 31st March, 2013 and the Profit & Loss Account for the financial year ended on that date together with the report of Directors & Auditors thereon.
2. To appoint a Director in place of Mr. Navneet Gupta, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Vinod Kumar Goyal, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Prem Kumar, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors to hold office until the conclusion of the next Annual General Meeting and to fix their remuneration.

The Auditors M/s Dass Khanna & Company, Chartered Accountants, Ludhiana, (Firm Registration No. 000402N), the Statutory Auditors of the Company whose term is ending at the conclusion of the forthcoming Annual General Meeting are eligible for re-appointment.

AS SPECIAL BUSINESS:-

6. **TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:**

RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the rules framed there under, and as approved by the Remuneration Committee of the Board and subject to such other modification(s), amendment(s), alteration(s) as may be required by any letters etc., the consent of the Company be and is hereby accorded for the re-appointment of Sh. Navneet Gupta, as the Executive Director of the Company for a further period of three years w.e.f. 8.5.2014 on a consolidated amount of Salary of Rs. 3,00,000/- per month.

RESOLVED FURTHER THAT he will be entitled to free use of Company's car for business purpose and of free use of telephone, at office and at residence, for business purposes of the Company.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to further increase the above said remuneration within the limits prescribed under the Companies Act, 1956 and the guidelines issued in this behalf by the Central Government from time to time, without referring the matter again for the approval of the members of the Company.

RESOLVED FURTHER THAT in case in any Financial year, the company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Executive director subject to compliance of Schedule XIII of the Companies Act, 1956 and other applicable provisions, and the rules framed there under as amended from time to time.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to execute all such documents, instruments, and writings, if any, and further to do all such acts, deeds or things as may be deemed necessary to give effect to the above said resolution.

7. **TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:**

RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the rules framed there under, and as approved by the Remuneration Committee of the Board and subject to such other modification(s), amendment(s), alteration(s) as may be required by any letters etc., the consent of the Company be and is hereby accorded for the re-appointment of Sh. Vinod Kumar Goyal, as the Executive Director & CEO of the Company for a further period of three years w.e.f. 13.7.2013 on a consolidated amount of Salary of Rs. 6,50,000/- per month.

RESOLVED FURTHER THAT he will be entitled to free use of Company's car for business purpose and of free use of telephone, at office and at residence, for business purposes of the Company.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to further increase the above said remuneration within the limits prescribed under the Companies Act, 1956 and the guidelines issued in this behalf by the Central Government from time to time, without referring the matter again for the approval of the members of the Company.

RESOLVED FURTHER THAT in case in any Financial year, the company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Executive Director & CEO subject to compliance of Schedule XIII of the Companies Act, 1956 and other applicable provisions, and the rules framed there under as amended from time to time.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to execute all such documents, instruments, and writings, if any, and further to do all such acts, deeds or things as may be deemed necessary to give effect to the above said resolution.



8. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the rules framed there under, and as approved by the Remuneration Committee of the Board and subject to such other modification(s), amendment(s), alteration(s) as may be required by any letters etc., and in partial modification of the earlier Resolution passed in the Extra Ordinary General Meeting held on 24.05.2012, the consent of the Company be and is hereby accorded for the increase in consolidated amount of Salary to Sh Neeraj Saluja as the Managing Director of the Company to Rs. 14,00,000 per month w.e.f. 01.10.2013.

RESOLVED FURTHER THAT all other terms and conditions of his appointment shall remain unchanged.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to execute all such documents, instruments, and writings, if any, and further to do all such acts, deeds or things as may be deemed necessary to give effect to the above said resolution.

9. TO CONSIDER AND, IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

RESOLVED THAT pursuant to the provisions of Section 314, 314(1B) of the Companies Act, 1956 read with Directors' Relative (Office or Place of Profit) Rules, 2011, and all other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the appointment of Ms. Preetika Goyal to hold and continue to hold an office or Place of Profit as Assistant Manager-Marketing (or any other designation and roles which the Board/Committee of the Board may decide from time to time) on such Monthly remuneration as may be fixed from time to time by the Board of Directors of the Company within the limits prescribed under Section 314(1B) of the Companies Act, 1956 read with Rule 3 of the Directors' Relative (Office or Place of Profit) Rules, 2011, as amended from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do, perform and execute all such acts, deeds and things and to settle all questions arising out of and incidental thereto, and to give such directions that may be necessary or arise in regard to or in connection with any such matter as it may in its absolute discretion, deem fit to give effect to this resolution.

**By Order of the Board,
For SEL MANUFACTURING COMPANY LTD.**

**PLACE : LUDHIANA
DATED :24.08.2013**

**(RAHUL KAPOOR)
COMPANY SECRETARY**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK PROXY FORM IS ENCLOSED.

PROXIES IN ORDER TO BE MADE EFFECTIVE, MUST BE DEPOSITED WITH THE COMPANY DULY EXECUTED NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF ANNUAL GENERAL MEETING AT THE REGISTERED OFFICE OF THE COMPANY.

2. Members are requested to send their queries on the accounts, if any, so as to reach the Registered Office of the Company at least seven days before the meeting to enable the company to have relevant information ready at the meeting.
3. Members are requested to bring their copy of Annual Report along with them to the Annual General Meeting.
4. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in Respect of Item(s) of Special Business is annexed hereto and forms part of the Notice.
5. The Register of Members and Share Transfer books shall remain closed from September 16, 2013 to September 24, 2013 (both days inclusive).
6. The information required to be provided under the Listing Agreement entered into by the Company with the Stock Exchanges regarding the Director who is proposed to be appointed/re-appointed is given in the annexure to the Notice.
7. The Explanatory Statement for Item(s) No. 6, 7 and 8 together with the accompanying notice may also be regarded as an abstract of the terms of re-appointment of Mr. Navneet Gupta as Executive Director and Mr. Vinod Kumar Goyal, as Executive Director and CEO of the Company and their Memorandum of Interest of Directors u/s 302 of the Companies Act, 1956, and also as an abstract of the terms of increase in remuneration of Mr. Neeraj Saluja, Managing Director of the Company and Memorandum of Interest of Directors u/s 302 of the Companies Act, 1956.
8. Pursuant to Section 205C of the Companies Act, 1956, the amount remaining unpaid or unclaimed for a period of seven years from the date they became due for payment shall be transferred to Investor Education and Protection Fund ("Fund").

Members who have not encashed their dividend for the financial year ended March 31, 2008, are requested to make their claims to the Registrar/Company. It may be noted that once the unclaimed/unpaid dividend is transferred to the credit of the said Fund, no claim shall lie in respect thereof.



Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating the service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants and with Registrar & Share Transfer Agent-M/s Link Intime India Private Limited in case of shares held in physical form. E-mail is a better method to receive the communications quickly, with least cost implications. We request you to whole-heartedly support this initiative and co-operate with the Company in implementing the same. Please act and contribute to the cause of Environment.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEMS OF SPECIAL BUSINESS:

FOR ITEM NO.6

The Board of Directors of your Company have re-appointed Mr. Navneet Gupta as the Executive Director of the Company for a further period of three years w.e.f. 8.5.2014 subject to the confirmation of his re-appointment and remuneration by the members of the Company. The remuneration proposed to be paid to Executive Director has been approved by the Remuneration Committee of the Board and the resolution is put for your approval in this meeting. Mr. Navneet Gupta, Executive Director of the Company looks after all the finance related activities of the Company.

As per the provisions of the Companies Act, 1956 under Schedule XIII and Rules framed there under, confirmation of the members of the Company is required for the appointment/reappointment as such of a managerial person. Hence the proposed resolution is recommended for your consideration and approval.

MEMORANDUM OF INTEREST

None of the Directors except Mr. Navneet Gupta, Executive Director being the appointee is, in any way, interested or concerned in the proposed resolution.

FOR ITEM NO. 7

The Board of Directors of your Company have re-appointed Mr. Vinod Kumar Goyal as the Executive Director and CEO of the Company for a further period of three years w.e.f. 13.07.2013 subject to the confirmation of his re-appointment and remuneration by the members of the Company. The remuneration proposed to be paid to Executive Director and CEO has been approved by the Remuneration Committee of the Board and the resolution is put for your approval in this meeting. Mr. Vinod Kumar Goyal, Executive Director and CEO of the Company besides being responsible for the

overall management of the Company along with the Managing Director/Jt. Managing Director of the Company, is also incharge of whole of the operations of the Company.

As per the provisions of the Companies Act, 1956 under Schedule XIII and Rules framed there under, confirmation of the members of the Company is required for the appointment/reappointment as such of a managerial person. Hence the proposed resolution is recommended for your consideration and approval.

MEMORANDUM OF INTEREST

None of the Directors except Mr. Vinod Kumar Goyal, Executive Director and CEO being the appointee is, in any way, interested or concerned in the proposed resolution.

FOR ITEM NO.8:

The re-appointment of Mr. Neeraj Saluja as Managing Director of the Company was confirmed by the members of the Company in the Extra Ordinary General Meeting of the Members held on 24th day of May, 2012 for a period of three years w.e.f. 26.05.2012 on a consolidated amount of Salary of Rs.10,00,000/- per month.

The Board of Directors of your Company have on the basis of recommendation of Remuneration Committee have passed the Resolution for increase in the consolidated amount of Salary to Sh. Neeraj Saluja, Managing Director of the Company to Rs.14,00,000 per month w.e.f. 01.10.2013. The job responsibilities of Managing Director have considerably increased in view of increase in the volume of business and establishment of a new unit of the Company in the State of Madhya Pradesh. He is also responsible for the overall management of our Company and provides strategic direction in selection of technology and machineries, in setting up new manufacturing facilities, improvement of production processes and exploring and diversifying into new ventures.

All other terms and conditions of his appointment will remain the same.

MEMORANDUM OF INTEREST

None of the Directors except Mr. Ram Saran Saluja, Mr. Dhiraj Saluja being relatives and Mr. Neeraj Saluja being the appointee is, in any way, interested or concerned in the proposed resolution.

FOR ITEM NO.9:

The Board of Directors of the Company have appointed Ms. Preetika Goyal as Assistant Manager-Marketing on a consolidated monthly remuneration of Rs.47,000. All the terms and conditions of her appointment, including remuneration, will be as applicable to employees at the same responsibility lever as her. Depending upon her performance, her remuneration will be subject to revision from time to time along with the Performance Award, if any, in accordance with the rules and procedures of the Company but within the limits prescribed under the Directors' Relative (Office or Place of Profit) Rules, 2011 as amended from time to time.



SEL Manufacturing Company Ltd.

Ms. Preetika Goyal, concentrates on activities pertaining to Sales and Marketing, alongwith Business Development.

Since Ms. Preetika Goyal is related to the member of the Board of Directors of the Company, she will be deemed to be holding an office or Place of Profit under the Company within the meaning of Section 314(3) of the Companies Act, 1956. ("the Act")

As per the provisions of Section 314 of the Act, no relative of a Director may hold any office or place of profit in a company carrying a monthly remuneration of Rs. 50,000 and above except with the consent of shareholders through a special resolution. Moreover, should the relative draw a monthly remuneration of Rs.2,50,000 and above, such appointment, as per the present provisions of Section 314(1B) of the Act read with the Directors' Relative (Office or Place of Profit) Rules, 2011 will also be subject to the approval of the Central Government.

The monthly remuneration that the Company proposed to pay presently to Ms. Preetika Goyal is lower than Rs.2,50,000. Consequently, no approval of the Central Government is at this point of time, envisaged.

The draft Special Resolution is proposed in the above context and the Board of Directors of the Company recommends the Resolution for acceptance.

MEMORANDUM OF INTEREST

None of the Directors except Mr. Vinod Kumar Goyal, being the relative of the appointee are interested in the proposed resolution.

**By Order of the Board,
For SEL MANUFACTURING COMPANY LTD.**

PLACE : LUDHIANA
DATED :24.08.2013

(RAHUL KAPOOR)
COMPANY SECRETARY

ANNEXURE TO NOTICE

DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT IN ANNUAL GENERAL MEETING SCHEDULED FOR 24TH SEPTEMBER, 2013

Name of Director	Mr. Navneet Gupta	Mr. Vinod Kumar Goyal	Mr. Prem Kumar
Resume including Expertise in specific functional area	Mr. Navneet Gupta, aged 43 years is a Chartered Accountant and has a vast experience in Financial Areas and other related aspects.	Mr. Vinod Kumar Goyal aged 54 Yrs. is the Executive Director & CEO of our Company. He holds the degree of a MBA and has over 32 yrs. of experience in textile industry. Mr. Goyal is responsible for the overall management of the Company along with the Managing Director/Jt, Managing Director of the Company.	Mr. Prem Kumar aged 60 Yrs. is an Independent Director on the Board of the Company. Mr. Prem Kumar is well known and highly regarded as a speaker and thought leader in the area of strategic management, marketing and international business. His work focuses on the formulation and implementation of corporate strategies, knowledge and innovation management.
List of other Companies in which Directorship held	1) Rythm Textile & Apparels Park Ltd. 2) SEL Textiles Ltd. 3) Silverline Corporation Ltd.	None	1. Roop Automotives Ltd. 2. Roop Polymers Ltd.
Chairman/Member of the Committee of Board of Directors of other Companies	Member Audit Committee: 1) SEL Textiles Ltd. 2) Rythm Textile & Apparels Park Ltd.	None	Member Audit Committee : Roop Polymers Ltd.
Inter-Se relationship with other Directors of the Company	Not related	Not related	Not related
Shareholding in the Company	600	Nil	Nil



DIRECTORS' REPORT

To

The Members

SEL Manufacturing Company Ltd.

Your Directors have pleasure in presenting their 13th Annual Report on the affairs of the company together with Audited Accounts for the financial year ended 31st March, 2013.

FINANCIAL RESULTS

(Rupees in Lacs)

	Current Year		Previous year	
	(2012-13)		(2011-12)	
Revenue from Operations		315421.69		203834.24
Other Income		17198.82		9627.90
		332620.51		213462.14
Less :				
Expenditure	302247.14		195164.01	
Provision for Depreciation	13559.26	315806.40	7507.34	202671.35
Profit before taxation:		16814.11		10790.79
Less :				
Taxes : Current Tax	3287.00		2089.00	
Deferred Tax	5496.19		3390.31	
MAT Credit Entit.	(2957.60)		(1873.81)	
Wealth Tax	5.50		2.00	
Earlier Yrs	339.52	6170.61	0.00	3607.50
Profit after Tax		10643.50		7183.29
Balance brought forward		31770.90		30903.52
		42414.40		38086.81
Less: Previous year Tax Adjustments		0.00		1317.91
Less: Transferred to General Reserve		10000.00		4998.00
Balance Carried over to Balance Sheet		32414.40		31770.90

BUSINESS:

The Company is vertically integrated multi-product textile company, manufacturing various kinds of Knitted Garments, Terry Towels, Knitted & Processed Fabric and various kind of Yarn with production facilities located at Ludhiana and NawanSheher in Punjab, Baddi in Himachal Pradesh and Sehore in Madhya Pradesh.

We are expanding our existing capacities in spinning/knitting. The Company is setting up a new project in the state of Madhya Pradesh consisting of spinning unit with a capacity of 571,200 spindles, out of which 326,400 spindles have already been installed. The said spinning facility is the largest under one roof in India. Further, the Company also proposes to set up Knitted Fabric/ Cloth capacity of 72,000 TPA out of which 28,000 TPA is already installed. The Company has also set up Open end spinning with capacity of 4,440 Rotors.

OPERATIONS:

During the year under review, your company has achieved Revenue from Operations of Rs. 315421.69 lacs as compared to Rs. 203834.24 lacs in the previous year. The profit before tax stood at Rs. 16814.11 lacs as compared to Rs. 10790.79 lacs during the previous year. After providing for taxes and other adjustments, the Profit after tax stood at Rs. 10643.50 lacs as compared to Rs. 7183.29 lacs during the previous year.

SUBSIDIARY COMPANY/FIRM(S):

As at 31.03.2013, the Company has the following Subsidiary Company(ies) namely Omega Hotels Ltd., SEL Aviation Pvt. Ltd., SEL Textiles Corporation, SEL Ecochem Pvt. Ltd., SEL Textiles Ltd., Silverline Corporation Ltd., SEL Textiles Overseas Ltd., and also a subsidiary firm namely M/s SE



SEL Manufacturing Company Ltd.

Exports. The Company has its branch office at United Arab Emirates.

The Annual Accounts of the Subsidiary companies/firms and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time.

Further the Annual Accounts of the subsidiary companies are kept for inspection by any shareholders in the head office i.e. the Registered Office of the holding company and of the subsidiary companies concerned.

Your company continue to hold 99% stake in the partnership firm namely M/s SE Exports.

SEL Textiles Ltd. is the wholly owned Subsidiary of the Company. SEL Textiles Ltd. is engaged in the business of textiles and the Company has two spinning unit(s) one at Neemrana (Rajasthan) and one at Hansi, Hissar (Haryana) and a terry towel unit at Nawa Sheher, Punjab.

SEL Textiles Ltd. is also setting up a project with spinning capacity of 188160 spindles, denim fabric manufacturing capacity of 40 million meters per annum and around 8 million pieces of denim garments per annum at Vill Punjava-Lambi, Tehsil Malout, Dist Sri Muktsar Sahib (Punjab). The unit has already commenced commercial operations with installation of 65,280 spindles. Further SEL Textiles Ltd., has two subsidiary companies i.e. M/s Silverline Corporation Ltd., in India and M/s SEL Textiles Overseas Ltd. in Hong Kong.

Omega Hotels Ltd., subsidiary of the company is presently implementing a hotel project at Agra in the Sate of Uttar Pradesh.

SEL Aviation Pvt. Ltd., subsidiary of the company is in the business of aviation services and holds a Non-Scheduled Operator's permit under the Director General of Civil Aviation Rules and Regulations.

SEL Textiles Corporation is the wholly owned subsidiary of the Company in the state of California, USA.

SEL Ecochem Pvt. Ltd., is subsidiary of the Company in India which proposes to commence business of chemicals, acids, etc.

CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of the Company and its subsidiaries, prepared and presented in accordance with Accounting Standard (AS) 21, are attached to and form part of the Annual Report.

CORPORATE GOVERNANCE:

Your Company is committed to adhere to the best Practices of governance. In your Company, prime importance is given to reliable financial information, integrity, transparency, fairness, empowerment & compliances. A separate section on Corporate Governance and a Certificate regarding compliance of conditions of Corporate Governance, forms part of the Annual Report.

DIVIDEND:

In order to conserve resources for future growth and the expansion projects of the company the directors have not recommended any dividend for the Financial year 2012-13.

FIXED DEPOSITS:

During the year, your Company has not accepted any fixed deposits within the meaning of Section 58-A of the Companies Act, 1956 and the Rules made there under.

DIRECTORS:

Mr. Navneet Gupta, Mr. Vinod Kumar Goyal and Mr. Prem Kumar, Directors' of the Company retire by rotation at this Annual General Meeting and being eligible offer themselves for re-appointment.

Further the re-appointment of Mr. Vinod Kumar Goyal and Mr. Navneet Gupta as Executive Director(s) of the Company for a further period of three years each respectively is also to be confirmed.

LISTING WITH EXCHANGES AND LISTING FEES:

The Equity Shares of the Company are presently listed with Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Ltd. (NSE). Further the Company has paid listing fees to both the exchanges (i.e. BSE and NSE) upto financial year 2013-14. The GDRs of the company are listed on Luxembourg Stock Exchange.



AUDITORS:

M/s Dass Khanna & Co., Chartered Accountants, Ludhiana, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for reappointment.

AUDITORS' REPORT:

The report of Auditors and notes on accounts are self explanatory and do not call for any further comments as there are no adverse remarks by the Auditors.

COST AUDITORS:

As per the requirement of the Central Government and pursuant to Section 233B of the Companies Act, 1956 and the rules made thereunder, the Company's Cost Records for the year ended March 31, 2013 are being audited/reviewed by Cost auditors, M/s R.R. & Co., Cost Accountants, Ludhiana. The cost audit report for the financial year ended March 31, 2013 is to be filed within 180 days from the close of the financial year.

AUDIT COMMITTEE:

The Board has constituted its Audit Committee pursuant to the provisions of Section 292A of the Companies Act, 1956 and provisions of the Listing Agreement(s) of the Stock Exchange(s).

The Audit Committee of the Company presently comprises of the following members namely Mr. Ashwani Kumar, Mr. Ranjan Madaan, Mr. Amit Narang and Mr. Navneet Gupta. Sh. Ashwani Kumar is the chairman of the said committee.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as per section 217(1)(e) read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure-I forming part of this report.

PARTICULARS OF EMPLOYEES:

Details of remuneration paid to employees, as required by Section 217(2A) of the Companies Act, 1956 read with the

Companies (Particulars of employees) Rules, 1975 are set out in a separate statement attached hereto and marked as Annexure-II and forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors would like to assure the Members that the financial statements for the year under review conform in their entirety to the requirements of the Companies Act, 1956.

The Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit of the Company for the year ended on 31st March, 2013;
- Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts have been prepared on a going concern basis.

ACKNOWLEDGMENTS:

Your Directors express their gratitude to the Company's vendors, customers, Banks, Financial Institutions, Shareholders & society at large for their understanding and support. Finally, your Directors acknowledge the dedicated services rendered by all employees of the company.

For and on Behalf of the Board
For **SEL MANUFACTURING COMPANY LTD.**

PLACE : LUDHIANA
DATED : 24.08.2013

(RAM SARAN SALUJA)
CHAIRMAN



ANNEXURE-I TO THE DIRECTORS' REPORT

Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988:

ADDITIONAL INFORMATION GIVEN IN TERMS OF NOTIFICATION 1029 OF 31.12.1988 ISSUED BY DEPARTMENT OF COMPANY AFFAIRS.

A. Conservation of energy

The company provides high priority to energy conservation schemes to conserve natural resources and is regularly taking effective steps to conserve energy wherever possible. This continues to remain thrust area with studies, discussions and analysis being undertaken regularly for further improvements.

FORM A

(Form of disclosure of particulars with respect to conservation of Energy)

1. Power & fuel consumption	2012-13	2011-12
(a) Electricity purchased		
Units (Lacs)	1477.11	618.17
Total Amount (Rs. in Lacs)	8768.47	3161.83
Rate per Unit (Rs.)	5.94	5.11
(b) Electricity generated from Generator		
Units (Lacs)	30.53	24.77
Unit per Litre of Diesel Oil	3.58	3.54
Cost/Unit (Rs.)	11.65	11.70
(c) Captive Power Plant (CPP Turbine)		
Units (Lacs)	1147.67	547.60
Husk per Unit (Kg)	1.27	1.23
Cost/Unit (Rs.)	5.98	5.60
2. Diesel Oil		
Quantity (Ltrs)	853568	699776
Cost (Rs. in Lacs)	348.32	282.99
Avg. Rate/Ltr (Rs.)	40.81	40.44
3. (A) Rice Husk used in Boiler/Turbine		
Qty. consumed in MT	145878.10	67496.00
Amt. in Rs. (Lacs)	6876.63	3048.12
Rate per MT	4713.96	4516.00
(B) Petro Coke (MT)	9637.53	22425.00
Amt. in Rs. (Lacs)	625.64	1477.14
Rate Per MT	6491.73	6587.00

Consumption per unit of Production

Product	Unit 1Kg(PSEB & DG)		Cost 1 Kg(PSEB & DG)		Rate/units(PSEB& DG)	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Knitted Cloth	0.30	0.27	2.03	1.62	6.67	6.02
Cotton yarn 100% KH & CB and all blended yarn/mly (mallange)	3.23	3.14	19.42	17.19	6.02	5.47
Terry Towel	2.97	3.11	16.75	16.91	5.64	5.44
Readymade Garment (Unit Piece)	0.11	0.16	0.84	0.99	7.42	6.30
Cotton Double Yarn	0.82	0.92	5.05	5.30	6.15	5.74
Fabric Dyeing	0.73	--	4.10	--	5.64	--

B. RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION

Specific areas in which R & D activities were carried out by the company

- Quality Improvement

- Yield/Productivity Improvement
- Energy Conservation
- New Technology/Product development

Benefits Derived

- Better Quality; reduced wastages



SEL Manufacturing Company Ltd.

- Cleaner environment
- Safer operations and improved competitiveness

Future Plan of Action

Management is committee to strengthen R & D activities for product development and to improve its competitiveness in the times to come.

Expenditure on R & D

		(Rs. In Lacs)
a) Capital	:	57.72
b) Recurring	:	03.11
Total	:	60.83

Total R&D Exp. is 0.02% of total Revenue from Operations.

Technology Absorption

The Company has not imported any technology from abroad during the last five years. However the company has been using the imported machinery. The Company has been making efforts for absorption of latest technology.

Benefits Derived

The Company has achieved improvement in quality and lower cost of production.

C. FOREIGN EXCHANGE EARNINGS & OUTGO, EFFORTS AND INITIATIVES IN RELATION TO EXPORTS

The Company has continued to maintain focus and avail of export opportunities based on economic considerations. There have been concentrated efforts to maintain and improve exports performance and to meet the need of end users.

		(Rs. in Lacs)	
		2012-13	2011-12
(i) Foreign Exchange earned			
a) FOB value of exports as per Balance Sheet		99242.34	46456.35
b) Overseas Income		80483.76	29584.49
(ii) Foreign Exchange used			
(a) CIF value of Imports		17225.13	41289.24
(b) Other Expenditure		1000.82	751.49
(c) Overseas Expenditures		129824.05	26002.34

For and on Behalf of the Board

For **SEL MANUFACTURING COMPANY LTD.**

PLACE : LUDHIANA

(**RAM SARAN SALUJA**)

DATED : 24.08.2013

CHAIRMAN

ANNEXURE-II TO THE DIRECTORS' REPORT

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March, 2013:

Name	Age (Yrs.)	Designation	Gross Remn. (Rs.)	Qualification	Experience (Yrs.)	Dt. of joining	Previous Employment	No. of Shares held as on 31.03.2013
Mr. Neeraj Saluja	46	Managing Director	Rs.1,15,48,387	Diploma in business Administration	21 Yrs in Textile Industry	30.03.2006	SEL Mfg. Co. Ltd.	4621510 (1.39%)
Mr. Dhiraj Saluja	41	Jt. Managing Director	Rs. 60,00,000	Degree in Mechanical Engineering	17Yrs in Textile Industry	28.05.2007	SEL Mfg. Co. Ltd.	4621506 (1.39%)
Mr. Vinod Kumar Goyal	54	Executive Director & CEO	Rs. 75,75,000	MBA	32 Yrs in Textile Industry	13.07.2010	Vardhman Texgarments Ltd./ Vardhman Textiles Ltd.	Nil

*Remuneration received includes basic salary, allowances, taxable value of perquisites etc..

*The nature of employment i.e. the tenure of Appointment for Managing Director/Executive Director is for a period of 3 years.

*Mr. Neeraj Saluja and Mr. Dhiraj Saluja are sons of Mr. Ram Saran Saluja, all on the Board of the Company.

Nature of Duties

Mr. Neeraj Saluja, Managing Director is responsible for the overall management of the Company and provides strategic direction in selection of technology and machineries, in setting up new manufacturing facilities, improvement of production processes and exploring and diversifying into new ventures etc.

Mr. Dhiraj Saluja, Jt. Managing Director of the Company besides being responsible for the overall management of the Company along with Mr. Neeraj Saluja, is also incharge of overseeing marketing of yarn, garments, terry towels etc. and looks after the complete function of marketing and

delivery of our Company's products to the end customer.

Mr. Vinod Kumar Goyal, Executive Director & CEO besides being responsible for the overall management of the Company along with Mr. Neeraj Saluja and Mr. Dhiraj Saluja, also looks after complete operations of the Company.

For and on Behalf of the Board
For **SEL MANUFACTURING COMPANY LTD.**

PLACE : LUDHIANA

(**RAM SARAN SALUJA**)

DATED : 24.08.2013

CHAIRMAN



CORPORATE GOVERNANCE REPORT

At SEL, the governance philosophy is based on trust, accountability, and ethical corporate relationship. Good governance practices stem from the culture and mindset of the organisation and at SEL we are committed to meet the aspirations of all our stakeholders. We consider our stakeholders as our partners in our success and we remain committed to maximizing stakeholder value, be it employees, suppliers, customers, investors, communities or policy makers etc.. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values. We are committed to sound corporate governance principles and practices and constantly strive to adopt emerging best practices being followed worldwide. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealings with all stakeholders. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target. We strongly believe that strong governance is integral to creating value on a sustainable basis.

1. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

SEL success has much to do with the contributions from its employees and the “Can-do” spirit that each of them epitomise and adopt. Our performance can be attributed to our strong integrated business model, wide product portfolio and our capability to deliver operating excellence.

(a) Industry Structure and Development

The year 2012-13 was a year of economic uncertainties and weak sentiments. Several European economies experienced recession due to high unemployment, banking fragility, fiscal tightening and sluggish growth. In India we had a stagnant economy, low GDP Growth, steadily low industrial output, high inflation, high interest rates, depreciated currency and conservative policy reforms. The weak macro environment and slower growth caused the margin environment to remain volatile. The conflicting challenges of managing large fiscal deficits while trying to boost economic growth have seen the government and the RBI looking to push for several reforms, thought there is still some way to go before those reforms are effectively implemented.

The Company:

The Company is vertically integrated multi-product textile company, manufacturing various kinds of Knitted Garments, Terry Towels, Knitted & Processed Fabric and various kind of Yarn with production facilities located at Ludhiana and NawanSheher in Punjab, Baddi in Himachal Pradesh and Sehore in Madhya Pradesh.

The Company is setting up a new project in the state of Madhya Pradesh consisting of spinning unit with a capacity of 571,200 spindles, out of which 326,400 spindles have already

been installed. The said spinning facility is the largest under one roof in India. Further, the Company also proposes to set up Knitted Fabric/ Cloth capacity of 72,000 TPA out of which 28,000 TPA is already installed. The Company has also set up Open end spinning with capacity of 4,440 Rotors.

After the completion of the expansion projects under implementation, the manufacturing capacities of the Company (standalone basis) would be as under:-

Category	Unit	Present Capacities	Under Imple- mentation	Post Expansion Capacities
Ring spinning	spindles	476,256	244,800	721,056
Open-end spinning	rotors	11,640	-	11,640
Yarn Processing	TPA	4,500	-	4,500
Knitted fabric/cloth	TPA	35,050	44,000	79,050
Fabric processing	TPA	3,150	-	3,150
Terry Towel	TPA	16,200	-	16,200
Readymade garments	Mn.pieces p.a.	10.50	-	10.50
Captive power plant	Megawatt	22	-	22

Your company continue to hold 99% stake in the partnership firm namely M/s SE Exports.

SEL Textiles Ltd. is the wholly owned Subsidiary of the Company. SEL Textiles Ltd. is engaged in the business of textiles and the Company has two spinning unit(s) one at Neemrana (Rajasthan) and one at Hansi, Hissar (Haryana) and a terry towel unit at Nawa Sheher, Punjab.

SEL Textiles Ltd. is also setting up a project with spinning capacity of 188160 spindles, denim fabric manufacturing capacity of 40 million meters per annum and around 8 million pieces of denim garments per annum at Vill Punjava-Lambi, Tehsil Malout, Dist Sri Muktsar Sahib (Punjab). The unit has already commenced commercial operation with installation of 65,280 spindles. Further SEL Textiles Ltd., has two subsidiary companies i.e. M/s Silverline Corporation Ltd., in India and M/s SEL Textiles Overseas Ltd. in Hong Kong.

Omega Hotels Ltd., subsidiary of the company is presently implementing a hotel project at Agra in the Sate of Uttar Pradesh.

SEL Aviation Pvt. Ltd., subsidiary of the company is in the business of aviation services and holds a Non-Scheduled Operator's permit under the Director General of Civil Aviation Rules and Regulations.

SEL Textiles Corporation is the wholly owned subsidiary of the Company in the state of California, USA.



SEL Ecochem Pvt. Ltd., is subsidiary of the Company in India which proposes to commence business of chemicals, acids, etc.

(b) Company's Performance

During the year under review, your company has achieved Revenue from Operations of Rs. 315421.69 lacs as compared to Rs. 203834.24 lacs in the previous year. The profit before tax stood at Rs. 16814.11 lacs as compared to Rs. 10790.79 lacs during the previous year. After providing for taxes and other adjustments, the Profit after tax stood at Rs. 10643.50 lacs as compared to Rs. 7183.29 lacs during the previous year.

Segment wise Performance:

A Snapshot of major segmental sales/turnover for the current year and its comparison with the previous fiscal is tabulated below:-

Segment	2012-13 (Rs. in Lacs)	2011-12 (Rs. in Lacs)	Growth (%)
Hosiery Garments	102283.41	45059.97	126.99
Knitted Fabric/Cloth	57246.69	72016.01	(20.51)
Yarn	119894.69	57331.53	109.12
Terry Towel	31974.26	25721.81	24.31

During FY 2012-13, Yarn Sales grew by 109.12%, Terry towel by 24.31% & that of Hosiery Garments by 126.99% respectively. The Sales of knitted cloth decreased by 20.51% due to more captive consumption. The Company is functioning in only one Reportable Segment i.e. Textiles, hence Segment Reporting required under AS-17 is not applicable.

(c) Dividend

In order to conserve resources for the ongoing and future expansion plans of the Company no dividend has been declared for the financial year 2012-13. Your directors believe in sustained increase in shareholder value, eventually resulting in a higher return threshold.

(d) Outlook: Opportunity, Threats, Risks & Concerns

Textile Industry has made a major contribution to the national economy in terms of direct and indirect employment generation and net foreign exchange earnings. India is the one of the world's largest producers of textiles and garments. The textiles sector has witnessed a spurt in investment during the last five years. India's growing population has been a key driver of textile consumption growth in the country and a rising middle class has also aided demand growth for the sector. The turbulent global conditions, falling value of rupee, inflation coupled with a weak industrial sector have emerged as challenges for India economy. However, a stable outlook would require favourable policy environment, improvements in demand-supply position, continued stability in input costs and consequent improvement in margins/liquidity.

Our principal operating strategies:

We are committed to focus on cost cutting strategies, development of new markets and maintain the quality of our products to satisfy and exceed the expectations of the market and look forward to a better market sentiment for textiles. Partner with communities for sustainable development and to create and sustain a positive perception of SEL in its areas of operation.

Threats, risks and concerns

While there is a proper structure for risk management, which is regularly implemented across the organization, there are certain regular risks and concerns that surface in the business. Our primary raw material is cotton, which we source from the domestic market. Cotton is an agricultural product and its supply and quality are subject to forces of nature. Any material shortage or interruption in the domestic supply or deterioration in the quality of cotton due to natural causes or other factors could result in increased production costs, which we may not successfully be able to pass on to customers, which in turn would have an material adverse effect on our business. Increase in cotton prices would intensify inventory price risks, cash flows and liquidity.

There can be no assurance that the price levels of cotton will remain favorable. Any increase in cotton prices would have a material adverse effect on our business. However, the Company has over the years developed considerable expertise in responding to the changes in prices & demand. Due to company's integration & order based pricing, the company is generally able to pass on the increase in raw material prices to its customers.

Power and Fuel are major manufacturing costs while producing textiles. Any increase in these costs has a negative impact on the profits of the company. Over the past year, tariff prices for power have been increasing. The Company's captive power plant uses helps to mitigate some of the power cost risk.

Advancement in technology may require us to make additional capital expenditure for upgrading our manufacturing facilities. However, the Company's diversified product profile, quality approach, value-added segments, manufacturing flexibility, modern technology & strong marketing network has equipped the company well to meet competitors.

(e) Internal Control System and their adequacy

The Company has an effective and adequate internal audit and control system to ensure that all assets are safeguarded against loss and all transactions are authorised, recorded and reported correctly. The internal audit department performs internal audit periodically to ascertain their adequacy and effectiveness of other controls in the organization. Most of the Company's critical functions such as operations, supply chain, finance & accounts and human resources are linked



through implementation of Enterprise Resource Planning, (ERP)/Systems, Applications, and Products in Data Processing (SAP). This has enabled the Company to reduce its time in various critical areas. The existing audit and inspection procedures are reviewed periodically to enhance their effectiveness, usefulness and timeliness. The company has also an Audit committee constituted pursuant to the provisions of Listing Agreement and Section 292A of the Companies Act, 1956 that reviews internal control system of the Company from time to time besides looking into other areas in its scope.

(f) Human Resources:

Our aim is to create an inclusive working environment that attracts and retains the best people, enhances their flexibility, capability and motivation and encourages them to be involved in the growth of the Company. Our employee satisfaction is reflected in the stability of our senior management, low attrition across various levels and substantially higher productivity. Our work force consists of more than 11,000 employees. We believe our sophisticated equipment and skilled employee resources, together with our strong management and design capabilities, enable us to successfully implement various expansion projects.

Cautionary Statement:

Statements in Management discussion and analysis report with regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the management envisages in terms of performance and outlook. Market data and product information contained in this report have been based on information gathered from various published and unpublished reports and their accuracy, reliability and completeness cannot be assured.

The management of the Company reserves the right to revisit any of the predictive statement to decide the best course of action for the maximization of the shareholders' value apart from meeting social and human obligations.

2. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is a process which is ethically driven in business and is committed to values and conduct aimed at enhancing an organisation's wealth generating capacity. The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. As a part of its growth strategy, the Company believes in adopting the best practices that are followed in the area of Corporate governance worldwide.

We believe that our actions are governed by values and principles, which are reinforced across all levels within the company. In order to succeed and maintain growth and for creating long term value, requires the highest standards of

corporate discipline. Your company continues to focus its resources, strengths and strategies to achieve the vision of becoming a global leader in textiles while upholding the core values of quality, trust, leadership and excellence.

The Company will continue its efforts towards raising the standards in Corporate Governance and will also review its systems and procedures constantly in place with the changing economic environment from time to time as it feels that the Corporate Governance should be need based and is not seen only as an issue of compliance dictated by Statutory requirements.

2A. Code of Business Conduct and Ethics for Directors and Senior Management:

The Board has adopted the Code of Business Conduct and Ethics for Directors and Senior Management ("the code"). This code is a comprehensive Code applicable to all Directors, Executive as well as Non-Executive as well as members of Senior Management. The Code while laying down, in detail, the standards of business conduct, ethics and governance, centers around the following theme- "The Company's Board of Directors and Senior Management are responsible for and are committed to setting the standards of conduct contained in this Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and all other stakeholders as also to reflect corporate, legal and regulatory developments. This Code should be adhered to in letter and in spirit."

The Code has been circulated to all the members of the Board and Senior Management. A declaration signed by the Managing Director is given below:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of the financial year 2012-13.

Neeraj Saluja
Mg. Director

2B. Whistle Blower Mechanism:

The Company promotes ethical behaviour in all its business activities and has put in place mechanism of reporting illegal or unethical behaviour. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified person/Audit Committee and have never been denied access in reporting as such.

3. BOARD OF DIRECTORS:

(a) Board Meetings

During the financial year 2012-13, 12 Board Meetings were held on 27.04.2012, 29.05.2012, 01.06.2012, 09.06.2012, 15.06.2012, 29.06.2012, 13.08.2012, 30.08.2012,

10.11.2012, 20.12.2012, 12.02.2013 and 30.03.2013 respectively.

(b) Composition

The Board comprises of Ten Directors of which Five are

Independent Non-Executive Directors. The details of the Board composition, attendance of Directors at Board Meetings held during 2012-13 and their other memberships are given below:

S. No.	Name	Designation	Category	No. of Board Meetings Attended	Attendance at Last AGM	Total Number of Directorships in Other Public Ltd. Companies*		No. of Committee Position in Public Ltd. Companies**	
						Chairman	Member	Chairman	Member
1	Ram Saran Saluja	Chairman	Promoter	12	No	1	2	-	2
2	Neeraj Saluja	Managing Director	Promoter	10	Yes	1	3	1	1
3	Dhiraj Saluja	Jt. Managing Director	Promoter	01	No	-	4	-	-
4	Ashwani Kumar	Director	Independent	04	Yes	-	6	3	5
5	Navneet Gupta	Executive Director & CFO	Executive	11	Yes	-	3	-	3
6	Ranjan Madaan	Director	Independent	10	Yes	-	-	1	1
7	Vinod Kumar Goyal	Executive Director & CEO	Executive	03	Yes	-	-	-	-
8	Prem Kumar	Director	Independent	01	No	-	3	-	1
9	Amit Narang	Director	Independent	07	Yes	-	1	-	2
10	Kanwalnain Singh Kang	Director	Independent	02	No	-	-	-	-

Mr. Neeraj Saluja and Mr. Dhiraj Saluja are sons of Mr. Ram Saran Saluja, all on the Board of the Company.

*The Directorships held by directors as mentioned above, do not include Directorships in foreign companies, Alternate Directorships, companies registered under Section 25 of the Companies Act, 1956 and private limited companies.

**In accordance with Clause 49, Memberships/Chairmanships of only the Audit committees and Shareholders'/Investors Grievance Committees of all Public Limited Companies have been considered.

The holding(s) of Non-Executive directors in the Company as on 31.03.2013 is given as under:

Name of the Director	No. of shares held (face value of Rs.10/- each)
Mr. Ram Saran Saluja	4621505
Mr. Ashwani Kumar	75
Mr. Amit Narang	-
Mr. Ranjan Madaan	-
Mr. Prem Kumar	-
Mr. Kanwalnain Singh Kang	-

(c) Information of Directors including those being Appointed/Re-appointed

Particulars of Directors seeking appointment/re-appointment are given in the Annexure annexed to the Notice for the ensuing Annual General Meeting.

(d) Audit Committee

The Audit Committee of the Company comprises of the following members namely Mr. Ashwani Kumar (Chairman), Mr. Ranjan Madaan, Mr. Amit Narang and Mr. Navneet Gupta, Mr. Ashwani Kumar, Mr. Amit Narang and Mr. Ranjan Madaan are non-executive Independent Directors of the Company.

The terms of reference of the Audit Committee are as contained in Clause 49 of the Listing Agreement and as in Section 292A of the Companies Act, 1956.

During the F.Y. 2012-13, the Audit Committee met on 29.05.2012, 29.06.2012, 13.08.2012, 10.11.2012 and 12.02.2013 respectively.

Attendance of each Member at the Audit committee meetings held during the year:

Name of Member	No. of Meetings attended
Sh. Ashwani Kumar	2
Sh. Ranjan Madaan	4
Sh. Amit Narang	4
Sh. Navneet Gupta	5

(e) Remuneration Committee

The Company has constituted Remuneration Committee in line with Schedule XIII of the Companies Act, 1956 and clause 49 of the Listing Agreements.

The remuneration committee comprises of three members namely Mr. Ranjan Madaan, Mr. Ashwani Kumar and Mr. Amit Narang. Sh. Ranjan Madaan is the chairman of the said committee.



SEL Manufacturing Company Ltd.

All these members are non-executive Independent Directors of the Company. During the year the Remuneration Committee met on 27.04.2012 and 30.08.2012 respectively.

Attendance of each Member at the Remuneration Committee meetings held during the year:

Name of Member	No. of Meetings attended
Sh. Ranjan Madaan	2
Sh. Ashwani Kumar	2
Sh. Amit Narang*	1

* Sh. Amit Narang joined the Remuneration committee w.e.f. 09.06.2012

The Remuneration Committee has been constituted to recommend/review the remuneration package of the Managing/ Whole time/Executive Directors, based on performance.

The remuneration policy is directed towards rewarding performance, based on review of achievements. The remuneration policy is in consonance with the existing Industry practice.

4. DIRECTORS' REMUNERATION:

The Company pays remuneration to the Managing Director, Whole time Director/Executive Director as approved by the members of the Company in the General Body Meeting and as recommended by the Remuneration Committee of the board. The details of remuneration paid to them during the Financial year 2012-13 are given below:

Name	Designation	Gross Salary (Rs. in Lacs)
Sh. Neeraj Saluja	Managing Director	115.48
Sh. Dhiraj Saluja	Jt. Managing Director	60.00
Sh. Navneet Gupta	Executive Director & CFO	34.38
Sh. Vinod Kumar Goyal	Executive Director & CEO	75.75

The tenure of appointments of the Managing Director, Jt. Mg. Director, Whole time Director/Executive Director are for a period of 3 years each respectively with no severance fees.

The Company at present does not have a Scheme for grant of Stock Options to the Managing Director/Executive Director(s) or Employees of the company.

Non-executive Directors have not been paid any other remuneration except Sitting fees for attending meeting(s) during the Financial Year 2012-13. The criteria for payment of remuneration is time spent by the Non-Executive directors at the Board/Committee meetings and advice given by these directors to the Management.

There were no other pecuniary relationships or transactions of the Non-executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Non-Executive Directors.

5. INVESTORS' GRIEVANCE COMMITTEE:

The Investors' Grievance Committee of the Company comprises of the following members namely Mr. Ranjan Madaan, Mr. Ram Saran Saluja and Mr. Amit Narang. Sh.

Ranjan Madaan is the chairman of the said committee.

The Compliance officer of the committee is Mr. Ranjan Madaan. The quorum for the meeting is two Directors and the committee meets frequently to dispose of Investors complaints/requests as required.

During the F.Y. 2012-13, Twenty Two Investor complaints were received which were resolved satisfactorily. Further, there was no pendency in respect of shares received for transfers/ dematerialization.

6. GENERAL BODY MEETINGS:

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

Meeting	Day, Date & Time of Meeting	Venue	No. of Special Resolutions
12th AGM	Friday, 28.09.2012 9.30 A.M.	274, DHANDARI KHURD, G.T. ROAD, LUDHIANA (PUNJAB)	ONE
11th AGM	Tuesday, 05.07.2011 9.00 A.M.	274, DHANDARI KHURD, G.T. ROAD, LUDHIANA (PUNJAB)	THREE
10th AGM	Saturday, 07.08.2010 9.00 A.M.	274, DHANDARI KHURD, G.T. ROAD, LUDHIANA (PUNJAB)	THREE

One Extra-ordinary General Meeting of the company was held during the F.Y. 2012-13 on 24.05.2012 respectively.

The Company did not pass any resolution through postal ballot during the financial year 2012-13 and further the Company do not propose to pass any resolution through postal ballot in the ensuing Annual General Meeting.

7. DISCLOSURES:

During the period under review, there was no material significant transaction with the promoters, directors, management, their relatives etc. that may have potential conflict with the interest of the company at large.

There has not been any non-compliance by the company in respect of which penalties or strictures have been imposed by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Convertible Warrants and GDR Issue:

The Company on 09.06.2012, has allotted 7,29,00,000 convertible warrants on preferential basis, carrying an option to the holder of such warrants to subscribe to one equity share of Rs. 10/- each at a premium of Rs. 2.00/- per share for every warrant held, within 18 months from the date of allotment (i.e. from 09.06.2012), in terms of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009. All of the aforesaid warrants were pending conversion as on 31.03.2013.

The Company on 01.06.2012 had issued 220,000,000 Equity shares of the Company of the face value of Rs.10/ each consequent to the Global Depository Receipts (GDR) issue of



SEL Manufacturing Company Ltd.

the Company. As on 31.03.2013, 13,51,95,687 shares of the face value of Rs.10/- each per share were outstanding, representing the shares underlying GDRs which were issued during 2012-13.

Compliance with clause 49

Mandatory Requirements

The Company is compliant with the applicable mandatory requirements of the clause 49.

Non Mandatory Requirements

Remuneration Committee: The Board has constituted a Remuneration Committee, details of which have been given earlier.

Whistle Blower Policy: Though there is no formal Whistle Blower Policy, the Company promotes ethical behaviour in all its business activities and has put in place mechanism of reporting illegal or unethical behaviour. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified person/Audit Committee and have never been denied access in reporting as such.

8. MEANS OF COMMUNICATION:

The Company communicates with the shareholders at large through its Annual Report, filings made with Stock Exchanges and by filing reports & returns with the Statutory bodies like the Registrar of Companies and Stock Exchanges. The Quarterly Financial Results are published in prominent daily newspapers like The Financial Express, The Economic Times and Desh Sewak. The Financial Results of the Company are also made available at the Company's website www.selindia.in.

9. GENERAL INFORMATION FOR SHAREHOLDERS:

i) 13th Annual General Meeting:

Date and Time : Tuesday, the 24th day of September, 2013 at 09.30 A.M.

vii) Stock Market Data :

The highest and the lowest share prices are indicated below:

Month	BSE SENSEX		At Bombay Stock Exchange Limited (BSE) (in Rs.)		At National Stock Exchange of India Limited (NSE) (in Rs.)	
	High	Low	Month's high quoted price	Month's low quoted price	Month's high quoted price	Month's low quoted price
April, 2012	17664.10	17010.16	12.60	10.60	12.45	10.60
May, 2012	17432.33	15809.71	11.94	8.96	11.95	8.95
June, 2012	17448.48	15748.98	13.85	9.82	13.80	9.80
July, 2012	17631.19	16598.48	15.00	6.57	15.25	6.55
August 2012	17972.54	17026.97	7.22	5.41	7.35	5.40
September 2012	18869.94	17250.80	6.51	5.15	6.55	5.15
October 2012	19137.29	18393.42	5.75	4.80	5.90	4.80
November 2012	19372.70	18255.69	5.90	4.23	5.90	4.20
December 2012	19612.18	19149.03	4.85	3.99	5.50	4.00
January 2013	20203.66	19508.93	4.48	3.34	4.45	3.30
February 2013	19966.69	18793.97	4.07	3.34	4.45	3.05
March 2013	19754.66	18568.43	3.76	2.78	3.80	2.80

Venue	: Regd. Office of the Company: 274, Dhandari Khurd, G.T. Road, Ludhiana (Punjab) 141 014
ii) Financial year 2013-14	
First Quarterly Results	: Mid. August, 2013
Second Quarterly Results	: By end of October, 2013/Mid. Nov. 2013
Third Quarterly Results	: By end of January, 2014/Mid. Feb. 2014
Fourth Quarterly Results	: By end of April, 2014/Mid. May, 2014
Annual Results 2013-14	: In the month of April/May, 2014
iii) Date of Book Closure	: September 16, 2013 to September 24, 2013 (both days inclusive)
iv) Dividend Payment Date	: No dividend has been declared for the F.Y. 2012-13
v) Listing	: The Equity Shares of the Company are Listed with: a) Bombay Stock Exchange Limited, b) National Stock Exchange of India Limited The GDRs of the company are listed on Luxembourg Stock Exchange
vi) Stock code	: NSE: SELMCL BSE: 532886 ISIN Number for NSDL/CDSL: INE105I01012



viii) Dematerialisation of Shares/ Registrar Transfer Agents & Share Transfer system:

The equity shares of the Company are available for dematerialization through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The International Securities Identification Number (ISIN) IS IN-INE105101012

The Company has appointed M/s Link Intime India Pvt. Ltd. (formerly Intime Spectrum Registry Limited) having its office at 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, PVR Naraina, New Delhi 110028 as Registrar for depository services and share transfer work.

The dematerialized shares will be directly transferred to the beneficiaries through the depositories. The process of transfer/transmission/transposition etc. of equity shares in physical form including dispatch of the share certificates/option letters is completed within a period of 10-15 days if the documents are in order in all respects.

The Investors' Grievance Committee specifically looks into the redressal of Investors' complaints like transfer of equity shares and related matters.

ix) Distribution of shareholding as on 31.03.2013

Share Holding	Share Holders		Share Holding	
	Number	% to total	Number	% to total
Up to 250	34714	49.161	3556838	1.073
251 to 500	11932	16.898	4881914	1.473
501 to 1000	9319	13.197	7798257	2.354
1001 to 2000	6037	8.549	9441615	2.849
2001 to 3000	2404	3.404	6241319	1.884
3001 to 4000	1248	1.767	4533992	1.368
4001 to 5000	1148	1.626	5476471	1.653
5001 to 10000	1901	2.692	14151742	4.271
10001 and above	1910	2.705	275264852	83.074
TOTAL	70613	100.00	331347000	100.00
Physical Mode	9	00.01	156172	00.047
Electronic Mode	70604	99.99	331190828	99.953

(x) Share Holding Pattern as on 31.03.2013

Category	Number of Shares	% to Total Shares
Promoter and Promoter Group	27729044	08.37
Financial Institutions/Banks	1345854	00.41
Foreign Institutional Investors	100000	00.03
Bodies Corporate	51050223	15.41
Public (Individuals)	107224403	32.36
Others	8701789	02.62
Shares held by custodians and against which Depository receipts have been issued	135195687	40.80
TOTAL	331347000	100.00

(xi) Details of Unclaimed shares* as on 31.03.2013 issued pursuant to Initial Public Offer (IPO):

S. No.	Particulars	Cases	No. of Shares
1.	Aggregate Number of Shareholders and the outstanding shares in the Suspense account at the beginning of the year i.e. 01.04.2012	01	361
2.	Number of shareholders who approached for transfer of shares from suspense/escrow account during the year.	00	00
3.	Number of Shareholders to whom shares were transferred from suspense/escrow account during the year.	00	00
4.	Aggregate number of Shareholders and outstanding shares in the Suspense Account at the end of the year i.e. 31.03.2013.	01	361

*The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

xii) Registrars and Transfer Agents

Link Intime India Pvt. Ltd.

(Formerly Intime Spectrum Registry Limited)

44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, PVR Naraina, New Delhi 110 028

Phone No: 011- 41410592

Fax no: 011- 4141 0591

E-mail delhi@linkintime.co.in

xiii) Investors Correspondence:

a) Investor correspondence: All queries of investors regarding the Company's shares in physical/demat form, payment of dividend on shares, etc. may be sent to the following address:

Link Intime India Pvt. Ltd.

(Formerly Intime Spectrum Registry Limited)

44, Community Centre, 2nd Floor, Naraina Industrial Area,

Phase-I, PVR Naraina, New Delhi 110 028

Phone No: 011- 41410592, Fax no: 011- 4141 0591,

E-mail delhi@linkintime.co.in

b) For securities held in Demat form

To the Depository Participant

c) Any query on Annual Report

Secretarial Department

SEL Manufacturing Company Ltd.,

274, Dhandari Khurd, G.T. Road, Ludhiana (Pb.) 141014

e-mail ID of the grievance redressal division : ipo@selindia.in

website: www.selindia.in



xiv) Plant locations of the Company and its subsidiary(ies):

- a) Vill: Lal Kalan, Teh: Samrala Ludhiana-Chandigarh Road, Near Neelon Canal Bridge, Ludhiana
- b) Vill Bajra Road, Ludhiana 141 007
- c) Plot No. 106, Industrial Area, Baddi (SFS) , Dist: Solan, H.P.
- d) C 256-257, Phase VIII, Focal Point, Ludhiana
- e) Vill. Shekhan Majara, Machiwara Rahon Road, Teh. & Distt. Nawanshehar (Pb.)
- f) Vill. Mehatwara, Teh. Ashta, Dist. Sehore, Madhya Pradesh
- g) G.T.Road, Opp. Mcdonalds, Doraha, Ludhiana.
- h) A-15, Phase-VII, Focal Point, Ludhiana,
- i) Plot No. 90, Industrial Area, Baddi (SFS), District Solan, Himachal Pradesh
- j) 23KM Stone, Delhi-Hisar Highway, Hansi (Hisar)
- k) 15B, RIICO Indl. Area, Neemrana, Distt. Alwar
- l) Vill. Udhowal, Teh. Nawanshehar, Dist. Saheed Bhagat Singh Nagar (Punjab)
- m) Vill. Panjawa-Lambi, Teh. Malout, Dist. Sri Muksar Sahib (Punjab)
- n) NH-8, Vill. Lakodara, karjan, Vadodara
- o) Plot No.2, Taj Nagari Phase-1, Opp. Shanti Mangalick Hospital, Fatehabad Road, Agra (U.P.)

xv) Unclaimed Dividends

There is no amount lying pending with the company till date which needed to be transferred to the Investor education and Protection fund administered by the Central Government.

Pursuant to Section 205C of the Companies Act, 1956, the amount remaining unpaid or unclaimed for a period of seven years from the date they became due for payment shall be transferred to Investor Education and Protection Fund ("Fund").

Members who have not encashed their dividend for the financial year ended March 31, 2008, are requested to make their claims to the Registrar/Company. It may be noted that once the unclaimed/unpaid dividend is transferred to the credit of the said Fund, no claim shall lie in respect thereof.

xvi) CEO/CFO Certification

As required by sub clause V of Clause 49 of the Listing Agreement with the Stock Exchanges, the CEO i.e. the Managing Director and CFO have certified to the Board about compliance by the company with the requirements of the said sub clause for the financial year ended 31st March, 2013.

CERTIFICATE

(on compliance of conditions of Corporate Governance)

To

The Members of

SEL Manufacturing Company Ltd.,

We have examined the compliance of conditions of Corporate Governance by SEL Manufacturing Company Ltd., for the year ended on 31st March, 2013, as per Clause 49 of the Listing Agreement of the said company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as per Clause 49 of the above mentioned Listing Agreement.

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

**PLACE: LUDHIANA
DATED: 24.08.2013**

**FOR DASS KHANNA & CO.
CHARTERED ACCOUNTANTS
Registration No. 000402N**

**(CA. RAKESH SONI)
PARTNER
M.No. 83142**



INDEPENDENT AUDITOR'S REPORT

To the Members of SEL Manufacturing Company Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **SEL Manufacturing Company Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, in which are incorporated the returns from the company's overseas branch at Sharjah, United Arab Emirates audited by other auditors'.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order and report received by the company from the auditors of the company's overseas branch at United Arab Emirates on which we have relied.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the company's overseas branch at United Arab Emirates audited by other auditors;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and the reports on the accounts of the company's overseas branch at United Arab Emirates audited by other auditors have been forwarded to us and have been dealt with by us in preparing this report.
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**FOR DASS KHANNA & CO.,
CHARTERED ACCOUNTANTS
Firm Registration No. 000402N**

**PLACE: LUDHIANA
DATED: 28.05.2013**

**(CA. RAKESH SONI)
PARTNER
M.No. 83142**



ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph (1) of report on Other Legal & Regulatory Requirements of our report of even date)

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets except for certain items of fixed assets, the quantitative details of which, we are informed, are in the process of being compiled.
- (b) All the fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to information and explanations given to us, the company has not made any substantial disposal of fixed assets during the year and the going concern status of the Company is not affected.
- ii) (a) As explained to us, the inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the records of inventories, we are of opinion that the company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii) The company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and for sale of goods & services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakh in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Company has not accepted deposits from the public within the meaning of Section 58A, Section 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposit) rules, 1975. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii) We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of Cost records under section 209-(1) (d) of the Companies Act, 1956 and we are of opinion that prima facie, the prescribed accounts and records have been made and maintained.



ANNEXURE TO THE AUDITOR'S REPORT

- (ix) (a) According to the records of the company, the company is regular in depositing undisputed statutory dues including income tax, wealth tax, provident fund, employees state insurance, custom duty, sales tax, excise duty, service tax, cess and other material statutory dues applicable to it though there has been slight delays in few cases of income tax deducted at source, employee state insurance and provident fund which are not material.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears, as at 31st March, 2013 for a period of more than six months from the date they became payable.
- x) The company has no accumulated losses as at the end of the financial year. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks or financial institutions.
- xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the company is not a chit fund or a nidhi /mutual benefit fund/ society. Therefore, the provisions of clause (xiii) of paragraph 4 of the order are not applicable.
- xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investment. The investments made in equity shares is held in its own name except six shares of a 100% owned subsidiary company SEL Textiles Ltd. held in the name of other persons in which company is beneficial holder.
- xv) In our opinion, the terms and conditions on which the Company has given guarantee for loans taken by its 100% owned subsidiary from banks are not prejudicial to the interest of the company.
- xvi) In our opinion and according to the information and explanations given to us, the term loans raised during the year were applied prima facie for the purpose for which the loans were obtained.
- xvii) 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 used the funds amounting Rs.184.80 crores raised on short term basis for long term investments.*
- xviii) According to the information and explanations given to us, the company has made preferential allotment of equity warrants to parties covered in the register maintained under section 301 of the Act. In our opinion, the price at which equity warrants have been issued is not prejudicial to the interest of the company.
- xix) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued debentures.
- xx) The company has raised money by way of issue of Global Depository Receipts during the year and the funds have been utilized for the purpose for which they were raised.
- xxi) Based on the audit procedures performed and the information and explanations given by the management to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**FOR DASS KHANNA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 000402N**

**PLACE: LUDHIANA
DATED: 28.05.2013**

**(CA. RAKESH SONI)
PARTNER
M.No. 83142**



SEL Manufacturing Company Ltd.

BALANCE SHEET AS AT 31ST MARCH, 2013

PARTICULARS	NOTE NO.	AS AT 31.03.2013 In Rupees	AS AT 31.03.2012 In Rupees
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	3	3,313,470,000	1,113,470,000
(b) Reserves & Surplus	4	10,826,585,384	9,620,289,772
(c) Money Received Against Share Warrants		218,700,000	-
2. Share Application Money Pending Allotment			
3. Non Current Liabilities			
(a) Long Term Borrowings	5	15,745,485,418	15,140,801,176
(b) Deferred Tax Liabilities (Net)	6	1,503,118,201	953,499,302
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions	7	22,380,288	7,261,591
4. Current Liabilities			
(a) Short Term Borrowings	8	12,656,150,468	8,017,716,923
(b) Trade Payables	9	2,800,394,370	1,848,386,575
(c) Other Current Liabilities	10	3,721,465,379	2,296,811,269
(d) Short Term Provisions	11	341,664,836	210,242,563
TOTAL		51,149,414,344	39,208,479,172
II. ASSETS			
1. Non Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		25,180,996,315	13,522,920,651
(ii) Intangible Assets		37,266,283	33,781,405
(iii) Capital Work in Progress		242,548,321	5,508,355,411
(iv) Intangible Assets Under Development		-	-
(b) Non Current Investments	13	5,564,464,993	1,857,187,584
(c) Deferred Tax Assets (Net)		-	-
(d) Long Term Loans & Advances	14	223,859,985	2,837,966,522
(e) Other Non-Current Assets	15	594,836,129	306,683,028
2. Current Assets			
(a) Current Investments		-	-
(b) Inventories	16	10,753,063,318	6,165,243,671
(c) Trade Receivables	17	5,522,276,967	6,319,185,303
(d) Cash & Cash Equivalents	18	246,704,509	732,057,822
(e) Short Term Loans & Advances	19	851,816,593	792,636,816
(f) Other Current Assets	20	1,931,580,931	1,132,460,960
TOTAL		51,149,414,344	39,208,479,172

The accompanying notes are an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date
For Dass Khanna & Co.
Chartered Accountants
Firm Registration No. 000402N

(CA. Rakesh Soni)
Partner
M.No. 83142
Place : Ludhiana
Date: 28.05.2013

For and on the behalf of Board of
SEL Manufacturing Company Limited

(Neeraj Saluja)
Managing Director

(Navneet Gupta)
Executive Director

Rahul Kapoor
Company Secretary



PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	NOTE NO.	Current Year In Rupees	Previous Year In Rupees
I. Revenue From Operations	21	31,542,169,176	20,383,424,066
II. Other Income	22	1,719,882,463	962,790,199
III. Total Revenue (I+II)		33,262,051,639	21,346,214,264
IV. Expenses			
Cost of Material Consumed	23	14,649,027,312	13,884,860,451
Purchases of Stock-in-Trade		10,498,698,540	3,819,824,992
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	24	(1,896,239,327)	(2,217,610,087)
Employee Benefits Expenses	25	1,277,700,610	603,280,694
Finance Costs	26	2,679,319,495	1,705,852,005
Depreciation and Amortization Expenses	28	1,355,926,493	751,117,651
Other Expenses	27	3,016,206,968	1,719,809,048
Total Expenses		31,580,640,091	20,267,134,755
V. Profit Before Exceptional And Extraordinary Items And Tax (III-IV)		1,681,411,548	1,079,079,509
VI. Exceptional Items		-	-
VII. Profit Before Extraordinary Items And Tax (V-VI)		1,681,411,548	1,079,079,509
VIII. Extraordinary Items		-	-
IX. Profit Before Tax (VII-VIII)		1,681,411,548	1,079,079,509
X. Tax Expense:			
1) Current Tax		328,700,000	208,900,000
2) Wealth Tax		550,000	200,000
3) Deferred Tax		549,618,899	339,031,686
4) MAT Credit Entitlement		(295,760,100)	(187,381,400)
5) Earlier Years		33,951,779	-
XI. Profit/(Loss) for the period from Continuing Operations (IX-X)		1,064,350,970	718,329,223
XII. Profit/(Loss) from Discontinuing Operations		-	-
XIII. Tax Expense of Discontinuing Operations		-	-
XIV. Profit/(Loss) from Discontinuing Operations After Tax (XII-XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		1,064,350,970	718,329,223
XVI. Earning per Equity Share of face value of Rs. 10 each			
(1) Basic		3.61	8.47
(2) Diluted		3.56	8.47

The accompanying notes are an integral part of the financial statements.

This is the Profit & Loss Statement referred to in our report of even date
For Dass Khanna & Co.
Chartered Accountants
Firm Registration No. 000402N

For and on the behalf of Board of
SEL Manufacturing Company Limited

(CA. Rakesh Soni)
Partner
M.No. 83142
Place : Ludhiana
Date: 28.05.2013

(Neeraj Saluja)
Managing Director

(Navneet Gupta)
Executive Director

Rahul Kapoor
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	Details In Rupees	Current Year In Rupees	Details In Rupees	Previous Year In Rupees
A Cash Flow from Operating Activities				
Net Profit before Taxes & Extraordinary Items		1,681,411,549		1,079,079,509
Adjustments for Non Cash Items:				
- Preliminary Expenses Written Off	-		383,463	
- Depreciation	1,355,926,493		750,734,188	
- Interest Paid	2,613,875,278		1,648,514,126	
- Interest Received	(14,920,338)		(11,372,722)	
- Dividend Received	(54,375)		(34,500)	
- Share of Profit from Firms	(4,293,720)		(37,568,090)	
- (Profit) / Loss on Sale of Fixed Assets	(18,230,891)	3,932,302,447	1,440,671	2,352,097,136
Adjustments for Changes in Working Capital:				
- (Increase)/ Decrease in Trade Receivables	796,908,336		(1,930,019,922)	
- Increase/ (Decrease) in Current Liabilities	270,394,328		(98,733,670)	
- Increase/ (Decrease) in Short Term Provision	131,422,273		(88,085,580)	
- Increase/ (Decrease) in Trade Payables	952,007,795		373,387,993	
- (Increase)/ Decrease in Short Term Loans & Advances and Other Current Assets	(858,299,749)		(774,490,945)	
- (Increase)/ Decrease in Inventories	(4,587,819,647)	(3,295,386,664)	(666,507,888)	(3,184,450,012)
Cash Generation from Operations		2,318,327,332		246,726,634
- Taxes Paid		67,441,679		153,509,962
Net Cash from Operating Activities		2,250,885,653		93,216,672
B Cash Flows from Investing Activities				
- Purchase of Fixed Assets & Capital Work in Process	(7,771,178,036)		(8,938,184,216)	
- Sale of Fixed Assets	37,728,981		18,430,534	
- Purchase of Non Current Investments	(3,707,277,409)		285,112,515	
- (Increase)/ Decrease in Other Non Current Assets	(288,153,101)		(135,040,746)	
- (Increase)/ Decrease in Long Term Loans & Advances	2,614,106,537		1,048,298,213	
- Increase/(Decrease)in Long Term Provisions	15,118,697		6,061,087	
- Interest Received	14,920,338		11,372,722	
- Share of Profit from Firms	4,293,720		37,568,090	
- Dividend Received	54,375		34,500	
Net Cash Flows from Investing Activities		(9,080,385,898)		(7,666,347,301)
C Cash Flows from Financing Activities				
- Proceeds from Issue of Capital & Securities Premium	2,341,944,641		173,448,944	
- Share Warrant Application Money	218,700,000		-	
- Proceeds/(Repayment) of Long term Borrowings including repayment due and interest accrued & due on term loans	1,758,944,024		5,389,785,001	
- Proceeds/(Repayment) of Short term Borrowings	4,638,433,545		3,307,080,618	
- Interest Paid	(2,613,875,278)		(1,648,514,126)	
Net Cash Flows from Financing Activities		6,344,146,932		7,221,800,438
Net Increase/(Decrease) in Cash & Cash Equivalent		(485,353,313)		(351,330,191)
Cash & Cash Equivalents - Opening Balance		732,057,822		1,083,388,013
Cash & Cash Equivalents - Closing Balance		246,704,509		732,057,822

Subject to our Separate Report of Even Date
For Dass Khanna & Co.
Chartered Accountants
Firm Registration No. 000402N

For and on the behalf of Board of
SEL Manufacturing Company Limited

(CA. Rakesh Soni)
Partner
M.No. 83142
Place : Ludhiana
Date: 28.05.2013

(Neeraj Saluja)
Managing Director

(Navneet Gupta)
Executive Director

Rahul Kapoor
Company Secretary

SHARE CAPITAL
Note No. - 3

PARTICULARS	AS AT 31.03.2013 In Rupees	AS AT 31.03.2012 In Rupees
(a) Authorised		
1,000,000,000 Equity Shares (Previous Year 400,000,000 Equity Shares)	<u>10,000,000,000</u>	<u>4,000,000,000</u>
(b) Issued,Subscribed & Paid Up		
331,347,000 Equity Shares Fully Paid Up. (Previous Year 111,347,000 Equity Shares Fully Paid Up)	<u>3,313,470,000</u>	<u>1,113,470,000</u>
	<u>3,313,470,000</u>	<u>1,113,470,000</u>

(c) Par Value per Share is Rs. 10/-
(d) Reconciliation of the number of equity shares outstanding

	As at 31st March, 2013		As at 31st March, 2012	
	Shares	Amount	Shares	Amount
Shares outstanding at the beginning of the year	111,347,000	1,113,470,000	99,347,000	993,470,000
Add: Addition during the year	220,000,000	2,200,000,000	12,000,000	120,000,000
Shares outstanding at the end of the year	331,347,000	3,313,470,000	111,347,000	1,113,470,000

(e) Terms/rights attached to equity shares.

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share except holder of GDR will not have voting right with respect to the Deposited Shares.

During the year, the Company issued 220,000,000 equity shares of the face value of Rs. 10 per share consequent to Global Depository Receipts(GDRs) issue of the company. Holders of Global Depository Receipts (GDRs) will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of Equity Shares. As on 31.03.2013, 135,195,687 shares of the face value of Rs.10/- each per share represent the shares underlying GDRs which were issued during 2012-13.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

RESERVES & SURPLUS
NOTE NO. - 4

PARTICULARS	AS AT 31.03.2013 In Rupees	AS AT 31.03.2012 In Rupees
a) Capital Reserves		
Opening Balance	71,347,926	71,347,926
Add: Addition during the year	-	-
	<u>71,347,926</u>	<u>71,347,926</u>
Less: Deduction during the year	-	-
	<u>71,347,926</u>	<u>71,347,926</u>
b) Securities Premium Reserve		
Opening Balance	5,051,852,278	4,998,403,334
Add: Addition during the year	216,440,093	63,000,000
	<u>5,268,292,371</u>	<u>5,061,403,334</u>
Less: Deduction during the year	74,495,452	9,551,056
	<u>5,193,796,919</u>	<u>5,051,852,278</u>
c) General Reserve		
Opening Balance	1,320,000,000	820,200,000
Add: Addition during the year	1,000,000,000	499,800,000
	<u>2,320,000,000</u>	<u>1,320,000,000</u>



SEL Manufacturing Company Ltd.

Less: Deduction during the year	-	-
	2,320,000,000	1,320,000,000
d) Surplus		
Opening Balance	3,177,089,568	3,090,351,707
Add: Addition during the year	1,064,350,971	718,329,223
	4,241,440,539	3,808,680,930
Less: Transferred to General Reserve	1,000,000,000	499,800,000
Less: Adjustments relating to Previous Year	-	131,791,362
	3,241,440,539	3,177,089,568
TOTAL	10,826,585,384	9,620,289,772

LONG TERM BORROWING PARTICULARS

NOTE NO. - 5

	AS AT 31.03.2013 In Rupees	AS AT 31.03.2012 In Rupees
a) Secured Loans		
i) Term Loans		
- From Banks	15,722,637,993	15,113,770,702
b) Unsecured Loans		
i) Vehicle Loans		
- From Banks	22,847,425	27,030,474
TOTAL	15,745,485,418	15,140,801,176

Terms of repayment of secured loans

Bank	Rate of Interest(%)	Total No. of Instalments	Equated Installment	No. of Instalment Outstanding
State Bank of Bikaner & Jaipur	13.50	32	7,500,000	9
State Bank of Bikaner & Jaipur	13.50	29	9,375,000	15
		2	14,062,500	
State Bank of Bikaner & Jaipur	14.00	27	7,200,000	15
		1	5,600,000	
State Bank of Bikaner & Jaipur	14.00	28	5,000,000	13
State Bank of Bikaner & Jaipur	14.00	29	16,700,000	20
		1	15,700,000	
State Bank of Bikaner & Jaipur	14.00	2	6,200,000	30
		4	14,000,000	
		24	16,700,000	
		2	15,400,000	
State Bank of Patiala	13.50	32	2,500,000	9
State Bank of Patiala	13.50	31	10,300,000	14
		1	10,700,000	
State Bank of Patiala	13.50	27	21,400,000	15
		1	22,200,000	
State Bank of Patiala	14.25	29	33,400,000	20
		1	31,400,000	
State Bank of Patiala	14.25	31	15,600,000	24
		1	16,400,000	
State Bank of Patiala	14.25	2	9,375,000	30
		2	17,175,000	
		26	24,975,000	
		2	15,675,000	
		1	7,800,000	
		1	8,400,000	



SEL Manufacturing Company Ltd.

State Bank of India	13.50	32	2,500,000	9
State Bank of India	15.00	29	2,700,000	12
		1	1,700,000	
State Bank of India	15.00	92	2,200,000	62
State Bank of India	14.00	2	4,114,000	30
		2	7,568,000	
		22	11,242,000	
		4	11,264,000	
		2	7,128,000	
State Bank of Indore	14.00	30	5,000,000	12
State Bank of India	14.00	27	9,000,000	15
		1	7,000,000	
State Bank of India	14.00	28	17,000,000	19
		1	24,000,000	
Exim Bank	13.50	32	2,100,000	19
		1	2,400,000	
UCO Bank	14.00	32	11,406,250	16
UCO Bank	13.75	29	23,300,000	29
		1	24,300,000	
State Bank of Hyderabad	14.50	28	7,142,857	15
State Bank of Hyderabad	15.25	29	16,700,000	20
		1	15,700,000	
State Bank of Hyderabad	14.75	2	6,250,000	32
		2	11,450,000	
		26	16,650,000	
		2	10,450,000	
		1	5,200,000	
		1	5,600,000	
State Bank of Travancore	14.50	27	6,100,000	15
		1	5,300,000	
State Bank of Travancore	14.75	29	16,700,000	20
		1	15,700,000	
State Bank of Travancore	13.75	2	10,417,000	33
		4	20,834,000	
		27	31,251,000	
		1	20,802,000	
		1	33,325,000	
State Bank of Mysore	14.50	27	2,900,000	15
		1	1,700,000	
Punjab National Bank	15.25	27	8,333,333	15
		1	25,000,000	
Punjab National Bank	15.25	30	16,666,667	20
Punjab National Bank	13.75	30	40,000,000	28
Punjab & Sind Bank	13.75	27	4,643,000	15
		1	4,639,000	
Punjab & Sind Bank	13.25	30	15,000,000	20
Punjab & Sind Bank	14.25	2	6,000,000	32
		2	11,333,000	
		26	16,666,000	
		2	10,666,000	
		2	5,343,000	
Vijaya Bank	13.50	28	6,785,700	16
Allahabad Bank	14.25	24	2,779,200	4
Allahabad Bank	14.25	32	7,812,500	24
Allahabad Bank	13.75	34	36,764,706	34
Allahabad Bank	13.75	30	55,000,000	29



SEL Manufacturing Company Ltd.

Indian Bank	14.75	30	10,000,000	20
Union Bank of India	14.65	30	11,666,700	20
United Bank of India	14.35	30	9,700,000	23
		1	9,000,000	
United Bank of India	13.75	29	36,666,666	29
		1	36,666,686	
Karur Vysya Bank	13.75	2	3,333,333	32
		2	6,666,666	
		26	10,000,000	
		2	3,333,334	
		2	6,666,667	
Indian Bank	14.25	2	1,337,500	30
		4	3,006,700	
		24	3,563,100	
		2	3,391,900	
Bank of Maharashtra	13.95	2	1,244,000	32
		4	2,822,000	
		24	3,333,000	
		4	1,550,000	
Bank of Maharashtra	13.75	29	23,300,000	29
		1	24,300,000	
Dena Bank	13.75	29	36,666,666	29
		1	36,666,686	
Corporation Bank	13.75	30	30,000,000	30

Details of security for term loans

*Long borrowings from banks are secured by the equitable mortgage of entire Land & Building of the Company and further secured by all the fixed assets of the Company, immovable & movable, both present and future ranking pari-passu basis and personal guarantee of the promoter directors. The said borrowings are further secured, on pari-passu basis with short term lenders, by equitable mortgage of the following properties.

S.No.	Owner	Detail of property
1.	Sh. R.S.Saluja	Commercial Land & Building measuring 1K 13M at Rahon Road, Ludhiana
2.	Smt. Sneh Lata Saluja	Land measuring 1023.59 sq. yds. at Village Bajra, Ludhiana
3.	Smt. Sneh Lata Saluja	Land and building measuring 155 sq. yds. at B-V443, Hazuri Road, Ludhiana
4.	Sh. Neeraj Saluja	Land msg. 700 sq.yds. at Rajpura Road, Vill. Pratap Singhwala Ludhiana
5.	Smt. Ritu Saluja	Land measuring 1023.59 sq. yds. at Village Bajra, Ludhiana

Terms of repayment of unsecured loans

Bank	Rate of Interest(%)	Total No. of Instalments	Equated Monthly Installment	No. of Instalment Outstanding
HDFC Bank	12.50	36	79,461	12
HDFC Bank	10.00	36	54,590	4
HDFC Bank	10.00	36	17,900	9
HDFC Bank	13.00	36	26,400	26
HDFC Bank	10.00	36	49,950	4
HDFC Bank	12.79	36	26,590	16
HDFC Bank	12.00	36	57,215	14
HDFC Bank	11.49	36	36,090	14
HDFC Bank	12.07	36	44,881	12
HDFC Bank	12.79	36	26,590	16
HDFC Bank	12.79	36	23,266	17
HDFC Bank	11.50	36	64,070	29
Habib Bank	4.75	60	54,740	36
Habib Bank	4.50	48	154,100	15



SEL Manufacturing Company Ltd.

ICICI Bank	11.43	36	33,950	5
ICICI Bank	10.00	36	36,800	2
ICICI Bank	10.00	60	476,500	34
ICICI Bank	10.75	36	177,940	2
ICICI Bank	11.02	36	22,710	6
ICICI Bank	12.55	36	16,900	17
ICICI Bank	10.32	36	56,245	26
Kotak Mahindra Prime Ltd.	12.00	36	287,010	30
State Bank of Bikaner & Jaipur	11.15	36	28,026	20
State Bank of Bikaner & Jaipur	11.15	36	28,026	20
State Bank of Bikaner & Jaipur	11.15	36	14,180	23
State Bank of Bikaner & Jaipur	11.15	36	15,334	23
State Bank of Bikaner & Jaipur	11.40	36	26,079	26
State Bank of Bikaner & Jaipur	11.40	36	26,079	26
State Bank of Bikaner & Jaipur	11.65	36	12,821	26
State Bank of Bikaner & Jaipur	11.40	36	25,550	26

DEFERRED TAX LIABILITY (Net)

NOTE NO. - 6

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
Deferred Tax Liability		
Fixed Assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	1,512,831,757	956,884,501
Gross Deferred Tax Liability	1,512,831,757	956,884,501
Deferred Tax Asset		
Impact of expenditure charged to Profit & Loss Statement in the current year but allowed for tax purpose on payment basis	9,713,556	3,385,199
Gross Deferred Tax Asset	9,713,556	3,385,199
Net Deferred Tax Liability	1,503,118,201	953,499,302

LONG TERM PROVISION

NOTE NO. - 7

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
(a) Provision for Employee Benefits	22,380,288	7,261,591
TOTAL	22,380,288	7,261,591

SHORT TERM BORROWINGS

NOTE NO. - 8

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
(a) Secured Loans		
i) Loans Repayable on Demand		
From Banks	12,656,150,468	8,017,716,923
TOTAL	12,656,150,468	8,017,716,923

Details of security for working capital borrowings

*Short term borrowings from banks are secured by the Hypothecation of Stock-in trade, Book Debts and Receivables of



SEL Manufacturing Company Ltd.

the Company and further secured by the second pari-passu charge on the entire fixed assets of the Company and personal guarantee of the promoter directors. The said borrowings are further secured, on pari-passu basis with term loan lenders, by equitable mortgage of the following properties.

S.No.	Owner	Detail of property
1.	Sh. R.S.Saluja	Commercial Land & Building measuring 1K 13M at Rahon Road, Ludhiana
2.	Smt. Sneh Lata Saluja	Land measuring 1023.59 sq. yds. at Village Bajra, Ludhiana
3.	Smt. Sneh Lata Saluja	Land and building measuring 155 sq. yds. at B-V443, Hazuri Road, Ludhiana
4.	Sh. Neeraj Saluja	Land msg. 700 sq.yds. at Rajpura Road, Vill. Pratap Singhwala Ludhiana
5.	Smt. Ritu Saluja	Land measuring 1023.59 sq. yds. at Village Bajra, Ludhiana

Terms of repayment of loans repayable on demand

From banks are repayable on demand and carries interest @12% to 14% p.a.

TRADE PAYABLES

NOTE NO. - 9

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
Sundry Creditors*	2,800,394,370	1,848,386,575
TOTAL	2,800,394,370	1,848,386,575

*Based on and to the extent of information received from the Suppliers regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006 as identified by Management and relied upon by the Auditors, the relevant particulars as at 31st March, 2013 are Nil.

OTHER CURRENT LIABILITIES

NOTE NO. - 10

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
(a) Current Maturities of Long Term Debts	2,811,788,653	1,677,105,624
(b) Interest Accrued but not due on borrowings	208,451	230,813
(c) Interest Accrued and due on borrowings	217,489,431	197,912,678
(d) Unpaid Dividends*	28,348	28,348
(e) Other Payables		
i) Statutory Dues & Taxes	26,278,666	8,804,650
ii) Employees Benefits	110,599,617	57,266,863
iii) Advances from Customers	110,638,069	40,983,117
iv) Payable to Vendors-Non Trade	159,431,019	182,585,313
v) Others-Expenses Payable	285,003,124	131,893,863
TOTAL	3,721,465,379	2,296,811,269

*Unpaid dividends do not include any amount due and outstanding required to be credited to the Investors' Education and Protection Fund.

SHORT TERM PROVISIONS

NOTE NO. - 11

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
a) Provision for Employee Benefits	3,510,836	1,142,563
b) Others		
- Income Tax	337,604,000	208,900,000
- Wealth Tax	550,000	200,000
TOTAL	341,664,836	210,242,563



Fixed Assets PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	BALANCE AS ON 01.04.2012	ADDITIONS DURING THE YEAR	SALES DURING THE YEAR	BALANCE AS ON 31.03.2013	BALANCE AS ON 01.04.2012	PROVIDED DURING THE YEAR	SALES DURING THE YEAR	BALANCE AS ON 31.03.2013	AS ON 31.03.2013	AS ON 31.03.2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
(a) Tangible Assets										
i) Land	801,101,298	243,862,087	8,195,900	1,036,767,485	-	-	-	-	1,036,767,485	801,101,298
ii) Leasehold Land	73,288,658	-	-	73,288,658	2,563,216	717,802	-	3,281,018	70,007,640	70,725,442
iii) Building	3,936,059,028	4,375,062,935	-	8,311,121,962	244,297,085	139,299,520	-	383,596,605	7,927,525,357	3,691,761,943
iv) Road	48,413,448	-	-	48,413,448	582,844	789,139	-	1,371,983	47,041,465	47,830,604
v) Plant & Machinery	10,229,449,705	8,198,937,108	9,710,667	18,418,676,145	1,628,644,418	1,178,453,117	3,088,730	2,804,008,805	15,614,667,340	8,600,805,287
vi) Furniture & Fixtures	200,530,541	174,624,531	-	375,155,072	24,186,713	14,710,442	-	38,897,155	336,257,917	176,343,828
vii) Vehicles	147,308,297	22,889,863	6,690,300	163,507,860	37,467,045	14,530,445	2,010,047	49,987,443	113,520,417	109,841,252
viii) Office Equipments	27,921,659	12,252,507	-	40,174,166	3,410,662	1,554,810	-	4,965,472	35,208,695	24,510,997
	15,464,072,633	13,027,629,030	24,596,867	28,467,104,797	1,941,151,983	1,350,053,275	5,098,777	3,286,108,481	25,180,996,315	13,522,920,650
b) Intangible Assets										
i) Computer Software	36,219,725	9,356,095	-	45,575,820	2,438,320	5,871,217	-	8,309,537	37,266,283	33,781,405
c) Capital Work in Progress	5,508,355,411	7,482,817,483	12,748,624,573	242,548,321	-	-	-	-	242,548,321	5,508,355,411
Total	21,008,647,769	20,519,802,609	12,773,221,440	28,755,228,938	1,943,590,303	1,355,926,493	5,098,777	3,294,418,019	25,460,810,919	19,065,057,466
Previous Year	12,074,584,625	14,262,917,769	5,328,854,625	21,008,647,769	1,209,634,051	750,734,188	16,777,936	1,943,590,303	19,065,057,466	-



NON CURRENT INVESTMENTS

NOTE NO. - 13

PARTICULARS	AS AT	AS AT	
	31.03.2013	31.03.2012	
	In Rupees	In Rupees	
Other Investments (At Cost)			
(a) Investment in Equity Instruments (Quoted)			
i) 3124 Equity Shares of Rs. 10/- each fully paid up of Reliance Industries Limited (Previous Year 3124 Equity Shares of Rs. 10/- each fully paid up)	3,000,000	3,000,000	
ii) 778 Equity Shares of Rs. 10/- each fully paid up of Dhanus Technologies Limited (Previous Year 778 Equity Shares of Rs. 10/- each fully paid up)	67,555	67,555	
(b) Investment in Equity Instruments (Unquoted)			
Subsidiaries			
i) 127057200 Equity Shares of Rs. 10 each fully paid up of SEL Textiles Ltd. (Previous Year 36430000 Equity Shares of Rs. 10/- each fully paid up)	5,114,623,500	1,308,281,100	
ii) 2392700 Equity Shares of Rs. 10 each fully paid up of Omega Hotels Ltd. (Previous Year 2392700 Equity Shares of Rs. 10/- each fully paid up)	288,316,700	288,316,700	
iii) 2089600 Equity Shares of Rs. 10 each fully paid up of SEL Aviations Pvt. Ltd. (Previous Year 2089600 Equity Shares of Rs. 10/- each fully paid up)	125,376,000	125,376,000	
iv) 48050 Equity Shares of Rs. 10 each fully paid up of Silverline Corporation Ltd. (Previous Year 48050 Equity Shares of Rs. 10/- each fully paid up)	480,500	480,500	
v) 270000 Equity Shares of Rs. 10 each fully paid up of SEL Ecochem Pvt. Ltd. (Previous Year Nil)	2,700,000	-	
vi) 10000 Equity Shares of USD 1 each fully paid up of SEL Textile Corporation (Previous Year Nil)	557,900	-	
Associates			
i) 24000 Equity Shares of Rs. 10 each fully paid up of Rhythm Textile & Apparels Park Limited (Previous Year 24000 Equity Shares of Rs. 10/- each fully paid up)	240,000	240,000	
Others			
i) 299300 Equity Shares of Rs. 1 each fully paid up of The Delhi Stock Exchange Association Limited (Previous Year 299300 Equity Shares of Re. 1/- each fully paid up)	20,951,000	20,951,000	
(c) Investment in Mutual Funds (Unquoted)			
i) 15000 Units of Rs.10 each of SBI Infrastructure Fund (Previous Year 15000 units of Rs. 10/- each)	1,500,000	1,500,000	
ii) 5000 Units of Rs.10 each of SBI PSU Fund (Previous Year 5000 units of Rs. 10/- each)	500,000	500,000	
iii) 55187.638 Units of Rs.10 each of Union KBC Equity Fund (Previous Year 55187.638 Units of Rs.10 each)	500,000	500,000	
iv) 100000 Units of Rs.10 each of SBI Gold Fund (Previous Year 100000 Units of Rs.10 each)	1,000,000	1,000,000	
(d) Investments in Partnership Firms			
i) 99% Share in Kudu Industries*	-	46,938,432	
Name of Partners	Share of Profit	Amount of Captial as on 31st March, 2013	Amount of Captial as on 31st March, 2012
Mr. Neeraj Saluja	1%	-	12,662
SEL Manufacturing Co. Ltd.	99%	-	46,938,432



SEL Manufacturing Company Ltd.

*The firm was dissolved on 02.04.2012. The assets & liabilities of the firm have been taken over by the company post dissolution.

ii) 99% Share in SE Exports

Capital (After adjusting Drawings)			358,118		
Add: Share of Profits			4,293,720	4,651,838	60,036,297
Name of Partners	Share of Profit	Amount of Capital as on 31st March, 2013	Amount of Capital as on 31st March, 2012		
Mr. Dhiraj Saluja	0.50%	310,613	744,105		
Mrs. Reema Saluja	0.50%	733,991	811,626		
SEL Manufacturing Co. Ltd.	99.00%	4,651,838	60,036,297		
TOTAL				5,564,464,993	1,857,187,584
Market Value of Quoted Investments				2,414,734	2,338,035
Aggregate Value of Quoted Investments				3,067,555	3,067,555
Aggregate Value of Unquoted Investments				5,561,397,438	1,854,120,029

LONG TERM LOANS AND ADVANCES

NOTE NO. - 14

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
(Unsecured, considered good)		
a) Capital Advances	124,598,115	2,779,915,404
b) Security Deposits	99,261,870	58,051,118
TOTAL	223,859,985	2,837,966,522

OTHER NON CURRENT ASSETS

NOTE NO. - 15

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
a) MAT Credit Entitlement	594,836,129	306,683,028
TOTAL	594,836,129	306,683,028

INVENTORIES

NOTE NO. - 16

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
(Taken as, valued & certified by the Management)		
a) Raw Materials	4,631,084,220	1,413,639,241
b) Work in Progress	1,612,903,925	976,639,800
c) Finished Goods		
- In Godown	1,243,027,860	2,660,937,165
- In Transit	429,321,799	203,188,246
d) Stock in Trade	2,451,750,954	546,481,702
e) Stores & Spares	384,974,561	364,357,517
TOTAL	10,753,063,318	6,165,243,671

**SEL Manufacturing Company Ltd.****TRADE RECEIVABLES****NOTE NO. - 17**

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
(Unsecured, considered good)		
a) Outstanding for a period exceeding six months from the date they are due for payment	1,055,457,143	1,567,112,661
b) Other Receivables	4,466,819,824	4,752,072,642
TOTAL	5,522,276,967	6,319,185,303

CASH & CASH EQUIVALENTS**NOTE NO. - 18**

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
a) Cash in Hand	18,431,944	21,072,078
b) Balances With Scheduled Banks		
i) In Current Accounts	149,936,239	689,090,977
ii) In Fixed Deposits Accounts	78,336,325	21,894,767
TOTAL	246,704,509	732,057,822

SHORT TERM LOANS AND ADVANCES**NOTE NO. - 19**

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
(Unsecured, considered good)		
a) Others		
i) Advances to Suppliers	361,025,351	370,666,523
ii) Statutory Dues & Taxes	288,515,305	144,249,250
iii) Prepaid Taxes	161,604,155	185,898,536
iv) Others	40,671,782	91,822,507
TOTAL	851,816,593	792,636,816

OTHER CURRENT ASSETS**NOTE NO. - 20**

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
(Unsecured, considered good)		
a) Others		
i) Duty Drawback Receivable	656,663,691	267,899,775
ii) Interest Subsidy Receivable	1,274,066,578	862,497,611
iii) Interest Receivable	850,663	2,063,574
TOTAL	1,931,580,931	1,132,460,960

REVENUE FROM OPERATIONS**NOTE NO. - 21**

PARTICULARS	Current Year	Previous Year
	In Rupees	In Rupees
Sale of Products		
Finished Goods	22,497,131,288	16,487,440,618
Traded Goods	8,652,517,374	3,619,065,471

**SEL Manufacturing Company Ltd.**

Other Operating Income		
Sale Scrap	393,827,533	278,187,856
	31,543,476,195	20,384,693,945
Less: Excise Duty	1,307,019	1,269,879
TOTAL	31,542,169,176	20,383,424,066

Details of Sales (Finished Goods)

PARTICULARS	Current Year In Rupees	Previous Year In Rupees
Yarn	11,989,469,087	5,180,488,422
Hosiery Garments	2,179,964,472	1,547,548,293
Terry Towel	3,197,426,108	2,572,181,335
Knitted Cloth	5,130,271,621	7,187,222,568
	22,497,131,288	16,487,440,618
Less: Excise Duty	1,307,019	1,269,879
TOTAL	22,495,824,269	16,486,170,739

Details of Sales (Traded Goods)

PARTICULARS	Current Year In Rupees	Previous Year In Rupees
Yarn	-	552,664,458
Hosiery Garments	8,048,376,431	2,958,448,697
Raw Cotton	9,743,191	93,574,026
Knitted Cloth	594,397,752	14,378,290
TOTAL	8,652,517,374	3,619,065,471

OTHER INCOME

NOTE NO. - 22

PARTICULARS	Current Year In Rupees	Previous Year In Rupees
Export Incentives	787,352,500	383,626,192
Interest (Gross)	14,920,338	11,372,722
Share of profit from Partnership Firms	4,293,720	37,568,090
Other Income	243,964	203,099
Foreign Exchange Fluctuation	894,129,113	529,669,596
Profit on Sale of Fixed Assets	18,230,891	-
Dividend Income	54,375	34,500
Rental Income	657,562	316,000
TOTAL	1,719,882,463	962,790,199

COST OF MATERIAL CONSUMED

NOTE NO. - 23

PARTICULARS	Current Year In Rupees	Previous Year In Rupees
Raw Material Consumed		
Opening Stock	1,373,692,115	1,878,575,591
Add: Purchases (net)	17,074,846,093	11,984,047,527
Add: Stock in Trade	546,481,702	1,209,324,349
	18,995,019,910	15,071,947,467
Less: Closing Stock	4,590,299,990	1,373,692,115
Cost of raw material consumed during the year (A)	14,404,719,920	13,698,255,352
Packing Material Consumed		
Opening Stock	39,947,126	37,614,624

**SEL Manufacturing Company Ltd.**

Add: Purchases (net)		245,144,496	188,937,601
		285,091,622	226,552,225
Less: Closing Stock		40,784,230	39,947,126
Cost of packing material consumed during the year	(B)	244,307,392	186,605,099
	TOTAL (A+B)	14,649,027,312	13,884,860,451

Details of Raw Material Consumed

PARTICULARS	Current Year In Rupees	Previous Year In Rupees
Raw Cotton	10,502,077,357	5,288,477,309
Polyester Fibre	545,991,902	655,508,470
Yarn	2,785,238,426	1,986,945,851
Knitted Cloth	571,412,236	5,767,323,722
	TOTAL	14,404,719,920

CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**NOTE NO. - 24**

PARTICULARS	Current Year In Rupees	Previous Year In Rupees
Opening Stocks		
Work in Process	976,639,800	524,979,146
Finished Goods	2,864,125,411	1,534,999,633
Stock in Trade	546,481,702	1,318,982,396
	4,387,246,913	3,378,961,175
Less: Stock in Trade converted to raw materials	(B)	
	546,481,702	1,209,324,349
Closing Stocks		
Work in Process	1,612,903,925	976,639,800
Finished Goods	1,672,349,659	2,864,125,411
Stock in Trade	2,451,750,954	546,481,702
	5,737,004,538	4,387,246,913
Decrease/(Increase) in Inventories	(A-B-C)	(1,896,239,327)

EMPLOYEE BENEFITS EXPENSE**NOTE NO. - 25**

PARTICULARS	Current Year In Rupees	Previous Year In Rupees
Wages, Salaries & Other Allowances	1,167,870,706	535,079,874
Contribution to PF, ESI & Other Funds	59,055,884	37,190,516
Staff & Labour Welfare	50,774,020	31,010,304
	TOTAL	1,277,700,610

FINANCIAL COSTS**NOTE NO. - 26**

PARTICULARS	Current Year In Rupees	Previous Year In Rupees
a) Bank Charges	65,444,216	35,607,243
b) Interest on		
i) Working Capital Limits	1,557,508,379	920,163,193
ii) Term Loans	951,872,502	723,696,910
iii) Car Loans	4,370,849	4,654,022
iv) Others	100,123,549	21,730,637
	TOTAL	2,679,319,495

**SEL Manufacturing Company Ltd.****OTHER EXPENSES****NOTE NO. - 27**

PARTICULARS	Current Year In Rupees	Previous Year In Rupees
Power & Fuel	1,650,928,747	831,843,198
Consumable & Other Materials	440,891,509	363,454,020
Job Work Expenses	43,359,632	38,648,083
Repair & Maintenance	144,723,793	71,449,177
Printing & Stationery	3,668,223	5,173,168
Insurance	19,032,763	11,001,486
Fees & Taxes	8,981,914	12,489,693
Donation	436,803	313,150
Legal & Professional Charges	7,934,838	5,893,898
Postage & Courier Charges	10,117,616	11,277,303
Telephone & Fax Expenses	5,702,399	8,396,820
Auditors' Remuneration		
- Audit Fee	2,634,305	2,077,500
- Tax Audit Fee	890,695	623,250
- Reimbursement of Expenses	32,686	148,720
- Service Tax	333,862	-
Director's Remuneration	27,718,493	23,762,000
General Repair & Maintenance	9,293,166	2,177,846
Office Expenses	11,183,443	7,765,889
Festival Expenses	12,264,286	9,048,045
Rent	6,203,073	3,078,770
Travelling & Conveyance	42,977,702	20,792,249
Water Charges	4,133,001	1,720,875
Service Tax Paid	10,047,997	4,360,982
Advertisement	4,715,470	3,741,685
Loss on Sale of Fixed Assets	-	1,440,671
Security Expenses	577,235	983,949
Building Repair & Maintenance	3,362,453	1,555,177
Vehicles Expenses	12,339,706	10,128,670
Business Promotion	14,683,963	10,112,936
Commission	164,809,013	74,236,778
Clearing & Forwarding Charges	110,635,764	44,442,870
Rebate & Discount	14,208,912	19,402,390
Freight Outward	227,383,506	118,267,800
TOTAL	3,016,206,968	1,719,809,048

DEPRECIATION & AMORTIZATION EXPENSES**NOTE NO. - 28**

PARTICULARS	Current Year In Rupees	Previous Year In Rupees
Depreciation of Tangible Assets	1,350,055,275	748,295,868
Depreciation of Intangible Assets	5,871,217	2,438,320
Amortization of Preliminary Expenses	-	383,463
TOTAL	1,355,926,492	751,117,651



NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

SEL Manufacturing Co. Limited is a public company incorporated in India under the provisions of the Companies Act, 1956. The Company is engaged in the manufacturing, processing & trading of yarn, fabric, readymade garments and towel.

2. Significant Accounting Policies

2.1 Basis of Preparation

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.2 Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. The estimates and assumptions used in the financial statements are based upon the Management's evaluation of the relevant facts and circumstances as on the date of financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

2.3 Revenue Recognition

i) Sales

Revenue from sale of goods is recognized:

- (i) When all the significant risks and rewards of ownership are transferred to the buyer and the company retains no effective control of the goods transferred to a degree usually associated with ownership: and
- (ii) No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

ii) Export Incentives

Revenue in respect of the above benefits is recognized on post export basis.

iii) Dividend

Dividend income is recognized when the right to receive the payment is established.

iv) Interest

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.4 Investments

Long term Investments are carried at cost less provision, if any, for diminution in value which is other than temporary, and current investments are carried at lower of cost and fair value.

2.5 Inventories

Inventories are valued at cost or net realizable value, whichever is lower except for waste which is valued at net realizable value. The cost in respect of the various items of inventory is computed as under:

- i) In respect of Raw Materials on FIFO basis.
- ii) In respect of Work in process and Finished Goods, at weighted average cost of raw material plus conversion cost & packing cost incurred to bring the goods to their present condition & location.
- iii) In respect of trading goods, on specific identification method.
- iv) In respect of Consumable Stores on weighted average basis.

2.6 Foreign Currency Transactions

(a) Foreign Branch (Integral)

- i) Fixed assets are translated at the rates on the date of purchase/acquisition of assets and Inventories are translated at the rates that existed when costs were incurred.
- ii) All foreign currency monetary items outstanding at the year-end are translated at the year-end exchange rates. Income and expenses are translated at average rates of exchange and depreciation is translated at the rates referred to in (a)(i) above for fixed assets.



The resulting exchange gains & losses are recognized in the profit and loss account.

(b) Other foreign currency transactions:

- (i) Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of transaction except sales that are recorded at rate notified by the customs for invoice purposes. Such rate is notified in the last week of every month and is adopted for recording export sales of next month.
- (ii) Foreign currency monetary items are reported using the closing rate. Exchange differences arising on the settlement of monetary items or on reporting the same at balance sheet date are recognized as income or expenses in period in which they arise, except the exchange difference in case of fixed assets which have been adjusted to the cost of fixed assets.
- (iii) Foreign currency non monetary items, which are carried in terms of historical cost, are reported using exchange rate at the date of transaction.

2.7 Fixed Assets

(i) a) Tangible Assets

Fixed Assets are stated at acquisition cost including inward freight, duties, taxes and incidental expenses relating to acquisition net of subsidy relating to specific fixed asset and accumulated depreciation.

b) Intangibles Assets

Computer Software's are amortized over the estimated useful life.

(ii) Capital work in progress

Capital work in progress includes cost of assets at site, construction expenditure for acquisition of capital assets and pre-operative expenditure pending allocation to fixed assets.

(iii) Expenditure incurred during construction period

In respect of new/major expansion, the indirect expenditure incurred during implementation period upto the date of commencement of commercial production, which is attributable to the construction of the project, is capitalized on various categories of fixed assets on proportionate basis. The unallocated expenses are shown in pre-operative expenses.

2.8 (i) Cenvat Credit

Cenvat Credit of excise duty paid on capital assets is recognized in accordance with the Cenvat Credit Rules, 2004.

(ii) Excise Duty

Excise duty is accounted on production of finished goods.

2.9 Depreciation/Amortization

- (i) Depreciation has been provided under Straight Line Method at the rates specified in Schedule XIV of Companies Act, 1956.
- (ii) The leasehold land is amortized over the lease period.

2.10 Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of such assets, up to the date when such assets are ready for intended use. Other borrowing costs are charged as expenditure in the year in which they are incurred.

2.11 Employee Benefits

(i) Defined Contribution Plan:

Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provision Act, 1952 and is charged to the profit and loss account.

(ii) Defined Benefit Plans (Gratuity):

The Company has a defined benefit Gratuity plan covering all its employees. Gratuity is covered under a scheme of Life Insurance Corporation of India (LIC) and contribution in respect of such scheme is recognized in the Profit & Loss Account. The liability/asset as at the Balance Sheet date is provided for based on the actuarial valuation carried out in accordance with Accounting Standard 15 on 'Employee Benefit'.

(iii) Leave with wages

Provision for earned leave due for the year is made on the actual valuation as at the close of the year.

2.12 Accounting for Taxes on Income

Current Tax

Current Tax is determined as the amount of tax payable in respect of taxable income for the period after considering tax allowances & exemptions.



Deferred Tax

Deferred Tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods.

Minimum Alternative Tax

Minimum Alternative Tax credit is recognized as an asset only when & to the extent there is convincing evidence that the Company will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date & the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

2.13 Impairment of Assets

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

2.14 Provisions and Contingent Liabilities

- (a) Provisions are recognized for liabilities that can be determined by using a substantial degree of estimation, if:
 - (i) The company has a present obligation as a result of a past event;
 - (ii) A probable outflow of resources embodying economic benefits is expected to settle the obligation; and
 - (iii) The amount of the obligation can be reliably estimated
- (b) Contingent liability is disclosed in the case of:
 - (i) a present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
 - (ii) a possible obligation, unless the probability of outflow of resources embodying economic benefits is remote.

2.15 Earnings per share

Basic earning per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period. Diluted earning per share is computed by taking into account the aggregate of the weighted average numbers of equity shares outstanding during the period and the weighted average number of equity shares which would be issued on conversion of all the dilutive potential equity shares into equity shares.

2.16 Basis of Incorporation of integral foreign operations

Figures in respect of the Company's overseas branch in United Arab Emirates have been incorporated on the basis of Financial Statement audited by the auditors of the branch.

2.17 Operating Leases

Assets acquired on leases wherein a significant portion of the risks and rewards of ownership are retained by the lesser are classified as operating leases. Lease rentals paid for such leases are recognized as an expense on systematic basis over the term of lease.

29. Contingent Liabilities

There are contingent liabilities in respect of the following items: No outflow is expected in view of the past history relating to these items:-

Particulars	(Rs. In Crores)	
	March 31, 2013	March 31, 2012
(i) Export Bills Discounted	127.09	20.38
(ii) Estimated amount of capital contracts remaining to be executed net of advances	71.95	238.11
(iii) Guarantees given by the Company on behalf of SEL Textiles Ltd. (Subsidiary Company)	1487.55	1487.55
(iv) Performance Guarantees issued for export obligations	1088.43	1381.92
(v) Others (Net of deposit of Rs. 0.07 crores (Previous Year Rs. Nil crores) against the said demand, contested in appeal.	0.07	--



SEL Manufacturing Company Ltd.

30. Related Party Disclosures

Names of Related Parties and Relationships:

Sr. No.	Name of Related Party	Relationship
1	S. E. Exports	Subsidiary Partnership Firm
2	Kudu Industries	Subsidiary Partnership Firm#
3	SEL Textiles Ltd.	Subsidiary Company
4	SEL Aviation Pvt. Ltd.	Subsidiary Company
5	Omega Hotels Ltd.	Subsidiary Company
6	SEL Ecochem Pvt. Ltd.	Subsidiary Company
7	SEL Textile Corporation	Subsidiary Company
8	*Silverline Corporation Ltd.	Fellow Subsidiary Company
9	*SEL Textiles Overseas Ltd.	Fellow Subsidiary Company
10	*Mr. R. S. Saluja Mr. Neeraj Saluja Mr. Dhiraj Saluja Mr. Navneet Gupta Mr. V.K. Goyal	Key Management Personnel
11	Mrs. Sneha Lata Saluja Mrs. Ritu Saluja *Mrs. Reema Saluja Ms. Palak Goyal	Relatives of KMP
12	Rythm Textiles & Apparels Park Ltd.	Associates
13	*Shiv Narayan Investments Pvt. Ltd. *Saluja International *Saluja Fabrics *SEL Developers Pvt. Ltd.	Enterprises over which key management personal and relatives of such personal is able to exercise significant influence

*No transactions have taken place during the year.

#Firm dissolved on 02.04.2012.

Related Parties Transactions:

(Rs. in Crores)

Particulars	Subsidiaries		Associates		Key Management & Relatives of KMP		Enterprises over which Personal (KMP) significant influence		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Purchase & Processing of Goods & Consumables Stores	125.58	113.84	-	-	-	-	-	18.48	126.24	113.84
Sale & Processing of Goods & Consumables Stores	118.75	260.43	-	-	-	-	-	0.12	118.83	260.55
Purchase of:										
- Fixed Assets	3.26	0.09	-	-	-	-	-	-	3.26	0.09
- Other Assets (net of Liabilities)	(2.15)	-	-	-	-	-	-	-	(2.15)	-
Sale of Fixed Assets	0.63	1.49	-	-	-	-	-	-	0.63	1.49
Investment made/(withdrawal)	370.72	(38.13)	-	-	-	-	-	-	370.72	(38.13)
Share Application Money Received Back	-	-	-	10.66	-	-	-	27.80	-	38.46
Equity Contribution Received in Cash	-	-	-	-	21.87	18.30	-	-	21.87	18.30
Share of Profit	0.43	3.76	-	-	-	-	-	-	0.43	3.76
Rent Paid	0.02	0.01	-	-	0.01	0.07	-	-	0.03	0.07
Rent Received	0.03	0.03	0.01	0.01	-	-	-	-	0.04	0.04
Managerial Remuneration	-	-	-	-	2.77	2.38	-	-	2.77	2.38
Remuneration Paid	-	-	-	-	0.06	0.05	-	-	0.06	0.05
Corporate Guarantee Given	1487.55	1487.55	-	-	-	-	-	-	1487.55	1487.55
Closing Balance of Related Parties Debits	552.92	158.47	0.02	0.02	-	-	-	-	552.94	158.49
Closing Balance of Related Parties Credits	294.86	-	-	-	-	-	-	-	294.86	-

31. Earnings Per Share

The calculation of Earnings per Share as disclosed in the statement of Profit & Loss has been in accordance with Accounting Standard (AS)-20 on "Earning per Share" issued by Companies (Accounting Standards) Rules, 2006.

A statement on calculation of Basic & Diluted EPS is as under:

Particulars		Unit	Current Year	Previous Year
Profit after tax before Extra ordinary Items	(A)	Rs. In Lacs	10643.51	7183.29
Weighted average number of equity shares	(B)	No.	294579877	84789167
Weighted average number of Potential equity shares	(C)	No.	4556250	0
Total	(D)	No.	299136127	84789167
Basic EPS	(A/B)	Rs.	3.61	8.47
Diluted EPS	(A/D)	Rs.	3.56	8.47

32. The outstanding balances as at 31st March, 2013 in respect of Sundry Debtors and Creditors are subject to confirmation from the respective parties and consequent reconciliation/adjustments arising there from, if any. The management however, does not expect any material variation.

33. In opinion of the Board, all the current assets, loans & advances have the value on realization in the ordinary course of business at-least equal to amount at which they are stated.

34. Expenses on issue of Global Depositary Receipts (GDRs) and increase in authorized capital are being adjusted against Securities Premium Account as permitted by the Section 78 of the Companies Act.

35. There are no outstanding forward exchange contracts.

36. Segment Information as required by Accounting Standard (AS)-17 on Segment Reporting, issued by Companies (Accounting Standards) Rules 2006, has been compiled on the basis of the consolidated financial statements and is disclosed in the notes to accounts forming part of the consolidated financial statements in accordance with the above standard. Therefore segment information in respect of separate financial statements of the company is not being disclosed in the stand alone financial statements.

37. The Company has purchased, through auction by Official Liquidator, the assets of a closed unit namely, Mangla Cotex Limited for Rs. 6.70 Crores. However, so far the Company has paid Rs. 1.675 Crores as advance for property, which has been shown under Capital Advances, and the possession of the same would be taken only after the confirmation of auction by the High Court.

38. Lease Rent

i) Factory Building is taken on lease for 20 years & Office Premises is taken on lease for 11 months with the option of renewal. The particulars of these leases are as follows:

Particulars	(Rs. In Crores)	
	2012-13	2011-12
Future Minimum lease payments obligation on non-cancellable operating leases	0.44	0.39
Not later than one year	0.10	0.20
Later than one year and not later than five years	0.10	0.05
Later than five years	0.24	0.14
Lease payment recognized in Profit and Loss Account	0.09	0.18

ii) Rent Income also includes Lease Rentals received towards Factory Building & Office Premises. Such operating leases are generally for a period of 5 to 20 years. The particulars of these leases are as follows:

Particulars	(Rs. In Crores)	
	2012-13	2011-12
Future Minimum lease payments under non-cancellable operating leases	0.39	0.30
Not later than one year	0.07	0.04
Later than one year and not later than five years	0.19	0.11
Later than five years	0.13	0.15
Lease Income recognized in Profit and Loss Account	0.07	0.03

39. The Company has issued Global Depositary Receipts (GDRs) at the rate of USD 19.6429 per GDR amounting to Rs. 241.64 crores (USD 43,214,380). The funds have been used for the purpose for which these were raised during the year.

40. The Company on June 9, 2012 had issued 72,900,000 warrants carrying an option to the holder of such warrants to subscribe to one equity share of Rs. 10 at a premium of Rs. 2 per share for every warrant held, which can be



SEL Manufacturing Company Ltd.

converted into equity shares within 18 months from the date of allotment i.e. anytime before December 8, 2013. Against these outstanding warrants as on March 31, 2013, an amount of Rs. 21.87 crores i.e. 25% of Rs. 12 per warrant has been received by the Company.

41. Capital Work in Progress includes, Project and Pre-operative Expenses pending allocation to fixed assets:

Particulars	(Rs. In Crores)	
	2012-13	2011-12
Opening Balance	57.99	39.49
Add: Expenses incurred during the year		
Bank Interest & Charges	60.78	29.53
Foreign Exchange Fluctuation & Other Expenses	10.02	21.63
Sub Total	70.80	48.96
Less: Expenses capitalized during the year	128.79	88.45
Closing Balance	-	30.46
		57.99

42. The summarized position of Post-Employment benefits and long term employee benefits recognized in the Profit & Loss Account and Balance Sheet as required in accordance with Accounting Standard (AS15) are as under:

a. Gratuity

The principal assumptions used in actuarial valuation of gratuity are as below:

Particulars	(In Rs.)	
	Current Year	Previous Year
1. Actuarial Assumption		
- Discount Rate	8.00%	8.00%
- Expected rate of future salary escalation	7.00%	7.00%
2. Changes in present value of Obligation as on 31/03/2013		
Present value of obligations as at beginning of year	14,279,481	5,920,681
Interest cost	1,142,359	532,861
Current Service Cost	19,424,941	11,494,488
Benefits Paid	(469,379)	(114,988)
Actuarial (gain)/ loss on obligations	(400,335)	(3,553,561)
Present value of obligations as at end of year	33,977,067	14,279,481
3. Changes in the fair value of plan assets as on 31/03/2013		
Fair value of plan assets at beginning of year	5,875,327	4,517,035
Expected return on plan assets	679,995	473,280
Contributions	2,000,000	1,000,000
Benefits Paid	(469,379)	(114,988)
Actuarial gain/(loss) on Plan assets	-	-
Fair value of plan assets at the end of year	8,085,943	5,875,327
4. Amount recognized in the balance sheet and statements of profit and loss		
Present value of obligations as at the end of year	33,977,067	14,279,481
Fair value of plan assets as at the end of the year	8,085,943	5,875,327
Funded status	25,891,124	8,404,154
Net asset/(liability) recognized in balance sheet	(25,891,124)	(8,404,154)
5. Expenses recognized in statement of profit and loss		
Current Service cost	19,424,941	11,494,488
Interest Cost	1,142,359	532,861
Expected return on plan assets	(679,995)	(473,280)
Net Actuarial (gain)/ loss recognized in the year	(400,335)	(3,553,561)
Total expenses recognized in statement of profit and loss	19,486,970	8,000,508
6. Details of Liability		
Current Liability	3,510,836	1,142,563
Non Current Liability	22,380,288	7,261,591



SEL Manufacturing Company Ltd.

b. Provident Fund

During the year the company has recognized an expense of Rs. 59,055,884/- (Previous Year Rs. 34,706,164/-) towards provident fund scheme.

c. Leave Encashment

During the year the company has recognized an expense of Rs. 14,435,050/- (Previous Year Rs. 5,216,533/-).

43. Value of Imports on CIF Basis

			(In Rs.)
S.No.	Particulars	31st March, 2013	31st March, 2012
i)	Raw Materials	67,891,584	19,962,210
ii)	Raw Materials Others	88,556	68,171
iii)	Stores & Spares	90,092,709	10,138,219
iv)	Capital Goods	1,564,440,540	4,098,755,574

44. Expenditure in Foreign Currency

			(In Rs.)
S.No.	Particulars	31st March, 2013	31st March, 2012
i)	In India	100,082,295	75,148,688
ii)	Overseas Expenditures (Revenue)	9,360,290,716	2,570,011,088
iii)	Overseas Expenditures (Capital)	3,622,114,451	30,223,388

45. Earning in Foreign Currency

			(In Rs.)
S.No.	Particulars	31st March, 2013	31st March, 2012
i)	FOB Value	9,924,234,014	4,645,634,713
ii)	Overseas Income	8,048,376,431	2,958,448,697

46. Imported and Indigenous Raw Materials and Stores & Spares Consumed

Sr. No.	Particulars	31st March, 2013	% of total Consumption as on 31st March, 2013	31st March, 2012	% of total Consumption as on 31st March, 2012
i)	Raw Materials				
	-Indigenous	14,336,828,337	99.53%	12,572,623,770	99.84%
	-Imported	67,891,584	0.47%	19,962,210	0.16%
ii)	Other Raw Materials				
	-Indigenous	244,218,836	99.96%	186,536,928	99.97%
	-Imported	88,556	0.04%	68,171	0.03%
iii)	Stores & Spares				
	-Indigenous	350,798,800	79.57%	2,358,27,377	95.88%
	-Imported	90,092,709	20.43%	10,138,219	4.12%

For Dass Khanna & Co.
Chartered Accountants
Firm Registration No. 000402N

For and on the behalf of Board of
SEL Manufacturing Company Limited

(CA. Rakesh Soni)
Partner
M. No. 83142

(Neeraj Saluja)
Managing Director

(Navneet Gupta)
Executive Director

(Rahul Kapoor)
Company Secretary

Place: Ludhiana
Date: 28.05.2013



Independent Auditor's Report On Consolidated Financial Statements

To the Members of SEL Manufacturing Company Limited

We have audited the accompanying consolidated financial statements of SEL Manufacturing Company Limited ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the Consolidated Statement of Profit and Loss, of the profit for the Group for the year ended on that date; and

(c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

Financial statements/consolidated financial statements of certain subsidiaries which reflect total assets (net) of Rs. 1827.77 crores as at March 31, 2013, total revenue (net) of Rs. 895.67 crores and net cash flows amounting to Rs. 35.89 crores for the year then ended, have been audited by us.

We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets (net) of Rs. 20.58 crores as at March 31, 2013 total revenues (net) of Rs. 1.28 crores and net cash outflows amounting to Rs. 1.25 crores for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion, is based solely on the reports of the other auditors.

We have relied on the unaudited financial statements of a subsidiary wherein the group's share of profit aggregate Rs. 0.43 crore. These unaudited financial statements as approved by the respective management of the subsidiary firm has been furnished to us by the management and our report in so far as it relates to the amounts included in respect of the subsidiary is based solely on such approved unaudited financial statements.

Our opinion is not qualified in respect of other matters.

**FOR DASS KHANNA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 000402N**

**PLACE: LUDHIANA
DATED: 28.05.2013**

**(CA. RAKESH SONI)
PARTNER
M.No. 83142**



SEL Manufacturing Company Ltd.

Consolidated Balance Sheet as at 31st March, 2013

PARTICULARS	NOTE NO.	AS AT	AS AT
		31.03.2013	31.03.2012
		In Rupees	In Rupees
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
a) Share Capital	3	3,313,470,000	1,113,470,000
b) Reserves & Surplus	4	11,350,761,584	9,829,673,761
c) Money Received Against Share Warrants		218,700,000	-
2. Share Application Money Pending Allotment			
		-	-
3. Minority Interest			
		8,884,861	18,332,526
4. Non Current Liabilities			
a) Long Term Borrowings	5	23,315,899,859	20,258,527,743
b) Deferred Tax Liabilities (Net)	6	1,648,517,258	997,721,591
c) Other Long Term Liabilities		-	-
d) Long Term Provisions	7	24,653,999	7,321,354
5. Current Liabilities			
a) Short Term Borrowings	8	15,719,904,164	9,842,372,583
b) Trade Payables	9	841,595,327	2,186,594,589
c) Other Current Liabilities	10	4,439,966,430	2,470,530,464
d) Short Term Provisions	11	434,186,427	272,010,400
TOTAL		61,316,539,909	46,996,555,012
II. ASSETS			
1. Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	12	30,708,827,741	14,972,904,159
ii) Intangible Assets		202,710,319	228,259,799
iii) Capital Work in Progress		2,323,149,665	7,706,770,021
iv) Intangible Assets Under Development		-	-
b) Non Current Investments	13	705,591,035	723,588,955
c) Deferred Tax Assets (Net)		-	-
d) Long Term Loans & Advances	14	2,401,111,242	4,985,854,901
e) Other Non-Current Assets	15	686,340,129	306,859,974
2. Current Assets			
a) Current Investments		-	-
b) Inventories	16	11,894,252,103	7,677,838,234
c) Trade Receivables	17	7,384,598,714	7,242,220,785
d) Cash & Cash Equivalents	18	1,344,761,802	882,240,727
e) Short Term Loans & Advances	19	1,360,832,218	1,137,556,499
f) Other Current Assets	20	2,304,364,941	1,132,460,959
TOTAL		61,316,539,909	46,996,555,012

The accompanying notes are an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date
For Dass Khanna & Co.
Chartered Accountants
Firm Registration No. 000402N

(CA. Rakesh Soni)
Partner
M.No. 83142
Place : Ludhiana
Date: 28.05.2013

For and on the behalf of Board of
SEL Manufacturing Company Limited

(Neeraj Saluja)
Managing Director

(Navneet Gupta)
Executive Director

Rahul Kapoor
Company Secretary



Consolidated Profit & Loss Statement for the Year Ended 31st March, 2013

PARTICULARS	NOTE NO.	Current Year In Rupees	Previous Year In Rupees
I. Revenue From Operations	21	37,767,975,389	22,215,404,261
II. Other Income	22	1,988,176,314	1,092,910,154
III. Total Revenue (I+II)		39,756,151,703	23,308,314,415
IV. Expenses			
Cost of Material Consumed	23	20,849,381,438	15,202,223,832
Purchases of Stock-in-Trade		8,868,305,457	4,253,129,846
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	24	(2,058,994,453)	(3,005,547,452)
Employee Benefits Expenses	25	1,424,266,188	712,878,494
Finance Costs	26	3,461,720,235	1,845,820,003
Depreciation and Amortization Expenses	28	1,634,044,863	818,510,965
Other Expenses	27	3,475,595,162	2,218,042,952
Total Expenses		37,654,318,890	22,045,058,641
V. Profit Before Exceptional And Extraordinary Items And Tax (III-IV)		2,101,832,813	1,263,255,774
VI. Exceptional Items		-	-
VII. Profit Before Extraordinary Items And Tax (V-VI)		2,101,832,813	1,263,255,774
VIII. Extraordinary Items		-	-
IX. Profit Before Tax (VII-VIII)		2,101,832,813	1,263,255,774
X. Tax Expense:			
1) Current Tax		420,775,193	270,388,188
2) Wealth Tax		775,000	315,000
3) Deferred Tax		650,795,666	355,209,606
4) MAT Credit Entitlement		(387,200,100)	(187,381,400)
5) Earlier Years		46,782,529	-
XI. Profit/(Loss) for the period from Continuing Operations (IX-X)		1,369,904,525	824,724,380
XII. Profit/(Loss) from Discontinuing Operations		-	-
XIII. Tax Expense of Discontinuing Operations		-	-
XIV. Profit/(Loss) from Discontinuing Operations After Tax (XII-XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		1,369,904,525	824,724,380
XVI. Minority Interest		(9,251,546)	(3,357,421)
XVII. Profit/(Loss) For The Period (XV-XVI)		1,379,156,071	828,081,801
XVIII. Earning per Equity Share of face value of Rs. 10 each			
1) Basic		4.65	9.73
2) Diluted		4.58	9.73

The accompanying notes are an integral part of the financial statements.

This is the Profit & Loss Statement referred to in our report of even date
For Dass Khanna & Co.
Chartered Accountants
Firm Registration No. 000402N

(CA. Rakesh Soni)
Partner
M.No. 83142
Place : Ludhiana
Date: 28.05.2013

For and on the behalf of Board of
SEL Manufacturing Company Limited

(Neeraj Saluja)
Managing Director

(Navneet Gupta)
Executive Director

Rahul Kapoor
Company Secretary



SEL Manufacturing Company Ltd.

Consolidated Cash Flow Statement for the Year Ended 31st March, 2013

PARTICULARS	Details In Rupees	Current Year In Rupees	Details In Rupees	Previous Year In Rupees
A Cash Flow from Operating Activities				
Net Profit before Taxes & Extraordinary Items after Dep.		2,111,084,359		1,266,613,195
Adjustments for Non Cash Items:				
- Preliminary Expenses Written Off	16,000		423,478	
- Depreciation	1,634,028,864		818,087,487	
- Interest Charged	3,381,916,272		1,796,855,679	
- Interest Received	(16,981,650)		(12,571,322)	
- Dividend Received	(54,375)		(34,500)	
- (Profit) / Loss on Sale of Fixed Assets	(111,370)		(1,676,803)	
		4,998,813,741		2,601,084,019
Adjustments for Changes in Working Capital:				
- (Increase)/ Decrease in Trade Receivables	(142,377,929)		(2,686,225,376)	
- Increase/ (Decrease) in Current Liabilities & Trade Payables	(1,010,770,784)		451,586,626	
- (Increase)/ Decrease in Short Term Loans & Advances and Other Current Assets	(1,825,315,421)		(688,559,868)	
- (Increase)/ Decrease in Inventories	(4,216,413,868)	(7,194,878,002)	(997,779,711)	(3,920,978,329)
Cash Generation from Operations		(84,979,902)		(53,281,115)
Taxes Paid		81,132,622		204,352,506
Net Cash from Operating Activities		(166,112,524)		(257,633,621)
B Cash Flows from Investing Activities				
- Purchase of Fixed Assets & Capital Work in Process	(9,486,219,964)		(11,970,593,752)	
- Goodwill On purchase of shares	27,811,514		(259,127,262)	
- Sale of Fixed Assets	133,200,433		25,468,940	
- Purchase of Non Current Investments	17,997,920		(178,660,400)	
- Preliminary Expenses	(80,000)		-	
- Foreign Exchange Difference Reserve	(12,889)		-	
- Interest Received	16,981,650		12,571,322	
- Dividend Received	54,375		34,500	
Net Cash Flows from Investing Activities		(9,290,266,961)		(12,370,306,652)
C Cash Flows from Financing Activities				
- Proceeds from Issue of Capital, Securities Premium & Increase in Minority Interest	2,332,496,975		189,045,485	
- Proceeds/(Repayment) of Long term Borrowings including repayment due and interest accrued & due on term loans	4,872,088,276		9,495,254,081	
- Proceeds/(Repayment) of Short term Borrowings	5,877,531,581		4,544,536,332	
- Share Warrant Application Money	218,700,000		-	
- Interest Paid	(3,381,916,272)		(1,796,855,679)	
Net Cash Flows from Financing Activities		9,918,900,560		12,431,980,219
Net Increase/(Decrease) in Cash & Cash Equivalent		462,521,075		(195,960,054)
Cash & Cash Equivalents - Opening Balance		882,240,727		1,078,200,781
Cash & Cash Equivalents - Closing Balance		1,344,761,802		882,240,727

Subject to our Separate Report of even date
For Dass Khanna & Co.
Chartered Accountants
Firm Registration No. 000402N

For and on the behalf of Board of
SEL Manufacturing Company Limited

(CA. Rakesh Soni)
Partner
M.No. 83142
Place : Ludhiana
Date: 28.05.2013

(Neeraj Saluja)
Managing Director

(Navneet Gupta)
Executive Director

Rahul Kapoor
Company Secretary

SHARE CAPITAL
Note No. - 3

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
(a) Authorised		
1,000,000,000 Equity Shares	10,000,000,000	4,000,000,000
(Previous Year 400,000,000 Equity Shares)		
(b) Issued, Subscribed & Paid Up		
331,347,000 Equity Shares Fully Paid Up.	3,313,470,000	1,113,470,000
(Previous Year 111,347,000 Equity Shares Fully Paid Up)		
	3,313,470,000	1,113,470,000

(c) Par Value per Share is Rs. 10/-
(d) Reconciliation of the number of equity shares outstanding

	As at 31st March, 2013		As at 31st March, 2012	
	Shares	Amount	Shares	Amount
Shares outstanding at the beginning of the year	111,347,000	1,113,470,000	99,347,000	993,470,000
Add: Addition during the year	220,000,000	2,200,000,000	12,000,000	120,000,000
Shares outstanding at the end of the year	331,347,000	3,313,470,000	111,347,000	1,113,470,000

(e) Terms/rights attached to equity shares.

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share except holder of GDR will not have voting right with respect to the Deposited Shares.

During the year, the Company issued 220,000,000 equity shares of the face value of Rs. 10 per share consequent to Global Depository Receipts(GDRs) issue of the company. Holders of Global Depository Receipts (GDRs) will be entitled to receive dividends, subject to the terms of the Deposit Agreement, to the same extent as the holders of Equity Shares. As on 31.03.2013, 135,195,687 shares of the face value of Rs.10/- each per share represent the shares underlying GDRs which were issued during 2012-13.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

RESERVES & SURPLUS
NOTE NO. - 4

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
a) Capital Reserves		
Opening Balance	-	71,347,926
Add: Addition during the year	-	-
	-	71,347,926
Less: Deduction during the year	-	71,347,926
	-	-
b) Securities Premium Reserve		
Opening Balance	5,044,738,678	4,995,829,830
Add: Addition during the year	216,440,093	63,000,000
	5,261,178,771	5,058,829,830
Less: Deduction during the year	74,495,452	14,091,152
	5,186,683,319	5,044,738,678
c) General Reserve		
Opening Balance	1,320,000,000	820,200,000
Add: Addition during the year	1,000,000,000	499,800,000
	2,320,000,000	1,320,000,000



SEL Manufacturing Company Ltd.

Less: Deduction during the year	-	-
	<u>2,320,000,000</u>	<u>1,320,000,000</u>
(d) Foreign Exchange Fluctuation Reserve		
Opening Balance	-	-
Add: Addition during the year	<u>(12,889)</u>	<u>-</u>
	<u>(12,889)</u>	<u>-</u>
Less: Deduction during the year	-	-
	<u>(12,889)</u>	<u>-</u>
(e) Surplus		
Opening Balance	3,464,935,083	3,257,684,000
Add: Addition during the year	1,379,156,071	828,081,801
	4,844,091,154	4,085,765,801
Less: Transferred to General Reserve	1,000,000,000	499,800,000
Less: Adjustments relating to Previous Year	-	121,030,718
	<u>3,844,091,154</u>	<u>3,464,935,083</u>
TOTAL	11,350,761,584	9,829,673,761

LONG TERM BORROWINGS

NOTE NO. - 5

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
a) Secured Loans		
i) Term Loans		
- From Banks	23,266,467,056	20,224,813,025
b) Unsecured Loans		
i) Vehicle Loans		
- From Banks	49,432,803	33,714,718
TOTAL	23,315,899,859	20,258,527,743

Terms of repayment of secured loans

Bank	Rate of Interest(%)	Total No. of Instalments	Equated Installment	No. of Instalment Outstanding
State Bank of Bikaner & Jaipur	13.50	32	7,500,000	9
State Bank of Bikaner & Jaipur	13.50	29	9,375,000	15
		2	14,062,500	
State Bank of Bikaner & Jaipur	14.00	27	7,200,000	15
		1	5,600,000	
State Bank of Bikaner & Jaipur	14.00	28	5,000,000	13
State Bank of Bikaner & Jaipur	14.00	29	16,700,000	20
		1	15,700,000	
State Bank of Bikaner & Jaipur	14.00	2	6,200,000	30
		4	14,000,000	
		24	16,700,000	
		2	15,400,000	
State Bank of Patiala	13.50	32	2,500,000	9
State Bank of Patiala	13.50	31	10,300,000	14
		1	10,700,000	
State Bank of Patiala	13.50	27	21,400,000	15
		1	22,200,000	
State Bank of Patiala	14.25	29	33,400,000	20
		1	31,400,000	
State Bank of Patiala	14.25	31	15,600,000	24
		1	16,400,000	



SEL Manufacturing Company Ltd.

State Bank of Patiala	14.25	2	9,375,000	30
		2	17,175,000	
		26	24,975,000	
		2	15,675,000	
		1	7,800,000	
		1	8,400,000	
State Bank of India	13.50	32	2,500,000	9
State Bank of India	15.00	29	2,700,000	12
		1	1,700,000	
State Bank of India	15.00	92	2,200,000	62
State Bank of India	14.00	2	4,114,000	30
		2	7,568,000	
		22	11,242,000	
		4	11,264,000	
		2	7,128,000	
State Bank of Indore	14.00	30	5,000,000	12
State Bank of India	14.00	27	9,000,000	15
		1	7,000,000	
State Bank of India	14.00	28	17,000,000	19
		1	24,000,000	
Central Bank of India	14.75	27	29,285,700	28
		1	29,286,100	
Central Bank of India	14.75	35	6,833,000	26
		1	6,845,000	
Central Bank of India	14.75	35	5,850,000	29
		1	5,250,000	
Central Bank of India	14.75	27	25,000,000	27
Exim Bank	13.50	32	2,100,000	19
		1	2,400,000	
UCO Bank	13.75	29	33,350,000	30
		1	32,850,000	
UCO Bank	14.00	32	11,406,250	16
UCO Bank	13.75	29	23,300,000	29
		1	24,300,000	
State Bank of Hyderabad	14.50	28	7,142,857	15
State Bank of Hyderabad	15.25	29	16,700,000	20
		1	15,700,000	
State Bank of Hyderabad	14.75	2	6,250,000	32
		2	11,450,000	
		26	16,650,000	
		2	10,450,000	
		1	5,200,000	
		1	5,600,000	
State Bank of Travancore	14.50	27	6,100,000	15
		1	5,300,000	
State Bank of Travancore	14.75	29	16,700,000	20
		1	15,700,000	
State Bank of Travancore	13.75	2	10,417,000	33
		4	20,834,000	
		27	31,251,000	
		1	20,802,000	
		1	33,325,000	
State Bank of Mysore	14.50	27	2,900,000	15
		1	1,700,000	
Punjab National Bank	15.25	27	8,333,333	15
		1	25,000,000	



SEL Manufacturing Company Ltd.

Punjab National Bank	15.25	30	16,666,667	20
Punjab National Bank	13.75	30	40,000,000	28
Punjab & Sind Bank	13.75	27	4,643,000	15
		1	4,639,000	
Punjab National Bank	13.50	29	33,350,000	30
		1	32,850,000	
Punjab National Bank	14.25	32	16,875,000	32
Punjab & Sind Bank	13.25	30	15,000,000	20
Punjab & Sind Bank	14.25	2	6,000,000	32
		2	11,333,000	
		26	16,666,000	
		2	10,666,000	
		2	5,343,000	
Punjab & Sind Bank	13.25	1	7,400,000	32
		1	13,800,000	
		27	20,200,000	
		1	18,200,000	
		1	10,800,000	
		1	4,400,000	
Vijaya Bank	13.50	28	6,785,700	16
Allahabad Bank	14.25	24	2,779,200	4
Allahabad Bank	14.25	32	7,812,500	24
Allahabad Bank	13.75	34	36,764,706	34
Allahabad Bank	13.75	30	55,000,000	29
Allahabad Bank	13.20	30	5,000,000	30
Allahabad Bank	13.45	27	17,100,000	28
		1	18,300,000	
Allahabad Bank	14.45	35	4,597,222	23
		1	4,605,000	
Allahabad Bank	13.45	35	5,850,000	28
		1	5,250,000	
Indian Bank	14.75	30	10,000,000	20
Indian Overseas Bank	15.00	30	13,870,900	31
		1	13,873,000	
Indian Overseas Bank	13.50	29	13,350,000	30
		1	12,850,000	
Union Bank of India	14.50	30	4,894,700	31
		1	3,159,000	
Union Bank of India	14.75	26	11,480,000	27
		1	11,520,000	
Union Bank of India	14.65	30	11,666,700	20
United Bank of India	14.80	26	9,620,000	27
		1	9,880,000	
United Bank of India	14.35	30	9,700,000	23
		1	9,000,000	
United Bank of India	13.75	29	36,666,666	29
		1	36,666,686	
Karur Vysya Bank	13.75	2	3,333,333	32
		2	6,666,666	
		26	10,000,000	
		2	3,333,334	
		2	6,666,667	
Indian Bank	14.25	2	1,337,500	30
		4	3,006,700	
		24	3,563,100	
		2	3,391,900	



SEL Manufacturing Company Ltd.

Bank of Maharashtra	13.95	2	1,244,000	32
		4	2,822,000	
		24	3,333,000	
		4	1,550,000	
Bank of Maharashtra	13.75	29	23,300,000	29
		1	24,300,000	
Bank of Maharashtra	13.25	29	16,667,000	30
		1	16,657,000	
Bank of Maharashtra	13.25	30	12,000,000	30
Dena Bank	13.75	29	36,666,666	29
		1	36,666,686	
Corporation Bank	14.00	29	33,350,000	30
		1	32,850,000	
Corporation Bank	13.75	30	30,000,000	30

Details of security for term loans

*Long borrowings from banks are secured by the equitable mortgage of entire Land & Building of the Company and further secured by all the fixed assets of the Company, immovable & movable, both present and future ranking pari-passu basis and personal guarantee of the promoter directors. The said borrowings are further secured, on pari-passu basis with short term lenders, by equitable mortgage of the following properties.

S.No.	Owner	Detail of property
1.	Sh. R.S.Saluja	Commercial Land & Building measuring 1K 13M at Rahon Road, Ludhiana
2.	Smt. Sneh Lata Saluja	Land measuring 1023.59 sq. yds. at Village Bajra, Ludhiana
3.	Smt. Sneh Lata Saluja	Land and building measuring 155 sq. yds. at B-V443, Hazuri Road, Ludhiana
4.	Sh. Neeraj Saluja	Land msg. 700 sq.yds. at Rajpura Road, Vill. Pratap Singhwala Ludhiana
5.	Smt. Ritu Saluja	Land measuring 1023.59 sq. yds. at Village Bajra, Ludhiana

Terms of repayment of unsecured loans

Bank	Rate of Interest(%)	Total No. of Instalments	Equated Monthly Installment	No. of Instalment Outstanding
HDFC Bank	12.50	36	79,461	12
HDFC Bank	10.00	36	54,590	4
HDFC Bank	10.00	36	17,900	9
HDFC Bank	13.00	36	26,400	26
HDFC Bank	10.00	36	49,950	4
HDFC Bank	12.79	36	26,590	16
HDFC Bank	12.00	36	57,215	14
HDFC Bank	11.49	36	36,090	14
HDFC Bank	12.07	36	44,881	12
HDFC Bank	12.79	36	26,590	16
HDFC Bank	12.79	36	23,266	17
HDFC Bank	11.50	36	64,070	29
HDFC Bank	9.20	36	189,900	9
HDFC Bank	10.75	36	37,181	8
HDFC Bank	11.00	36	24,331	8
HDFC Bank	12.50	36	8,112	14
HDFC Bank	9.72	36	282,447	34
HDFC Bank	10.51	36	31,260	34
Habib Bank	4.75	60	54,740	36
Habib Bank	4.50	48	154,100	15
ICICI Bank	11.43	36	33,950	5
ICICI Bank	10.00	36	36,800	2
ICICI Bank	10.00	60	476,500	34



SEL Manufacturing Company Ltd.

ICICI Bank	10.75	36	177,940	2
ICICI Bank	11.02	36	22,710	6
ICICI Bank	12.55	36	16,900	17
ICICI Bank	10.32	36	56,245	26
ICICI Bank	10.25	36	14,454	2
ICICI Bank	10.25	36	14,454	2
ICICI Bank	10.25	36	14,454	2
ICICI Bank	10.75	36	8,083	2
Kotak Mahindra Prime Ltd.	12.00	36	287,010	30
Kotak Mahindra Prime Ltd.	9.94	36	95,700	31
State Bank of Bikaner & Jaipur	11.50	36	256,692	18
State Bank of Bikaner & Jaipur	11.50	36	16,093	21
State Bank of Bikaner & Jaipur	11.15	36	28,026	20
State Bank of Bikaner & Jaipur	11.15	36	28,026	20
State Bank of Bikaner & Jaipur	11.15	36	14,180	23
State Bank of Bikaner & Jaipur	11.15	36	15,334	23
State Bank of Bikaner & Jaipur	11.40	36	26,079	26
State Bank of Bikaner & Jaipur	11.40	36	26,079	26
State Bank of Bikaner & Jaipur	11.65	36	12,821	26
State Bank of Bikaner & Jaipur	11.40	36	25,550	26

DEFERRED TAX LIABILITY (Net)

NOTE NO. - 6

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
Deferred Tax Liability		
Fixed Assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	1,658,596,778	1,001,472,754
Gross Deferred Tax Liability	1,658,596,778	1,001,472,754
Deferred Tax Asset		
Impact of expenditure charged to Profit & Loss Statement in the current year but allowed for tax purpose on payment basis	10,079,520	3,751,163
Gross Deferred Tax Asset	10,079,520	3,751,163
Net Deferred Tax Liability	1,648,517,258	997,721,591

LONG TERM PROVISION

NOTE NO. - 7

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
a) Provision for Employee Benefits	24,653,999	7,321,354
TOTAL	24,653,999	7,321,354

SHORT TERM BORROWINGS

NOTE NO. - 8

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
i) Loans Repayable on Demand		
from Banks	15,719,904,164	9,842,372,583
TOTAL	15,719,904,164	9,842,372,583

Details of security for working capital borrowings

*Short term borrowings from banks are secured by the Hypothecation of Stock-in trade, Book Debts and Receivables of the Company and further secured by the second parri-passu charge on the entire fixed assets of the Company and



SEL Manufacturing Company Ltd.

personal guarantee of the promoter directors. The said borrowings are further secured, on pari-passu basis with term loan lenders, by equitable mortgage of the following properties.

S.No.	Owner	Detail of property
1.	Sh. R.S.Saluja	Commercial Land & Building measuring 1K 13M at Rahon Road, Ludhiana
2.	Smt. Sneh Lata Saluja	Land measuring 1023.59 sq. yds. at Village Bajra, Ludhiana
3.	Smt. Sneh Lata Saluja	Land and building measuring 155 sq. yds. at B-V443, Hazuri Road, Ludhiana
4.	Sh. Neeraj Saluja	Land msg. 700 sq.yds. at Rajpura Road, Vill. Pratap Singhwala Ludhiana
5.	Smt. Ritu Saluja	Land measuring 1023.59 sq. yds. at Village Bajra, Ludhiana

Terms of repayment of loans repayable on demand

From banks are repayable on demand and carries interest @ 12% to 14% p.a.

TRADE PAYABLES

NOTE NO. - 9

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
Sundry Creditors*	841,595,327	2,186,594,589
TOTAL	841,595,327	2,186,594,589

*Based on and to the extent of information received from the Suppliers regarding their status under The Micro, Small and Medium Enterprises Development Act, 2006 as identified by Management and relied upon by the Auditors, the relevant particulars as at 31st March, 2013 are NIL.

OTHER CURRENT LIABILITIES

NOTE NO. - 10

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
(a) Current Maturities of Long Term Debts	3,517,052,500	1,784,940,725
(b) Interest Accrued but not due on borrowings	1,445,047	281,804
(c) Interest Accrued and due on borrowings	297,611,380	214,956,002
(d) Unpaid Dividends*	28,348	28,348
(e) Other Payables		
i) Statutory Dues & Taxes	35,076,586	18,358,855
ii) Employees Benefits	130,133,044	59,723,931
iii) Advances from Customers	139,146,694	41,466,949
v) Others-Expenses Payable	319,472,831	350,773,849
TOTAL	4,439,966,430	2,470,530,464

*Unpaid dividends do not include any amount due and outstanding required to be credited to the Investors' Education and Protection Fund.

SHORT TERM PROVISIONS

NOTE NO. - 11

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
a) Provision for Employee Benefits	3,732,234	1,307,212
b) Others		
- Income Tax	429,679,193	270,388,188
- Wealth Tax	775,000	315,000
TOTAL	434,186,427	272,010,400



Consolidated Fixed Assets PARTICULARS		GROSS BLOCK					DEPRECIATION					NET BLOCK		NOTE NO.- 12
		BALANCE AS ON 01.04.2012 Rs.	ADDITIONS DURING THE YEAR Rs.	SALES DURING THE YEAR Rs.	BALANCE AS ON 31.03.2013 Rs.	BALANCE AS ON 01.04.2012 Rs.	PROVIDED DURING THE YEAR Rs.	SALES DURING THE YEAR Rs.	BALANCE AS ON 31.03.2013 Rs.	AS ON 31.03.2013 Rs.	AS ON 31.03.2012 Rs.			
(a) Tangible Assets														
i) Land	1,293,730,389	355,161,335	8,195,900	1,640,695,824	-	-	-	-	1,640,695,824	1,293,730,389				
ii) Leasehold Land	73,288,658	-	-	73,288,658	2,563,216	717,802	-	3,281,018	70,007,640	70,725,442				
iii) Building	4,340,519,743	5,698,681,870	54,596,571	9,984,605,043	273,951,167	173,294,469	5,738,749	441,506,887	9,543,098,156	4,066,568,578				
iv) Road	48,413,448	-	-	48,413,448	582,843	789,139	-	1,371,983	47,041,465	47,830,604				
v) Plant & Machinery	10,880,454,919	11,214,546,737	101,790,074	21,993,211,581	1,737,979,927	1,417,352,676	33,870,589	3,121,462,014	18,871,749,567	9,140,122,398				
vi) Furniture & Fixtures	210,946,826	175,268,639	3,472,841	382,742,626	25,532,906	15,056,345	433,432	40,155,819	342,586,807	185,413,922				
vii) Vehicles	181,966,019	39,538,087	6,690,300	214,813,806	41,894,056	18,162,640	2,010,047	58,046,649	156,767,157	140,071,963				
viii) Office Equipments	29,725,152	12,821,028	502,541	42,043,639	3,636,881	1,631,982	106,347	5,162,516	36,881,124	26,088,271				
Total	17,059,045,153	17,496,017,695	175,248,227	34,379,814,626	2,086,140,996	1,627,005,053	42,159,164	3,670,986,885	30,708,827,741	14,970,551,566				
(b) Intangible Assets														
i) Goodwill	187,849,586	-	27,881,764	159,967,822	-	-	-	-	159,967,822	187,849,586				
ii) Computer Software	43,326,995	9,356,095	-	52,683,090	2,916,783	7,023,810	-	9,940,593	42,742,497	40,410,212				
(c) Capital Work in Progress	7,706,770,021	11,833,392,882	17,217,013,238	2,323,149,665	-	-	-	-	2,323,149,665	5,508,355,411				
Total	24,996,991,755	29,338,766,673	17,420,143,230	36,915,615,203	2,089,057,779	1,634,028,863	42,159,164	3,680,927,478	33,234,687,725	20,707,166,775				
Previous Year	13,904,517,521	16,495,877,844	5,403,403,610	24,996,991,755	1,289,391,903	818,076,532	18,410,656	2,089,057,779	22,907,933,976	-				



NON CURRENT INVESTMENTS

NOTE NO. - 13

PARTICULARS	AS AT	AS AT
	31.03.2013	31.03.2012
	In Rupees	In Rupees
Other Investments (At Cost)		
(a) Investment in Equity Instruments (Quoted)		
i) 3124 Equity Shares of Rs. 10/- each fully paid up of Reliance Industries Limited (Previous Year 3124 Equity Shares of Rs. 10/- each fully paid up)	3,000,000	3,000,000
ii) 778 Equity Shares of Rs. 10/- each fully paid up of Dhanus Technologies Limited (Previous Year 778 Equity Shares of Rs. 10/- each fully paid up)	67,555	67,555
(b) Investment in Equity Instruments (Unquoted)		
Associates		
i) 24000 Equity Shares of Rs. 10 each fully paid up of Rhythm Textile & Apparels Park Limited (Previous Year 24000 Equity Shares of Rs. 10/- each fully paid up)	1,642,080	240,000
Others		
i) 299300 Equity Shares of Rs. 1 each fully paid up of The Delhi Stock Exchange Association Limited (Previous Year 299300 Equity Shares of Re. 1/- each fully paid up)	20,951,000	20,951,000
(c) Investments in Preference Shares		
Associates		
i) 3692930 9% Redeemable Preference Shares of Rs. 10 each fully paid up of Rhythm Textile & Apparels Park Limited (Previous Year 3692930 9% Redeemable Preference Shares of Rs. 10 each fully paid up)	406,222,300	406,222,300
(d) Investment in Mutual Funds (Unquoted)		
i) 15000 Units of Rs.10 each of SBI Infrastructure Fund (Previous Year 15000 units of Rs. 10/- each)	1,500,000	1,500,000
ii) 5000 Units of Rs.10 each of SBI PSU Fund (Previous Year 5000 units of Rs. 10/- each)	500,000	500,000
iii) 55187.638 Units of Rs.10 each of Union KBC Equity Fund (Previous Year 55187.638 Units of Rs.10 each)	500,000	500,000
iv) 100000 Units of Rs.10 each of SBI Gold Fund (Previous Year 100000 Units of Rs.10 each)	1,000,000	1,000,000
v) (1648.95) Units of Rs. 10/- each of SBI MF Magnum Texgain Scheme (Previous Year 1648.95 Units of Rs. 10/- each)	-	100,000
(e) Other Non-Current Investments		
i) Share Application Money in Shiv Narayan Investment Private Limited	267,090,000	286,390,000
ii) Investment in Gold	3,118,100	3,118,100
TOTAL	705,591,035	723,588,955
Market Value of Quoted Investments	2,414,734	2,338,035
Aggregate Value of Quoted Investments	3,067,555	3,067,555
Aggregate Value of UnQuoted Investments	702,523,480	720,521,400

**SEL Manufacturing Company Ltd.**

LONG TERM LOANS AND ADVANCES		NOTE NO. - 14
PARTICULARS	AS AT 31.03.2013 In Rupees	AS AT 31.03.2012 In Rupees
(Unsecured, considered good)		
(a) Capital Advances	2,269,423,019	4,904,709,297
(b) Security Deposits	131,688,223	81,145,604
TOTAL	2,401,111,242	4,985,854,901

OTHER NON CURRENT ASSETS		NOTE NO. - 15
PARTICULARS	AS AT 31.03.2013 In Rupees	AS AT 31.03.2012 In Rupees
a) Preliminary/Public Issue Expenses	64,000	176,946
b) Others-MAT Credit Entitlement	686,276,129	306,683,028
TOTAL	686,340,129	306,859,974

INVENTORIES		NOTE NO. - 16
PARTICULARS	AS AT 31.03.2013 In Rupees	AS AT 31.03.2012 In Rupees
(Taken as, valued & certified by the Management)		
(a) Raw Materials	4,999,298,363	1,885,889,408
(b) Work in Progress	1,920,054,453	1,278,174,909
(c) Finished Goods		
- In Godown	1,354,707,492	2,896,932,734
- In Transit	627,209,276	242,675,369
(d) Stock in Trade	2,574,806,244	994,357,437
(e) Stores & Spares	418,176,275	379,808,377
TOTAL	11,894,252,103	7,677,838,234

TRADE RECEIVABLES		NOTE NO. - 17
PARTICULARS	AS AT 31.03.2013 In Rupees	AS AT 31.03.2012 In Rupees
(Unsecured, considered good)		
a) Outstanding for a period exceeding six months from the date they are due for payment	2,160,320,751	1,622,768,304
b) Other Receivables	5,224,277,963	5,619,452,481
TOTAL	7,384,598,714	7,242,220,785

CASH & CASH EQUIVALENTS		NOTE NO. - 18
PARTICULARS	AS AT 31.03.2013 In Rupees	AS AT 31.03.2012 In Rupees
(a) Cash in Hand	48,400,749	41,367,377
(b) Balances With Scheduled Banks		
i) In Current Accounts	1,210,562,478	816,567,343
ii) In Fixed Deposits Accounts	85,798,575	24,306,007
TOTAL	1,344,761,802	882,240,727

**SEL Manufacturing Company Ltd.**

SHORT TERM LOANS AND ADVANCES		NOTE NO. - 19
PARTICULARS	AS AT 31.03.2013 In Rupees	AS AT 31.03.2012 In Rupees
(Unsecured, considered good)		
(a) Others		
i) Advances to Suppliers	288,659,892	270,589,655
ii) Statutory Dues & Taxes	718,992,426	269,188,646
iii) Prepaid Taxes	172,162,159	198,098,016
iv) Others	181,017,741	399,680,183
TOTAL	1,360,832,218	1,137,556,499

OTHER CURRENT ASSETS		NOTE NO. - 20
PARTICULARS	AS AT 31.03.2013 In Rupees	AS AT 31.03.2012 In Rupees
(Unsecured, considered good)		
(a) Others		
i) Duty Drawback Receivable	807,614,610	267,899,775
ii) Interest Subsidy Receivable	1,494,837,532	862,497,611
iii) Interest Receivable	1,912,799	2,063,574
TOTAL	2,304,364,941	1,132,460,959

REVENUE FROM OPERATIONS		NOTE NO. - 21
PARTICULARS	CURRENT YEAR In Rupees	PREVIOUS YEAR In Rupees
Sale of Products		
Finished Goods	27,668,959,893	18,420,518,374
Traded Goods	9,503,941,394	3,270,720,712
Other Operating Income		
Sale Scrap	596,381,121	525,435,054
	37,769,282,408	22,216,674,140
Less: Excise Duty	1,307,019	1,269,879
TOTAL	37,767,975,389	22,215,404,261

Details of Sales (Finished Goods)		
PARTICULARS	CURRENT YEAR In Rupees	PREVIOUS YEAR In Rupees
Yarn	14,140,247,584	6,391,127,382
Hosiery Garments	2,179,964,472	1,547,548,293
Terry Towel	2,384,646,653	2,572,181,335
Knitted Cloth	8,964,101,184	7,909,661,364
	27,668,959,893	18,420,518,374
Less: Excise Duty	1,307,019	1,269,879
TOTAL	27,667,652,874	18,419,248,495



SEL Manufacturing Company Ltd.

Details of Sales (Traded Goods)

PARTICULARS	CURRENT YEAR In Rupees	PREVIOUS YEAR In Rupees
Yarn	-	107,952,315
Hosiery Garments	8,048,376,431	2,958,448,697
Raw Cotton	9,743,191	93,574,026
Knitted Cloth	594,397,752	63,582,121
Towel	851,424,020	47,163,553
TOTAL	9,503,941,394	3,270,720,712

OTHER INCOME

PARTICULARS	CURRENT YEAR In Rupees	PREVIOUS YEAR In Rupees	NOTE NO. - 22
Export Incentives	1,021,041,262	453,257,708	
Interest (Gross)	16,981,650	12,571,322	
Foreign Exchange Fluctuation	943,890,608	624,008,951	
Profit on Sale of Fixed Assets	111,370	1,676,803	
Insurance Claim	-	446,461	
Dividend Income	54,375	34,500	
Rental Income	521,562	96,000	
Other Income	5,575,487	818,410	
TOTAL	1,988,176,314	1,092,910,154	

COST OF MATERIAL CONSUMED

PARTICULARS	CURRENT YEAR In Rupees	PREVIOUS YEAR In Rupees	NOTE NO. - 23
Raw Material Consumed			
Opening Stock	1,841,620,767	2,810,759,126	
Add: Purchases (net)	22,668,463,948	12,789,506,965	
Add: Stock in Trade	994,357,437	1,209,324,349	
	25,504,442,152	16,809,590,440	
Less: Closing Stock	4,952,641,023	1,841,620,767	
Cost of raw material consumed during the year (A)	20,551,801,129	14,967,969,673	
Packing Material Consumed			
Opening Stock	44,268,641	44,882,419	
Add: Purchases (net)	299,969,008	233,640,381	
	344,237,649	278,522,800	
Less: Closing Stock	46,657,340	44,268,641	
Cost of packing material consumed during the year (B)	297,580,309	234,254,159	
TOTAL(A+B)	20,849,381,438	15,202,223,832	

Details of Raw Material Consumed

PARTICULARS	CURRENT YEAR In Rupees	PREVIOUS YEAR In Rupees
Raw Cotton	12,914,265,950	6,158,950,516
Polyster Fibre	545,991,902	655,508,470
Yarn	2,985,552,435	2,487,641,838
Knitted Cloth	4,105,990,842	5,665,868,849
TOTAL	20,551,801,129	14,967,969,673



**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS
AND STOCK IN TRADE**

PARTICULARS	NOTE NO. - 24	
	CURRENT YEAR In Rupees	PREVIOUS YEAR In Rupees
Opening Stocks		
Work in Process	1,278,174,909	588,786,195
Finished Goods	3,139,608,103	1,708,148,755
Stock in Trade	994,357,437	1,318,982,396
	(A) 5,412,140,449	3,615,917,346
Less: Stock in Trade converted to raw materials	(B) 994,357,437	1,209,324,349
Closing Stocks		
Work in Process	1,920,054,453	1,278,174,909
Finished Goods	1,981,916,768	3,139,608,103
Stock in Trade	2,574,806,244	994,357,437
	(C) 6,476,777,465	5,412,140,449
Decrease/(Increase) in Inventories (A-B-C)	(2,058,994,453)	(3,005,547,452)

EMPLOYEE BENEFITS EXPENSE

PARTICULARS	NOTE NO. - 25	
	CURRENT YEAR In Rupees	PREVIOUS YEAR In Rupees
Wages,Salaries & Other Allowances	1,295,123,275	629,677,063
Contribution to PF, ESI & Other Funds	70,768,639	48,017,547
Staff & Labour Welfare	58,374,274	35,183,884
TOTAL	1,424,266,188	712,878,494

FINANCIAL COSTS

PARTICULARS	NOTE NO. - 26	
	CURRENT YEAR In Rupees	PREVIOUS YEAR In Rupees
a) Bank Charges	79,803,963	48,964,324
b) Interest on		
i) Working Capital Limits	1,956,949,126	1,015,782,138
ii) Term Loans	1,315,430,724	753,117,355
iii) Car Loans	5,895,266	6,221,362
iv) Others	103,641,156	21,734,824
TOTAL	3,461,720,235	1,845,820,003

OTHER EXPENSES

PARTICULARS	NOTE NO. - 27	
	CURRENT YEAR In Rupees	PREVIOUS YEAR In Rupees
Job Work Expenses	43,359,632	39,802,872
Power & Fuel	1,941,152,958	1,085,959,031
Consumable & Other Materials	455,711,666	455,378,780
Repair & Maintenance	150,891,627	86,844,693
Printing & Stationery	3,802,157	5,706,660
Insurance	22,545,213	12,962,860
Fees & Taxes	11,152,229	14,700,024
Donation	436,803	313,150
Legal & Professional Charges	8,048,716	6,365,575
Postage & Courier Charges	10,859,058	11,612,174



SEL Manufacturing Company Ltd.

Telephone & Fax Expenses	6,490,079	9,155,625
Auditors' Remuneration		
- Audit Fee	4,055,092	2,773,855
- Tax Audit Fee	890,695	784,350
- Reimbursement of Expenses	74,537	162,505
- Service Tax	337,182	-
Director's Remuneration	30,598,493	26,642,000
General Repair & Maintenance	21,938,604	4,373,385
Office Expenses	11,806,207	8,613,990
Festival Expenses	12,936,586	9,338,775
Rent	7,204,233	3,537,746
Travelling & Conveyance	38,905,737	21,299,610
Water Charges	4,133,001	2,170,932
Service Tax Paid	11,282,908	5,384,767
Advertisement	4,715,470	3,741,685
Security Expenses	577,235	1,413,342
Building Repair & Maintenance	3,706,632	1,896,332
Vehicles Expenses	12,968,691	10,990,032
Business Promotion	14,683,963	10,127,141
Sundry Balance Written Off	36,290	5,255,924
Commission	192,272,135	107,577,660
Clearing & Forwarding Charges	172,793,332	56,076,301
Rebate & Discount	18,914,880	33,742,261
Freight Outward	256,313,121	173,338,915
TOTAL	3,475,595,162	2,218,042,952

DEPRECIATION & AMORTIZATION EXPENSES

PARTICULARS	CURRENT YEAR	NOTE NO. - 28 PREVIOUS YEAR
	In Rupees	In Rupees
Depreciation of Tangible Assets	1,627,005,053	815,159,750
Depreciation of Intangible Assets	7,023,810	2,916,783
Amortization of Preliminary Expenses	16,000	434,432
TOTAL	1,634,044,863	818,510,965



NOTES TO FINANCIAL STATEMENTS

1. Principles of Consolidation

In preparing consolidated financial statements; the financial statements of parent company and subsidiary are combined on line-by-line basis by adding together the like items of assets, liabilities, income and expenses. The inter group balances and transactions and unrealized profits and losses are fully eliminated.

Minority Interest's in net profit of consolidated financial statements, for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

Minority Interest's in the net assets of the consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and equity of the company's shareholders.

The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".

2. Significant Policies

2.1 Employee Benefits

i) Defined Contribution Plan:

Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provision Act, 1952 and is charged to the profit and loss account.

ii) Defined Benefit Plans (Gratuity):

The Company has a defined benefit Gratuity plan covering all its employees. Gratuity is covered under a scheme of Life Insurance Corporation of India (LIC) and contribution in respect of such scheme is recognized in the Profit & Loss Account. The liability/asset as at the Balance Sheet date is provided for based on the actuarial valuation carried out in accordance with Accounting Standard 15 on 'Employee Benefit'.

iii) Leave with wages

Provision for earned leave due for the year is made on the actual valuation as at the close of the year.

2.2 As far as possible, the consolidated financial statements are prepared using uniform accounting policies for the like transactions and other events in similar circumstances and are presented in the same manner as Company's separate financial statements.

2.3 Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

29. Contingent Liabilities

There are contingent liabilities in respect of the following items: (No outflow is expected in view of the past history relating to these items)

Particulars	(Rs. In Crores)	
	March 31, 2013	March 31, 2012
(i) Export Bills Discounted	155.80	28.89
(ii) Estimated amount of capital contracts remaining to be executed net of advances	217.37	421.28
(iii) Income Tax demand for AY 2005-06 to AY 2010-11 (Previous Year AY 2004-05 to AY 2009-10) net of deposit of Rs. 1.16 crores (Previous year Rs. 0.15 crores) against the said demand, contested in appeals.	-	1.31
(iv) Performance Guarantees issued for export obligations	1462.99	1711.63
(v) Others (Net of deposit of Rs. 0.07 crores (Previous Year Rs. Nil crores) against the said demand, contested in appeal.	0.07	-

30. Related Party Disclosures

Names of Related Parties and Relationships:

Sr. No.	Name of Related Party	Relationship
1	S. E. Exports	Subsidiary Partnership Firm
2	Kudu Industries	Subsidiary Partnership Firm*
3	SEL Textiles Ltd.	Subsidiary Company



SEL Manufacturing Company Ltd.

4	SEL Aviation Pvt. Ltd.	Subsidiary Company
5	SEL Ecochem Pvt. Ltd.	Subsidiary Company
6	SEL Textile Corporation	Foreign Subsidiary Company
7	Omega Hotels Ltd.	Subsidiary Company
8	Silverline Corporation Ltd.	Fellow Subsidiary Company
9	SEL Textiles Overseas Ltd.	Fellow Foreign Subsidiary Company
10	Mr. R. S. Saluja Mr. Neeraj Saluja Mr. Dhiraj Saluja Mr. Navneet Gupta Mr. V.K. Goyal	Key Management Personnel
11	Mrs. Sneha Lata Saluja Mrs. Ritu Saluja Mrs. Reema Saluja MS. Palak Goyal	Relatives of KMP
12	Rythm Textiles & Apparels Park Ltd.	Associates
13	Shiv Narayan Investments Pvt. Ltd. *Saluja International *Saluja Fabrics *SEL Developers Pvt. Ltd.	Enterprises over which key management personal and relatives of such personal is able to exercise significant influence

*No transactions have taken place during the year.

#Firm dissolved on 02.04.2012

Related Parties Transactions:

(Rs. in Crores)

Particulars	Associates		Key Management & Relatives of KMP		Enterprises over which Personal (KMP) significant influence		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Purchase & Processing of Goods	-	-	-	-	-	18.48	-	18.48
Sale & Processing of Goods	-	-	-	-	-	0.12	-	0.12
Share Application Money- Received Back	-	10.66	-	-	-	30.64	-	41.30
Equity Contribution Received in Cash	-	-	21.87	18.30	-	-	21.87	18.30
Rent Paid	-	-	0.01	0.06	-	-	0.01	0.06
Rent Received	0.01	0.01	-	-	-	-	0.01	0.01
Managerial Remuneration	-	-	3.12	2.66	-	-	3.12	2.66
Closing Balance of Related Parties Debit/(Credit)	0.02	33.39	-	-	26.70	26.70	26.72	60.09

31. Earnings Per Share

The calculation of Earnings per Share as disclosed in the Balance Sheet Abstract has been in accordance with Accounting Standard (AS)-20 on Earnings per Share issued by the Institute of Chartered Accountants of India.

A statement on calculation of Basic & Diluted EPS is as under:

Particulars	Unit	Current Year	Previous Year
Profit after tax before Extra ordinary Items (A)	Rs. In Lacs	13790.91	8247.24
Weighted average number of equity shares (B)	No.	294579877	84789167
Weighted average number of Potential equity shares (C)	No.	4556250	-
Total (D)	No.	299136127	84789167
Basic EPS (A/B)	Rs.	4.65	9.73
Diluted EPS (A/D)	Rs.	4.58	9.73

32. Segment Reporting

The Company is mainly engaged in the business of manufacturing of textiles consisting of yarn, fabrics and garments. Considering the nature of business and financial reporting of the Company, the Company has only one

segment textile as reportable segment. The Company operates in Local & Export segments geographically. The sale for both is separately given, but due to the nature of business the assets/liabilities and expenses for these activities cannot be bifurcated separately.

a. Primary Segment: Business Segment

The segment other than textile has been classified as other segment.

(Rs. In crores)

Particulars	Textiles		Others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue						
External Segment	3837.31	2221.54	0.00	0.00	3837.31	2221.54
Other Income	197.06	107.86	0.00	0.00	197.06	107.86
Inter Segment Sales	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	4034.37	2329.40	0.00	0.00	4034.37	2329.40
Segment Results	550.92	308.64	0.00	0.00	550.92	308.64
Unallocated Corporate Expenses					4.24	3.89
Operating Profit					546.68	304.75
Interest Expense					338.19	179.69
Interest Income					1.70	1.26
Income Taxes					73.19	43.85
Net Profit					136.99	82.47
OTHER INFORMATION						
Segment Assets	6015.39	4583.39	0.00	0.00	6015.39	4583.39
Unallocated Corporate Assets					116.27	116.27
Total Assets					6131.65	4699.66
Segment Liabilities	445.34	247.22	0.00	0.00	445.34	247.22
Unallocated Corporate Liabilities					2919.99	2352.65
Total Liabilities					3365.32	2599.87
Capital Expenditures	1750.54	640.98	0.00	0.00		
Depreciation	163.40	81.85	0.00	0.00		
Non Cash Expenses other than depreciation	0.00	0.00	0.00	0.00		

b. Secondary Segment: Geographical segment

The financial information about geographical segment is presented below:

(Rs. In crores)

	2012-13	2011-12
1. Segment Revenue-External Turnover		
- Within India	1779.74	1427.27
- Outside India	2057.70	902.30
Total Revenue	3837.44	2329.57



SEL Manufacturing Company Ltd.

2. Segment Assets		
- Within India	6039.74	4098.82
- Outside India	91.92	600.88
Total Assets	6131.65	4699.70
3. Capital Expenditures		
- Within India	1714.32	601.54
- Outside India	36.22	39.44
Total Assets	1750.54	640.98

33. a) The Consolidated Financial Statements present the consolidated accounts of SEL Manufacturing Company Limited with its following subsidiaries.

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest as at	
		31.03.2013	31.03.2012
SEL Textiles Ltd.	India	100.00%	100.00%
SE Exports	India	99.00%	99.00%
SEL Aviations Pvt. Ltd.	India	51.09%	51.09%
Omega Hotels Ltd.	India	99.88%	99.88%
SEL Ecochem Pvt. Ltd.	India	96.43%	-
SEL Textiles Corporation	USA	100.00%	-

b) In case of associates where the company directly holds more than 20% of equity investments in associates are accounted for using equity method in accordance with Accounting Standard (AS) 23- "Accounting for Investments in Associates in Consolidated Financial Statement".

Name of Associates	Country of Incorporation	Proportion of Ownership Interest as at	
		31.03.2013	31.03.2012
Rhythm Textiles & Apparels Park Ltd.	India	33.27%	33.27%

For Dass Khanna & Co.
Chartered Accountants
Firm Registration No. 000402N
M.No. 83142

Place : Ludhiana
Date: 28.05.2013

(CA. Rakesh Soni)
Partner

(Neeraj Saluja)
Managing Director

(Navneet Gupta)
Director

Rahul Kapoor
Company Secretary

For and on the behalf of Board of
SEL Manufacturing Company Limited

Financial Information of Subsidiaries Company/Firms as on 31st March, 2013

(Rs. in Crores)

Sr. No.	Particulars	SEL Textiles Ltd.	SEL Ecochem Pvt. Ltd.	SE Exports	SEL Aviation Pvt. Ltd.	Silverline Corporation Ltd.	SEL Textiles Corporation	SEL Textiles Overseas Ltd.	Omega Hotels Ltd.
1.	Capital	127.05	0.28	0.57	4.09	4.14	0.06	0.005	2.40
2.	Reserves	446.75	0.76	-	8.40	36.37	(0.01)	(0.002)	0.99
3.	Total assets	1,827.23	1.05	0.57	12.60	41.68	0.05	0.003	6.88
4.	Total liabilities	1,827.23	1.05	0.57	12.60	41.68	0.05	0.003	6.88
5.	Details of investment (except in case of investment in the subsidiaries)	67.64	-	-	-	-	-	-	-
6.	Turnover	895.66	-	-	1.29	0.02	-	-	-
7.	Profit before taxation	45.70	(0.003)	0.43	(1.23)	0.01	(0.01)	(0.002)	-
8.	Provision for taxation	9.82	-	-	-	-	-	-	-
9.	Profit after taxation	35.88	(0.003)	0.43	(1.23)	0.01	(0.01)	(0.002)	-
10.	Proposed dividend	-	-	-	-	-	-	-	-

SEL MANUFACTURING COMPANY LIMITED

Registered Office: 274, Dhandari Khurd, G.T. Road, LUDHIANA 141 014 (Pb.)

PROXY FORM

13th Annual General Meeting September 24, 2013

Folio No./DP and Client ID (as applicable)

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I/We _____ of _____ in the district of _____ being a member(s) of the Company hereby appoint _____ of _____ in the district of _____ or failing him/her _____ of in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the 13th Annual General Meeting of the company to be held on Tuesday, 24th September, 2013 at 9.30 a.m. at the Registered Office of the Company situated at 274, Dhandari Khurd, G.T. Road, Ludhiana 141 014 (Pb.) and at any adjournment(s) thereof.

Signed this _____ day of _____ 2013.

Affix
Revenue
Stamp
Here

Signature of member

Note: This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

SEL MANUFACTURING COMPANY LIMITED

Registered Office: 274, Dhandari Khurd, G.T. Road, LUDHIANA 141 014 (Pb.)

ATTENDANCE SLIP

13th Annual General Meeting September 24, 2013

Folio No./DP and Client ID (as applicable)

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Number of Shares held

--	--	--	--	--	--	--	--

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the 13th Annual General Meeting of the company held at the Registered Office of the Company situated at 274, Dhandari Khurd, G.T. Road, Ludhiana 141 014 (Pb.) on Tuesday, 24th September, 2013 at 9.30 a.m.

Name of the member/proxy

Signature of member/proxy

(in Block Letters)

Note : Please fill up this attendance slip and hand it over at the entrance of the meeting. Members are requested to bring their copy of the Notice to the meeting.

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