

JAND & ASSOCIATES

Chartered Accountants

AUDITORS' REPORT

The Members,
AIS Glass Solutions Ltd.
New Delhi

1. We have audited the attached Balance Sheet of AIS Glass Solutions Ltd. as at March 31, 2012 and also the annexed Profit & Loss Statement & Cash Flow Statement of the Company for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) order, 2003 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement of matters specified in paragraphs 4 & 5 of the said order to the extent these are applicable to the Company.
4. Further to our comments in the Annexure referred to in Paragraph 1 above, we report that:
 - a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - a) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of such books;
 - b) The Balance Sheet and the Profit and Loss Account & cash flow statement referred in this report are in agreement with the books of account;
 - c) In our opinion, the Profit and Loss Account and the Balance Sheet comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;



1.5 Revenue recognition

Sales are recognized as soon as goods are dispatched and are recorded net of returns, trade discounts, trade taxes. Revenue from services have been recognized as soon as company performs its obligation as per the terms & conditions agreed.

1.6 Cost of Raw materials & stores & spares consumed

Consumption of Raw Material and Stores is accounted for based on actual consumption as per Requisition Slip.

1.7 Foreign exchange transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transactions.

Transactions outstanding at the year end are translated at exchange rates prevailing at the year end and the profit/loss so determined is recognized in the profit and loss account except for long term foreign currency monetary items in respect of which the company has exercised the option as provided in Companies (Accounting Standards) Amendment Rules, 2009 inserted vide notification no. GSR 225(E) dated 31-3-2009, as amended by notification no. GSR 378(E) dated 11-05-2011, subsequently amended by notification no. GSR 913(E) dated 29-12-2011 issued by Ministry of Corporate Affairs and detailed under accounting policy relating to Fixed Assets.

Current assets, current liabilities and loans denominated in foreign currencies and outstanding at year end are translated at the rates prevailing on the date of the Balance Sheet. Exchange loss/gain resulting there from, except for loans utilized to acquire depreciable assets, is dealt in Profit & Loss Account.

1.8 Retirement benefits

Retirement benefits relating to defined contribution plans are charged to Profit & Loss account for the respective year to which they pertain.

Liability with regard to Gratuity plan is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. Actuarial gain or loss is recognized immediately in the statement of profit & loss as income or expense.

1.9 Depreciation & Amortization

Tangible Assets

Depreciation on tangible asset except those on lease is provided on the Straight Line Method at the rates and in the manner provided in Schedule XIV to the Companies Act, 1956.

Pursuant to Companies (Accounting Standards) Amendment Rules, 2009 inserted vide notification no. GSR 225(E) dated 31-3-2009, as amended by notification no. GSR 378(E) dated 11-05-2011, subsequently amended by notification no. GSR 913(E) dated 29-12-2011 issued by Ministry of Corporate Affairs, exchange differences arising on long term foreign currency monetary items in so far as they relate to acquisition of a depreciable capital asset are adjusted in the cost of the asset and depreciated over the balance life of the asset.

Assets costing upto Rs.5,000/- each are depreciated fully in the year of purchase.

Intangible Assets

Intangible asset (other than Trademarks) are amortized over a period of five years on a pro-rata basis. Trademarks are amortized over a period of ten years.

AIS GLASS SOLUTIONS LTD.
CASH FLOW STATEMENT for the year ended March 31, 2012
(Amount in Rs.)

	Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
I.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit after tax as per Profit & loss Statement	(64,360,458)	27,604,346
	Adjustments for Non-Operating & Non-Cash Items:		
	Interest Expenses	15,819,254	18,879,829
	Interest income	(3,506,235)	(1,339,518)
	Depreciation	49,523,462	43,270,692
	Provision for taxation	(25,000)	-
	Operating profit/(loss) before working capital changes	(2,548,977)	88,415,349
	Adjustments for changes in assets & liabilities:		
	Changes in current assets	(24,479,807)	(65,754,874)
	Changes in current liabilities	131,766,863	181,051,806
	Cash generated from operations before extraordinary items	104,738,079	203,712,281
	Extraordinary Receipts/ (Payments)	-	-
	Net Cash flow From Operating Activities	104,738,079	203,712,281
II.	CASH FLOW FROM INVESTING ACTIVITIES		
	Increase in Fixed Assets		
	- On account of Purchase	(56,763,552)	(71,697,505)
	- On account of loss/ (gain) on foreign exchange fluctuation	21,615,804	505,670
	Sale of fixed assets	-	32,188
	Loan given to Shield Auto Glass Limited (Net)	(9,000,000)	-
	Loan received back from AIS Adhesives Limited	5,000,000	-
	Interest received	2,727,858	1,339,518
	Net Cash Used In Investing Activities	(36,419,890)	(69,820,129)
III.	CASH FLOW FROM FINANCING ACTIVITIES		
	Interest paid	(15,919,384)	(18,818,499)
	Increase/(Decrease) in Foreign Currency loan		
	- On account of Repayment	(99,830,238)	(102,170,446)
	- On account of loss/ (gain) on foreign exchange fluctuation	9,662,976	505,670
	Net Cash Used In Financing Activities	(106,086,646)	(120,483,275)
IV.	Net Increase/ (Decrease) in cash & cash equivalents (I+II+III)	(37,768,457)	13,408,877
V.	Cash & Cash equivalents at the beginning of the accounting period	50,676,989	37,268,112
VI.	Cash & Cash equivalents at the ending of the accounting period (IV+V)	12,908,532	50,676,989

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 (AS 3) "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.
- Figures in bracket represents outflow.

for and Associates
Chartered Accountant(s)

Pawan Singh

Pradeep

M.No. 080501

FRN: 008280N

Dated: 10.5.2012


for & on behalf of Board

Sanjay Labroo
Director

Rupinder Shelly
Director

Santosh Kumar Gupta
Head- Finance & Accounts

Leasehold Assets

Leasehold assets are depreciated over the period of lease.

1.10 Impairment of Assets

Asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. Impairment loss is charged to profit & loss account in the year in which the asset is identified as impaired.

1.11 Taxes on income

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

Deferred Tax is recognized on timing differences; being the difference between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets subject to the consideration of prudence are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Asset can be realized. The tax effect is calculated on the accumulated timing difference at the year end based on the tax rates and laws enacted or substantially enacted on the Balance Sheet date.

1.12 Leases

The company has taken offices & factory premises under cancellable operating lease agreements. The lease agreements are usually renewed by mutual consent on mutually agreeable terms.



2. NOTES TO ACCOUNTS

(Note No. 2.1 to 2.23 form an integral part of financial statements)

2.1. SHARE CAPITAL

A. Authorized, Issued, Subscribed & Paid-up-share capital

(Amount in Rs.)

Particulars	As at March 31, 2012	As at March 31, 2011
Authorized Share Capital 50,00,000 equity shares of Rs. 10 each (Previous year: 50,00,000 equity shares of Rs. 10 each)	50,00,000	50,00,000
Total	50,00,000	50,00,000
Issued, Subscribed & Paid-up Share Capital 39,76,000 equity shares of Rs. 10 each (Previous year: 39,76,000 equity shares of Rs. 10 each)	39,76,000	39,76,000
Total	39,76,000	39,76,000

B. Reconciliation of number of equity shares outstanding at the beginning & at the end of the year

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Number of shares outstanding at the beginning of the year	3,976,000	3,976,000
Add: Number of shares allotted during the year	-	-
Less: Number of shares bought back during the year	-	-
Number of shares outstanding at the end of the year	3,976,000	3,976,000

C. The company has only one class of Equity shares. Every shareholder is entitled to one vote per share.

D. Out of the above issued shares, 32,81,990 (Previous year 32,81,990) shares are held by Asahi India Glass Limited, the Holding company.

E. Shares in the company held by each shareholder holding more than 5% shares

Class of shares	No. of shares	% holding
As at March 31, 2012		
Asahi India Glass Limited	32,81,990	82.55%
Sanjay Labroo	2,94,000	7.39%
As at March 31, 2011		
Asahi India Glass Limited	32,81,990	82.55%
Sanjay Labroo	2,79,000	7.02%

2.2. RESERVES & SURPLUS

(Amount in Rs.)

Particulars	As at March 31, 2012	As at March 31, 2011
Surplus in statement of Profit & Loss		
As per last balance sheet	(44,833,041)	(72,437,387)
Add: Profit after tax transferred from Statement of Profit & loss	(64,360,458)	27,604,346
Total	(109,193,499)	(44,833,041)

Signature

Signature

2.3. LONG-TERM BORROWINGS

(Amount in Rs.)		
Particulars	As at March 31, 2012	As at March 31, 2011
Secured		
Foreign currency term loan*	-	68,633,289
Total	-	68,633,289

*Notes:

1. Foreign currency term loan (the loan) is from EXIM Bank of India and is secured by way of exclusive charge on the entire Fixed Assets & first pari-passu charge on the entire Current Assets situated at Roorkee Plant.
2. Amount outstanding in USD Nil (Previous year USD 1538690)
3. The loan carries an interest rate of 4.5625% per annum & is repayable in 16 quarterly installments starting from March 2009 & ending in December 2012.
4. There is no continuing default, as at the balance sheet date in repayment of the loan and interest there on.

2.4. OTHER LONG-TERM LIABILITIES

(Amount in Rs.)		
Particulars	As at March 31, 2012	As at March 31, 2011
Trade payable		
- Sundry creditors for capital goods	104,656,368	104,656,368
Others		
- Deposits from Dealers	5,612,396	400,000
Total	110,268,764	105,056,368

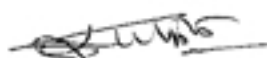
2.5. LONG-TERM PROVISIONS

(Amount in Rs.)		
Particulars	As at March 31, 2012	As at March 31, 2011
Provision for employee benefits		
- Gratuity	2,607,144	1,701,198
Total	2,607,144	1,701,198

2.6. TRADE PAYABLES

(Amount in Rs.)		
Particulars	As at March 31, 2012	As at March 31, 2011
Sundry Creditors		
- Micro, Small & Medium enterprises*	-	-
- Others	640,554,384	544,459,910
Total	640,554,384	544,459,910

*as certified by the company







2.7. OTHER CURRENT LIABILITIES

(Amount in Rs.)

Particulars	As at March 31, 2012	As at March 31, 2011
Current maturities of long term debt* (Foreign currency term loan)	78,296,265	99,830,238
Interest accrued but not due on Loan	49,615	149,745
Interest accrued & due on deposits	114,145	114,145
Advances from customers	27,619,793	5,387,738
<u>Other payables</u>		
- Accrued Salaries & Benefits	10,890,200	4,306,958
- Withholding taxes	867,585	1,104,760
- Statutory dues	2,328,455	1,306,835
Total	120,166,058	112,200,419

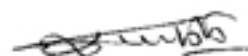
*Notes:

1. Foreign currency term loan (the loan) is from EXIM Bank of India and is secured by way of exclusive charge on the entire Fixed Assets & first pari-passu charge on the entire Current Assets situated at Roorkee Plant.
2. Amount outstanding in USD 1538690 (Previous year USD 2238095)
3. The loan carries an interest rate of 4.5625% per annum & is repayable in 16 quarterly installments starting from March 2009 & ending in December 2012.
4. There is no continuing default, as at the balance sheet date in repayment of the loan and interest there on.

2.8. SHORT-TERM PROVISIONS

(Amount in Rs.)

Particulars	As at March 31, 2012	As at March 31, 2011
Provision for employee benefits		
- Leave encashment	1,355,799	1,401,488
Provision for Fringe benefit tax (Net of taxes paid)	-	25,000
Total	1,355,799	1,426,488



2.9. FIXED ASSETS- TANGIBLES

(Amount in Rs.)

Description	Gross Carrying Value					Accumulated depreciation				Net Carrying Value	
	As on 01.04.2011	Additions	Adjustments	Deletions	As on 31.03.2012	As on 01.04.2011	For the year	Adjustment	As on 31.03.2012	As on 31.03.2012	As on 01.04.2011
Land- Leasehold	30,476,000	-	-	-	30,476,000	1,098,938	307,838	-	1,406,776	29,069,224	29,377,962
Building- On lease	239,305,901	5,815,869	11,888,694	548,957	256,461,507	28,717,418	8,537,229	548,957	36,705,690	219,755,816	210,583,484
Plant & Machinery	207,978,001	48,745,719	9,727,110	-	346,450,830	88,211,032	33,820,141	-	122,031,173	224,419,658	199,765,969
Installations & fittings	60,570,065	1,409,578	-	-	61,979,643	10,148,657	3,008,415	-	13,157,072	48,822,571	50,421,408
Furniture & Fixture	6,612,417	677,463	-	-	7,289,820	1,903,699	443,928	-	2,347,627	4,942,193	4,708,718
Office Equipment	5,665,500	1,308,622	-	-	6,974,122	1,186,467	371,480	-	1,557,946	5,416,175	4,479,033
Vehicles	1,125,340	-	-	-	1,125,340	590,973	127,276	-	718,249	407,091	534,367
Computer equipments	7,365,848	846,733	-	-	8,212,581	4,862,706	1,302,071	-	6,164,777	2,047,804	2,503,142
Total (Current year)	639,099,073	58,803,924	21,615,804	548,957	718,969,844	136,719,890	47,918,378	548,957	184,089,311	534,880,533	502,379,180
Total (Previous year)	616,670,644	21,965,558	505,670	42,800	639,099,072	94,768,247	41,962,258	10,613	136,719,892	502,379,180	521,902,396

Note: Adjustments to Fixed assets includes Rs. 2,16,15,804/- (Previous year Rs. 5,05,670/-) on account of Loss on Foreign Exchange Fluctuation on USD Term loan

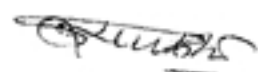
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2.10. FIXED ASSETS- INTANGIBLES

(Amount in Rs.)

Description	Gross Carrying Value					Accumulated depreciation				Net Carrying Value	
	As on 01.04.2011	Additions	Adjustments	Deletions	As on 31.03.2012	As on 01.04.2011	For the year	Adjustment	As on 31.03.2012	As on 31.03.2012	As on 01.04.2011
Computer Software	6,322,088	2,987,342	-	-	9,309,430	4,399,098	1,500,024	-	5,899,122	3,410,308	1,922,990
Trademark	-	42,000	-	-	42,000	-	2,100	-	2,100	39,900	-
Designs	326,355	-	-	-	326,355	326,355	-	-	326,355	0	0
License fees	514,800	-	-	-	514,800	411,040	102,960	-	514,800	-	102,960
Total (Current year)	7,163,243	3,029,342	-	-	10,192,585	5,137,293	1,605,084	-	6,742,377	3,450,209	2,025,950
Total (Previous year)	6,743,959	419,285	-	-	7,163,244	3,828,858	1,308,435	-	5,137,293	2,025,950	2,915,100




2.11. CAPITAL WORK-IN-PROGRESS

(Amount in Rs.)

Particulars	As at March 31, 2012	As at March 31, 2011
Building under construction	-	1,468,979
Plant & Machinery under erection	-	39,950,401
Electrical installation under erection	-	451,033
Capital advances	-	1,380,047
Pre-operative expenses	-	3,519,557
Others	-	1,531,305
Total	-	48,301,322

2.12. LONG-TERM LOANS & ADVANCES

(Amount in Rs.)

Particulars	As at March 31, 2012	As at March 31, 2011
<i>Unsecured considered good unless otherwise stated</i>		
Security Deposits	3,587,392	3,566,692
Others		
- Prepaid Expenses	60,679	-
- Mat Credit Receivable	3,400,000	3,400,000
Total	7,048,071	6,966,692

2.13. INVENTORIES

(Amount in Rs.)

Particulars	As at March 31, 2012	As at March 31, 2011
a. Raw Materials (including in Transit Rs. 52,10,462, Previous year Rs. 75,62,863)	52,961,541	41,300,805
b. Work-in-progress	6,987,529	8,955,302
c. Finished Goods	4,222,563	4,391,809
d. Stores & spares	11,841,950	11,202,990
e. Others		
- Waste	285,690	118,960
Total	76,299,272	65,969,866

Notes:

Mode of valuation of inventories

Raw materials, stores and spares, Loose tools & packing material	Monthly moving weighted average cost except for material-in-transit which is at purchase cost
Work-in-progress & Finished goods	Material cost plus proper share of production overheads, duties & taxes where applicable
Scrap	Estimated Net Realizable value

2.14. TRADE RECEIVABLES

(Amount in Rs.)

Particulars	As at March 31, 2012	As at March 31, 2011
Sundry Debtors (Unsecured considered good unless otherwise stated)		
- over six months		
<i>Considered Good</i>	51,121,045	37,103,159
<i>Considered doubtful</i>	3,825,740	1,986,450
- others	84,259,827	87,648,622
	139,206,612	126,738,231
Less: Provision for doubtful debts	(3,825,740)	(1,986,450)
Total	135,380,872	124,751,781

2.15. CASH & CASH EQUIVALENTS

Particulars	(Amount in Rs.)	
	As at March 31, 2012	As at March 31, 2011
Balances with banks		
Fixed deposits		
- with more than 12 months maturity	3,908,180	6,540,355
- Others	3,024,919	5,334,156
- Interest accrued on deposits	275,330	165,126
In current accounts	5,205,372	38,178,426
Cash on hand	494,732	458,926
Total	12,908,532	50,676,989

2.16. SHORT-TERM LOANS & ADVANCES

Particulars	(Amount in Rs.)	
	As at March 31, 2012	As at March 31, 2011
a. Loans (Including interest thereon)		
(Unsecured & Considered good unless otherwise stated)		
Loans to related parties*	15,278,377	10,500,000
Sub-total (a)	15,278,377	10,500,000
b. Advances		
(Considered good unless otherwise stated)		
Against supply of goods & services	14,917,629	14,046,221
Prepaid expenses	962,674	1,204,203
Advance income tax (net of provisions)	2,560,122	397,993
Balance with Govt. Authorities	1,832,358	1,064,156
Vat recoverable	-	120,279
Sub-total (b)	20,272,783	16,832,852
Total (a+b)	35,551,160	27,332,852

*Loans to related parties

AIS Adhesives Limited (Company under the same management)

5,500,000

10,500,000

Shield Autoglass Limited (Company under the same management)

9,778,377

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JAND & ASSOCIATES

Chartered Accountants

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in Para 3 of report of even date)

- (i) a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) According to the information and explanations given to us, the management during the year has physically verified the fixed assets and no material discrepancy was noticed on such verification.
- c) According to the information & explanations given to us, the company has not disposed off any substantial part of its fixed assets during the year, which may have any impact on the going concern nature of the company.
- (ii) a) According to the information and explanations given to us, the inventory has 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 explanations given to us, the procedures of 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) In our opinion and according to the information and explanations given to us, the company has maintained proper records of inventory and the discrepancies noticed on such verification between physical stock and book records were not material and have been properly dealt with in the books of accounts.
- (iii) a) The company during the year has advanced an inter-corporate deposit of Rs. 97,00,000 to Shield Auto Glass Limited of which Rs. 7,00,000 were received back. Further, the company had advanced inter-corporate deposits to companies under the same management in earlier years and was outstanding as at 31.03.2012 as under:

<i>Name of Corporate</i>	<i>As on 31.03.2012</i>	<i>As on 31.03.2011</i>
<i>AIS Adhesives Limited</i>	<i>Rs. 55,00,000</i>	<i>Rs. 1,05,00,000</i>
<i>Shield Auto Glass Limited</i>	<i>Rs. 97,78,377</i>	<i>Rs. NIL</i>

- b) Except for the above, the Company has not granted any loans secured or unsecured to Companies, firms or other parties listed in the register maintained under Section 301 of the Company Act, 1956.



2.17. REVENUE FROM OPERATIONS

(Amount in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
a. Sale of products		
Architectural Glass	387,301,651	535,674,818
Compressed air	7,014,641	6,479,443
UPVC	41,843,058	-
Others	12,288,493	10,502,033
Less: Excise duty	(4,300,868)	-
Sub-total (a)	444,146,975	552,656,294
b. Sale of services		
- Commission	3,453,804	9,824,211
- Installation	1,972,248	-
Sub-total (b)	5,426,052	9,824,211
Total (a+b)	449,573,027	562,480,505

2.18. OTHER INCOME

(Amount in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Interest	3,506,235	2,554,743
Rent	814,800	694,800
Export incentive	873,197	5,091,584
Foreign Exchange Fluctuation gain	3,342,751	412,414
Miscellaneous Income	642,625	368,856
Total	9,179,608	9,122,397

2.19. COST OF MATERIALS CONSUMED

(Amount in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Raw Material Consumed*	227,671,791	287,492,208
Consumption of stores, spares & components	11,170,632	17,147,846
Total	238,842,423	304,640,054

* Raw Materials consumed under bonded heads

Raw glass	172,251,764	257,272,658
PVB	27,542,677	30,219,550
Profile	22,611,774	-
Others	5,265,576	-
Total	227,671,791	287,492,208





2.20. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS & STOCK-IN-TRADE

(Amount in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
a. Finished Goods		
- At the beginning of the accounting period	4,391,809	2,277,182
- At the end of the accounting period	(4,222,563)	(4,391,809)
Sub-total (a)	169,246	(2,114,627)
b. Work-in-progress		
- At the beginning of the accounting period	8,955,302	6,511,264
- At the end of the accounting period	(6,987,529)	(8,955,302)
Sub-total (b)	1,967,773	(2,444,038)
c. Others (Waste)		
- At the beginning of the accounting period	118,960	150,440
- At the end of the accounting period	(285,690)	(118,960)
Sub-total (c)	(166,730)	31,480
Total	1,970,289	(4,527,185)

2.21. EMPLOYEE BENEFITS EXPENSES

(Amount in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Salary, wages, allowances & bonus	72,410,014	51,043,337
Contribution to provident fund & Other funds	2,198,189	1,913,447
Staff welfare expenses	10,359,105	8,061,509
Total	84,967,308	61,018,293

2.22. FINANCE COSTS

(Amount in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Interest expenses	15,819,254	18,879,829
Total	15,819,254	18,879,829





2.23. OTHER EXPENSES

(Amount in Rs.)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Power & Fuel	29,139,173	27,649,834
Rent	6,718,438	2,672,167
Rates & taxes	133,898	164,238
Insurance	1,123,127	1,182,559
Payment to auditors		
- as auditor	900,000	900,000
- for management services	-	250,000
- for taxation matters	50,000	125,000
- for reimbursement of expenses	23,600	9,000
Legal & Professional Expenses	6,456,433	2,654,845
Telephone & Communication	2,901,612	2,499,267
Sales & Marketing	7,199,929	3,013,169
Recruitment & training expenses	1,098,523	857,725
Advertisement	4,709,146	-
Packing & forwarding	38,350,431	43,975,235
Bank charges	650,159	740,253
Travelling & Conveyance	7,733,088	5,567,682
Repairs & maintenance- Machinery	10,718,079	14,045,436
Repairs & maintenance- Building	2,935,588	2,525,313
Repairs & maintenance- Others	2,729,376	2,046,171
Miscellaneous expenses		
- Manufacturing expenses	2,954,701	3,542,123
- Others	3,381,016	2,211,874
Bad debts written off	269,751	1,201,176
Provision for Doubtful advances	1,839,290	2,883,805
Total	132,015,358	120,716,872





2.24 Contingent Liabilities & Capital Commitments

	For the year 2011-12	For the year 2010-11
Contingent Liabilities	Nil	Nil
Capital Commitments	Nil	1,70,00,000/-

2.25 Segment reporting

i. Information about Primary Business segments

(Amt. in Lacs)

Particulars	For the year ended march 31, 2012					For the year ended march 31, 2011				
	Glass	UPVC	Others	Unallo-cable	Total	Glass	UPVC	Others	Unallo-cable	Total
Segment Revenue										
External sales	3,873.02	418.43	247.29	-	4,538.74	5,356.75	-	268.06	-	5,624.81
Inter segment revenue	-	-	-	-	-	-	-	-	-	-
Less: Excise Duty	-	(43.01)	-	-	(43.01)	-	-	-	-	-
Net Revenue	3,873.02	375.42	247.29	-	4,495.73	5,356.75	-	268.06	-	5,624.81
Segment Results										
Segment result before Interest & Taxes	(99.44)	(315.55)	247.29	(353.04)	(520.72)	627.13	-	268.06	(455.90)	439.29
Interest expenses	-	-	-	158.19	158.19	-	-	-	188.00	188.00
Interest incomes	-	-	-	35.06	35.06	-	-	-	25.55	25.55
Profit/(Loss) before tax	(99.44)	(315.55)	247.29	(476.16)	(643.85)	627.13	-	268.06	(619.15)	276.04
Tax expenses	-	-	-	(0.25)	(0.25)	-	-	-	-	-
Profit/(Loss) after tax	(99.44)	(315.55)	247.29	(475.91)	(643.60)	627.13	-	268.06	(619.15)	276.04
Other Information										
Segment assets	8,792.04	623.39	-	(1,360.24)	8,055.19	8,933.89	-	-	(649.84)	8,284.05
Segment liabilities	7,344.17	57.28	-	1,348.07	8,749.52	6,337.12	-	-	1,997.66	8,334.78
Capital expenditure	237.38	590.09	-	7.03	834.50	215.05	-	-	13.85	228.90
Depreciation	426.04	43.65	-	25.55	495.23	417.99	-	-	14.71	432.70

ii. Information about Secondary Business segments

(Amt. in Lacs)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Sales to SEZ	581.71	1,562.28
Sales other than to SEZ	3,914.02	4,062.53
Total Sales	4,495.73	5,624.81

iii. Segmental information

a. Primary segment

The company deals in Architectural Glass, UPVC windows and Others. These are the basis on which the company reports its primary segment information. Revenue & expenses which relate to company as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

b. Secondary Segment

The company sells its products to SEZ and other units in India. These are the basis on which the company reports its secondary segment information.

c. Segment assets include all operating assets used by the segment and consist primarily of fixed assets, inventories, sundry debtors, loans & advances and operating cash and bank balances. Segment liabilities include all operating liabilities and consist primarily of creditors and accrued liabilities. Other assets & liabilities that can not be allocable to a segment on reasonable basis have been disclosed as "Unallocable".

d. Joint expenses are allocated to business segments on a reasonable basis.

2.26 Earnings per share (EPS)

	For the year 2011-12	For the year 2010-11
Basic	(16.19)	6.09
Diluted	(16.19)	6.09

2.27 Capital Work-in-progress

Company has capitalized the Capital work-in-progress of Rs. 4,83,01,322/- on May 01, 2012.

Summary of Capital Work-in-progress		
Particulars	As at March 31, 2012	As at March 31, 2011
Building under construction	Nil	1,468,979
Plant & machinery under erection	Nil	39,950,401
Electrical installation under erection	Nil	451,033
Capital advances	Nil	1,300,047
Pre-operative expenses	Nil	3,519,557
Others	Nil	1,531,305
Total	Nil	48,301,322

2.28 Impairment of assets

As per the management there is no impairment on any assets as the net realizable value is more than the carrying cost of the asset.

2.29 Provision for doubtful debts

Periodically, the company evaluates all the customers dues. The need for provisions is assessed based on various factors like risk perception of the industry in which customer operates, general economic factors which could effect the customer's ability to settle.

Keeping these factors in consideration, company has provided for doubtful debts for Rs.18,39,290/- (Previous year Rs. 28,83,805/-). Company has also written off debts amounting to Rs.2,69,751/- (Previous year Rs. 12,01,176/-).

2.30 Additional Information as required by Part II of Schedule VI of the Companies Act, 1956

i. Value of spare parts & components consumed

Item	2011-12		2010-11	
	Amount	(%)	Amount	(%)
Raw Materials				
- Imported	4,138,144	1.82%	32,925,678	12.62%
- Indigenous	223,533,647	98.18%	258,095,438	87.38%
	227,671,791		291,021,116	
Spare parts & Components				
- Imported	1,422,681	12.74%	4,284,470	24.99%
- Indigenous	9,747,951	87.26%	12,863,376	75.01%
	11,170,632		17,147,846	

ii. C.I.F. Value of imports

Particulars	2011-12	2010-11
1. Raw- Materials	4,138,144	31,404,848
2. Components & Spare Parts	1,422,681	3,494,040
3. Capital Goods	-	-

iii. Expenditure in foreign currency

Particulars	2011-12	2010-11
Interest on Loan	6,398,568	9,521,078
Others		
Travel	-	314,065

iv. Earnings in foreign exchange

Particulars	2011-12	2010-11
Export of Goods calculated on F.O.B. Basis	58,171,110	156,228,191
Other Income		
Commission received	-	6,044,845

2.31 Employee benefits

i. Defined contribution plans

As per Accounting Standard (AS) 15 (revised 2005) on Employee Benefits, detail of expenses under Defined Contribution Plan are as under:-

Contribution	2011-12	2010-11
Provident fund (In Rs.)	1,924,207	1,913,447

ii. Defined benefit plans

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity. The scheme is however not a funded scheme:

The principal actuarial assumptions used in determining gratuity are as follows:-

Actuarial Assumptions	Gratuity (Non-Funded Plan)
Discount rate (per annum)	8% per annum
Salary growth (per annum)	5% per annum
Mortality	LIC (1994-96) Ultimate
Withdrawal rate	Upto age of 44- 2% Above 44- 1%

2.32 Related Parties Disclosures

i. List of related Parties

a. Enterprises having control over reporting enterprise

- Asahi India Glass Limited (Holding Company)

b. Enterprises significantly influenced by Key Management personnel

- GX Glass Sales & Services Limited

- AIS Adhesives Limited

- Shield Autoglass Limited

- AGC Glass Europe

- AGC Flat Glass Asia Pacific Pte Ltd

- AGC Technology Solutions Co Ltd.

c. Key Management Personnel

- Mr. Sanjay Labroo (Director),
- Mr. Rupinder Shelly (Director)
- Mr. Arvind Singh (Director)

ii. List of transactions with related parties

Nature of transactions	Enterprises having control over reporting enterprises		Enterprises significantly influenced by Key Management Personnel		Key Management Personnel	
	As at		As at		As at	
	31-Mar-12	31-Mar-11	31-Mar-12	31-Mar-11	31-Mar-12	31-Mar-11
Purchase of Fixed Assets						
Asahi India Glass Limited	-	15,891,040				
Purchase of Raw-Materials & Consumables						
Asahi India Glass Limited	175,455,416	255,570,558				
AGC Glass Europe	2,030,757	16,286,713				
AGC Flat Glass Asia Pacific Pte. Ltd.	808,330	7,630,489				
AGC Technology Solutions Co. Ltd.	47,024	77,895				
Sale of Raw-Materials, Compressed air & Consumables						
Asahi India Glass Limited	15,814,759	6,479,443				
GX Glass Sales & Services Limited			38,405,824	17,992,632		
Sale of Fixed assets						
Asahi India Glass Limited						
Interest Received						
AIS Adhesives Limited			805,313	1,150,478		
Shield Autoglass Limited			864,863	189,040		
Commission Received						
Asahi India Glass Limited	3,453,804	3,779,366				
AGC Flat Glass North America	-	6,044,845				
Rent Received						
Asahi India Glass Limited	814,800	694,800				
Interest Paid						
Asahi India Glass Limited	9,419,074	9,419,074				
Lease Rent paid						
Asahi India Glass Limited	9	9				
Loan Given/ (Received)						
AIS Adhesives Limited				2,000,000		
AIS Adhesives Limited			(5,000,000)	(2,000,000)		
Shield Autoglass Limited			9,700,000	2,500,000		
Shield Autoglass Limited			(700,000)	(2,500,000)		

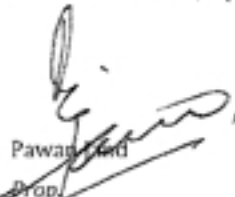
2.33 Sundry Debtors, some of the Current Liabilities and Advances are subject to confirmation/ reconciliation.

2.34 In the opinion of the Board, all the current assets, loans and advances have a value on realization in the ordinary course of business atleast equal to the amount at which they are stated in the balance sheet.

2.35 Previous year's figures have been regrouped / rearranged, wherever found necessary to make them comparable with those of the current year.

for Jand & Associates

Chartered Accountant(s)



Pawan Jand

Prop.

M.No. 080501

FRN. 000280N

Dated: 10.2.2012



for & on behalf of Board



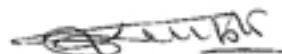
Sanjay Labroo

Director



Rupinder Shelly

Director



Santosh Kumar Gupta

Head- Finance & Accounts

2

- d) On the basis of the written representations received from the directors and taken on record by the Board of Directors, we report that prima-facie none of the directors is disqualified from being appointed as a director in terms of section 274(1) (g) of the Companies Act, 1956 as at March 31, 2012;
- e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information as required by the Companies Act, 1956 in the manner so required and give a true and fair view:
- i. In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012 and;
 - ii. In the case of Profit and Loss statement, of the Loss of the Company for the year ended as on that date and
 - iii. In the case of Cash Flow Statement, of the cash flows for the year ended as on that date.

PLACE: New Delhi
Dated: May 10, 2012



For JAND & ASSOCIATES
Chartered Accountants

(PAWAN JANI)
Prop.
M.No 80-501
FRN: 008280N

- c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the inter-corporate deposit advanced by the company are not prejudicial to the interest of the company.
- d) According to the information and explanations given to us, both principal and interest where due are being received as per the terms & conditions of the said loans/deposits
- e) According to the information & explanations given to us, the company has not taken any loans secured or unsecured from the Companies, firms or other parties listed in the register maintained under Section 301 of the Company Act, 1956, hence sub-clauses (f) & (g) are not applicable.
- (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 nature of its business with regard to purchase of inventories and the fixed assets and with regard to sale of goods. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control procedures. However, in view of the observations made in Clause (xxi), hereunder, the Company may need to further strengthen its internal control systems.
- (v) a) According to information and explanations given to us, the company has entered in to the register all such transactions that need to be entered into the register maintained under Section 301 of the Company Act, 1956.
- b) In our opinion and according to the information and explanations given to us, the transactions of purchase of goods & materials made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Company Act, 1956 and exceeding the value of Rupees Five Lakhs in respect of any party, have been made at prices which are reasonable having regard to the prevailing market prices for such goods & materials.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 58A and 58AA of the Company Act, 1956 and the rule framed there under.
- (vii) In our opinion and according to the information and explanations given to us, the Company has an internal audit system, however the same needs to be further strengthened to make it commensurate with the size of the Company and nature of its business.



- (viii) According to the information and explanations given to us, the maintenance of cost records for the Company's business has not been prescribed by the Central Government under Section 209(1)(d) of the Company Act, 1956.
- (ix) a) The Company has generally been regular in depositing undisputed statutory due, including Provident Fund, Employee's State Insurance, Income Tax, Sales tax, Wealth tax, Service Tax, Custom duty, Cess and other material statutory dues applicable to it with the appropriate authority during the year.
- b) There are no dues in respect of Income tax, Sales Tax, Wealth tax, Service Tax, Custom Duty, Excise Duty and Cess on account of any dispute that have not been deposited with the appropriate authorities.
- (x) According to information & explanations given to us and based on overall examination of the financial statements of the company, we report that, the accumulated losses of the company at the end of financial year are more than fifty percent of its net worth and the Company has also incurred cash losses during the current financial year amounting to Rs. 1,48,61,996/-. However, the company has not incurred any cash loss during 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. The company has not obtained any borrowings from any financial institutions or by way of debentures.
- (xii) According to the information and explanations given to us, the Company has not granted any loan 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 nidhi/ mutual benefit fund/ society and hence Clause (xiii) of the order is not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investment and hence Clause (xiv) of the order is not applicable to the company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion and according to the explanations given to us, the term loan has been applied for the purpose for which they were obtained.



(xvii) According to the information and explanations given to us & based on overall examination of the balance sheet of the company, we report that the company has used funds raised on short term basis for long term investments to the extent of Rs. 11,71,49,786/- as per details given below:

- Inter- Corporate deposit of Rs. 90,00,000/- (Net), to a company under the same management.
- Repayment of Long term loan of Rs. 9,98,30,238/-
- Investment in fixed assets of Rs. 83,19,548/-

(xviii) The Company has not made any preferential allotment of shares during the year to the Companies, firms or other parties listed in the register maintained under Section 301 of the Company Act, 1956

(xix) According to the information and explanations given to us, no debentures have been issued by the Company during the year.

(xx) The Company has not raised money by the way of public issue during the year.

(xxi) According to the information and explanations given to us, the Company during the year has detected that two of its employees and an ex-employee in collusion with these employees were carrying out activity with intent to defraud the Company. The Company has filed a complaint with the police and the matter is being investigated pending which exact nature and amount of fraud has not yet been ascertained.

PLACE: New Delhi
Dated: May 10, 2012



For JAND & ASSOCIATES
Chartered Accountants

(PAWAN JAND)

Prop.

M.No 80-501

FRN: 008280N

AIS GLASS SOLUTIONS LTD.
BALANCE SHEET as at March 31, 2012
(Amount in Rs.)

Particulars	Note No.		As at March 31, 2012		As at March 31, 2011
I. EQUITY & LIABILITIES					
1. Shareholders' Funds					
a. Share Capital	2.1	39,760,000		39,760,000	
b. Reserves & Surplus	2.2	(109,193,499)	(69,433,499)	(44,833,041)	(5,073,041)
2. Non Current Liabilities					
a. Long Term Borrowings	2.3	-		68,633,289	
b. Other Long Term Liabilities	2.4	110,260,764		105,056,368	
c. Long Term Provisions	2.5	2,607,144	112,875,908	1,701,198	175,390,855
3. Current Liabilities					
a. Trade Payables	2.6	640,554,384		544,459,910	
b. Other Current Liabilities	2.7	120,166,058		112,200,419	
c. Short Term Provisions	2.8	1,355,799	762,076,240	1,426,400	650,006,818
TOTAL			805,518,649		828,404,632
II. ASSETS					
1. Non Current Assets					
a. Fixed Assets					
i. Tangible Assets	2.9	534,880,533		502,379,180	
ii. Intangible Assets	2.10	3,450,209		2,025,950	
iii. Capital Work in Progress	2.11	-		48,301,322	
		538,330,742		552,706,452	
b. Long Term Loans & Advances	2.12	7,048,071	545,378,813	6,966,692	559,673,144
2. Current Assets					
a. Inventories	2.13	76,299,272		65,969,866	
b. Trade Receivables	2.14	135,380,872		124,751,781	
c. Cash and cash equivalents	2.15	12,908,532		50,676,989	
d. Short Term Loans & Advances	2.16	35,551,160	260,139,836	27,332,852	268,731,488
TOTAL			805,518,649		828,404,632
Significant accounting policies	1				
Notes to accounts	2				
Note No. 2.1 to 2.23 forms an integral part of the Financial Statements					

 for Jaro & Associates
 Chartered Accountant(s)

 Pawan Jaro
 Prop.
 M.No. 000501
 FRN. 008280N

Dated: 10.5.2012



for & on behalf of Board

 Sanjay Lahroo
 Director

 Rupinder Shelly
 Director

 Santosh Kumar Gupta
 Head- Finance & Accounts

AIS GLASS SOLUTIONS LTD.**PROFIT & LOSS STATEMENT for the year ended March 31, 2012**

(Amount in Rs.)

	Particulars	Note No.	For the year ended March 31, 2012	For the year ended March 31, 2011
	REVENUE			
I.	Revenue from Operations	2.17	449,573,027	562,480,505
II.	Other Income	2.18	9,179,608	9,122,397
III.	Total Revenue (I+II)		458,752,635	571,602,902
	EXPENSES			
	- Cost of materials consumed	2.19	238,842,423	304,640,054
	- Changes in inventories of finished goods, work-in-progress, and stock-in-trade	2.20	1,970,289	(4,527,185)
	- Employee benefits expenses	2.21	84,967,308	61,018,293
	- Finance costs	2.22	15,819,254	18,879,829
	- Depreciation & amortization expense		49,523,462	43,270,693
	- Other expenses	2.23	132,015,358	120,716,872
IV.	Total Expenses		523,138,094	543,998,556
V.	Profit before exceptional and extraordinary items (III-IV)		(64,385,458)	27,604,346
VI.	- Exceptional & Extraordinary Items		-	-
VII.	Profit before tax (V-VI)		(64,385,458)	27,604,346
VIII.	Tax expenses of continuing operations:			
	- Current Tax		-	3,400,000
	- Mat Credit Receivable		-	(3,400,000)
	- Tax adjustments for earlier years		(25,000)	-
IX.	Profit after tax (VII-VIII)		(64,360,458)	27,604,346
X.	Earnings per share			
	- Basic		(16.19)	6.09
	- Diluted		(16.19)	6.09
	Note No. 2.1 to 2.23 forms an integral part of the Financial Statements			

for Jand & Associates
Chartered Accountant(s)

Pawan Jand

M.No. 080501

FRN. 008280N

Dated: 10.5.2012



for & on behalf of Board

Sanjay Labroo
Director

Rupinder Shelly
Director

Santosh Kumar Gupta
Head- Finance & Accounts

NOTES TO ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Background

The Company is engaged in the business of manufacture, trade and end to end solution provider for products and services relating to all kind of architectural glass including toughened glass, laminated glass, insulated glass and glass products.

The Company, during the year has setup a plant and diversified into manufacture, sale & service of UPVC Windows. The plant came into production w.e.f. May 01, 2011.

The accompanying accounts reflect the results of the activities undertaken by the Company during the year ended on 31st March 2012.

1.2 Accounting convention

- Accounts have been prepared to comply in all material respects with applicable accounting principles in India, Companies (Accounting Standards) Rules, 2006 issued by the Central Government and relevant provisions of the Companies Act, 1956.
- Financial Statements are based on historical costs and are prepared on accrual basis.
- The Company has incurred losses and the accumulated losses of the Company have resulted in the erosion of its net worth.

However, these accounts have been prepared on the fundamental assumption of the Going Concern after taking into consideration the following:

- Company, during the year, has diversified its business and set up a plant to manufacture UPVC windows;
- Company has been regular in repayment of its loan and service thereof;
- Company has paid all government and statutory dues; and
- Brand Equity enjoyed by the Company

1.3 Fixed Assets

Both tangible and intangible assets are stated at cost of acquisition or construction, less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets as well as proportionate share of expenses incurred prior to the production.

Further pursuant to Companies (Accounting Standards) Amendment Rules, 2009 inserted vide notification no. GSR 225(E) dated 31-3-2009, as amended by notification no. GSR 378(E) dated 11-05-2011, subsequently amended by notification no. GSR 913(E) dated 29-12-2011 issued by Ministry of Corporate Affairs, cost of the assets are also adjusted to account for the exchange differences arising on long term foreign currency monetary items in so far as they relate to acquisition of a depreciable capital asset.

Office building & Factory premises on lease comprise of cost of additions and alteration carried out as well as brokerage paid for taking the same on lease.

1.4 Inventories

Inventories are valued at lower of cost or net realizable value. The bases of determining cost for various categories of inventories are as follows:

Raw materials, stores and spares, Loose tools & packing material	Monthly moving weighted average cost except for material-in-transit which is at purchase cost
Work-in-progress & Finished goods	Material cost plus proper share of production overheads, duties & taxes where applicable
Scrap	Estimated Net Realizable value

