



Asahi India Glass Ltd.





Forward-Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable stakeholders to comprehend the prospects of the Company and take informed decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements which may set out anticipated results based on the management's plans and assumptions. Wherever possible, we have tried to identify such statements by using words such as "anticipate", "estimate", "expect", "project", "intend", "plan", "believe" and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe that we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.



Vision - Mission - Guiding Principles	03
Chairman's Letter	04
About AIS	06
Ten Years' Financial Snapshot	09
Harvesting Growth	10
Corporate Information	16
Management Discussion & Analysis	18
Corporate Social Responsibility	26
Q. & A. with MD & CEO	28
Report of the Directors	30
Report on Corporate Governance	35
Auditors' Certificate on Corporate Governance	49
Auditors' Report (Standalone)	50
AIS - Financials (Standalone)	54
Statement relating to Subsidiary Companies	78
Auditors' Report (Consolidated)	79
AIS - Financials (Consolidated)	80

Asahi India Glass Limited (AIS) is the largest integrated glass Company in India offering end to end solutions across the entire glass value chain and delivers best-in-class 'glass experience' to its customers at optimal costs. It manufactures a wide range of automotive glass, float glass, architectural processed glass, glass products and windows. Besides it also provides expert services in glass installation, design & retail, repair and allied services in the automotive and architectural glass value chain.

Today, AIS is the only Company in India which offers the ideal combination of customised glass solutions, uses high quality captive glass manufactured at AIS factories and delivers the expertise and knowledge of design, installation and retail. Being a full scale products and services provider, AIS offers glass solutions which touches millions of lives and help to create a sustainable, greener and energy efficient environment.

AIS is committed to offering excellent glass solutions through constant innovation in products, processes and solutions and is now in an exciting phase of scaling up its architectural glass offerings to the end consumer. To this effect, AIS shall consistently introduce new products and services across the architectural glass value chain.

Having completed 26 years in the Indian glass industry, AIS has reaffirmed its belief that sustainable businesses can only be built over the years with highest standards of accountability, transparency and equity in all its spheres and dealings with stakeholders. This belief has transformed AIS from a single product – single customer Company in 1987 to India's largest integrated glass Company today.





Vision

AIS's Vision is to "SEE MORE".

This by-line captures AIS's culture:

- It describes AIS's products and services which delight customers by helping them see more in comfort, safety and security.
- It expresses AIS's corporate culture of merit and transparency.
- It defines the qualities of AIS's people to want to see, learn and do more, in depth and in detail.

To transcend the ordinary

Mission

AIS's Mission is "JIKKO" – Execution for Excellence.

With major investments in place, it is now time to reap the benefits by execution for excellence.

Guiding Principles

All actions of AIS are driven by the following guiding principles:

- Creation of value for Shareholders
- Customer Satisfaction
- Respect for Environment
- Use of Facts
- Continuous Improvement
- Strengthening of Systems
- Upgradation of Human Potential through education and training
- Social Consciousness

Chairman's Letter



Dear Stakeholders,

I am delighted to connect with you once again through this annual report of our Company.

As you may be aware, economic data of 2010-11 has reaffirmed confidence in the global economic recovery. You would recollect that in the calendar year (CY) 2009, global output had actually reduced by 0.5% with advanced countries witnessing output contraction by (-) 3.4%. Even emerging and developing economies, who were earlier growing by over 6.5%, witnessed a reduction in growth rate to 2.7%. By the end of 2009 we had already started observing encouraging trends in the emerging economies of China and India, and in the world's largest economy – USA. Fortunately, this was no aberration and the positive trend continued through CY2010. Most of the developed economies bounced back – USA grew by 2.8% in CY2010 against (-) 2.6% in CY2009; the Euro Zone grew by 1.7% in CY2010 against (-) 4.1% in CY2009; and Japan grew by 3.9% in CY2010 against (-) 6.3% in CY2009.

The revival has been even more rapid in the emerging and developing economies. As a group, these countries witnessed a much higher output growth of 7.3% in CY2010. China grew by around 10% in CY2010, while India recorded a GDP growth of 8.5% in 2010-11, on the back of

8% growth in 2009-10. One fact is clear, that in terms of the global economic downturn, I believe that the worst is behind us and on an average, global growth is back on track.

However, the revival in growth has also led to certain disconcerting developments. Most importantly, rising income and demand especially in emerging economies with growing supply side constraints and some degree of speculative activities have contributed to a significant increase in prices of commodities, especially food. From the second half of 2010-11, there has also been a major increase in crude oil prices. On the longer term, the persistent high level of inflation associated with such developments is a major dampener to consumer sentiments and demand.

Most central banks in emerging economies, like the Reserve Bank of India (RBI) reacted to high inflation by adopting a hard line in terms of monetary policy. Consequently, interest rates have increased by several basis points in these emerging economies, including India. High interest rates may hinder investments and future growth. These are worrisome and may affect growth in the near term even in India, but I do believe that the macro-economic fundamentals and the demographic characteristics are well in place to foster growth momentum in the long run.

As you are aware, AIS is directly linked with growth and developments of the two important sectors of the Indian economy – Automotive & Construction. With a revival in macro-economic fundamentals both our customer segments witnessed good growth in India. Total automobile sales increased by 27% in 2010-11, while the construction industry witnessed an output growth of 8% in 2010-11.

AIS made the most of the opportunities provided by a growing market to deliver much improved results. On a consolidated basis, net sales increased by 20% to Rs. 155,773 Lakhs, while total income increased by 19% to Rs.157,472 Lakhs. Operating EBIDTA (Earnings before Interest, Depreciation, Tax and Amortisation) increased by 9% to Rs. 27,974 Lakhs in 2010-11. At the Profit before tax (PBT) level, there was a loss of Rs.164 Lakhs in 2009-10. This has turned around to a profit of Rs.2,800 Lakhs in 2010-11. And, PAT (after minority interest and profits from shares in associates) has increased from Rs.199 Lakhs in 2009-10 to Rs.1,678 Lakhs in 2010-11.

Much of the improved performance was on account of the robust demand for our products, enhanced value addition, optimal product mix. The 'look within' programme initiated in 2008-09 has become integral to our management culture through which we continued to improve productivity and efficiency in all areas of operations. Such improvements have to some extent offset the higher costs of inputs, and were essential in halting significant margin declines.

While 'look within' continues to play its part and has become the culture of execution at AIS, the prime focus in the previous year was on enhanced value addition. The value added strategy, adopted earlier by AIS, continues to yield enriched results. Sales of value added products in our float business helped the SBU generate good revenues and margins. The hard work put in by the management team over the past few years in focussing on significant value addition, introduction of new products and services has yielded good results. We have recently introduced the new range of reflective glass. These products are at par excellence and our further stride towards sustainable solutions in green buildings, related regulations and greener planet.

We are also in the process of launching our initial venture into the organised glass retail space, with design and installation capabilities with an aim to give excellent 'glass experience' to our consumers. I am sure these are the businesses of the future and should be scaled up to their true potential. Our focus is to become a complete solutions provider in the architectural glass space with individual divisions or subsidiaries excelling in specific core competencies but with seamless integration to AIS, its roots and culture.

The automotive business continued to perform well and has held its dominant market share. Our auto glass plants operated at peak capacities and ensured full customer satisfaction, albeit, at the cost of efficiency and profitability. However, with the enhanced capacity additions in AIS Auto Glass recently and other brownfield expansions planned in the current year, we expect that the capacity constraint shall ease significantly and the SBU shall return to its earlier operating efficiencies. The significant and remarkable thing, to me personally, is the spirit of selflessness exhibited by AIS management to meet customer requirements in times of greatest need even at the cost of sacrificing efficiencies and profits. To me, this 'customer first' culture of AIS is a key differentiator which enables AIS to partner with OEMs for their strategic supplies.

I urge you to read the details of the developments and performance of the various businesses in the chapter on Management Discussion and Analysis.

You would recall that in 2004, AIS had rolled out a massive expansion plan with investments of over Rs.1,100 crore. For the auto business, this included the addition of new plants in Chennai and Roorkee, and capacity expansions at Bawal. The Company also entered the processed glass business with four plants in Chennai, Bawal, Roorkee and Talaja, and most importantly, invested in a massive float plant with mirror and hard coat reflective glass at Roorkee. In the next few years, we tied up the capital and actually worked on setting up the facilities. As the capacities were commissioned and we started dealing with the teething problems, the Company was faced with the global economic slowdown post the collapse of

Lehman Brothers in September 2008. In the last couple of years, we have toiled hard at realigning these new capacities with the changing contours of market demand. It also necessitated changes in strategy and organisation structures. And, I am happy to share that by the end of 2010-11, the spade work is now complete. The businesses have developed their product mixes, process flows, marketing strategy and distribution networks to start utilising these assets to the fullest and deliver returns. The re-orientation has also warranted some compelling incremental investments, but these have already started showing benefits. With the building blocks in place, your Company is now well positioned to harvest the growth that these investments will bring in the near future. I am confident of the team at AIS and its ability and commitment to implement this new phase of growth.

During 2010-11, Mr. K. Ichikawa joined the AIS Board in place of Mr. M. Ishiko as AGC's Nominee Director. On behalf of the Board I place on record our sincere thanks for the efforts and guidance of Mr. Ishiko and welcome Mr. Ichikawa on AIS Board of Directors. While focusing on enhancing shareholder value, AIS continued to be committed to being a responsible corporate citizen. The 'Corporate Social Responsibility' (CSR) programme of AIS continued to be executed as planned and budgeted. The focus areas of this programme are education, water and sanitation, rainwater harvesting and micro enterprise development. The initiatives benefit thousands of children and adults in and around the vicinity of AIS plants.

We expect some slowdown in the Indian economy in 2011-12. Already the last quarter of 2010-11 saw India's GDP growth dropping to 7.5%. However, this level of growth is still sufficient to offer several opportunities for AIS. Inflation and high interest rates will remain a concern. The good news is that we are aware of all this and our strategies are tuned to overcoming these challenges. We remain cautiously optimistic of our prospects in 2011-12. More importantly, I look forward to the unravelling of all the new initiatives and the implementation of the strategy that will 'harvest' the large seeds of investments already made.

Before I conclude, I would like to take this opportunity to thank all our stakeholders – shareholders, customers, business partners and bankers – for being with us through the turbulences of the recent years. I also thank AGC for its continued support to AIS. My unreserved thanks to the management team and all employees of AIS for having put in tremendous efforts and sacrifices in making AIS an admired Company.

Yours sincerely,



B. M. Labroo
Chairman

About AIS

AIS is the leading manufacturer of an extensive range of high quality glass and its dominant position has been well recognised in the glass industry.

AIS was formed pursuant to the joint venture between the Labroo family, Asahi Glass Co. Ltd. (AGC) and Maruti Suzuki India Ltd. (MSIL). The promoters jointly hold approximately 55% of paid-up equity capital of AIS and the balance 45% is held by public. Shares of AIS are listed on the National Stock Exchange and Bombay Stock Exchange.

AIS continues to maintain the highest standards of accountability, transparency, and integrity through its principles of corporate governance. AIS produces an entire range of quality glass products and has a long and successful presence in the Indian market. It has manufacturing scale, engineering capabilities and most importantly, AIS has the trust of its customers.

The product portfolio of AIS comprises of automotive safety glass, float glass, architectural processed glass, reflective glass, mirrors and other glass products and services provided under its following three Strategic Business Units (SBUs):

- AIS Auto Glass
- AIS Float Glass
- AIS Glass Solutions

AIS Auto Glass

AIS Auto Glass holds a strategic position in the automotive glass industry. It caters to the demand of all the leading Indian and global automobile companies. The operations of AIS Auto Glass started in 1987 from a single plant and a single customer and since then, it has grown immensely to four plants and three sub-assembly units spanning across India. Such geographical presence gives AIS Auto Glass a unique advantage of being closer to its customers and deliver seamless service to them.

The market share of AIS Auto Glass stands around 77% in the OEM segment of Indian passenger car industry and a remarkable share in the after-market segment. It also exports auto glass to the after-markets in few countries.

The diversified portfolio of AIS Auto Glass comprises of the following:

- Laminated windshields
- Tempered glass for sidelites and backlites
- Defogger glass
- Glass Antenna
- Encapsulated glass
- Plug-in window
- Solar Control Glass
- IR Cut Glass
- UV Cut Glass
- Flush Fitting Glass
- Rain sensor windshield
- Heated windshield
- Extruded windshield
- Glass with assembly (Rain sensor, Moulding, Holders, Channels, Toggle clamp and Hinge assembly etc.)

AIS Auto Glass continues to work on innovative technologies and solutions to enable its customers provide enhanced safety and comfort features in their vehicles.





AIS Auto Glass has successfully expanded its portfolio into the commercial vehicle segment as well and is effectively meeting the demands of its customers. AIS Auto Glass is a major supplier to all the major automobile manufacturers, namely, Maruti Suzuki India Ltd., Hyundai Motors India Ltd., Volkswagen India Pvt. Ltd., Tata Motors Ltd., Toyota Kirloskar Motors Ltd., Mahindra & Mahindra Ltd., Honda Siel Cars Ltd., and many others.

AIS Auto Glass is the only glass entity which has been honoured with the prestigious Deming Application Prize in 2007 certifying the outstanding performance improvements achieved through application of Total Quality Management (TQM). The Bawal Plant of AIS Auto Glass was honoured with the "TPM Excellence Award - 2010" from Japan Institute of Plant Maintenance (JIPM). AIS is further committed to adhere to and maintain the highest standards of accountability, quality, delivery and customer satisfaction making it the preferred choice and strategic supplier to its customers.

AIS Float Glass

AIS Float Glass is the bedrock of glass operations of AIS and has grown consistently over the last few years. The product range of AIS Float Glass consists of a wide variety of glasses ranging from clear glass, tinted glass, reflective glass, solar control glass, lacquered glass, frosted glass and mirrors. In addition, AIS Float Glass also sells the entire range of AGC products in India as its commercial agent.

The main products manufactured by AIS Float Glass include:

- AIS Clear™ "Clear Float Glass"
- AIS Tinted™ "Less Heat More Privacy" Heat Absorbing Glass - Available in: Bronze, Grey, Green, Blue, Royal Blue, Cool Green, Aqua Blue
- AIS Supersilver™ "Beautiful Exteriors, Cool Interiors" Heat Reflective Glass - Available in Clear Green, Dark Blue, Bronze, Grey, Fern Green, Pacific Blue, Aqua Blue
- AIS Opal™ "Incredible Performance, Affordable Prices" Solar Control Glass - Available in Royal Blue, Cool Green, White Gold, Golden Bronze, Pearl Grey
- AIS Mirror™ "New Generation Distortion-Free Mirrors" Available in Clear, Aqua Blue, Green, Grey
- AIS Décor™ "Vibrant Colours for Interiors" Lacquered Glass - Available in : Venetian Red, Bright Orange, Lemon Yellow, Spring Green, Midnight Blue, Black Pearl, Marble White, Classic Beige, Sterling Silver and Icy Blue. Also available in a recently launched sparkling series in White and Beige.
- AIS Krystal™ "Only Branded Frosted Glass" Frosted Glass - Available in : Clear & patterned clear, Green, Blue.
- Ecosense™ "The green standard in glass" The newly launched high performance energy efficient glass.

The above products are sold and distributed through an extensive network of approx. 900 stockists and zonal offices in Delhi, Mumbai, Kolkata and Chennai with area representatives to ensure that its products reach across the country.

AIS Glass Solutions

AIS Glass Solutions is the architectural glass processing SBU of AIS. AIS Glass Solutions was set up in 2004 as a subsidiary of AIS to provide value added glass products and services. AIS Glass Solutions offers innovative architectural glass solutions to its customers by supplying a wide range of high quality architectural processed glass comprising of toughened glass, laminated glass, insulated glass and other varied products. The following products are supplied under the unit of AIS Glass Solutions:

- AIS Stronglas™ - Impact Resistant Glass
- AIS Securityglas™ - Burglar Resistant Glass
- AIS Acousticglas™ - Sound Resistant Glass
- Solar low-e glass
- AIS Ceramic Printed Glass
- High value special glass products like AIS Shower Enclosures, AIS Tabletops, AIS Shelves etc.



The processing facilities of this SBU are located at Roorkee - Uttarakhand (North India), Taloja - Maharashtra (West India) and Chennai-Tamil Nadu (South India). It aims to ensure that the needs of its customers are fulfilled in the shortest possible time by providing with the appropriate glass and its most effective application. It also partners with the customer for maximum value addition to offer a one-stop solution for all their requirements.

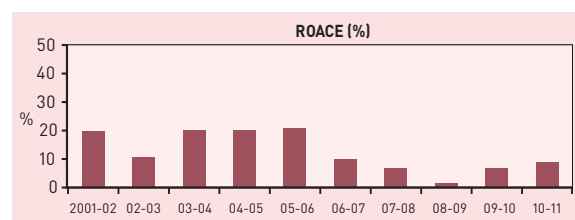
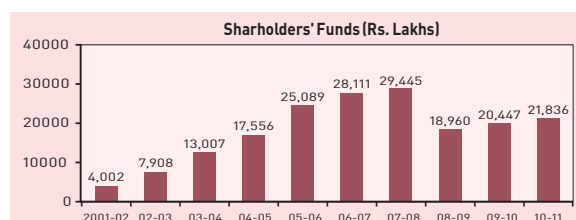
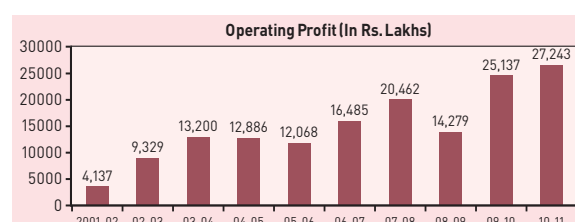
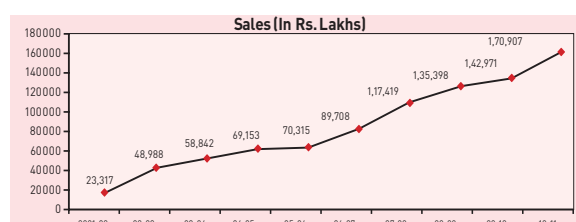
AIS Glass Solutions latest offering is a comprehensive and integrated windows solutions – AIS VUE. As a natural extension, AIS Glass Solutions now offers the most comprehensive solution of windows – AIS VUE end to end window solutions, using UPVC frames, AIS VUE is manufactured at AIS Glass Solutions' factory at Faridabad, and is available in a wide range of designs, colours, performance parameters, offering numerous advantages of UPVC windows over the standard wooden or aluminium windows.



Ten Years' Financial Snapshot

(Rs. Lakhs)

Item	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Gross Sales	23,317	48,988	58,842	69,153	70,315	89,708	117,419	135,398	142,971	170,907
Other Income	171	578	1,485	741	365	2,263	6,006	1,154	3,443	1,667
Total Income	23,488	49,566	60,327	69,893	70,680	91,971	123,425	136,552	146,414	172,574
Operating Profit	4,137	9,329	13,200	12,886	12,068	16,485	20,462	14,279	25,137	27,253
Interest	485	787	242	316	1,083	3,545	8,476	12,433	12,783	12,780
Gross Profit	3,652	8,542	12,958	12,570	10,985	12,940	11,986	1,846	12,354	14,473
Depreciation	1,744	4,385	5,006	4,032	631	6,527	10,050	11,349	12,448	11,837
Profit Before Tax	1,726	3,816	7,759	8,498	9,123	6,324	1,958	(9,576)	(179)	2,631
Tax	540	48	584	678	498	2,117	624	(5,516)	(302)	1,116
Profit After Tax	1,186	3,768	7,175	7,820	8,625	4,208	1,334	(4,060)	123	1,515
Paid-up Equity Capital	740	800	800	800	1,599	1,599	1,599	1,599	1,599	1,599
Reserve & Surplus	3,262	7,109	12,207	16,757	23,490	26,512	27,846	17,361	18,848	20,237
Shareholders' Fund	4,002	7,908	13,007	17,556	25,089	28,111	29,445	18,960	20,447	21,836
Loans										
- Interest Free Sales Tax loan	2,568	2,482	2,431	2,347	2,267	1,900	1,464	905	550	110
- Un-Secured Loan	-	22,681	20,881	20,881	21,299	20,753	19,154	24,213	21,435	21,290
- Other loans	9,199	8,536	3,731	21,278	63,107	101,321	118,525	136,612	125,078	132,088
Capital Employed	13,273	41,315	39,609	50,195	63,801	132,467	163,853	176,468	162,236	165,082
Net Fixed Assets	8,932	33,608	30,424	48,052	97,311	130,308	129,537	139,309	122,710	122,366
Net Current Assets	5,828	8,861	10,718	14,009	14,793	24,174	41,303	38,334	41,404	50,504
Earning per share (Rs.)	16.03	4.71	8.91	9.69	6.17	2.63	0.83	(2.54)	0.08	0.95
Cash Earning per share (Rs.)	42.05	10.69	15.34	14.78	6.37	7.97	7.40	1.01	7.68	9.03
Dividend Pay out (%)	34.21	35.92	28.29	29.05	12.69	28.19	-	-	-	-
PBDIT/Average Capital Employed (%)	35.34	21.63	32.62	28.70	21.17	16.80	13.81	8.39	14.84	16.65
ROACE (%)	18.89	10.96	19.78	19.63	20.09	10.06	7.04	1.68	7.44	9.42
ROANW (%)	33.65	51.33	69.79	51.27	40.49	15.82	4.64	(16.78)	0.62	7.16



- Previous period figures have been regrouped/rearranged, wherever required.
- Capital employed is exclusive of capital WIP and miscellaneous expenditure not written off.
- Earnings are taken on expanded equity capital, post bonus & merger.

- Face value of equity share is Re. 1/- from 2002-03 onwards.
- Other income figures for 2002-03, 2003-04 & 2006-07 inclusive of exchange rate gain.
- Shareholders' funds does not include non-cumulative preference share capital.

Harvesting Growth



Overcoming the difficulties of a tumultuous business environment, AIS has emerged from the downturn as a much stronger Company with even greater emphasis on cost control, productivity improvements, market penetration and new product development to propel a new round of growth.

In 2004 and 2005, AIS evolved a growth plan to transform itself from a manufacturing oriented Company to a solutions providing Company. The focus was on establishing a value added and an integrated business. This meant that AIS had to have a much wider presence across the entire glass value chain. To pursue this growth model, an investment plan of around Rs.1,100 crore was formulated. This included addition of an auto plant at Chennai, installing a new auto plant at Roorkee, expansions at auto facilities at Bawal, decision to enter processed glass business with four plants in Chennai, Bawal, Roorkee and Taloja, and most importantly, invest in a huge float plant with mirror and hard coat reflective glass capacities at Roorkee.

The last few years have been extremely challenging for AIS. These years witnessed a mixed impact of :-

- the delays in commencement and stabilisation of the massive expansion undertaken over this period,
- the global recession, followed by sudden increase in demand,
- consequent capacity constraints and mismatch, and
- forced operational inefficiencies.

All the above have left its short term impact on AIS, which is aptly reflected in its sub-optimal financial performance over this period.

AIS has navigated the global economic crisis and remained steadfast in the pursuit of long term growth. In the recent past, AIS has 'looked within' and made necessary changes to reap benefits of 'new horizons' with a more holistic and integrated approach to the glass business. During 2010-11, while catering to growth in market demand, AIS further cemented its foundation for accelerated growth in the near future – envisaging healthy returns from the massive capital outlay.

AIS today represents the state of a hard working intelligent agriculturalist, who after having faced a terrible storm, has 'looked within', reassessed himself and worked intelligently and harder to become stronger to reap the 'harvest'.

Having sown the seeds of its aggressive growth objectives through these investments, AIS has undertaken several steps to streamline its businesses. Across all its businesses, substantial investments are being nurtured and the Company is poised for a healthy harvest in each of these businesses.

Seeds of Success



Harvest a new 'sense'

In a world where mega buildings reflect the growth of human civilisation and ideologies of a generation, identifying the importance of 'eco-sensitivity' and addressing the issues of energy conservation becomes paramount. AIS prepares for the future with Ecosense – establishing the new green standard in glass. Introduced recently, Ecosense is a brand for the new range of reflective glass from the AIS, which provides the perfect mix of energy efficiency and optimum day-lighting through glass.

Ecosense has a unique identity that combines aesthetics with environmental sensibility, allowing architects / builders to create a future that is greener, friendlier and most importantly, sustainable. The exclusivity of offering and scope of application is provided by a wide variety of 14 shades under two categories – Enhance and Exceed. Ecosense is like a seed that will grow, reap benefits, harvest new ideas and define the future of building facades for tomorrow's world.

Harvest an 'xpert'

Understanding the emotional connect that a 'wall-owner' places over his wall (residential, commercial or any other) and his enhanced need for personalisation and customisation, AIS looks towards a future where a customer's needs and solutions take centre-stage. To address the growing consumer demand for comprehensive glass solutions, AIS is creating a personalised 'glasxpert' for niche consumers, who comes in with corporate values and systems. Glasxperts – a unique proposition that offers an integrated approach to glass design, selection and installation for homes, offices and commercial spaces.

Consumers can now do away with the usual problems faced during the purchase and installation of glass using the specialised knowledge based offerings of Glasxpert. It ensures ease, efficiency and excellence of both product and service while delivering a world class glass experience that allows consumers to do more with glass. It assures enhanced guarantee of safety, security and hygiene guidelines during customised glass execution at places which are personal – home, office etc., giving a unique glass experience. Glasxperts holds great promise to go beyond the ordinary and tread a growth path for an abundant harvest in times to come.

Harvest a new 'VUE'

Glass creates space. It connects the inside to the outside surroundings, something always done only through windows. As a natural integration between glass and windows, addressing the needs of today's customers' changing perception towards the importance of innovation at home, offices etc. AIS provides end-to-end window solutions with 'VUE'. Put simply, AIS VUE is the most comprehensive solution to the 'connect' needs of wall owners.

Unique in choice of offering and excelling in quality of service, AIS VUE's strength is showcased by its diverse range of products and combinations with glass offering customers to combine different benefits of glass into a customised product. Today, as the home improvement market opens up to new views and radical ideas, AIS VUE leads the way ensuring growth that will soon be ready for harvest.

Harvest a new energy

Economic growth in the country will require increased use of power and electricity. With a commitment to promote cleaner forms of energy sources, AIS has been producing glass for solar panels that go into producing solar energy. The Company has global partnerships to promote glass for various solar applications.

Understanding the greater needs for electricity by tomorrow's generations, AIS has plans to support the solar industry for producing clean and green power. Already, AIS services this market in India and the Company is well positioned to harvest the benefits as India adopts a growth model with greater emphasis on renewable energy like solar.



**Future
is Green**



A Green Building is a structure that is environmentally responsible and resource-efficient throughout its life-cycle, right from design to construction, operation, maintenance, renovation and deconstruction.

As we move towards a more greener and efficient future, architects and builders across the globe adhere to national and international green building certification systems. AIS recognises this paradigm shift by introducing glass solutions that are ecologically sensitive and energy efficient.

According to statistics, buildings are globally responsible for atleast 40% of the total energy use. Green buildings offer immense potential to reduce energy consumption and regenerate from waste and renewable sources. Glass is recyclable, reusable and extremely durable, making it an efficient green building product.

After "AIS Supersilver" and now with the advent of "ecosense", AIS has the full range of green products for the construction industry. With its TQM, PDCA roots of AIS Auto cultivated over 26 years of hard work, AIS now has a more focussed approach towards these markets. Today, AIS has shifted towards a holistic solutions space, reformulating glass strategy in terms of product mix and distribution. The incremental investments undertaken to access value-added technology for several new products and services ensures a greener harvest for AIS.

The future begins and AIS is positioned to lead the way with solutions for every glass requirement.

Corporate Information

Board of Directors

B. M. Labroo
Chairman

Sanjay Labroo
Managing Director & C.E.O.

Hideaki Nohara
Dy. MD & C.T.O. (Auto)

Kimikazu Ichikawa
Director

Surinder Kapur
Director

Shinzo Nakanishi
Director

Keiichi Nakagaki
Director

Rahul Rana
Director

Gautam Thapar
Director

Arvind Singh
President

Gopal Ganatra
Head - Legal & Investor Relations
Company Secretary

Board Committees

Audit Committee

Surinder Kapur
Chairman

Gautam Thapar
Member

Rahul Rana
Member

Arvind Singh
Member

Remuneration Committee

Gautam Thapar
Chairman

Surinder Kapur
Member

Hideaki Nohara
Member

B. M. Labroo
Member

Rahul Rana
Member

Shareholders' / Investors' Grievance Committee

B. M. Labroo
Chairman

Sanjay Labroo
Member

Arvind Singh
Member

Bankers

HDFC Bank Ltd.
State Bank of India
Standard Chartered Bank
State Bank of Mysore
State Bank of Hyderabad
Export – Import Bank of India
ICICI Bank Ltd.
Mizuho Corporate Bank Ltd.
Bank of Tokyo Mitsubishi UFJ Ltd.
Citi Bank N.A.
Yes Bank Ltd.
The J & K Bank Ltd.
State Bank of Mauritius Ltd.

Statutory Auditors

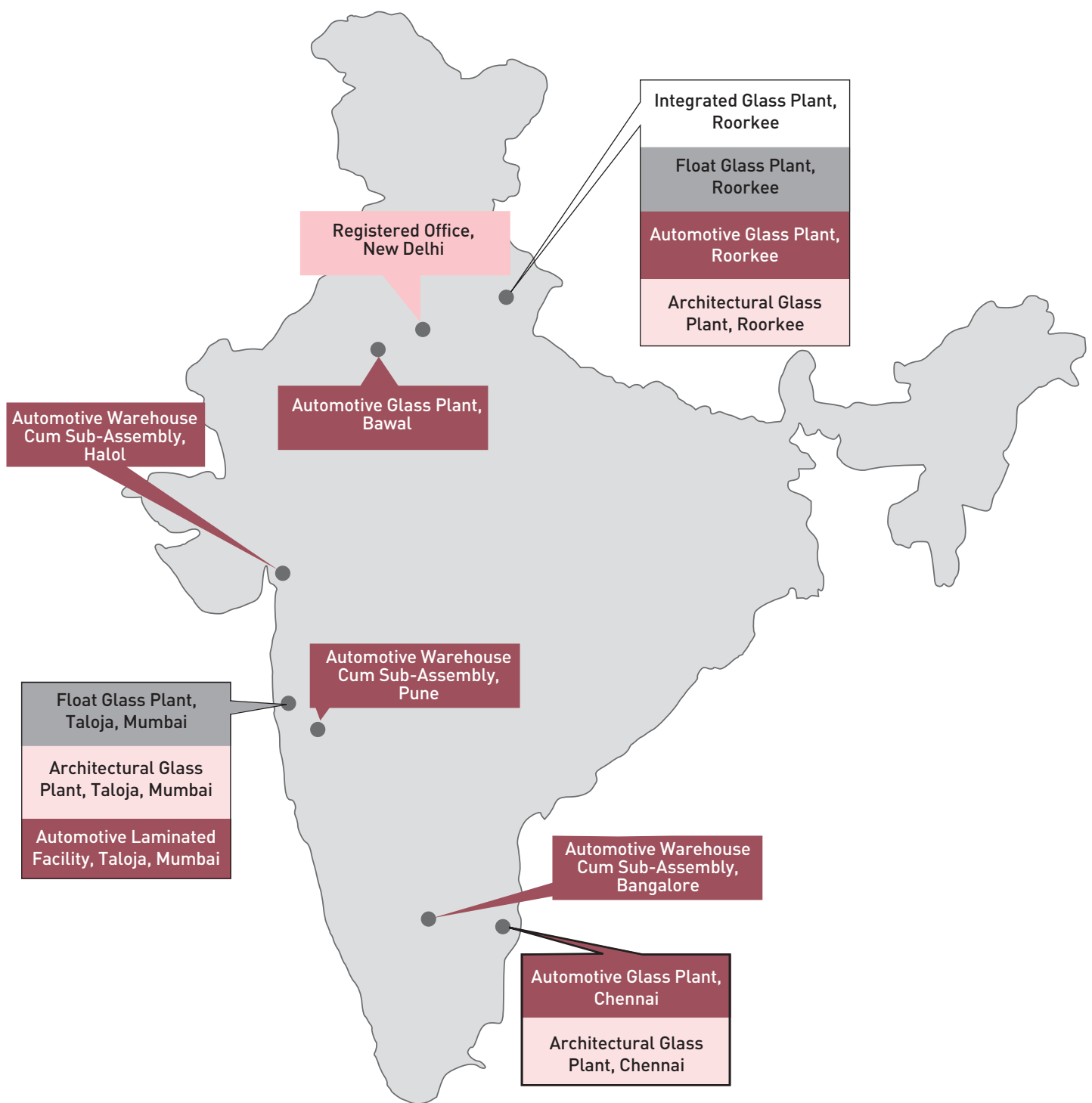
Jagdish Sapra & Co.,
Chartered Accountants

Internal Auditors

Protiviti Consulting Private
Limited

Registered Office : 38, Okhla Industrial Area, Phase – III, New Delhi -110 020
Tel: (011) 41001690-49454900 Fax: (011) 41001691

Corporate Office : Global Business Park, Tower – B, 5th Floor, Mehrauli – Gurgaon Road,
Gurgaon-122 002 (Haryana)
Tel: (0124) 4062212-19 Fax: (0124) 4062244/88



Note - For detailed addresses and contact numbers of all AIS locations (including AIS offices), please refer to last page.

INTEGRATED GLASS PLANT

(Float, Automotive, Architectural)
 Plot - A, AIS Industrial Estate, Village Latherdeva Hoon,
 MangularJhabrera Road, PO: Jhabrera,
 Tehsil Roorkee, District Haridwar,
 Uttarakhand - 247 667
 Tel: (01332) 224010/14/15/16/91 • Fax: (01332) 224114

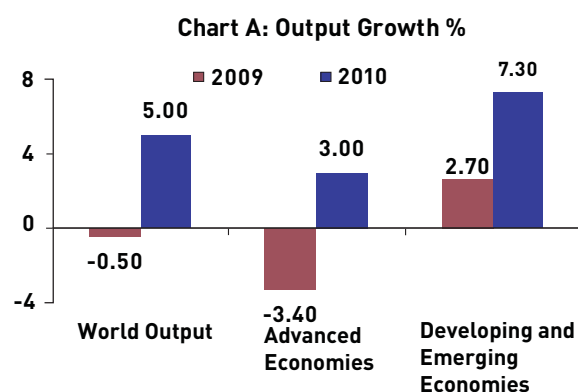
Management Discussion & Analysis

Economic Overview

There were mixed macro-economic trends in 2010-11 while there was steady recovery in real economic growth, there were some concerns related to inflation, sovereign debt in advanced economies and economic stability in peripheral European countries.

Global

After contracting by 0.5% in 2009, world economic output was back on positive track registering 5% growth in 2010. Much of the new growth impetus came from developing and emerging economies that witnessed 7.3% growth in 2010 compared to 2.7% in 2009. Even the advanced economies recovered from a 3.4% contraction in output in 2009 to a growth of 3% in 2010 (see chart A).



Source: IMF estimates

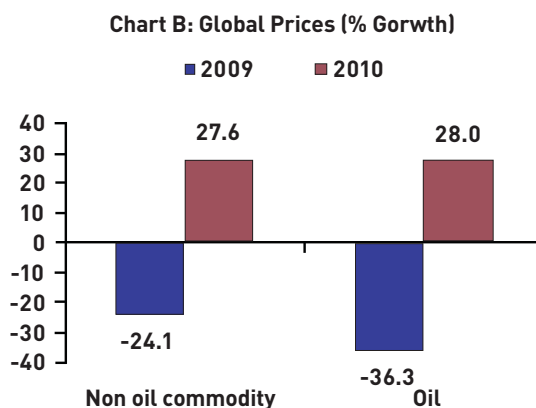
In fact, the global financial crisis is no longer the major force dictating the pace of economic activity in developing countries. The majority of these nations have or are close to regaining full-capacity activity levels. Consequently, for emerging economies, there are now country-specific productivity and sector specific factors that are the dominant determinants of growth.

Amongst the advanced economies, the US economy, which had contracted by 2.6% in CY2009, recovered steadily to grow by 2.8% in CY2010. However, in the first quarter of CY2011, growth slowed down to 1.8%. Unemployment rate, which was at 9.8% in April 2010 reduced to 8.8% in March 2011. Since then, it has increased to 9.1% by May 2011. So, while growth is returning to the economy, unemployment rate still remains a concern for the US economy.

The recovery in Europe continues to face substantial headwinds from uncertainty surrounding sovereign debt in several Euro Area member countries, and a wide-reaching but necessary process of fiscal consolidation. The positive development is resurgence

of real economic growth in two of Europe's largest economies – Germany and France. While Germany grew by 3.5% in CY2010 and unemployment is today well below pre-crisis levels, France recovered from recession to grow by 1.5% in CY2010. But, in many of the other EU countries, growth continues to get affected by fairly austere fiscal consolidation programmes, ongoing banking-sector restructuring and an increased scepticism regarding the financial sector that is leading to increasing borrowing costs. As these economies witness a phase of tighter monetary policy, there may be additional stress in their financial sectors, presenting further challenges. There are some signs of slow down in this region in 2011, but economic activity is expected to remain steady.

While robust domestic demand growth in developing countries has supported output in high income countries by providing them with markets, it has accentuated supply-side constraints in some domestic economies as well as in global energy and commodities markets. On the one hand, the low-end middle-income countries were responsible for 46% of global growth in 2010. On the other hand, they were responsible for most of the increase in global oil and metal demand over the past 5 years, and their growth was therefore, responsible for much of the rise in global inflation. In addition, still loose policies and ample global credit flows have contributed to domestic inflation pressures and asset price bubbles in some middle-income countries. World Bank estimates suggest that both non-oil commodities and oil prices have increased by over 27% in 2010 (see chart B).



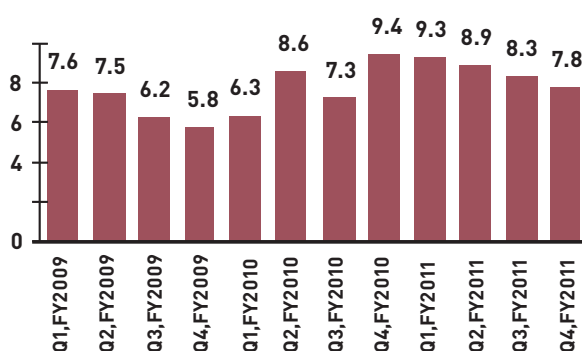
Source: World Bank estimates

Macroeconomic policy in developing countries needs to turn towards medium-term productivity improvements, managing inflationary pressures and re-establishing the fiscal and monetary cushions that allowed most developing countries to come through the crisis so well. In contrast, activity in high-income and some developing European countries will continue to focus on overcoming the crisis-related problems, including banking-sector, fiscal and household restructuring.

India

The Indian economy continued to progress appreciably – recording 8.5% growth in 2010-11 on the back of 8% growth in 2009-10. Chart C shows the quarter-wise GDP growth since Q1, 2008-09. After 4 consecutive quarters of well over 8% growth, GDP growth slowed down to 7.8% in Q4, 2010-11.

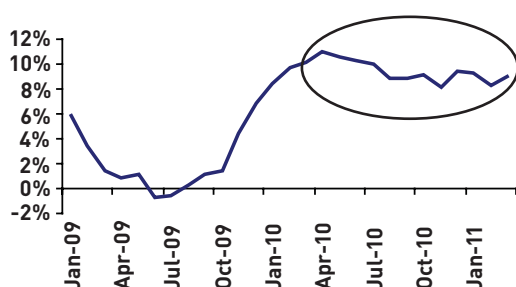
Chart C: Quarterly Real GDP Growth (%)



Source: Central Statistical Organisation, Govt. of India

The slowdown is a result of certain uncertainties prevailing in the Indian economy. First, there are high prevailing rates of inflation. While in the beginning of 2010-11, much of this inflation was driven by high prices of food, as the year progressed, non-food manufacturing product inflation also increased significantly. These high price levels have curbed general consumption spending in the country. In the process, consumption demand has reduced affecting economic growth. Chart D shows that WPI based inflation has remained at levels over 8% for most of the period since March 2010.

Chart D: Inflation (WPI based)



Source: Office of Economic Advisor, Govt. of India

Second, in order to curb inflation rates from spiralling upward, the Reserve Bank of India (RBI) has tightened monetary policies. The resultant reduction in money supply has caused an increase in interest rates. On the consumer front, such interest rate increases further affects demand of articles that are bought on credit. Two of AIS's primary end users - automobile and housing -

purchases, are directly affected by rising loan rates. On a long term macro-perspective, high rates of interest have a negative impact on investments. And, a slowdown in investments may lead to lower economic growth in the future.

Third, poor implementation by certain nodal agencies, issues related to land acquisition and environmental clearance, and governance deficit have significantly slowed down infrastructure development in India during the second half of 2010-11. The uncertainties on borrowing costs have further accentuated this slowdown. Infrastructure spends were expected to bolster economic growth, so a slowdown in this sector is also leading to an economic slowdown.

AIS: Financial Performance

Under these external conditions, AIS delivered a much improved financial performance in 2010-11. On the one hand, the Company managed healthy revenue growth by successfully leveraging opportunities in a growing market. On the other hand, it had to deal with the challenge of offsetting rising input costs and preventing major drop in profit margins. The highlights of the Company's performance, as a consolidated entity are:

- Total Income increased by 19% from Rs.132,676 Lakhs in 2009-10 to Rs.157,472 Lakhs in 2010-11
- Given the prevailing high prices of key inputs, materials costs increased at a faster rate of 37% to Rs. 46,848 Lakhs in 2010-11. Some of these higher costs were offset by reducing power and fuel consumption, which is also a major input in the glass industry. These costs grew at a lower rate of 18% to Rs.30,638 Lakhs in 2010-11
- Driven by strong top-line growth, operating EBITDA grew by 9% from Rs.25,760 Lakhs in 2009-10 to Rs.27,974 Lakhs in 2010-11
- Profit Before Tax (PBT) increased from loss of Rs.164 Lakhs in 2009-10 to Rs.2,800 Lakhs in 2010-11. And Profit After Tax (PAT-before minority interest) increased significantly to Rs.1,686 Lakhs in 2010-11, while PAT after minority interest was Rs.1,678 Lakhs
- With this performance, the EPS in 2010-11 was Rs.1.05

Clearly, AIS has turned a corner and emerged out of the difficult times witnessed in the recent past. In the subsequent sections, the developments and performance of different businesses of AIS are detailed.

AIS Auto Glass

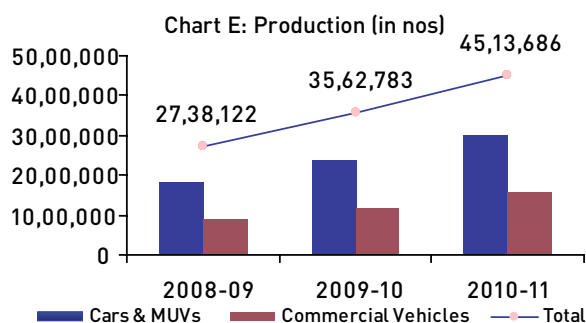
AIS Auto Glass is India's leading supplier of glass to the automobile industry, especially for passenger vehicles. With 24 years of experience, leadership position and proven track record, AIS Auto Glass is the flagship business of AIS. AIS Auto Glass has the finest technology, knowledge, design capabilities, engineering expertise and robust systems & processes which makes it the best-in-class strategic supplier to world-class automotive companies operating in India. More so, AIS Auto Glass has strategic relationships, geographical spread, world-class capabilities and optimal capacities to consistently meet the challenging requirements of global OEMs in India.

AIS Auto Glass continues to build its relationships with Indian as well as global players in the Indian market and reinforces its position as a premium and strategic supplier of automotive glass in India.



Industry Structure and Developments

AIS Auto Glass is directly linked with the Indian automobile industry. About 77% percent of the passenger car industry's demand for auto glass is met by AIS Auto Glass. The automobile industry in India continued to grow rapidly in 2010-11. The total automobile market, including three-wheelers, but excluding two wheelers grew by 26.7% to 45.1 Lakhs vehicles in 2010-11. (refer chart E). Total production for passenger cars and MUV's, which is AIS's primary customer segment, increased by 24.7% to 29.7 Lakhs vehicles. Within this segment, passenger car production increased by 26.1%, while MUV production increased by 15.8%. The Commercial vehicles segment, too, grew by an impressive 30.8% to 15.4 Lakhs vehicles in 2010-11. AIS is making considerable headway into the commercial vehicles segment.



With the advent of new global players in India, the automotive industry is fast paced with new model launches and product offerings to customers with greater comfort and safety standards. Consistent innovation at the optimal price has become imperative in this industry. AIS Auto Glass has been successful in keeping pace with the industry requirements.

Performance

The financial and performance highlights of AIS Auto Glass in 2010-11 is as follows:

- Revenues increased by 18% from Rs.71,578 Lakhs in 2009-10 to Rs.84,271 Lakhs in 2010-11
- Segment Profits before interest and un-allocable items reduced from Rs.12,422 Lakhs in 2009-10 to Rs.9,315 Lakhs in 2010-11

AIS Auto Glass produces a wide range of auto glass fitments. The basic products are laminated (front) windscreens, tempered window glasses (sidelites) and the back glass (backlite) of a standard passenger car. In addition to supplying these products to automobile manufacturers as original equipment (OE) components, the Company also sells its products in the after-sales and service market in India.

Table 1 gives the Company's share of business in terms of volume in each segment of the automobile industry. The Company is the dominant player in the passenger car and MUV segment with a share over 75%. Within this segment, its share in passenger cars is over 77% and in MUVs it is around 64%.

Table 1: AIS's share of business

Segments	Share of Business (by volume)
Cars	77.10%
MUVs	63.90%
Cars + MUVs	75.20%

The dominance in market share in a growing market translated into growth in sales of both its core products –tempered and laminated glass. During 2010-11, AIS Auto Glass increased production of laminated glass by 21% from 2,915,877 pieces to 3,535,796 pieces over the last year. Production of tempered glass increased from 23% over the previous year. (Table 2)

Table 2 : Production and Sales of Auto Glass

	2010-11	2009-10
Production		
Laminated (Pcs.)	3,535,796	2,915,877
Tempered (sqm.)	6,000,813	4,876,842
Sales		
Laminated (Pcs.)	3,621,651	2,909,199
Tempered (sqm.)	6,057,574	4,877,852

A critical aspect of the auto glass business is the Company's ability to partner customers in developing products for new models of vehicles being launched. The engineering ability to develop these products as per targets and adhering to the strict quality requirements goes a long way in enhancing the Company's relationships with its customers. During 2010-11 too, the Company successfully started strategic supplies for new models. Table 3 lists the details

Table 3: New Models for Auto Glass

Customer	Model
Maruti Suzuki	Alto K10
Volkswagen	Vento
Toyota	Etios
Nissan	Micra
Tata Motors	Venture, Super Ace

Operations

Over the years, AIS Auto Glass has transformed from a single location manufacturing Company into a Company with multiple production and assembling facilities across different regions of India. Much of this widespread growth was necessitated by newer customer relationships, where it was imperative for AIS to be close to the customers' manufacturing facilities in order to provide seamless service and effective delivery. Today, AIS Auto Glass has four production facilities. Two of which are located in North India at Bawal (Haryana) and Roorkee (Uttarakhand); the third unit is located in the south at Chennai (Tamil Nadu) and the fourth one – a laminated line – is located in

the west at Taloja (near Mumbai). It also operates three sub-assemblies cum warehouses at Bangalore (Karnataka), Halol (Gujarat) and Pune (Maharashtra).

Given the spurt in demand, most of the facilities operated at close to full capacity and the challenge was to effectively plan capacity utilisation across a wide range of products, maintain quality and delivery schedules. The aim was to operate optimally and assure no production disruptions at customers' plants. The capacity constraint and mismatch in locational demand and supply resulted in the SBU incurring heavy costs on premium freights to ensure that the goods reaches customers on time. Besides this, the SBU also lost on high-margin sales in the burgeoning after market. Both these factors negatively impacted the operations and resultant financial performance of AIS Auto Glass.

While the Company focused on productivity gains to generate maximum production from the existing assets, it was clear that some capacity expansion was necessary to support the business. AIS has carefully evaluated its production capacities and focused on a stage-wise capacity expansion plan. In the first phase, capacity expansion projects were carried out for both tempered and laminated glass. Much of the new laminated capacities were installed at Roorkee and Taloja. With the incremental investments, total laminated capacity has increased from 3.68 million pieces at the beginning of 2010-11 to 4.45 million pieces at the end of 2010-11. Tempered capacity has been enhanced from 7.41 million sqm. at the beginning of 2010-11 to 7.76 million sqm. at the end of 2010-11. The sub-assembly facility at the 'Toyota Suppliers Park' near Bangalore (Karnataka) successfully commenced operations in 2010-11.

A next phase of capacity expansion is already planned and being implemented. This includes enhancement of direct production and supporting equipment, most of which will come on line in 2011-12 and 2012-13. Total project outlay, including new tooling, is estimated at around Rs.12,500 Lakhs.

The Company's engineering prowess and high quality of delivery standards continue to be recognised by its customers. As every year, AIS Auto Glass received several awards and appreciations from the customers. The Bawal Plant of AIS Auto Glass received the "TPM Excellence Award, 2010".

Input Costs and Sourcing

Auto quality float glass (raw glass) and PVB continue to remain the strategic raw materials for AIS. Both these strategic raw materials need to be made available to the plants in the right quantity and quality on a continuous basis. Supply chain management of these two critical raw materials of AIS Auto Glass had been a challenging task for AIS Auto team due to the very high volumes, stringent quality and the global demand-supply imbalances in the last year.

Owing to the quantity and quality requirements of AIS, these strategic raw materials are usually imported from global suppliers. Raw glass is manufactured through the float process, and therefore requires dedicated facilities or longer production campaigns where yield, quality and other critical factors play an important role. In the aftermath of the global crisis in 2008, some global auto-quality float-glass suppliers had to shut down operations due to financial stress or reduce capacities. Float glass production, being a continuous process, requires time for re-creation of lost capacity. Consequently, with global demand increasing significantly with a growth in the automotive industry across the world, especially in India and China, there was a severe supply side shortage in raw glass. However, the global automotive recovery has been much sharper and faster than expected. But, the pace of capacities coming back on stream was much slower than the growth in demand. This capacity constraint, which started in 2009-10, continued in 2010-11. Raw glass production and procurement is done through a long term planning process. So, such market imbalances are very difficult to adapt in a short span of time.

AIS Auto Glass purchasing team, therefore, had to do a very fine balancing act of sourcing the strategic raw materials, of the required quality and quantity, at an optimal price.

As an integrated player in the auto glass industry, AIS has its own float glass manufacturing facility, which can service raw glass requirement for AIS Auto Glass. AIS has in place a well devised strategy of optimising a mix of internal and external sourcing of auto quality float glass. It is also identifying newer external sources and devising strategies to forge long term relationships with its partnered suppliers.

The second half of 2010-11, witnessed a steep rise in oil prices. High energy prices have a strong correlation to operating costs of glass Companies, as their production process is highly energy intensive. The other key raw material Poly Vinyl Butyral (PVB) is a direct derivative of the petroleum industry and with crude prices increasing, PVB prices also increased in the second half of 2010-11.

First, the non-availability of auto-quality raw glass and second, high energy prices translated into a challenging environment for AIS Auto Glass.

Future Outlook

In the backdrop of the current state of Indian economy, rising interest rates and fuel prices, demand for vehicles in 2011-12 is expected to grow at a slower rate. The last two years saw significantly high growth in the auto sales. Estimates suggest that the automotive industry shall grow at a reduced average rate of 12-15% in 2011-12. Table 4 has the detailed data.

Table 4: Automobile industry projections for 2011-12

Segment	Production		YoY Growth	
	Actual	Projections	Actual	Projections
	2010-11	2011-12	2010-11	2011-12
Total Industry	45,13,686	51,81,074	26.7%	14.8%
Cars & MUVs	29,70,630	34,76,919	24.7%	17.0%
Cars	25,95,769	30,57,095	26.1%	17.8%
MUVs	3,74,861	4,19,824	15.8%	12.0%
Commercial Vehicles	15,43,056	17,04,155	30.8%	10.4%
Total LCVs	4,63,029	5,53,410	26.8%	19.5%
LCVs - Sub 1 ton Segment	2,79,139	3,58,710	30.3%	28.5%
LCVs	1,83,890	1,94,700	21.9%	5.9%
MHCVs	2,84,600	3,10,455	44.2%	9.1%
3Ws	7,95,427	8,40,290	28.8%	5.6%

Owing to the intense competition, the frequency of new models launches from all OEMs is expected to increase further. The challenge, therefore, is to be able to design and engineer automotive glasses for new models within a stringent time frame. AIS has already displayed its ability to successfully design, engineer and deliver new products and identifies this capability as a major source of competitive advantage, which it will continue to develop and leverage.

In 2011-12, the challenge will continue to be on the sourcing front. There will continue to be a supply side constraint in auto quality raw glass and high energy prices will drive input costs up. AIS has devised a sourcing strategy and will focus on manufacturing efficiencies and economies of scale to deal with this. The Company will benefit from the new capacities coming on line to better service the growing demand and enhance customer relationships. Timely completion of the next phase of new capacity development projects will also be very important and the Company is laying major emphasis on careful expansion.

This kind of consistent high growth trend has warranted capacity expansions from a leader like AIS Auto Glass. AIS has been carefully executing all its brownfield expansions, with a very cautious 'time to market' approach.

AIS Float Glass

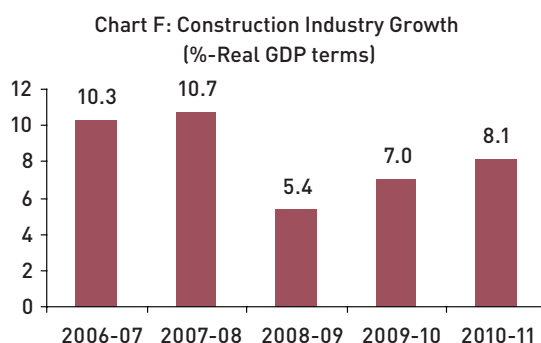
Having initially entered float glass manufacturing in 2001, by acquiring Floatglass India Limited and subsequently merging it into AIS in 2003, the Company aggressively expanded its float glass business by setting up a state-of-the-art greenfield plant at Roorkee for float glass hard coated reflective glass and mirror glass. Today, through its plants at Taloja (Maharashtra) and Roorkee (Uttarakhand), AIS Float Glass produces a wide variety of products and is a premier float glass Company in the country.

Industry Structure and Developments

Float glass is used for a wide variety of applications. The different customer segments have different requirements in terms of technical specifications, applications, aesthetics etc. Since the production process of float glass being a continuous one, the target market has to be planned well in advance and long term production schedules have to be worked out for best utilisation of the equipment. This means that the back-end production cannot adapt very quickly to shifts in market demand.

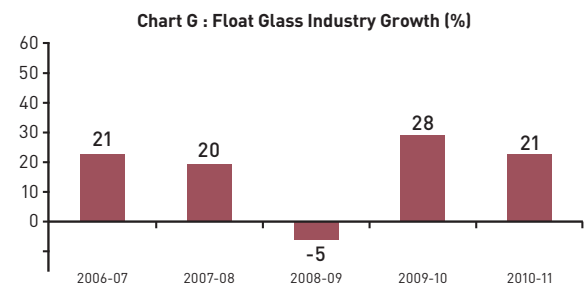
This segment of the glass industry is still at the nascent stage with just 8 float glass lines in India compared to China, which has 196 lines. India's total installed capacity for float glass is around 4,700 tons per day. Demand for float glass is driven by the construction and automotive sectors. Today, construction led architectural glass accounts for 85%, automotive for 10% and others for 5% of demand.

While the growth in the automobile sector has already been detailed out, it is important to note that the developments in the construction sector. Chart F shows growth in construction in India in the last five years. It is apparent that there was a major slump in 2008-09. And in line with that float glass industry in India actually contracted in 2008-09. Since then, both the construction sector and the float glass industry is on recovery mode. And, with 8.1% growth in construction during 2010-11, growth in the float glass industry is back on track.



Source: Central Statistical Organisation, Govt. of India

Float glass industry grew approx. 21% in 2010-11 over the previous year. Chart G tracks the sales growth of the float glass industry over the last 5 years.



Apart from the existing growth trend, float glass market in India has huge growth potential with the increasing general awareness about glass and its various applications.

Float glass market in India is divided into clear and basic float glass and high quality performance based value-added glass. There is significant potential for value-added float glass. But, this is a difficult market in terms of requirement of technology, prediction and quick adaptation of changing consumer preferences.

AIS has approx. 26% share in the float glass market in India. The market has few large players like Saint Gobain, Gujarat Guardian, HNG etc. It is also witnessing some consolidation. For example, in May 2011, Saint Gobain Glass India Limited acquired the float glass plant of Sezal Glass Limited.



Performance

The highlights of the float glass segment's financial performance are:

- Revenues increased by 14% from Rs.63,612 Lakhs in 2009-10 to Rs.72,710 Lakhs in 2010-11
- Segment results before interest and un-allocable items has turned around from a loss of Rs.30 Lakhs in 2009-10 to profits of Rs.6,253 Lakhs in 2010-11

Table 5 summarises the production and sales data of AIS Float Glass.

Table 5: Sales and Production of Float Glass

	2010-11	2009-10
Production (csqm)	60,774,093	54,635,132
Sales (csqm)	52,007,921	51,386,919
Sales (Rs. Lakhs)	56,887	47,255

The successful turnaround has been facilitated by two important factors. First, there is better demand planning and second, through a concerted strategy, the Company has increased sale of value-added products. Today, the share of value added products has increased to around 60% of the total production. In addition, such value added products help in better penetration of markets.



Most of these products were well received in the market. These product developments go a long way in establishing AIS as a 'value added' product supplier in the float glass market in India.

Reflective glass products portfolio, in particular, has been strengthened with the introduction of many new high performance products. These products are the next generation reflective glass products, specially developed for construction industry and offer better solar control, internal reflection, optimum day lighting and superior energy efficiency.

Operations

AIS' plants at Taloja and Roorkee have combined float glass production capacity of producing up to 1,200 tons per day. During the year, these facilities continued to operate smoothly. The growth in volume sales was well supported by plant production and the plants also benefited with much better utilisation of assets and improved returns on high fixed costs in a capital intensive production process. In line with the strategy in the last few years, the focus was on developing and increasingly producing more value-added products. In order to streamline such production, the Company also undertook some incremental investments.

Power and fuel are major inputs in the manufacture of float glass. And, especially during the second half of 2010-11, there was an increase in power costs. At AIS, managing these costs is a continuous process. Hence,

all efforts are made at reduction of power and fuel costs per unit of output to maintain healthy profit margins. In 2009-10, AIS Float's Taloja plant had successfully implemented and stabilised its operations after switching over to natural gas, as its primary fuel source. Being a much cheaper fuel, usage of natural gas has helped reduce costs. Initiatives are underway to convert Roorkee's operations to natural gas as well.

Glass grade silica sand prices continued to remain high. With regard to total procurement cost of sand, the physical transportation cost of sand is also an important element. Consequently, in an effort to optimise costs, AIS is continuously exploring sourcing of quality sand from sites close to its manufacturing facilities. It has also managed to progress on its efforts to indigenise sand procurement through mining leases. Some of which is done through its associate Company – Integrated Glass Materials Limited (IGML).

The Company's sales efforts are supported by a network of nearly 900 stockists across India that cater to various end-user segments. AIS Float Glass continued to expand its reach in the market by appointing several more dealers across India. It also continued to organise various meets, events and other sales promotional activities throughout 2010-11.

Outlook

With India regaining its growth momentum, the construction industry is expected to grow. More importantly, more sophisticated and energy efficient architecture will be the order of the day. So clearly, the float glass industry is poised for growth. With consolidation at one end and new entrants at the other, competition will be intense. While the larger players will be increasing their scale and size to dominate the market, new entrants will be able to garner share through their product specific or geography specific competencies.

As observed before, the key differentiator shall remain the product mix of high value-added products. Also, the business will have to become more customer-centric and provide end to end services. AIS Float Glass is constantly increasing its product portfolio and offering value-added, customer oriented products.

In the realty and construction sector, functional benefits like energy savings and design aesthetics will drive the future market. Already, the Energy Conservation and Building Code (ECBC) has set norms that are expected to come into effect for buildings that have a floor area of 10,000 square feet or greater. ECBC norms stipulate that a minimum level of energy efficiency standards have to be maintained, including thermal performance requirements for walls, roofs and windows. Glass is an integral part of the green movement and addresses a host of issues raised under the ECBC. These norms have

created a new set of opportunities and a new market segment for glass.

Within the float glass space, there will be competition in the value added segment where customer connect in terms of product quality, efficacy and marketing will be key differentiators. AIS has geared itself with innovative solutions to meet these challenges and grow the float business significantly from 2011-12.

AIS Glass Solutions

AIS is always focused on tapping the entire value chain in the glass industry. AIS Glass Solutions was established to go up the value chain and focus on processing glass and selling of glass to large construction projects. Having gone through its initial phase over the last few years, this business went through a strategic and organisation reshuffle recently. And, today the business is well aligned to AIS's long term strategy in the architectural glass space.

Industry Structure and Developments

Most glass usage in India is still in its raw form, but glass processing has grown at a very fast rate in the recent past. While glass processing for automotive purposes has always existed in India, more recently, the architectural processing segment is the one that is growing more quickly, although, on a very low base. Given the long term prospects of the industry, with the growth of large retail spaces and more sophisticated residential property, there has been significant investments in this business.

Though demand for value-added glass has increased at a healthy rate over the last three years, India is nowhere close to the global average when it comes to using sophisticated glasses. Consequently, the share of value-added glass in the total glass industry is still very low. This is because of several reasons:

- There is lack of consumer awareness. Most consumers in India are not aware of types of value-added glass and their respective advantages.
- The industry is highly fragmented and minimal effort has been put into customer education & awareness, customer service, reducing costs, or systematically developing markets.

- The glass industry is also weighed down by the increasing cost of manufacturing. Energy costs are increasing, as are those of raw materials and infrastructure.
- The use of value-added glass has gained popularity in commercial buildings to a large extent, but residential buildings, which are a major source of demand for these glass types, are not using much of these products.

Through AIS Glass Solutions and its customer oriented processing activities, the Company intends to bridge these gaps and increase usage of value added glass in India.

Performance

AIS Glass Solutions continued to operate smoothly from its 3 architectural glass processing plants located at Roorkee-Uttarakhand (North India), Taloja -Maharashtra (West India) and Chennai-Tamil Nadu (South India). This was supported by its several marketing offices across India. Table 6 details the production and sales of AIS Glass Solutions for the year ended 31st March, 2011.

Table 6: AIS Glass Solutions' sales and production

	2010-11	2009-10
Production (sqm)	1,205,083	843,832
Sales (sqm)	1,200,412	845,917
Sales (Rs. Lakhs)	9,278	7,389
Note: Sales figures of individual SBU's may not tally with the consolidated figures as reported in the Profit & Loss Account.		

Outlook

With the organisation restructuring complete, strategic path clearly laid out, production bottlenecks closed and all necessary infrastructure and capacities in place, AIS Glass Solutions is expected to focus more on timely delivery, quality and greater customer connect. 2010-11 will have its opportunities and challenges. And, AIS Glass Solutions is focused on its inherent strengths to perform to its true potential.

Corporate Social Responsibility

In order to sustain and harvest growth, an organization is depended on the resources of the society. Further, to maintain the long term success and growth of an enterprise, it has to socially grow and put an impetus in the social arena.

A corporate cannot shed away its responsibility towards the society at large and the environment in which it operates. AIS believes that a continuous commitment to follow the sound business principles, policies and ethics is an integral part of the business. AIS has been undertaking various initiatives as its social responsibility through its Integrated Community Development Programme (ICDP) in and around the vicinity of AIS manufacturing facilities.



The activities are mainly centred in and around manufacturing facilities, primarily Rewari and Roorkee. In order to keep a professional approach and execute these activities in an expert manner, all AIS CSR initiatives are administered and monitored by Youthreach, a Delhi based NGO.

To effectively perform its obligations in discharge of the Corporate Social Responsibility, AIS has taken extensive measures to study the requirements of villages, in and around the vicinity of AIS manufacturing facilities, and identify the areas of intervention.

AIS Integrated Community Development Project (ICDP) operated successfully during this year 2010-2011 with enthusiasm and an optimistic attitude. Apart from the regular activities such as school bus service for girls, running AIS Unnati Education Centre for out of school youth and tutorial facilities for school going children in 15 villages, and also running of sewing & tailoring units in Harchandpur and Patuhera village, there were few other activities.

In addition to interventions in Rewari, the AIS-Integrated Community Development Programme is also ongoing in 15 villages around the AIS Plant in Roorkee, with interventions in Education (Bus Services for school going girls) and enterprise development (Project Aarohan).

During the year Government schools were frequently visited and the focus was to establish linkages with

government teachers and punctuality of children. Feedback of the individual children were taken to improve the progress. Frequent meetings were held with Bhiwani Education Board, Haryana and other educational departments for getting an understanding and serving the society in better way.

Rewari Initiatives

Education

AIS Unnati Centres are being run in 15 villages for providing education and remedial education to children. 8 units for out of school have been running to provide an opportunity for children who have dropped out of school to re-enrol through the Haryana Open School Exams. During the year, 5 new centres were set up in Suthana, Suthani, Naichaina, Nangalteju and Ranoli villages.

During the year 414 (204 Male & 210 Female) children benefited in remedial classes in across all the 15 villages and 55 youths in drop-out unit in 9 villages. The AIS bus service is running smoothly, enabling 625 girls from 36 villages to attend the Senior Secondary School in Bawal.

AIS has taken a new initiatives, life skills sessions, which were also introduced and a few counselling sessions with the out-of-school youth were conducted in Harchandpur and Banipur village.



Others :

- Water & Sanitation Programmes has benefited over 110 villages with an objective to promote sustainable water management.
- Health & Immunization camp in project villages were organised where Hepatitis B was provided to 400 children while Health camps were also conducted in some of the villages.
- Sewing & tailoring classes were completed successfully and Certificates were awarded to 40 girls, who completed the course successfully.



Roorkee Initiatives

The "Aarohan" project through the formation of Self Help Groups (SHGs), health and bus services for school going girls have acclaimed popularity and increased number shows that people are showing interest in it. There were new 748 new joinees which increased the membership strength to 1805.

Health Camps & Women Empowerment

A MMR (Meseals-Mumps-Rubella) immunization camp was organized in Gadarjudda village in which 200 children of age group 15 months to 12 years were immunized



successfully. The camp was supported by Max India Foundation. Immunization Camp for the final dose of Hepatitis-B vaccine was also organised in Gadarjudda village in which around 190 children of age group 0-12 years were immunized.

International Women's Day was also celebrated to mark the presence and increase the enthusiasm and confidence of women in which nearly 850 women from 153 Self Help Groups joined.

Comprehensive details of Corporate Social Responsibility initiatives are available on the website at, www.asahiindia.com.

AIS -ICDP

At a Glance (2010-11)

Education Initiative in Rewari

School Bus for girls – 625 girls
Remedial education – 414 children
Centre for drop out children – 61 children
AIS Unnati Tailoring Centre – 30 children

Other Initiatives in Rewari

Water & Sanitation Programme
Out reach – 110 villages
Community Rainwater Harvesting – 6500 families

Education Initiative in Roorkee

School Bus for Girls – 100 girls

Other Initiatives in Roorkee

Micro Enterprises – 816 families
SHG Formation – 154 SHGs with 1805 members

Q. & A. with MD & CEO

How do you assess 2010-11 for your business?

The macro-economic developments were largely in line with the expectations at the beginning of the year. For India, it was a particularly good year – GDP grew by a healthy 8.5%; corporate profits, on an average grew by over 25%, the rupee remained stable; and the general consumer and business sentiments were buoyant. Inflation continued to remain a cause of concern. Global oil prices increased significantly in the last quarter of 2010-11. Since glass is a high energy intensive industry, increase in energy prices always put pressure on our operating costs. In order to control inflation, the Reserve Bank of India (RBI) adopted a tight monetary policy, which has resulted in hardening of interest rates.

The strong economic growth translated into a good year for both our primary customer segments – automobiles and construction. Total automobile sales, excluding two wheelers, increased by 27% to over 45 Lakhs vehicles. The construction industry grew by 8% in 2010-11. The float glass industry grew by 21% in 2010-11. AIS made the most of market opportunities and its Net Sales increased by 20% to Rs.155,773 Lakhs in 2010-11. While the 'look within' programme has become integral to the operating culture of the Company and continuous efforts were made to further improve efficiencies, productivity and operating costs. Despite these efforts, profit margins were impacted. SBU profitability were diametrically opposite for the two core business segments – auto glass and float glass. This impacted overall profitability of AIS.

With higher value-added sales and better utilisation of assets, the float glass business actually turned around with its segment profits prior to interest and other un-allocable items moving from a loss of Rs.30 Lakhs in 2009-10 to profits of Rs.6,253 Lakhs in 2010-11. However, the auto glass business witnessed a drop in segment profits by 25%. While this was disheartening, the reasons were completely exogenous. Availability and costs of key raw materials, capacity mismatches and resultant forced operating inefficiencies led to sub-optimal performance which impacted the profitability of our auto glass SBU.

Overall, on a consolidated basis, AIS's EBIDTA grew by 9% to Rs.27,974 Lakhs in 2010-11 and Profit After Tax (PAT) after minority interest, increased by over 8 times to Rs.1,677 Lakhs. Clearly, for AIS, 2010-11 has been a stride in the right direction.

In terms of the long term strategy, what were the key developments in 2010-11?

AIS is building a business that covers the entire glass value chain succeed in this endeavour, it is imperative to develop a model that fosters pockets of specialisation

within a large organisational umbrella. Each segment, be it Auto OEM; after-market covering product, distribution, retail; commodity architectural, value added architectural; or niche products, is a large opportunity by itself. Consequently, the Company has evolved segment specific strategies and positioning. Clearly the focus is on 'value addition' and 'integration' which remain core to the Company's strategic imperatives.

For Auto, the strategic focus is on prioritised capacity enhancement with optimal utilisation of capital expenditure. We are further strengthening our new model development capacity and new technologies. The market is growing and AIS has embarked on a capacity expansion programme across its plants at Bawal, Chennai, Roorkee and Taloja. The focus is also on developing the appropriate capabilities in plants in different geographies, in tune with the requirements of the customers in the vicinity of the plant. In essence, the stress is not only on pure operational efficiencies but also on improving customer service by being close to their operation facilities. These new capacity expansion programmes are on track. And, in a phased manner, I expect them to be completely on line soon.

For Float, AIS has made positive developments in terms of increasing its value added portfolio. In fact, today around 60% of our products are value-added glass which is the highest in India. Demand planning and understanding market requirements are the key focus areas. In a major development, we have recently started manufacturing a new range of reflective glass using the best AGC and global technology. These products will be shortly launched commercially.

Yet another initiative last year is the concept of 'Glasxperts' which combines the personalisation and customisation requirements of an individual consumer, along with the values, ethics, scale and profitability of a corporate. We plan to open glass showrooms to display the various ways in which glass can be used. Customers can walk in our glass showroom for a completely different 'glass experience'. This model, currently on a 'pilot basis' will have more showrooms backed by a central call centre for customers to call and get resolutions to their glass issues.

These new products and services are expected to play a greater role in the AIS of future.

While AIS has displayed a turnaround performance, debt has not decreased appreciably. What are your plans to reduce debt?

I agree that the debt has to reduce and interest costs are straightway impacting our bottom line. At this stage, I would like to disaggregate the total debt on AIS's balance sheet. Rs. 500 Crores are working capital

loans, which are typical to the nature of glass business of AIS's scale and spread across the glass value chain. Rs. 220 Crores is unsecured loan with very minimal rate of interest. Therefore, the real debt is only about Rs. 800 Crores, which, I feel, is normal for a Company of AIS's size, with a gross block of Rs. 2,300 Crores and turnover potential of Rs. 2,700-3,000 Crores, which we are well on the path of achieving.

However, the last year witnessed the full impact of the expansions, which shall result in generation of free cash available for net repayments. Fixed asset turnover ratio increased from 1.01 in 2009-10 to 1.21 in 2010-11. And, with this, the Company's ability to service debt through profits has improved manifold. Debt coverage ratio (PBIT/Interest) has increased from 0.99 in 2009-10 to 1.22 in 2010-11. These operational improvements will reduce AIS's debt position in a couple of years.

I thank our bankers for their support.

What is your outlook for AIS?

Going forward, I continue to maintain that India is on a growth trajectory which started in 1985 and will continue for many decades more. There will be a few bad years but in the long run there will be significant growth. There are many negatives and worry points – oil prices, food prices, all adding to a hard to budge inflation; corruption and governance concerns; interest rates; current account deficit, especially with China; rising inequality; and fiscal constraints. The list is long, and in no manner unimportant, but despite these constraints India has grown from a US\$1 Trillion dollar economy to US\$2 Trillion in the last 5 years. And, there is no palpable reason why this trend should not continue over the next decade. This will create massive

opportunities, but market demand will evolve according to its own characteristics. The challenge will be to satisfy customer needs with product, pricing and service which is world class and yet at an extremely competitive cost. This needs enormous management innovation.

While I am optimistic of long term growth, I also believe that it will be accompanied by inflation. And, at AIS, we will have to adapt to dealing with inflation with cost reduction innovation and value-addition.

But the key will be to further economise costs of operations by gaining from economies of scale, multiple locations, capex reduction by own development, localisation of materials and tooling, vertical integration, low cost automation, brownfield expansions and operational excellence. AIS will continue to focus on improving all the above plus, there will be greater emphasis on productivity increase, human resources, technology, R&D and self-reliance. The good work done over these years has to continue and new improvements are needed everyday.

Although float is still not making money at a PBT level, there has been a significant improvement in 2010-11. All the other new initiatives taken last year are expected to be ramped up in 2011-12 and the idea is to sell value-added glass as a part of a final service as single trusted organization which can take care of all needs from design to delivery. AIS Glass Solutions and AIS Glasxperts is being developed to successfully cater to this market. We are better than 50% in value-addition and quite close to Quality of Japan at Cost of China.

2011-12 will be the first step of a new round of growth. We have done all the hard work and sown the seeds of an excellent harvest tomorrow.

Report of the Directors

To the Members,

The Directors are pleased to present their 26th Report along with the audited accounts of the Company for the year ended 31st March, 2011.

Financial Performance

	2010-11	2009-10
	(Rs. Lakhs)	
Gross Turnover	1,70,907	1,42,971
Net Turnover	1,51,821	1,26,273
Other Income	1,667	3,385
Total Income	1,53,488	1,29,658
Operating Profit (PBDIT)	27,248	25,052
Gross Profit (PBDT)	14,468	12,269
Profit/(Loss) Before Tax	2,631	(179)
Profit/(Loss) After Tax	1,515	123
Balance Carried to Balance Sheet	7,848	6,333

Performance Overview

The performance of the Company during 2010-11 was largely on expected lines and well on the projected recovery track. The strong macro environment, especially the huge upsurge in demand both in the automotive and real estate sectors has further helped your Company to gather stronger momentum during the year.

However, owing to capacity mis-match there were locational demand supply imbalances, due to which the Company had to incur huge expenditure on premium freight and sacrifice some operating efficiencies to ensure that customer demands are met consistently.

As a result of the above, the net sales of the Company increased 20.23% from Rs. 1,26,273 Lakhs in 2009-10 to Rs.1,51,821 Lakhs in 2010-11. Operating profit has increased 8.77% from Rs. 25,052 Lakhs in the previous year to Rs. 27,248 Lakhs in 2010-11. The Company posted the profit after tax (PAT) of Rs. 1,515 Lakhs in 2010-11 as against profit after tax of Rs. 123 Lakhs in the previous year.

A detailed analysis of Company's operations in terms of performance in markets, manufacturing activities, business outlook, risks and concerns forms part of the Management Discussion and Analysis, a separate section of this Annual Report.

Subsidiaries

During the year, your Company incorporated GX Glass Sales & Services Limited ("GX"), as a wholly-owned subsidiary, to expand its presence in the architectural

glass value-chain by capturing the 'end, consumer-facing' part of the architectural glass business through exclusive glass design, supply and installation service. GX was incorporated on 7th May, 2010 with a specific objective of being the one-stop solution for end-users of glass and meet their complete requirements of architectural glass. GX is in the process of ramping up its operations.

The other two subsidiaries of your Company - AIS Glass Solutions Limited ("GS") and Integrated Glass Materials Limited ("IGML") carried on smooth operations during the year.

In terms of the general exemption granted by the Ministry of Corporate Affairs, Government of India, under Section 212(8), of the Companies Act, 1956, copies of the Balance Sheet, Profit and Loss Account, Reports of the Board of Directors and Auditors of subsidiaries of your Company - AIS Glass Solutions Limited ("GS"), Integrated Glass Materials Limited ("IGML") and GX Glass Sales and Services Limited ("GX"), have not been attached with the Balance Sheet of AIS. Further, pursuant to Accounting Standard - 21 (AS-21) the consolidated financial statements presented by your Company includes the financial results of GS, IGML and GX duly audited by the statutory auditors. These consolidated financial statements have been prepared in strict compliance with the applicable accounting standards and listing agreement. Further, the particulars of all the subsidiary companies, as directed by the Ministry of Corporate Affairs, Government of India in its above exemption, are attached along with statement as required under section 212 of the Companies Act, 1956.

The sole purpose of refraining from attaching the annual accounts and other statements of subsidiary companies along with the Annual Report of AIS is on account of substantial savings on printing and dispatch costs of this Annual Report. The Company hereby assures that the annual accounts of the subsidiary companies and related detailed information shall be made available to those investors seeking such information at any point of time. The annual accounts of the subsidiary companies are kept open for inspection by investors at the Corporate Office of AIS as well as the Registered Offices of the subsidiary companies during working hours. The Company shall dispatch a hard copy of the details of accounts of the subsidiary companies to any shareholder on demand. Further, the Company regularly files such data to the various regulatory and government authorities as required.

Lastly, the accounts of the subsidiary companies are also available for inspection at the corporate website of the Company - www.asahiindia.com.

Awards

Your Directors take pleasure in reporting the following awards / recognitions received by your Company during the year :

From	Award
Toyota Kirloskar Motors Ltd.	Best Kaizen Award
	Certificate of appreciation for being an Etios Partner and Establishing New Facility
	Certificate for achieving targets in the category of DELIVERY for the year 2010
2 nd position in International Convention of Quality Circle held in Hyderabad	
Occupational Health and Safety Management System Standard (OHSAS 18001: 2007)	
OHSAS 18001: 2007 certification of Bawal plant by DNV	
TPM Excellence Award 2010 for the Bawal Plant	

Consolidated Financial Statements

As required pursuant to the applicable Accounting Standards, the Consolidated Financial Statements of AIS are attached herewith and form part of the Annual Report and Accounts.

Dividend

In view of the financial performance of your Company during 2010-11, your Directors have not recommended any dividend for the financial year 2010-11.

Directors

During the year, the existing tenure of Mr. Arvind Singh, Whole-time Director expired on 27th June, 2010. Accordingly, Mr. Singh has been re-appointed as a Whole-time Director with effect from 28th June, 2010 for a further period of five years.

The above has been duly approved by the Shareholders of the Company by way of passing of special resolution at the 25th Annual General Meeting held on 28th July, 2010. Further, Mr. Singh has been appointed as Director liable to retire by rotation.

Consequent upon resignation of Mr. Marehisa Ishiko from the Board of Directors of the Company with effect from 27th July, 2010, Asahi Glass Co. Ltd. (AGC) has nominated Mr. Kimikazu Ichikawa as Director in place of Mr. Marehisa Ishiko. Mr. Ichikawa was appointed as Additional Director of the Company on the Board of Directors of the Company with effect from 29th July, 2010.

The Board places on record, its sincere appreciation for valuable contribution of Mr. Ishiko during his tenure as Director of AIS.

Pursuant to the provisions of Section 260 and Article 73 of the Articles of Association of the Company, Mr. Ichikawa holds office up to the date of the ensuing Annual General Meeting. A notice under Section 257 of the Companies Act, 1956 has been received from a member proposing the candidature of Mr. Ichikawa as Director of the Company.

In terms of the provisions of Section 256, read with Section 255 of the Companies Act, 1956 and Article 70 of the Articles of Association of the Company, Mr. B. M. Labroo and Mr. Keiichi Nakagaki, Directors, are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

The necessary resolutions for obtaining approval of the Members have been incorporated in the notice of the ensuing Annual General Meeting. The requisite disclosures regarding appointment and re-appointment of Directors have been made in the Report on Corporate Governance, which forms part of the Directors' Report.

Listing

The equity shares of your Company continue to be listed at the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company has paid the requisite listing fee to the Stock Exchanges for the financial year 2011-12.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors hereby state and confirm that :

- in the preparation of annual accounts for the financial year ended 31st March, 2011, 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 judgments and estimates have been made 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, 2011 and of the profit / loss for the period from 1st April, 2010 to 31st March, 2011.

- iii) proper and sufficient care has been taken for the 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.
- iv) the annual accounts for the financial year ended 31st March, 2011 have been prepared on a going concern basis.

Corporate Governance

A separate report on corporate governance along with General Shareholders Information, as prescribed under the Listing Agreement, is annexed as a part of this Report along with the Auditors' Certificate on corporate governance.

Fixed Deposits

Your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and, as such, no amount of principal or interest was outstanding as on the date of the Balance Sheet.

Auditors and Auditors' Report

M/s. Jagdish Sapra & Co., Chartered Accountants, Statutory Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from the Statutory Auditors to the effect that their re-appointment, if made at the ensuing Annual General Meeting, would be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

The observations of the Auditors in the Auditors' Report are explained, wherever necessary, in the appropriate Notes to the Accounts.

Conservation of Energy, Research & Development, Technology Absorption, Foreign Exchange Earnings and Outgo

The information relating to conservation of energy, research & development, technology absorption and foreign exchange earnings and outgo, as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure "A", forming part of this Report.

Particulars of Employees

The information as required in accordance with Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, is set out in Annexure 'B' to this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and the Accounts are being sent to all the Members of the Company excluding the aforesaid information. Any member interested in obtaining such information may write to the Company Secretary at the Registered Office or the Corporate Office of the Company. The said information is also available for inspection at the Corporate Office during working hours up to the date of the Annual General Meeting.

None of the employees listed in Annexure 'B' is a relative of any Director of the Company, except Mr. Sanjay Labroo who is related to Mr. B.M. Labroo.

None of the employees listed in Annexure 'B' hold, either by himself or alongwith his spouse and dependent children, more than 2% of the equity shares of the Company, except Mr. Sanjay Labroo.

Industrial Relations

During the year under review, industrial relations in the Company continued to be cordial and peaceful.

Acknowledgement

The Board hereby places on record its sincere appreciation for the continued assistance and support extended to the Company by its collaborators, customers, bankers, vendors, Government authorities and employees.

Your Directors acknowledge with gratitude the encouragement and support extended by our valued Members.

On behalf of the Board of Directors

Place : Gurgaon
Dated : 16th May, 2011

B. M. Labroo
Chairman

Annexure - A

Information as per section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2011

Form - A

Conservation of Energy

Power and Fuel Consumption		Units	2010-11	2009-10
1.	Electricity Purchased (KWH)	Units	14,14,37,379	11,88,39,837
	Total Amount	Rs. Lakhs	7,266	5,702
	Rate Per Unit	Rs.	5.14	4.80
2.	Captive Generation			
	D.G. Sets (KWH)	Units	5,55,20,705	5,39,66,655
	Total Amount (Fuel, Mobil Oil & additives)	Rs. Lakhs	3,971	3,262
	Rate Per Unit	Rs.	7.15	6.04
3.	HSD Consumption	Ltrs.	19,81,394	12,64,467
	Total Amount	Rs. Lakhs	688	382
	Rate Per Litre	Rs.	34.74	30.24
4.	HFO Consumption	Ltrs.	4,90,26,265	6,41,80,883
	Total Amount	Rs. Lakhs	14,542	14,340
	Rate Per Litre	Rs.	29.66	22.34
5.	Natural Gas	MMBTU	13,76,298	9,29,878
	Total Amount	Rs. Lakhs	5,028	2,760
	Rate Per MMBTU	Rs.	365.31	296.86
6.	SKO Consumption (Kerosene Oil)	Ltrs.	47,717	33,960
	Total Amount	Rs. Lakhs	14	9
	Rate Per Litre	Rs.	29.83	25.86

There has been no significant energy conservation measures undertaken by the Company during 2010-11 to be reported in the Annual Report.

Consumption Per Unit of Production

AIS Auto Glass

Energy consumption per square metre production of auto glass 16.71 KWH (15.51)

AIS Float Glass

Energy consumption per converted square metre production of float glass was as under :

- a. Electricity Consumption (KWH) - 0.66 (0.71)
- b. Furnace Oil Consumption (Litres) - 1.08 (0.90)
- c. Natural Gas Consumption (MMBTU)- 0.05 (0.02)

Form - B

Technology Absorption, Adaptation and Innovation

During the year, no new/major technology was absorbed, adopted by the Company.

Form - C

Research and Development

During the year, the Company continued its focus on increasing process efficiencies and reduction of wastages.

Form - D

Foreign Exchange Earnings and Outgo

Foreign exchange outflow on account of import of capital goods, raw materials, stores and spare parts, traded and finished goods amounted to Rs. 37,789 Lakhs (Rs. 23,047 Lakhs). Other expenditure in foreign currency amounted to Rs. 17,896 Lakhs (Rs. 16,504 Lakhs). Earnings in foreign currency amounted to Rs. 4,488 Lakhs (Rs. 9,403 Lakhs).

(Figures in brackets pertain to the previous year).

Report on Corporate Governance

Company's philosophy on Corporate Governance

AIS believes that, for long-term and sustainable success in business, corporate governance must become an intrinsic part of the Company. AIS is, therefore, committed to achieve the highest standards of accountability, transparency and equity in all its spheres and in all its dealings with its stakeholders. This commitment to adhere to corporate governance principles, not just in letter but in spirit, permeates through every level of the Company. Driven by an active, independent and participative Board, the Company is totally committed to timely and comprehensive disclosures, transparent accounting policies and high levels of integrity.

AIS continues to follow procedures and practices in conformity with the Code of Corporate Governance as stipulated by Securities & Exchange Board of India (SEBI).

This chapter, along with the chapters on Management Discussion and Analysis, reports AIS's compliance with Clause 49 of the Listing Agreement with the Stock Exchanges.

Board of Directors

At AIS, the Board of Directors approve and review the strategies and oversee the actions and results of management. The management team of the Company is headed by the Managing Director & C.E.O. and two Executive (Whole-time) Directors.

Composition of the Board

The Board comprises of ten Directors, out of which seven Directors are Non-Executive Directors. The Company has a Non-Executive Chairman.

Board Procedures

Detailed agenda with explanatory notes and all other related information is circulated to the members of the Board in advance of each meeting. Detailed presentations are made to the Board covering all major functions and activities. The requisite strategic and material information is made available to the Board to ensure transparent decision making by the Board.

Number of Board Meetings

During the financial year 2010-2011, the Board of Directors of the Company met four times. The maximum time gap between any two Board Meetings was not more than four months. The details of the Board meetings are as under :

Sl.No.	Date	Board Strength	No. of Directors Present
1	14 th May, 2010	10	8
2	28 th July, 2010	9	8
3	28 th October, 2010	10	6*
4	25 th January, 2011	10	9**

* Excluding the participation of Mr. K. Ichikwa, Director, who attended the meeting through video conferencing from Japan.

** Excluding the participation of Mr. R. Rana, Director, who attended the meeting through video conferencing from Singapore.

Information relating to Directors

The details relating to the composition and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, the number of directorships, committee memberships and chairmanships held by them in other public limited companies as on 31st March, 2011 are given below :

Name of the Directors	Category	Attendance Particulars			Outside Directorships, Committee Memberships and Chairmanships		
		Number of Board Meetings		Last AGM	Director-ships ¹	Committee Member-ships ²	Committee Chairman-ships ²
		Held	Attended				
Mr. B. M. Labroo (Chairman)	Promoter Non - executive	4	3	Yes	4	1	—
Mr. S. Labroo (Managing Director & C.E.O.)	Promoter Executive	4	4	Yes	10	2	-
Mr. H. Nohara (Dy. Managing Director & C.T.O. (Auto))	Promoter Executive	4	4	Yes	1	-	-
Mr. M. Ishiko ³	Promoter Non-executive	4	1	N.A.	-	-	-
Mr. K. Ichikawa ³	Promoter Non-executive	4	1	N.A.	-	-	-
Dr. S. Kapur	Independent	4	3	Yes	9	2	2
Mr. K. Nakagaki	Independent	4	3	Yes	-	-	-
Mr. S. Nakanishi	Promoter Non-executive	4	2	Yes	5	3	-
Mr. R. Rana	Independent	4	3	Yes	-	-	-
Mr. G. Thapar	Independent	4	3	No	10	3	1
Mr. A. Singh (President)	Executive	4	4	Yes	5	-	-

1. The Directorships held by Directors as mentioned above do not include alternate directorships and directorships of foreign companies, Section 25 companies and private limited companies.
2. In accordance with Clause 49 of the Listing Agreement, Memberships / Chairmanships of only the Audit Committees and Shareholders'/Investors' Grievance Committees of all public limited companies have been considered.
3. Mr. M. Ishiko resigned from the Board w.e.f. 27th July, 2010 and Mr. K. Ichikawa has been appointed as a Director of the Company in his place w.e.f. 29th July, 2010.

No Director is a member of more than 10 Board-level Committees of public limited companies, nor is Chairman of more than five such Committees.

The Independence of a Director is determined by the criteria stipulated under the revised Clause 49 of the Listing Agreement as set out below :

An independent Director is a Non-Executive Director who :

- a) apart from receiving Director's Remuneration does not have any material pecuniary relationships or transactions with the Company, its promoters, its Directors, its senior management or its holding company, its subsidiaries and associates which may affect independence of the Director;
- b) is not related to promoters or persons occupying management positions at the Board level or at one level below the Board;
- c) has not been an executive of the company in the immediately preceding three financial years;
- d) is not a partner or an executive or was not a partner or an executive during the preceding three years of the:
 - i) statutory audit firm or the internal audit firm that is associated with the company; and
 - ii) legal firm(s) and consulting firm(s) that have a material association with the company;
- e) is not a material supplier, service provider or customer or lessor or lessee of the company, which may affect independence of the Director;
- f) is not a substantial shareholder of the company i.e. do not own two percent or more of the block of voting shares; and
- g) is not less than 21 years of age.

Information provided to the Board

The information being provided to the Board includes :

- Annual operating plans and budgets and any update thereof;
- Capital budgets and any updates thereof;
- Quarterly results of the Company and its operating divisions and business segments;
- Minutes of meetings of the Audit Committee and other Committees of the Board;
- Appointment of Company Secretary or Chief Financial Officer;
- Materially important show cause, demand, prosecution and penalty notices;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Any issue which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Status of business risk exposures, its management and related action plans;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.;
- Sale of material nature of investments, subsidiaries and assets which is not in the normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material; and
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc.

Shares held by Non-Executive Directors

Mr. B. M. Labroo, Dr. S. Kapur, Mr. R. Rana and Mr. G. Thapar held 1,37,83,920 equity shares, 19,940 equity shares, 10,000 equity shares and 56,000 equity shares, respectively as on 31st March, 2011. No other Non-Executive Director held any equity share as on that date.

Code of Conduct

AIS's Board has adopted a Code of Conduct for members of the Board and Senior Management ("Code"). The Code lays down, in detail, the standards of business conduct, ethics and governance.

A copy of the Code has been posted on the Company's website www.asahiindia.com.

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director & C.E.O. to this effect is given below :

I hereby confirm that :

The Company has obtained from all the members of the Board and Senior Management an affirmation that they have complied with the Code in the financial year 2010-2011.

S. Labroo
Managing Director & C.E.O.

Committees of the Board

AIS has three Board Committees - Audit Committee, Remuneration Committee and Shareholders'/Investors' Grievance Committee.

Details regarding the role and composition of the Board Committees, including the number of meetings held during the financial year 2010-2011 and the attendance of the members are provided below :

Audit Committee

The Audit Committee comprises of three Non-Executive Directors, all of them are Independent Directors and one Executive Director. All the members of the Committee have accounting and financial management expertise.

The Audit Committee met four times during the financial year on 14th May, 2010, 28th July, 2010, 28th October, 2010 and 25th January, 2011. The time gap between any two meetings was less than four months. The composition of the Audit Committee and the attendance of its members are detailed below :

Name of Members	Category	Status	Number of Meetings	
			Held	Attended
Dr. S. Kapur	Independent	Chairman	4	3
Mr. R. Rana	Independent	Member	4	3
Mr. A. Singh ¹	Executive	Member	4	1
Mr. G. Thapar	Independent	Member	4	3

1. Appointed as a member w.e.f. 28th October, 2010.

The Chief Financial Officer, Statutory Auditors and the Internal Auditors are permanent invitees to the Committee Meetings.

Mr. Gopal Ganatra, Head - Legal & Company Secretary acts as the Secretary to the Audit Committee.

The functions of the Audit Committee includes the following :

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of Statutory Auditors and the fixation of audit fees;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the annual financial statements before submission thereof to the Board for approval, with particular reference to :
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, performance of Statutory & Internal Auditors and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with Internal Auditors on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
- Reviewing the Management letters /letters of internal control weakness issued by the Statutory Auditors;
- Reviewing the Management Discussion and Analysis of financial condition and results of operations;
- Reviewing the financial statements, in particular, the investments made by the unlisted subsidiary company; and
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Remuneration Committee

The Remuneration Committee has been constituted to review and recommend to the Board, the remuneration packages of the Managing Director & C.E.O. and other Executive Directors. Such recommendations are made considering the overall performance and annual financial results of the Company.

The composition of Remuneration Committee comprises of four Non-Executive Directors and one Executive Director.

Mr. Gopal Ganatra, Head - Legal & Company Secretary acts as the Secretary to the Remuneration Committee.

The Committee met one time during the financial year on 14th May, 2010. The composition of the Remuneration Committee and the attendance of its members are detailed below :

Name of Members	Category	Status	Number of Meetings	
			Held	Attended
Mr. G. Thapar	Independent	Chairman	1	1
Dr. S. Kapur	Independent	Member	1	NIL
Mr. H. Nohara	Promoter, Executive	Member	1	1
Mr. B. M. Labroo	Promoter, Non- Executive	Member	1	1
Mr. R. Rana	Independent	Member	1	1

During the financial year 2010-2011, the Company did not issue any stock options to its Directors and employees.

Remuneration to Directors

Managing Director & C.E.O. and other Executive Directors are paid remuneration by way of salary, benefits, perquisites & allowances (fixed component) and commission (variable component) on the net profits of the Company. The annual increments are as per the salary scale approved by the Members and are effective from 1st April of each year.

The commission payable to the Managing Director & C.E.O. and other Executive Directors has been brought under the Performance Appraisal System w.e.f. the financial year 2005-06. Accordingly, the actual amount of commission payable for a particular financial year is decided by the Board, on the recommendations of the Remuneration Committee, within the limits sanctioned by the Shareholders, on the basis of performance rating assigned in terms of accomplishment of Key Accountabilities and Objectives.

Non-Executive Directors are paid sitting fees for attending the meetings of the Board and its Audit & Remuneration Committees and commission on the net profits of the Company as approved by the Board and subject to approval of Members of the Company within the overall limits of 1%.

The details of remuneration paid / payable to the Directors for the financial year 2010-2011 are given below :

Name of Directors	Sitting Fees (Rs.)	Salary, Allowances and Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)
Mr. B. M. Labroo	80,000	NIL	1,94,151	2,74,151
Mr. S. Labroo	N.A.	64,71,978	26,22,979	90,94,957
Mr. H. Nohara	N.A.	23,79,189	NIL	23,79,189
Mr. M. Ishiko ¹	20,000	NIL	NIL	20,000
Mr. K. Ichikawa ¹	20,000	NIL	1,94,151	2,14,151
Dr. S. Kapur	1,20,000	NIL	1,94,151	3,14,151
Mr. S. Nakanishi	40,000	NIL	1,94,151	2,34,151
Mr. R. Rana	60,000	NIL	1,94,151	2,54,151
Mr. G. Thapar	1,40,000	NIL	1,94,151	3,34,151
Mr. K. Nakagaki	60,000	NIL	1,94,151	2,54,151
Mr. A. Singh	N.A.	55,41,410	12,23,151	67,64,561

1. Mr. M. Ishiko resigned w.e.f. 27th July, 2010 and Mr. K. Ichikawa has been appointed in his place w.e.f. 29th July, 2010.

None of the Directors are related to each other, except Mr. S. Labroo who is related to Mr. B. M. Labroo.

Shareholders' / Investors' Grievance Committee

The Shareholders' / Investors' Grievance Committee has been constituted to specifically look into the redressal of Shareholder and Investor complaints and other Shareholder related issues. The Committee approves transfer, transmission of shares and issues like split, sub-division, consolidation of securities, issue of duplicate share certificates, dematerialisation/ re-materialisation of shares etc.

The Shareholders' / Investors' Grievance Committee comprises of one Non-Executive Director and two Executive Directors. The Committee met nine times during the financial year 2010-2011. The composition and attendance of the Shareholders' / Investors' Grievance Committee are as under :

Name of Members	Category	Status	Number of Meetings	
			Held	Attended
Mr. B. M. Labroo	Promoter, Non- Executive	Chairman	9	7
Mr. S. Labroo	Promoter, Executive	Member	9	8
Mr. A. Singh	Executive	Member	9	9

Shareholders' Queries / Complaints and redressal status

The details of Shareholders' queries/complaints received and resolved during the year under review are given below :

Particulars	Correspondences				Complaints	Total
	Transfer of shares	Change of address	Non-receipt of dividend/ share certificates	Others		
Received during the year	363	67	637	114	2	1183
Attended during the year	363	67	637	114	2	1183
Pending as on 31 st March, 2011	-	-	-	-	-	-

Compliance Officer

Mr. Gopal Ganatra, Head - Legal & Company Secretary is the Compliance Officer of the Company.

Subsidiary Companies

Clause 49 defines a "material non-listed Indian subsidiary" as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding Company and its subsidiaries in the immediately preceding accounting year.

AIS does not have any material non-listed Indian subsidiary.

Management

Management Discussion and Analysis

A separate chapter on Management Discussion and Analysis is given in this Annual Report.

Disclosures

Disclosures of related party transactions

There have been no significant material related party transactions. The related party transactions are disclosed in the Notes to the Accounts in this Annual Report. All details relating to business transactions where Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussions nor do they vote on such matters.

Details of non-compliance by the Company

During the last three years, there has been no instance of non compliance by the Company on any matter related to capital markets and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

Code for prevention of Insider Trading Practices

In compliance of the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has formulated a "Code of internal procedure & conduct for prevention of insider trading" as amended from time to time. The Code lays down the guidelines and advises the designated employees on procedures to be followed and disclosures to be made, while dealing in the shares of the Company.

CEO/CFO Certification

Managing Director & C.E.O. and Chief Financial Officer have certified to the Board with respect to the financial statements, internal controls and other matters as required under Clause 49 of the Listing Agreement with the Stock Exchanges.

Shareholders

Disclosure regarding appointment / re-appointment of Directors

During the financial year 2010-11, Mr. Arvind Singh has been re- appointed as Director on the Board of Directors of the Company in the capacity of Whole-time Director, w.e.f. 28th June, 2010.

Further, Mr. Marehisa Ishiko has resigned from the Board of Directors of the Company w.e.f. 27th July, 2010 and in his place, Mr. Kimikazu Ichikawa has been appointed as Additional Director in the capacity of Non-executive Director on the Board of Directors w.e.f. 29th July, 2010.

Brief particulars of Mr. Arvind Singh and Mr. Kimikazu Ichikawa are as under :

Mr. Arvind Singh , aged 47 years is an MBA from International Management Institute, New Delhi and has over 25 years of experience in corporate planning and business management. Mr. Singh joined the Company, in 1991 and has held various senior positions. Mr. Singh has been instrumental in growth of the Auto Glass SBU of the Company during his stint as its C.O.O.

Mr. Kimikazu Ichikawa, aged 53 years, is a Graduate from Faculty of Political Sciences and Economics, Waseda University. Mr. Ichikawa joined AGC in April, 1981 and has held various senior positions during his current tenure of 30 years with AGC. Mr. Ichikawa is currently the Regional President of Japan / Asia Pacific, Asahi Glass Company (AGC).

In terms of the provisions of Section 256, read with Section 255 of the Companies Act, 1956 and Article 70 of the Articles of Association of the Company, Mr. B. M. Labroo and Mr. Keiichi Nakagaki, Directors of the Company will retire at the forthcoming Annual General Meeting of the Company, and being eligible, offer themselves for re-appointment.

Brief particulars of Mr. B. M. Labroo and Mr. Keiichi Nakagaki are as under :

Mr. B. M. Labroo, aged 80 years, is the Promoter Member and the Chairman of Asahi India Glass Ltd. (AIS). He is an M.A. (Political Science) from Punjab University and has wide experience in Marketing, Finance and Corporate Governance. Mr. Labroo is on the Board of various Companies, which include United Spirits Limited (a UB Group Company), where he is the senior most Director, Shield Autoglass Limited and Samir Paging Systems Limited.

Mr. Keiichi Nakagaki, aged 59 years, is a Bachelor of Economics from Hitotsubashi University, Japan and has been associated with Mitsubishi Corporation, Japan since April 1975 holding several senior positions. Mr. Nakagaki is currently the Chairman & Managing Director of Mitsubishi Corporation India Private Limited.

Means of Communication with Shareholders

Financial Results

The financial results of AIS are communicated to all the Stock Exchanges where the Company's equity shares are listed. The results are published in 'Business Standard' in English and 'Veer Arjun' in the vernacular.

The details of the publications of the financial results in the year under review are as under :

Description	Date
Unaudited financial results for the first quarter ended 30 th June, 2010	29 th July, 2010
Unaudited financial results for the second quarter and the half year ended 30 th September, 2010	29 th October, 2010
Unaudited financial results for the third quarter and the nine months ended 31 st December, 2010	26 th January, 2011
Audited financial results for the fourth quarter and the year ended 31 st March, 2011	17 th May, 2011

Company's Website

The website of the Company, www.asahiindia.com is regularly updated with the financial results, corporate information, official news releases, presentation to analysts and press releases.

General Body Meetings

The details of the last three Annual General Meetings are as follows :

Financial Year	Day and Date	Time	Location of the meeting	Special Resolution(s) passed
2009-10	Wednesday, 28 th July, 2010	3:00 p.m.	Air Force Auditorium, Subroto Park, New Delhi - 110 010	Yes
2008-09	Tuesday, 28 th July, 2009	3:00 p.m.	Air Force Auditorium, Subroto Park, New Delhi - 110 010	Yes
2007-08	Wednesday, 30 th July, 2008	3:00 p.m.	Air Force Auditorium, Subroto Park, New Delhi - 110 010	Yes

Postal Ballot

During the year under review, no resolution was passed through Postal Ballot.

Compliance

Mandatory Requirements

As on 31st March, 2011 the Company is compliant with the all applicable mandatory requirements of the Clause 49 of the Listing Agreement except sub Clause I of said Clause i. e. Composition of the Board. The Company is in discussions with some eminent business leaders and professionals with proposals to join as Independent Directors on the Board of the Company in order to comply with the statutory requirement.

Non-Mandatory Requirements

Maintenance of the Chairman's office

The Company has a Non-Executive Chairman and is maintaining the Chairman's office.

Remuneration Committee

All the requirements relating to Remuneration Committee have been complied with and the details are provided in this Annual Report.

Shareholders' Rights / Information

Information like financial results, official news releases, press releases, presentation to analysts, etc. are displayed on the Company's website www.asahiindia.com.

Auditors' Certificate on Corporate Governance

The Company has obtained a Certificate from the Statutory Auditors regarding compliance of conditions of corporate governance, as mandated in Clause 49. The certificate is annexed to this Annual Report.

General Shareholder Information

Annual General Meeting

Date	:	27 th July, 2011
Time	:	2:00 p.m.
Venue	:	Air Force Auditorium, Subroto Park, New Delhi - 110 010

Financial Calendar

Financial year : 1st April to 31st March

For the year ended 31st March, 2011, results were announced on :

First quarter : 28th July, 2010

Second quarter : 28th October, 2010

Third quarter : 25th January, 2011

Fourth quarter and annual : 16th May, 2011

For the year ending 31st March, 2012, results will be announced by :

First quarter : End of July, 2011

Second quarter : First week of November, 2011

Third quarter : End of January, 2012

Fourth quarter and annual : End of April, 2012/May, 2012

Book Closure

The dates of book closure : 22nd July, 2011 to 27th July, 2011 (both days inclusive)

Dividend : No dividend has been recommended for the financial year 2010-11

Listing : Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE)

Stock Codes

ISIN No. : INE439A01020

BSE Stock Code : 515030

NSE Stock Code : ASAHIINDIA

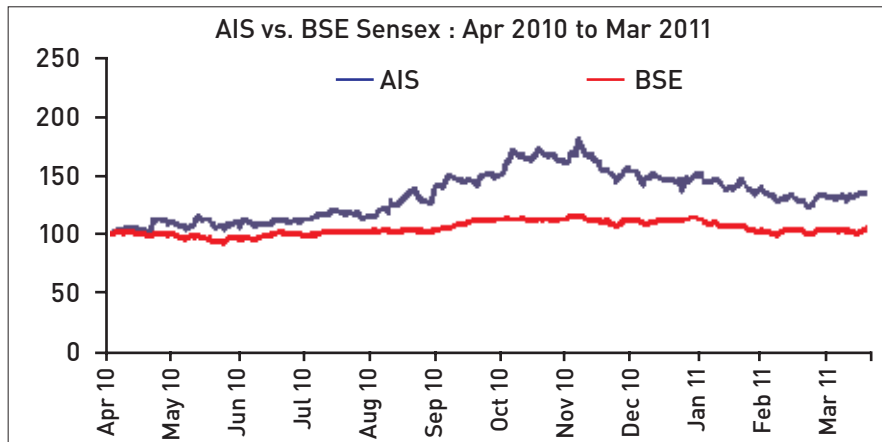
Listing Fees : The listing fee for the financial year 2011-12 has been paid to BSE and NSE.

Shareholders' Issues : The Shareholders may send their queries to the e-mail address - investorrelations@aisglass.com, proactively managed by the Company, under the Investor Relations section of Company's website.

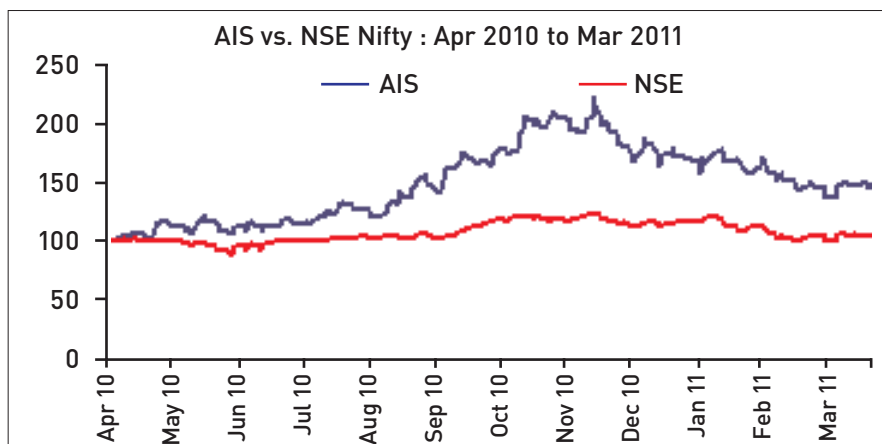
Analysts : Analysts may schedule their conference calls and meetings with -
1) Mr. Shailesh Agarwal, Chief Financial Officer or
2) Mr. Gopal Ganatra, Head - Legal & Investor Relations, Company Secretary, through the e-mail address - analysts@aisglass.com, under the Investor Relations section of the website of the Company.

Stock Market Data

AIS's Share Performance versus BSE Sensex :



AIS's Share Performance versus NSE Nifty :



Note : AIS share price, BSE Sensex and NSE Nifty are indexed to 100 as on 1st April, 2010.

Monthly high and low share price (in Rs. per share) of AIS for 2010-11 at BSE and NSE :

Month	Bombay Stock Exchange		National Stock Exchange	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr - 2010	71.90	59.35	71.90	59.65
May - 2010	73.70	62.30	73.75	62.35
Jun - 2010	72.95	64.60	72.95	64.35
Jul - 2010	77.85	67.30	77.80	61.75
Aug - 2010	91.80	73.00	90.10	70.35
Sep - 2010	102.20	82.00	102.35	81.35
Oct - 2010	118.85	96.55	118.80	96.35
Nov - 2010	123.70	92.75	130.00	93.35
Dec - 2010	108.00	86.50	108.45	85.70
Jan - 2011	104.40	86.00	106.00	86.25
Feb - 2011	90.85	78.00	90.00	78.00
Mar - 2011	90.90	79.30	94.50	79.00

Source : www.bseindia.com, www.nseindia.com

Distribution of Shareholding as on 31st March, 2011

Categories (No. of Shares)	Total No. of Shareholders	Percentage	Total No. of Shares held	Percentage
1 - 5000	55,452	98.15	98,69,353	6.17
5001 - 10,000	570	1.01	44,25,027	2.77
10,001 - 20,000	164	0.29	24,65,741	1.54
20,001 - 30,000	70	0.12	17,65,532	1.10
30,001 - 40,000	44	0.08	15,80,907	0.99
40,001 - 50,000	26	0.04	12,16,595	0.76
50,001 - 100,000	66	0.12	50,94,079	3.19
1,00,001 and above	105	0.19	13,35,10,352	83.48
Total	56,497	100	15,99,27,586	100

Shareholding pattern as on 31st March, 2011

	Category	As on 31 st March, 2011	
		Total No. of Shares	Percentage
A.	Promoters' Holding		
1	Promoters		
	Indian Promoters	4,85,95,508	30.38
	Foreign Promoters	3,96,88,000	24.82
2	Persons Acting in Concert	NIL	NIL
	Total	8,82,83,508	55.20
B.	Non-Promoters' Holding		
3	Institutional Investors		
a.	Mutual Funds and UTI	2,22,849	0.14
b.	Banks, Financial Institutions, Insurance Companies	47,337	0.03
c.	FII's	5,07,015	0.32
	Total	7,77,201	0.49
4	Others		
a.	Private Corporate Bodies	2,65,75,602	16.62
b.	Indian Public	3,98,53,503	24.92
c.	NRI's / OCB's	42,60,918	2.66
d.	Directors & Relatives (not in control of the Company)	1,70,440	0.11
e.	Trusts	6,414	0.004
	Total	7,08,66,877	44.31
	Grand total	15,99,27,586	100

Dematerialisation of Shares

The shares of the Company are in the compulsory demat segment. Secretarial Audit Report for reconciliation of the share capital of the Company obtained from the Practising Company Secretary has been submitted to Stock Exchanges within stipulated time period. The below mentioned table contains detailed break - up of share capital, held in dematerialized or physical mode, of the Company as on 31st March, 2011.

No. of shares held in dematerialized and physical mode :

Sl. No.	Particulars	Number of Shares	% of Total Issued Capital
1.	Shares held in dematerialized form with CDSL	67,22,452	4.20
2.	Shares held in dematerialized form with NSDL	10,67,73,627	66.77
3.	Shares held in physical form	464,31,507	29.03
	Total	15,99,27,586	100

Outstanding GDRs / ADRs / Warrants / Options

The Company has not issued any GDRs or ADRs or Warrants or Convertible instruments.

Registrar and Share Transfer Agent

The Company, in compliance with SEBI guidelines has appointed a common Share Transfer Agent for both the physical and electronic form of shareholding. The Company's Registrar and Share Transfer Agent (RTA) namely, Link Intime India Private Limited can be contacted at the following addresses :

Link Intime India Private Limited (Mumbai)
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078
Tel : 91-22-2594 6970
Fax : 91-22-2594 6969

Link Intime India Private Limited (Delhi)
A-40, 2nd Floor,
Naraina Industrial Area, Phase - II, Banquet Hall,
New Delhi - 110 028
Tel : 91-11-4141 0592-94
Fax : 91-11-4141 0591

Share Transfer System

The Company's shares held in the dematerialised form are electronically traded in the Depository.

In the case of transfers in physical form which are lodged at the above offices of the Registrar and Share Transfer Agent, such transfers are processed with the stipulated time period. All share transfers are approved by the officials authorised by the Board and thereafter ratified by the Shareholders' / Investors' Grievance Committee at its next meeting.

Communication

Communication regarding share transfer, change of address, dividend, etc. can be addressed to the RTA at the addresses given above. Shareholders' correspondence / communication is acknowledged and attended to within the stipulated time, as applicable.

In case of shares held in demat form, the same has to be informed to the concerned DP (Depository Participant).

Plant Locations

The details of the Plant locations are given in a separate section in this Annual Report.

Auditors' Certificate on Corporate Governance

To the Members of
Asahi India Glass Limited,

We have examined the compliance of conditions of Corporate Governance by Asahi India Glass Ltd. for the year ended on 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of 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 conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement except that the number of independent directors in the composition of the Board is less than the stipulated members as per Clause 49(I)(A)(ii) of the Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company, as per the records maintained by the Shareholders'/Investors' Grievance Committee.

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

For JAGDISH SAPRA & CO.
Chartered Accountants
(Firm Registration No.001378N)

Place : New Delhi
Dated : 16th May, 2011

Vipal Kalra
Partner
M. No.084583

Auditors' Report

To the Members,

ASAHI INDIA GLASS LIMITED

1. We have audited the attached Balance Sheet of Asahi India Glass Limited as at 31st March, 2011, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. 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 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 of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, 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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report 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 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) 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, and attached thereto give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - ii. In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Jagdish Sapra & Co.

Chartered Accountants
(Firm Registration No. 001378N)

Vipal Kalra

Partner

M. No. 084583

Place : New Delhi

Dated : 16th May, 2011

Annexure to the Auditors' Report

(Referred to in paragraph 3 of Auditors' Report of even date)

- | | |
|---|---|
| <p>i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.</p> <p>b) Verification of fixed assets is being conducted in a phased programme by the Management designed to cover all assets over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of assets. Pursuant to the programme, fixed assets at certain locations were physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.</p> <p>c) The fixed assets disposed off during the year are not significant and therefore do not affect the going concern status of the Company.</p> | <p>produced before us. Consequently paras 4 (iii) (b), (iii) (c) and (iii) (d) of the Order are not applicable to the Company.</p> |
| <p>ii. a) The inventory except goods in transit has been physically verified during the year by the Management. In our opinion the frequency of verification is reasonable.</p> <p>b) In our opinion and according to the information and explanations 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.</p> <p>c) On the basis of our examination of the records of inventories, we are of the opinion that the Company has maintained proper records of inventory and the discrepancies noticed on such verification between physical stocks and book records were not material.</p> | <p>b) The Company has not taken any loan secured or unsecured from companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956 as per information and explanations given to us and register under Section 301 of the Companies Act, 1956 produced before us. Consequently paras 4(iii) (e), (iii) (f) and (iii) (g) of the Order are not applicable to Company.</p> |
| <p>iii. a) There are no companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 to which the Company has granted any loans, secured or unsecured, as per information and explanations given to us and register under Section 301 of the Companies Act, 1956</p> | <p>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 inventory, fixed assets and for the sale of goods. There is no sale of services during the year. During the course of our audit we have not come across any continuing failure to correct major weaknesses in internal control system.</p> <p>v. a) According to the information and explanations given to us, 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.</p> <p>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 Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.</p> <p>vi. As the Company has not accepted any deposits from the public, paragraph 4 (vi) of the Order is not applicable.</p> |

- vii. In our opinion the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and nature of its business.
- viii. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company for manufacture of Automotive Glass pursuant to the Rules made by the Central Government for maintenance of cost records under clause (d) of sub section (1) of Section 209 of the Companies Act, 1956 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.
- ix. a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, Service Tax and other material statutory dues with the appropriate authorities during the year. We are informed that there are no undisputed statutory dues as at the year end, outstanding for a period of more than six months from the date they become payable.
- b) There are no dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess that have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below :

Name of the statute	Nature of dues	Amount (Rs. Lakhs)	Forum where the dispute is pending
The Central Excise Act	Excise Duty	312	Supreme Court of India /Custom & Central Excise Settlement Commission
The Central Excise Act	Excise Duty	1035	Joint/Assistant/Commissioner Central Excise
Income Tax Act	Income Tax Act	367	Income Tax Appellate Tribunal/Commissioner of Income Tax (Appeals)
Sales Tax Act	Sales Tax/ VAT	987	Sales Tax Authorities

- x. The Company has no accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current and the immediately preceding financial year.
- xi. According to the records of the Company examined by us and on the basis of information and explanations and bank certificates given to us, the Company has not defaulted in term loan repayment of dues to banks and financial institutions. The Company has not obtained any borrowings by way of debentures.
- 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. The Company is not a chit fund or nidhi/mutual benefit fund/society and hence paragraph 4 (xiii) of the Order is not applicable to the Company.
- xiv. As the Company is not dealing in or trading in shares, securities, debentures and other investments hence paragraph 4 (xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others 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, term loans have been applied for the purpose for which they were raised.
- 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 no funds raised on short term basis have been used for long term investments.
- xviii. According to the information and explanations given to us no preferential allotment of shares has been made by the Company to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. The Company has not issued any debentures during the year.
- xx. The Company has not raised any money by way of public issue during the year.

xxi. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of fraud on or by

the Company nor have we been informed by the Management of any such instance being noticed or reported during the year.

For Jagdish Sapra & Co.
Chartered Accountants
(Firm Registration No. 001378N)

Place : New Delhi
Dated : 16th May, 2011

Vipal Kalra
Partner
M. No. 084583

Balance Sheet

Rs. Lakhs

	Schedule	As At 31 st March, 2011	As At 31 st March, 2010
SOURCES OF FUNDS			
1. Shareholders' Funds			
a) Share Capital	1	1599	1599
b) Reserves and Surplus	2	20237	21836
2. Loan Funds			
a) Secured Loans	3	130365	122815
b) Unsecured Loans	4	23123	153488
3. Foreign Currency Monetary Item Translation Difference Account		-	126
Total		175324	167510
APPLICATION OF FUNDS			
1. Fixed Assets	5		
a) Gross Block		206809	200500
b) Less : Accumulated Depreciation and Amortisation		94812	83189
c) Net Block		111997	117311
d) Capital Work-in-progress (Schedule 15, Note 16)		10242	5274
e) Impaired Assets held for disposal		127	122366
2. Investments	6	839	699
3. Current Assets, Loans and Advances			
Current Assets	7		
a) Inventories		38000	31920
b) Sundry Debtors		23887	18070
c) Cash and Bank Balances etc.		2168	1218
d) Other Current Assets		1555	1362
Loans and Advances	8	13698	10826
		79308	63396
Less : Current Liabilities and Provisions	9		
a) Current Liabilities		28169	21507
b) Provisions		635	485
		28804	21992
Net Current Assets		50504	41404
4. Deferred Tax Assets (Net) (Schedule 15, Note 13)		1615	2697
Total		175324	167510
Notes to the Accounts	15		

The Schedules referred to above form an integral part of the Balance Sheet

For & on behalf of the Board

In terms of our report attached
For Jagdish Sapra & Co.
Chartered Accountants
(Firm Registration No. 001378N)

B. M. Labroo
Chairman

Sanjay Labroo
Managing Director
& Chief Executive Officer

Vipal Kalra
Partner
M. No. 084583
Place : New Delhi
Dated : 16th May, 2011

Place : Gurgaon
Dated : 16th May, 2011

Shailesh Agarwal
Chief Financial Officer

Gopal Ganatra
Head-Legal
& Company Secretary

Profit and Loss Account

		Rs. Lakhs	
	Schedule	Year Ended 31 st March, 2011	Year Ended 31 st March, 2010
INCOME			
Turnover and Inter Division Transfers		170907	142971
Less : Inter Division Transfers		8037	10003
Turnover		162870	132968
Less : Excise Duty		11049	6695
Net Turnover		151821	126273
Other Income	10	1667	3385
		153488	129658
EXPENDITURE			
Materials and Manufacturing	11	92531	78068
Personnel	12	11412	8956
Selling, Administration and Others	13	22292	17497
Interest	14	12780	12783
		139015	117304
Profit Before Depreciation and Tax		14473	12354
Depreciation and Amortisation		(11837)	(12448)
Reversal of Impairment Loss		2	10
Prior Period Adjustments (Net)		(7)	(95)
Profit/(Loss) Before Tax		2631	(179)
Provision for Taxation			
Current Tax		(533)	(7)
Deferred Tax		(1082)	289
MAT Credit Entitlement		530	-
Profit After Tax		1546	103
Taxation Adjustment of earlier years		(31)	20
Balance Brought Forward		6333	6210
Balance Carried to Balance Sheet		7848	6333
Earnings Per Share - Basic and Diluted (Rs.)		0.95	0.08
(Schedule 15, Note 19)			
Notes to the Accounts	15		
The Schedules referred to above form an integral part of the Profit and Loss Account			

In terms of our report attached
For Jagdish Sapra & Co.
Chartered Accountants
(Firm Registration No. 001378N)

B. M. Labroo
Chairman

For & on behalf of the Board

Sanjay Labroo
Managing Director
& Chief Executive Officer

Vipal Kalra
Partner
M. No. 084583
Place : New Delhi
Dated : 16th May, 2011

Place : Gurgaon
Dated : 16th May, 2011

Shailesh Agarwal
Chief Financial Officer

Gopal Ganatra
Head-Legal
& Company Secretary

Schedules to the Accounts

Rs. Lakhs

	As At 31 st March, 2011	As At 31 st March, 2010
SCHEDULE 1 : SHARE CAPITAL		
Authorised		
500000000 Equity Shares of Re. 1 each	5000	5000
600000 Preference Shares of Rs. 100 each	600	600
9000000 Preference Shares of Rs. 10 each	900	900
	6500	6500
Issued, Subscribed and Paid Up		
159927586 Equity Shares of Re. 1 each fully paid *	1599	1599
	1599	1599

* Of the above, 135463793 (Previous year 135463793) Shares of Re. 1/- each were allotted as fully paid bonus shares by capitalisation of General Reserve.

SCHEDULE 2 : RESERVES AND SURPLUS

Amalgamation Reserve		
As per last Balance Sheet	637	637
Capital Reserve		
As per last Balance Sheet		
Central Investment Subsidy	15	15
D. G. Set Subsidy	7	7
Capital profit on reissue of forfeited shares	1 23	1 23
Capital Redemption Reserve		
As per last Balance Sheet	1395	1395
General Reserve		
As per last Balance Sheet	10334	10334
Surplus in Profit and Loss Account	7848	6333
	20237	18722

SCHEDULE 3 : SECURED LOANS

Banks		
Working Capital	41115	33461
Foreign Currency Term Loans	38994	51394
Rupee Term Loans	35212 115321	37410 122265
Others		
Working Capital	2230	-
Foreign Currency Term Loan	1004	-
Rupee Term Loans	11700	-
Loan from Distt. Industries Centre, Government of Haryana (Interest Free)	110 15044	550 550
	130365	122815

Notes :

- 1] Working Capital Loans are secured by way of first charge on the current assets and second charge on fixed assets of the Company, both present and future.
- 2] Foreign Currency Term Loans from banks are secured by way of first pari-passu charge on specified movable and immovable assets of the Company.
- 3] Rupee Term Loans from banks of Rs. 31387 Lakhs are secured by first pari-passu charge on fixed assets at all plants except at Roorkee. The balance being Short Term Loan of Rs. 3825 Lakhs are secured by way of subservient charges on fixed assets of plant at Roorkee, Chennai and/or first charge on Bangalore Sub Assembly Unit.
- 4] Foreign Currency/Rupee Term Loan from others are secured by subservient charge on Rewari and Chennai plant and first pari-passu charge on T-7 plant Taloja, both present and future.
- 5] Loan from Distt. Industries Centre is secured by way of first pari-passu charge on fixed assets of plant at Rewari.

	As At 31 st March, 2011	As At 31 st March, 2010
SCHEDULE 4 : UNSECURED LOANS		
Short Term Loans From Banks	1833	2813
Foreign Currency Loan	21290	21435
	23123	24248

SCHEDULE 5 : FIXED ASSETS

	Gross Block				Depreciation/Amortisation				Net Block		
Description	As At 1 st April, 2010	Additions	Deductions	As At 31 st March, 2011	As At 1 st April, 2010	For the Year	Deductions	As At 31 st March, 2011	As At 31 st March, 2011	As At 31 st March, 2010	
Tangible Assets											
Freehold Land	1814	258	-	2072	-	-	-	-	2072	1814	
Leasehold Land	1448	-	-	1448	219	15	-	234	1214	1229	
Buildings	34568	804	-	35372	5598	964	-	6562	28810	28970	
Plant and Machinery	139738	5160	345	144553	65633	9515	154	74994	69559	74105	
Electrical Installations and Fittings	14909	68	1	14976	6483	778	-	7261	7715	8426	
Furniture and Fixtures	1068	30	7	1091	519	58	5	572	519	549	
Miscellaneous Assets	3166	148	13	3301	1860	219	6	2073	1228	1306	
Vehicles	823	271	113	981	359	78	49	388	593	464	
	197534	6739	479	203794	80671	11627	214	92084	111710	116863	
Intangible Assets											
Computer Software	1767	46	-	1813	1358	200	-	1558	255	409	
Licence Fee	1115	-	-	1115	1115	-	-	1115	-	-	
E-Mark Charges	84	3	-	87	45	10	-	55	32	39	
	2966	49	-	3015	2518	210	-	2728	287	448	
Total	200500	6788	479	206809	83189	11837	214	94812	111997	117311	
Previous Year	205864	[4708]	656	200500	70896	12448	155	83189	117311		
Capital Work-in-progress (Including Capital Advances)									10242	5274	
Impaired Assets Held For Disposal									127	125	

Notes :

- a) Electrical Installations and fitting include Rs. 334 Lakhs (Previous year Rs. 334 Lakhs) paid to State Electricity Board not represented by physical assets owned by the Company.
- b) Buildings, Plant and Machinery and Electrical Installations exclude Rs. 129 Lakhs (Previous year Rs. 8591 Lakhs) being decrease in rupee liability in respect of differences in Foreign Exchange Rates as per Companies (Accounting Standards) Amendment Rules 2009.

Rs. Lakhs

	As At 31 st March, 2011		As At 31 st March, 2010	
SCHEDULE 6 : INVESTMENTS	QUOTED	UNQUOTED	QUOTED	UNQUOTED
Long Term - Non Trade				
In Government Securities				
National Saving Certificates * **	-	-	-	-
In 5 (5) Shares of Taloja CETP Co-operative Society Ltd. **	-	-	-	-
In Equity Shares - Fully Paid Up				
Jamna Auto Industries Ltd.				
82500 (82500) equity shares of Rs. 10 each	36	-	36	-
Trade				
AIS Adhesives Ltd.				
1049895 (1049895) equity shares of Rs. 10 each	-	105	-	105
Asahi India Map Auto Glass Ltd.				
100000 (100000) equity shares of Rs. 10 each	-	192	-	192
Vincotte International India Assessment Services Pvt. Ltd.				
33000 (33000) equity shares of Rs. 100 each	-	33	-	33
Subsidiary Companies				
AIS Glass Solutions Ltd.				
3281999 (3281999) equity shares of Rs. 10 each	-	328	-	328
GX Glass Sales & Services Ltd.				
50000 (0) equity shares of Rs.10 each (Purchased during the year)	-	5	-	-
Integrated Glass Materials Ltd.				
1400000 (50000) equity shares of Rs.10 each (1350000 equity shares purchased during the year)	-	140	-	5
	36	803	36	663
Total		839		699

Aggregate value of quoted investments - market value Rs. 111 Lakhs (Previous year Rs. 68 Lakhs).

* Pledged with Sales Tax Authorities.

** Rounded off to Nil.

	Rs. Lakhs	
	As At 31 st March, 2011	As At 31 st March, 2010
SCHEDULE 7 : CURRENT ASSETS		
Inventories * (As taken, valued and certified by Management)		
i) Stores and Spare parts	7452	6462
ii) Raw Materials	9928	7165
iii) Finished and Traded Goods	18278	16266
iv) Waste	28	55
v) Work in Process	2314	1972
	38000	31920
* Include in Transit Rs. 2488 Lakhs (Previous year Rs. 1845 Lakhs).		
Sundry Debtors (Considered good except where provided for)		
Secured		
Over Six Months	26	30
Others	549	348
Unsecured		
Over Six Months	2593	2702
Others	20826	15092
	23419	17794
	23994	18172
Considered Good	23887	18070
Considered Doubtful	107	102
Less : Provision for Doubtful Debts	107	102
	23887	18070
Cash and Bank Balances etc.		
Cash in Hand (As certified)	55	47
Cheques in Hand/Remittances in Transit	9	4
Balance with Post Office in Saving Account **	-	-
Balances with Scheduled Banks		
Current/Cash Credit Accounts	1947	1006
Deposit Account	21	3
Dividend Warrant Accounts	136	158
	2168	1218
Other Current Assets (Unsecured and considered good)		
Interest Accrued on Investments **	-	-
Deposits with Government and others	1555	1362
	1555	1362
** Rounded off to Nil.		

Rs. Lakhs

	As At 31 st March, 2011	As At 31 st March, 2010
SCHEDULE 8 : LOANS AND ADVANCES		
(Unsecured and considered good)		
Advances		
Advances recoverable in cash or in kind		
or for value to be received and/or adjusted *	10317	8333
MAT Credit Recoverable	1937	1407
Advance Income Tax (Net of provision)	28	112
Balance with Excise Authorities	1416	974
	13698	10826

* Including due from Subsidiary Companies Rs. 4129 Lakhs (Previous year Rs. 3555 Lakhs).

SCHEDULE 9 : CURRENT LIABILITIES AND PROVISIONS

Current Liabilities		
Sundry Creditors		
Micro, Small and Medium Enterprises	131	83
Others *	23361	16462
Advances from Customers	604	1227
Unclaimed Dividend **	140	158
Other Liabilities	3035	2422
Interest accrued but not due on loans	898	1155
	28169	21507
Provisions		
Fringe Benefit Tax (Net of taxes paid)	-	25
Employee Benefits	635	460
	635	485

* Include due to Directors Rs. 51 Lakhs (Previous year Rs. 3 Lakhs).

** There is no amount due and outstanding to be credited to Investor Education and Protection Fund (Schedule 15, Note 12).

	Year Ended 31 st March, 2011	Year Ended 31 st March, 2010
SCHEDULE 10 : OTHER INCOME		
Interest [Tax deducted at source Rs. 13 Lakhs (Previous year Rs. 11 Lakhs)]	162	150
Rent Received	4	2
Diminution in Value of Investments reversed	-	28
Profit on Sale of Fixed Assets (Net)	-	259
Exchange Rate Fluctuations (Net)	554	1529
Liabilities and Provisions Written Back	116	450
Dividend on Long Term Investments - Non Trade (Gross)	1	-
Commission Received	107	99
Foreign Currency Monetary Item Translation Difference Account	204	126
Miscellaneous	519	742
	1667	3385

	Rs. Lakhs	
	Year Ended 31 st March, 2011	Year Ended 31 st March, 2010
SCHEDULE 11 : MATERIALS AND MANUFACTURING		
Raw Material Consumed		
Opening Stock	7165	6682
Add : Purchases	49408	33977
	56573	40659
Less : Sales/Trial Run	437	-
Less : Closing Stock	9928	7165
Excise Duty	7	(65)
Purchases of Finished Goods	1947	842
Manufacturing Expenses		
Power, Fuel, Water and Utilities	30399	25933
Stores and Spares etc. Consumed	11389	9375
Miscellaneous Expenses	1402	1191
Repairs and Maintenance		
Plant and Machinery	3284	3094
Building	222	172
Add : (Increase)/Decrease in Stocks		
Opening Stock		
Finished and Traded Goods	16266	20823
Work in Process	1972	1440
Waste	55	62
	18293	22325
Closing Stock		
Finished and Traded Goods	18278	16266
Work in Process	2314	1972
Waste	28	55
	20620	18293
	92531	4032
		78068

SCHEDULE 12 : PERSONNEL

Salaries, Wages, Allowances and Bonus	8878	7255
Recruitment and Training Expenses	86	51
Welfare Expenses	1674	1229
Contribution to Provident and Other Funds	774	421
	11412	8956

Rs. Lakhs

	Year Ended 31 st March, 2011	Year Ended 31 st March, 2010
SCHEDULE 13 : SELLING, ADMINISTRATION AND OTHERS		
Advertisement	251	208
Packing and Forwarding	12661	9280
Commission Paid	334	630
Royalty	2437	2090
Cash Discount	1009	598
Bank Charges	419	499
Travelling and Conveyance	740	515
Rent	379	311
Rates and Taxes	441	424
Insurance	426	403
Auditors Remuneration	31	27
Repairs and Maintenance-Others	202	152
Miscellaneous Expenses	2787	2212
Provision for Doubtful Debts	5	32
Loss on Sale of Fixed Assets (Net)	41	-
Director's Sitting Fee	5	6
Bad and Doubtful Debts	110	110
Commission to Non Executive Directors	14	-
	22292	17497

SCHEDULE 14 : INTEREST

Interest				
On Fixed Loans	9850		8864	
Others	2930	12780	3919	12783
		12780		12783

SCHEDULE 15 : NOTES TO THE ACCOUNTS

1. Statement of Significant Accounting Policies :

a) Basis of Accounting

The financial statements are prepared under the historical cost convention, in accordance with applicable mandatory accounting standards prescribed under the Companies (Accounting Standards), Rules, 2006 and the relevant provisions of the Companies Act, 1956.

b) Fixed Assets

- i) Fixed assets are carried at the cost of acquisition less accumulated depreciation. The cost of fixed assets include taxes (net of tax credits as applicable), duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Interest on borrowed funds attributable to the qualifying assets up to the period such assets are put to use, is included in the cost of fixed assets.
- ii) Capital Work-in-progress includes expenditure during construction period incurred on projects under implementation treated as Pre-operative expenses pending allocation to the assets. These expenses are apportioned to fixed assets on commencement of commercial production.
- iii) Assets identified and evaluated technically as obsolete and held for disposal are stated at lower of book value or estimated net realisable value/salvage value.

c) Depreciation/Amortisation

Tangible Assets

- i) Depreciation on fixed assets is provided on Straight Line Method (SLM) at the rates and in the manner provided in Schedule XIV of the Companies Act, 1956.
- ii) Leasehold land is depreciated over the period of lease.
- iii) Assets costing upto Rs. 5000/- each are depreciated fully in the year of purchase.
- iv) Fixed assets not represented by physical assets owned by the Company are amortised over a period of five years.

Intangible Assets

Computer Software and E-mark charges are amortised over a period of five years proportionately when such assets are available for use.

d) Inventories

Inventories are valued at lower of cost or net realisable value except waste which is valued at estimated realisable value as certified by the Management. The basis of determining cost for various categories of inventories are as follows :

Stores, spare parts and raw material	Weighted average cost (except stores segregated for specific purposes and materials in transit valued at their specific costs).
Work in process and finished goods	Material cost plus appropriate share of production overheads and excise duty wherever applicable.
Traded Goods	First in First Out Method based on actual cost.

e) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current investments are carried at the lower of cost or fair value. Long term investments are carried at cost less permanent diminution in value, if any.

f) Revenue Recognition

Sale of goods is recognised at the point of dispatch to the customer. Sales are stated gross of excise duty as well as net of excise duty; excise duty being the amount included in the amount of gross turnover. Sales exclude VAT/Sales tax and are net of returns and transit insurance claims short received.

Dividend income on investments is recognised when the right to receive payment is established.

Interest and other income is accounted for on accrual basis.

Profit/loss on sale of raw materials and stores stand adjusted in their consumption account.

g) Government Grants

Central Investment Subsidy and DG set subsidy is treated as Capital Reserve. Export incentives are credited to the Profit and Loss Account.

h) Leases

Lease arrangements, where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as an operating lease and lease rentals thereon are charged to the Profit and Loss Account.

i) Employee Benefits

Contribution to Defined Contribution Schemes such as Provident Fund etc. are charged to the Profit and Loss Account as incurred. The Company has a scheme of Superannuation Fund in Float SBU towards retirement benefits where the Company has no liability other than its annual contribution.

The Gratuity Fund benefits are administered by a Trust recognised by Income Tax Authorities through the Group Schemes. The liability for gratuity at the end of each financial year is determined on the basis of actuarial valuation carried out by the Insurer's actuary on the basis of projected unit credit method as confirmed to the Company. Company's contributions are charged to the Profit and Loss Account. Profits and losses arising out of actuarial valuations are recognised in the Profit and Loss Account as income or expense.

The Company provides for the encashment of leave as per certain rules. The employees are entitled to accumulated leave subject to certain limits, for future encashment/availment. In Float SBU the liability is provided based on the number of days of unutilised leave at each balance sheet date on the basis of actuarial valuation using projected unit credit method.

Liability on account of short term employee benefits comprising largely of compensated absences, bonus and other incentives is recognised on an undiscounted accrual basis.

Termination benefits are recognised as an expense in the Profit and Loss Account.

j) Foreign Exchange Transactions

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing

at the time of the transaction. Transactions outstanding at the year end are translated at exchange rates prevailing at the year end and the profit/loss so determined is recognised in the Profit and Loss Account.

The Company has opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009.

In respect of transactions covered by forward exchange contracts, the difference between exchange rate on the date of the contract and the year end rate/settlement date is recognised in the Profit and Loss Account. Any premium/discount on forward contract is amortised over the life of the contract. Any profit or loss arising on cancellation or renewal of such a contract is recognised as income or expense for the period.

k) Taxation

Current tax is determined as the amount of tax payable in respect of taxable income in accordance with relevant tax rates and tax laws.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent there is virtual certainty and convincing evidence that there will be sufficient future taxable income available to realise such assets.

l) Impairment of Assets

Regular review is done to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any such indication exists, impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of accounts. In case there is any indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, the recoverable value is reassessed and the reversal of impairment loss is recognised as income in the Profit and Loss Account.

m) Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 3072 Lakhs (Rs. 1026 Lakhs) (net of advances).

3. Contingent Liabilities for :

Particulars	Rs. Lakhs	
	As At 31 st March, 2011	As At 31 st March, 2010
a) Bank guarantees and letters of credit outstanding	3028	2646
b) Claims against the Company not acknowledged as debts (excluding interest and penalty which may be payable on such claims)		
i) Excise and custom duty (including referred in Note No. 10)	1347	2784
ii) Disputed Income Tax and Wealth Tax Demands	367	10
iii) Corporate Guarantees (including Rs. 4652 Lakhs (Rs. 3952 Lakhs) for subsidiaries)	7106	5168
iv) Channel Financing from Bank	933	1154
v) Disputed Sales Tax Demands	987	968

4. a) As per Accounting Standard (AS)-15 (revised 2005) on Employee Benefits details of expenses under Defined Contribution Plan are given as under :

Rs. Lakhs

Particulars	2010-11	2009-10
Provident Fund	387	329
Superannuation Fund	43	39
Employee State Insurance	11	8

(disclosed in the Profit and Loss Account as contribution to Provident and other Funds)

- b) The Company operates post retirement defined benefit plan for retirement gratuity which is funded.
- c) Details of the post retirement gratuity plans and leave obligations are as follows :

Rs. Lakhs

Particulars	Gratuity Scheme		Leave Liability	
	Funded	Plan	Non Funded Plan	
	2010-11	2009-10	2010-11	2009-10
i) Reconciliation of opening and closing balances of obligation				
a) Present value of obligation at the beginning of the year	483	461	76	70
b) Interest cost	41	46	6	7
c) Current service cost	46	46	5	5
d) Past service cost	45	-	-	-
e) Benefit paid	(41)	(45)	(70)	(31)
f) Actuarial (Gain)/Loss	209	(25)	53	25
g) Present value of obligation at the end of the year	783	483	70	76
ii) Reconciliation of opening and closing defined benefit assets				
a) Present value of plan assets at the beginning of the year	339	324		
b) Expected return on plan assets	32	29		
c) Contribution paid	85	39		
d) Benefit paid	(41)	(45)		
e) Actuarial (Gain)/Loss	(24)	(8)		
f) Present value of assets at the end of the year	391	339		
Total actuarial (Gain)/Loss	233	(17)		
iii) Reconciliation of fair value of assets and obligation				
a) Present value of obligation at the end of the year	783	483	70	76
b) Present value of plan asset at the end of the year	391	339	-	-
c) Liability recognised in balance sheet	392	144	70	76
iv) Expense recognised during the year				
a) Current service cost	46	46	5	5
b) Past service cost	45	-	-	-
c) Interest cost	41	46	6	7
d) Expected return on plan assets	(32)	(29)	-	-
e) Total actuarial (Gain)/Loss	233	(17)	53	25
f) Expenses recognised during the year	333	46	-	-
v) Disclosure of investment detail			%	%
a) The Bank of Tokyo Mitsubishi UFJ Ltd.	-	9	-	3
b) Life Insurance Corporation of India	133	140	34	41
c) HDFC Standard Life Insurance Co. Ltd.	223	189	57	56
d) Birla Sunlife Insurance Ltd.	25	-	6	-
e) Kotak Mahindra Life Insurance Ltd.	10	-	3	-
	391	339	100	100
vi) Actuarial Assumptions	%	%		
a) Discount rate (per annum)	8.25	8		
b) Estimated rate of return on plan assets (per annum)	8	9		
c) Rate of escalation in salary (per annum)	3	2		

5. The Company has taken offices, warehouses and residential facilities under cancellable operating lease agreements. The lease agreements are usually renewed by mutual consent on mutually agreeable terms. Total rental expenses under such lease amount to Rs. 379 Lakhs (Rs. 311 Lakhs).

6. The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act) based on confirmations obtained from suppliers and information available with the Company relied upon by the Auditors are as under :

Particulars	Rs. Lakhs	
	As At 31 st March, 2011	As At 31 st March, 2010
a) The principal amount remaining unpaid to suppliers as at the end of accounting year	131	83
b) The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-
c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the suppliers beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years	-	-

7. Payment to Auditors :

Particulars	Rs. Lakhs	
	2010-11	2009-10
a) Statutory Audit	27	23
b) Certification Fees	3	3
c) Out of pocket expenses	1	1

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

9. Prior period adjustments consist of :

Particulars	Rs. Lakhs	
	2010-11	2009-10
i) Excise duty and service tax	-	80
ii) Depreciation short provided *	-	1
iii) Income of earlier years	-	(18)
iv) Other Expenses	7	32
	7	95

* Rounded off to Nil .

10. In a previous year, in Auto SBU of the Company, Custom and Central Excise Settlement Commission settled Excise Duty Liability at Rs. 368 Lakhs (excluding interest) out of which the Company had accepted liability of Rs. 56 Lakhs and paid the same along with interest of Rs. 20 Lakhs. The matter was decided in favour of the Company by the High Court of Delhi against which SLP of the Excise Department has been accepted by the Supreme Court of India.
11. The Company has not considered necessary to provide for diminution in value of equity shares of subsidiary companies AIS Glass Solutions Ltd., GX Glass Sales & Services Ltd. and Integrated Glass Material Ltd. as investment is long term and diminution in value is temporary.
12. During the year the amount outstanding as per books to be credited to Investor Education and Protection Fund was Rs. 19.93 Lakhs, out of which amount of Rs. 3.90 Lakhs was refunded by the Company's bank as "excess funding" and the remaining amount of Rs. 16.03 Lakhs was paid to the fund in time. The Company was advised to pay the above amount of Rs. 3.90 Lakhs also to the fund which has since been paid.

13. Details of Deferred Tax Assets/(Liability) arising on account of timing differences are as follows :

Particulars	Rs. Lakhs	
	As At 31 st March, 2011	As At 31 st March, 2010
Unabsorbed depreciation/carried forward losses under Tax Laws	11796	14120
Difference between book depreciation and depreciation under the Income Tax Rules	(10827)	(11499)
Expenses allowed for tax purpose on payment basis	610	41
Provision for doubtful debts and advances	36	35
	1615	2697

14. Interest of Rs. 441 Lakhs (Rs. 57 Lakhs) on borrowings for fixed assets for expansion/new projects is capitalised till the date such assets are put to use for commercial production.

15. The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments. The Company does not use forward contracts for trading and speculative purposes. The forward contracts outstanding at the end of this year are as under :

Currency Exchange	Nos.	USD Lakhs		EURO Lakhs	
		As At 31 st March, 2011	As At 31 st March, 2010	As At 31 st March, 2011	As At 31 st March, 2010
a) Number of sell contracts	18	7	-	-	-
Aggregate amount	-	-	-	45	18
b) Number of buy contracts	2	7	-	-	-
Aggregate amount	-	-	10	75	-

16. Capital Work-in-progress comprises of the following :

Particulars	Rs. Lakhs	
	As At 31 st March, 2011	As At 31 st March, 2010
Building under construction	242	146
Plant and Machinery under erection	7467	2830
Electrical installations under erection	167	10
Capital advances	2163	1638
Expenditure incurred in the course of construction or acquisition	175	628
Others	28	22
	10242	5274

17. a) Computation of net profit for the year ended 31st March, 2011 under section 349 of Companies Act 1956 :

	Rs. Lakhs	
	2010-11	
Net Profit as per the Profit and Loss Account	2631	
Add :		
Depreciation	11837	
Director's Remuneration including Commission	219	
Director's sitting fee	5	
Provision for doubtful debt	5	
Prior period items	7	
Loss on sale of fixed assets (Net)	41	
	14745	
Less :		
Depreciation chargeable under section 350	11837	
Reversal of Impairment loss	2	
Profit under Section 198 of the Companies Act, 1956	2906	
Commission to Managing Director, Whole Time Director and Managers	61	
Commission to Non Executive Directors	14	

Computation of Net Profit and relevant figures for the year 2009-10 have not been given since no commission was paid to the Managing Director and Other Directors in that year.

b) Managerial remuneration under Section 198 of the Companies Act, 1956 :

Rs. Lakhs		
Particulars	2010-11	2009-10
Salaries and Allowances	106	32
Perquisites (Actual and/or valued as per Income Tax Rules)	31	31
Commission on Profit (Including Non Executive Directors and Managers)	75	-
Contribution to Provident Fund	7	1
	219	64

The above remuneration does not include contribution to gratuity fund as this contribution is a lump sum amount based on actuarial valuation.

18. Current Assets, Loans and Advances (Schedule 7 and 8) include amounts due from :

Rs. Lakhs		
Particulars	Maximum Balance	As At 31 st March, 2011
a) Managing Director	19 (52)	- (3)
b) Private Limited Company in which the Managing Director of the Company is interested as Director	18 (18)	18 (18)

19. Earnings Per Share (EPS) :

Rs. Lakhs		
Particulars	2010-11	2009-10
Profit After Tax as per the Profit and Loss Account	1546	103
Tax adjustments of earlier years	(31)	20
Profit Attributable to equity shareholders - (A)	1515	123
Basic/Weighted average number of Equity Shares outstanding - (B)	159927586	159927586
Nominal Value of Equity Shares (Re.)	1/- each	1/- each
Earnings Per Share (Basic and Diluted) (Rs.) - (A)/(B)	0.95	0.08

20. Related Party Disclosures under Accounting Standard (AS)-18 :

a) List of Related Parties :

- i) Subsidiaries: AIS Glass Solutions Ltd., Integrated Glass Materials Ltd., GX Glass Sales & Services Ltd.
- ii) Associates : AIS Adhesives Ltd., Asahi India Map Auto Glass Ltd., Vincotte International India Assessment Services (P) Ltd.
- iii) Enterprises owned or significantly influenced by key management personnel or their relatives : Shield Autoglass Ltd., Samir Paging Systems Ltd., R. S. Estates (P) Ltd., Nishi Electronics (P) Ltd., Maltex Malsters Ltd., Essel Marketing (P) Ltd., Allied Fincap Services Ltd., Usha Memorial Trust, Krishna Maruti Ltd.
- iv) Key Management Personnel and their relatives :
Directors : Mr. B. M. Labroo, Mr. Sanjay Labroo, Mr. Arvind Singh, Mr. K. Nakagaki , Mr. H. Nohara
Relatives : Mrs. Kanta Labroo, Mrs. Vimi Singh
- v) Other related parties where control exists : Asahi Glass Co. Ltd., Japan and its subsidiaries - AGC Flat Glass Asia Pacific Pte. Ltd., Asahi Glass Machinery Co. Ltd., Asahi Glass Phillipines, Inc., Glavermas Pte. Ltd., Asahi Glass Ceramics Co. Ltd., P. T. Asahimas Flat Glass TBK Indonesia, AGC Automotive Thailand Co. Ltd., AGC Flat Glass - Hellas, AGC Flat Glass - Russia, AGC Flat Glass Coating S. A., AGC Technology Systems Solution Company, AGC Flat Glass North America Inc., Asahi Flat Glass Asia Europe S. A., AGC Flat Glass Europe S. A., AGC Flat Glass Nederland BV

b) Transactions with Related Parties :

Rs. Lakhs

Nature of Transaction	Subsidiaries		Associates		Enterprises owned or significantly influenced by Key Management Personnel		Key Management Personnel and their relatives		Others	
	Volume of transactions for the year ended		Volume of transactions for the year ended		Volume of transactions for the year ended		Volume of transactions for the year ended		Volume of transactions for the year ended	
	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010
1. Expenses										
- Purchase of materials and Power and Fuel	472	291	-	-	-	-	-	-	4119	4061
- Stores and Spares	5	-	-	-	-	-	-	-	1383	1209
- Purchase of traded goods	10	-	-	-	-	-	-	-	249	239
- Purchase of finished goods	-	-	-	-	-	-	-	-	1568	-
- Business promotion expenses	-	-	-	-	-*	-	-	-	-	3
- Remuneration to directors	-	-	-	-	-	-	As per Note No.17 above		-	-
- Directors sitting fee	-	-	-	-	-	-	1	1	-	-
- Rent paid	7	6	-	-	18	18	9	9	-	-
- Fee for technical and Consultancy services	-	-	-	-	-	3	-	-	191	164
- Donation	-	-	-	-	1	-	-	-	-	-
- Training Expenses	-	-	-	-	-	-*	-	-	-	-
- Repairs and Maintenance	7	-	-	-	-	-*	-	-	113	33
- Miscellaneous Expenses	-	-	-	-	-	-	-	-	-	11
- Royalty	-	-	-	-	-	-	-	-	2437	2090
- Commission	42	-	-	-	-	-	-	-	-	3
- Interest Others	-	-	-	-	-	-	-	-	443	37
2. Income										
- Sale of goods etc.	2771	849	4201	3408	1	-	-	-	3106	3503
- Sale of fixed assets	136	46	-	-	-	-	-	-	-	-
- Interest/Commission received/others	108	100	-	-	-	-	-	-	243	102
- Rent received	3	-	-	-	-	-	-	-	-	13
- Liability Written Back	-	-	-	-	-	-	-	-	22	-
3. Purchases of Capital Goods	1	-	-	-	-	-	-	-	2304	925
4. Investment in Equity Shares including share application money	379	32	-	-	-	-	-	-	-	-
5. Loans/Advances Given	-	355	-	-	-	-	-	-	-	898
6. Balance as on	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010
- Loans and advances	4129	3555	-	-	19	18	-	-	-	2
- Creditors	-	-	-	-	-	-	-	-	3188	3374
- Debtors	2972	1421	760	665	1	-	-	-	527	427
- Foreign Currency Loan	-	-	-	-	-	-	-	-	21394	21435

Note : Related party relationship is as identified by the Company on the basis of available information and accepted by the Auditors as correct.

* Rounded off to Nil.

21. Segment Information :

a) Information about Primary Business Segments

Rs. Lakhs

Particulars	Automotive Glass	Float Glass	Unallocable	Eliminations	Total
Segment revenue					
External	84011	65078	4236		153325
	(71330)	(53880)	(4011)		(129221)
Inter segment sales (Net of excise duty)	260	7632	-	(7892)	-
	(248)	(9732)	(-)	(-9980)	(-)
Other income			163		163
			(437)		(437)
Total revenue	84271	72710	4399	(7892)	153488
	(71578)	(63612)	(4448)	(-9980)	(129658)
Segment result	9315	6253	(320)		15248
	(12421)	(-30)	(-224)		(12167)
Unallocated Income (net of expenses)			1		1
			(287)		(287)
Operating profit	9315	6253	(319)		15249
	(12421)	(-30)	(63)		(12454)
Interest expense			(12780)		(12780)
			(-12783)		(-12783)
Interest income			162		162
			(150)		(150)
Provision for Taxation - Current Tax			(533)		(533)
			(-7)		(-7)
- Deferred Tax			(1082)		(1082)
			(289)		(289)
- MAT Credit Entitlement			530		530
			(-)		(-)
Tax adjustments for earlier years			(31)		(31)
			(20)		(20)
Net profit/(Loss)	9315	6253	(14053)		1515
	(12421)	(-30)	(-12268)		(123)
Other information					
Segment assets	82033	109484	10996		202513
	(72526)	(103526)	(10752)		(186804)
Total assets	82033	109484	10996		202513
	(72526)	(103526)	(10752)		(186804)
Segment liabilities	16429	10336	2039		28804
	(11956)	(7602)	(2433)		(21991)
Share capital and reserves			21836		21836
			(20447)		(20447)
Secured and unsecured loans			153488		153488
			(147063)		(147063)
Deferred Tax (Assets)			(1615)		(1615)
			(-2697)		(-2697)
Total liabilities	16429	10336	175748		202513
	(11956)	(7602)	(167246)		(186804)
Capital expenditure	7406	4311	38		11755
	(1373)	(-5075)	(52)		(-3650)
Depreciation/Amortisation	5176	6128	533		11837
	(5352)	(6478)	(618)		(12448)

b) Information about Secondary Business Segments

Rs. Lakhs

Particulars	India	Outside India	Total
Revenue by Geographical Market			
External	157069	4311	161380
	(129991)	(9647)	(139638)
Less : Inter segment sales (Net of excise duty)	7892		7892
	(9980)		(9980)
Total	149177	4311	153488
	(120011)	(9647)	(129658)

Notes :

- For management purposes, the Company is organised into two major operating divisions - Automotive Glass and Float Glass. These divisions are the basis on which the Company reports its primary segment information.
- All Segment assets and liabilities are directly attributable to the Segment. Segment assets include all operating assets used by the Segment and consist primarily of fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment liabilities include all operating liabilities and consist primarily of creditors and accrued liabilities. Segment assets and liabilities do not include investments, inter corporate deposits, miscellaneous expenditure, current income tax and deferred tax.
- Segment revenues and Segment results include transfers between business segments. Inter Segment sales to Automotive Glass Division are accounted for at cost of production plus 10%. These transfers are eliminated on consolidation.
- Joint expenses are allocated to business Segments on a reasonable basis. All other revenues and expenses are directly attributable to the Segments. They do not include interest income on inter corporate deposit and interest.

22. The information as required by para 3 and 4 of Part II of Schedule VI of the Companies Act, 1956 :

- a) Particulars of Installed Capacity (as certified by the Management on which auditors have placed reliance) and Production :

Product	Unit	Installed Capacity	Actual Production**
Toughened Glass	Sq. Mts.	7762000	6000813
		(7412000)	(4876842)
Laminated Glass	Nos.	4450000	3535796
		(3675000)	(2912593)
Architectural Glass	Sq. Mts.	1404000	369371
		(1404000)	(326611)
Float Glass *	Conv. Sq. Mts.	71890000	60774093
		(71890000)	(54635132)
Reflective Glass	Conv. Sq. Mts.	-	1182609
		(-)	(1771178)
Mirror	Conv. Sq. Mts.	3650000	1416153
		(3650000)	(1318557)

* Installed capacity of Float Glass includes capacity of Reflective Glass also.

** Net of Breakages.

Notes :

- As per the Industrial Policy no licences are required for the products manufactured by the Company.
- Installed capacities are on annual basis.
- Production includes captive consumption.

b) Sales, Purchases, Opening Stock, and Closing Stock :

Rs. Lakhs

Product	Unit	Sales		Purchases		Opening Stock		Closing Stock	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Toughened Glass	Sq. Mts.	6057574	35400	35537	597	202984	1122	181760	1099
		(4877852)	(28818)	(21722)	(291)	(182272)	(1033)	(202984)	(1122)
Laminated Glass	Nos.	3621651	47003	74604	1043	102627	1031	91376	958
		(2909199)	(40231)	(18385)	(230)	(80848)	(893)	(102627)	(1031)
Architectural Glass	Sq. Mts.	369027	4181	-	-	9632	102	9976	111
		(323325)	(3926)	(-)	(-)	(6346)	(86)	(9632)	(102)
Float Glass	Conv. Sq. Mts.*	52007921	56887	-	-	12340630	10427	13712711	13301
		(51386919)	(47255)	(-)	(-)	(19178204)	(15465)	(12340630)	(10427)
Reflective Glass	Conv. Sq. Mts.**	1498289	3699	-	-	2571836	2932	2089286	2172
		(1241817)	(2221)	(-)	(-)	(2124250)	(2500)	(2571836)	(2932)
Mirror Glass	Conv. Sq. Mts.	1429936	3055	-	-	313092	486	299309	467
		(1346847)	(2452)	(-)	(-)	(341382)	(514)	(313092)	(486)
Traded Goods	Conv. Sq. Mts.***	124875	426	120471	307	70841	166	65740	170
		(150388)	(509)	(126438)	(321)	(134139)	(332)	(70841)	(166)
Miscellaneous			1170						
			(861)						

Net of inter-unit transfer * 7394091 (10085787) Conv. Sq. Mts., ** 166870 (81775) Conv. Sq. Mts., *** 697 (38284) Conv. Sq. Mts.
Excluding *** Nil (1064) Conv. Sq. Mts. destroyed/broken.

c) Raw Materials Consumed :

Rs. Lakhs

	Unit	Quantity	Value
Float Glass	Sq. Mts.	13454489	21706
		(8278926)	(12780)
PVB Films	Sq. Mts.	3606151	7829
		(3061282)	(7004)
Soda Ash	M.T.	60611	7795
		(61546)	(7631)
Others			8878
			(6079)

d) Value of Raw Materials, Spare Parts and Components Consumed :

Rs. Lakhs

	Amount	Amount	Percentage
i) Raw Materials			
Imported	28666	(20190)	62.03 (60.28)
Indigenous	17542	(13304)	37.97 (39.72)
ii) Stores and spare parts			
Imported	3513	(3848)	30.85 (41.05)
Indigenous	7876	(5527)	69.15 (58.95)

e) CIF value of Imports :

Rs. Lakhs

	Amount	Amount
i) Raw Materials	27426	(17476)
ii) Stores and Spares Parts etc.	4113	(3730)
iii) Capital Goods (excluding stores included in (ii) above)	4433	(1173)
iv) Traded Goods	249	(239)
v) Finished Goods	1568	(429)

f) Expenditure in Foreign Currency :

		Rs. Lakhs
	Amount	Amount
i) Instalments towards foreign currency loans	12339	(10450)
ii) Interest on foreign currency loans	3095	(3592)
iii) Royalty (Net of Taxes)	2073	(1923)
iv) Professional charges	248	(248)
v) Others	141	(291)

g) Earnings in Foreign Exchange :

		Rs. Lakhs
	Amount	Amount
i) F.O.B. value of Exports (excluding paid samples)	4225	(9288)
ii) Interest and Commission/Miscellaneous Income	243	(115)

23. Previous year's figures have been regrouped/rearranged, wherever found necessary. Figures in brackets above are in respect of previous year.

24. Figures have been rounded off to Rs. Lakhs.

In terms of our report attached
For Jagdish Sapra & Co.
Chartered Accountants
(Firm Registration No. 001378N)

B. M. Labroo
Chairman

For & on behalf of the Board

Sanjay Labroo
Managing Director
& Chief Executive Officer

Vipal Kalra
Partner
M. No. 084583
Place : New Delhi
Dated : 16th May, 2011

Place : Gurgaon
Dated : 16th May, 2011

Shailesh Agarwal
Chief Financial Officer

Gopal Ganatra
Head-Legal
& Company Secretary

Cash Flow Statement

		Rs. Lakhs	
	2010-2011	2009-10	
	Amount	Amount	Amount
A) CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(Loss) before tax and extraordinary items	2638		(84)
Adjustment for :			
Depreciation and Amortisation of Intangible Assets	11837		12448
(Reversal) of Impairment Loss	(2)		(10)
(Profit)/Loss on sale of fixed assets and assets discarded (Net)	41		(259)
(Reversal)/Provision for diminution in value of long term investments	-		(28)
Amortisation of Foreign Currency Monetary Items	(204)		(126)
Interest paid	12780		12783
Interest received	(162)		(150)
Dividend received	(1)		-
Operating Profit before working capital changes	26927		24574
Adjustment for :			
Trade and other receivables	(7270)		(822)
Inventories	(6080)		3118
Trade payable	6833		(6118)
CASH GENERATED FROM OPERATIONS	20410		20752
Interest paid	(12780)		(12783)
Direct taxes paid	(1646)		302
Increase in Foreign Currency Monetary Items	78		1490
CASH FLOW BEFORE PRIOR PERIOD ITEMS	6062		9761
Prior Period items (Net)	(7)		(95)
NET CASH FROM OPERATING ACTIVITIES		6055	9666
B) CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets, including capital work-in-progress	(11755)		3662
Sale of fixed assets	224		758
Purchase of Investments	(140)		(60)
(Reversal)/Provision for diminution in value of long term investments	-		28
Dividend received on investments	1		-
Interest received	162		150
NET CASH USED IN INVESTING ACTIVITIES		(11508)	4538

		Rs. Lakhs
	2010-2011 Amount Amount	2009-10 Amount Amount
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds of long term borrowings	11204	24410
Payment of long term borrowings	(21116)	(20887)
Net proceeds of short term borrowings	16337	(18190)
NET CASH USED IN FINANCING ACTIVITIES	6425	(14667)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)	972	(463)
CASH AND CASH EQUIVALENT As At 1st April, 2010 (Opening Balance)	1060	1523
CASH AND CASH EQUIVALENT As At 31st March, 2011 (Closing Balance)	2032	1060

Notes :

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Figures in brackets represent outflows.
- Previous year figures have been restated wherever necessary.

In terms of our report attached
For Jagdish Sapra & Co.
Chartered Accountants
(Firm Registration No. 001378N)

B. M. Labroo
Chairman

For & on behalf of the Board

Sanjay Labroo
Managing Director
& Chief Executive Officer

Vipal Kalra
Partner
M. No. 084583
Place : New Delhi
Dated : 16th May, 2011

Place : Gurgaon
Dated : 16th May, 2011

Shailesh Agarwal
Chief Financial Officer

Gopal Ganatra
Head-Legal
& Company Secretary

As per Schedule VI, Part (IV) of the Companies Act, 1956

Registration No.					1	9	5	4	2
Balance Sheet Date	3	1	0	3	2	0	1	1	

State Code

5	5
---	---

Public Issue								
						N	I	L
Bonus Issue								
						N	I	L

Right Issue								
						N	I	L
Private Placement								
						N	I	L

Total Liabilities

					2	0	4	1	2	8
--	--	--	--	--	---	---	---	---	---	---

Total Assets

Sources of Funds

Paid up Capital										
							1	5	9	9

[illegible]

						N	I	L
--	--	--	--	--	--	---	---	---

Application of Funds

Net Fixed Assets

					1	2	2	3	6	6
--	--	--	--	--	---	---	---	---	---	---

[illegible]

						N	I	L
--	--	--	--	--	--	---	---	---

Reserves and Surplus										
						2	0	2	3	7

Unsecured Loans									
						2	3	1	2 3

[illegible][illegible]

Deferred Tax Assets									
						1	6	1	5

Turnover/Income

						1	5	3	4	8	8
--	--	--	--	--	--	---	---	---	---	---	---

[illegible][illegible]

Total Expenditure

					1	5	0	8	5	7
--	--	--	--	--	---	---	---	---	---	---

Profit/(Loss) after tax							1	5	1	5
-------------------------	--	--	--	--	--	--	---	---	---	---

Dividend

1. Toughened (Tempered) Safety Glass
2. a) Laminated Safety Glass
b) Laminated Architectural Safety Glass
3. Float Glass - Clear
4. Float Glass - Tinted
5. Float Glass - Mirror

Ch. H. No. 7004-10
Ch. H. No. 7004-20 Glass (Flat)
Ch. H. No. 7004-10
Ch. H. No. 7004-21
Ch. H. No. 7004-10

Place : Gurgaon
Dated : 16th May, 2011

B. M. Labroo Chairman
Sanjay Labroo Managing Director
& Chief Executive Officer

Shailesh Agarwal
Chief Financial Officer

Gopal Ganatra
Head-Legal
& Company Secretary

Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies

Particulars	Name of Subsidiary Company		
	AIS Glass Solutions Ltd.	GX Glass Sales & Services Ltd.	Integrated Glass Materials Ltd.
1. Financial Year	31 st March, 2011	31 st March, 2011	31 st March, 2011
2. Shares of subsidiary held by Asahi India Glass Ltd. on the above date			
a) Number and Face Value	3281999 (3281999) Equity Shares of Rs. 10 each fully paid up	50000 (NIL) Equity Shares of Rs. 10 each fully paid up	1400000 (50000) Equity Shares of Rs. 10 each fully paid up
b) Extent of holding	82.55 % (82.55 %)	100 % (NIL)	100 % (100%)
3. Net aggregate amount of profit/(loss) for the financial year of subsidiary so far as they concern members of Asahi India Glass Ltd.			
a) dealt with in the accounts of Asahi India Glass Ltd. Profit/(Loss) for the year ended 31 st March, 2011	Rs. 227.86 Lakhs [Rs. 22.55 Lakhs]	Rs. 112.50 Lakhs (NIL)	Rs. 0.85 Lakhs [Rs.(6.29) Lakhs]
b) not dealt with in the accounts of Asahi India Glass Ltd. Profit/(Loss) for the year ended 31 st March, 2011	Rs. 48.18 Lakhs [Rs. 7.13 Lakhs]	N.A.	N.A.
4. Net aggregate amount of the profit/(loss) for previous financial years of the subsidiary so far as they concern members of Asahi India Glass Ltd.			
a) dealt with in the accounts of Asahi India Glass Ltd.	Rs. (583) Lakhs [Rs. (404) Lakhs]	N. A.	N.A.
b) not dealt with in the accounts of Asahi India Glass Ltd.	Rs. (146) Lakhs [Rs. (85) Lakhs]	N.A.	N.A.

Information pursuant to general exemption granted by Central Government under Section 212(8) of the Companies Act, 1956, relating to subsidiary companies, AIS Glass Solutions Limited, GX Glass Sales & Services Limited and Integrated Glass Materials Limited for the year ended 31st March, 2011

Rs. Lakhs

S. No.	Particulars	AIS Glass Solutions Ltd.	GX Glass Sales & Services Ltd.	Integrated Glass Materials Ltd.
1.	Capital	398	5	140
2.	Reserves	-	-	-
3.	Total Assets	2082	264	280
4.	Total Liabilities	2082	264	280
5.	Details of Investments (except in case of investment in subsidiaries)	-	-	-
6.	Turnover	5537	717	344
7.	Profit/(Loss) before Taxation	276	(113)	1
8.	Provision for Taxation (FBT)	-	-	2
9.	Profit/(Loss) After Taxation	276	(113)	3
10.	Proposed Dividend	-	-	-

For & on behalf of the Board

Place : Gurgaon
Dated : 16th May, 2011

B. M. Labroo
Chairman

Sanjay Labroo
Managing Director
& Chief Executive Officer

Shailesh Agarwal
Chief Financial Officer

Gopal Ganatra
Head-Legal
& Company Secretary

Auditors' Report

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF ASAHI INDIA GLASS LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ASAHI INDIA GLASS LIMITED AND ITS SUBSIDIARIES

1. We have audited the attached Consolidated Balance Sheet of Asahi India Glass Limited (the Company) and its subsidiaries as at 31st March, 2011, the Consolidated Profit and Loss Account for the year ended on that date annexed thereto and the Consolidated Cash Flow Statement for the year ended on that date.

2. These Consolidated Financial Statements are the responsibility of the Management of Asahi India Glass Limited. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosure 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We did not audit the financial statements of the subsidiaries whose financial statements reflect total assets of Rs. 2062 Lakhs as at 31st March, 2011 and total revenue of Rs. 6518 Lakhs for the year ended on that date. The financial statements have been audited by other auditors whose reports have been furnished to us, and in our opinion, in so far as it relates to the amounts included in respect of said subsidiaries is based solely on the report of other auditors.

4. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS)-21 Consolidated Financial Statements and (AS)-23 Accounting for investments in Associates in Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India.

5. On the basis of information and explanations given to us and on consideration of the separate audit reports on individual audited financial statements of the Company and its aforesaid subsidiaries, in our opinion, the Consolidated Financial Statements together with Notes thereon, and attached thereto give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of Consolidated Balance Sheet, of the consolidated state of affairs of Asahi India Glass Ltd. and its subsidiaries as at 31st March, 2011;
- b) In the case of Consolidated Profit and Loss Account, of the consolidated results of operations of Asahi India Glass Ltd. and its subsidiaries for the year ended on that date, and
- c) In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of Asahi India Glass Ltd. and its subsidiaries for the year ended on that date.

For Jagdish Sapra & Co.

Chartered Accountants
(Firm Registration No. 001378N)

Vipal Kalra

Partner

M. No. 084583

Place : New Delhi

Dated : 16th May, 2011

Consolidated Balance Sheet

Rs. Lakhs

	Schedule	As At 31 st March, 2011	As At 31 st March, 2010
SOURCES OF FUNDS			
1. Shareholders' Funds			
a) Share Capital	1	1599	1599
b) Share Application Money (Pending Allotment)		20	-
c) Reserves and Surplus	2	19974 21593	18296 19895
2. Minority Interest			
a) Capital		68	68
b) Reserves and Surplus		(91) (23)	(139) (71)
3. Loan Funds			
a) Secured Loans	3	132190	125517
b) Unsecured Loans	4	23123 155313	24248 149765
4. Foreign Currency Monetary Item Translation Difference Account		-	126
Total		176883	169715
APPLICATION OF FUNDS			
1. Fixed Assets	5		
a) Gross Block		213566	206641
b) Less : Accumulated Depreciation and Amortisation		96248	84175
c) Net Block		117318	122466
d) Capital Work-in-progress (Schedule 14, Note 7)		10921	5445
e) Impaired Assets held for disposal		127 128366	125 128036
2. Investments - Long Term			
a) Associates (Including goodwill Rs. 190 Lakhs arising on acquisition of associates)		691	651
b) Others [Schedule 14, Note 1 (b)]		37 728	37 688
3. Current Assets, Loans and Advances			
Current Assets	6		
a) Inventories		38962	32333
b) Sundry Debtors		22344	17632
c) Cash and Bank Balances etc.		2691	1592
d) Other Current Assets		1616	1380
Loans and Advances	7	9955	7547
		75568	60484
Less : Current Liabilities and Provisions	8		
a) Current Liabilities		28728	21687
b) Provisions		667	503
		29395	22190
Net Current Assets		46173	38294
4. Deferred Tax Assets (Net) (Schedule 14, Note 6)		1616	2697
Total		176883	169715
Notes to the Accounts	14		

The Schedules referred to above form an integral part of the Balance Sheet

For & on behalf of the Board

In terms of our report attached
For Jagdish Sapra & Co.
Chartered Accountants
(Firm Registration No. 001378N)

B. M. Labroo
Chairman

Sanjay Labroo
Managing Director
& Chief Executive Officer

Vipal Kalra
Partner
M. No. 084583
Place : New Delhi
Dated : 16th May, 2011

Place : Gurgaon
Dated : 16th May, 2011

Shailesh Agarwal
Chief Financial Officer

Gopal Ganatra
Head-Legal
& Company Secretary

Consolidated Profit and Loss Account

Rs. Lakhs

	Schedule	Year Ended 31 st March, 2011	Year Ended 31 st March, 2010
INCOME			
Turnover and Inter Division Transfers		177506	147303
Less : Inter Division and Subsidiary Transfers		10684	11285
Turnover		166822	136018
Less : Excise Duty		11049	6695
Net Turnover		155773	129323
Other Income	9	1699	3353
		157472	132676
EXPENDITURE			
Materials and Manufacturing	10	93791	79447
Personnel	11	12244	9381
Selling, Administration and Others	12	23463	18088
Interest	13	12875	12936
Deferred Revenue Expenditure Written Off		5	-
		142378	119852
Profit Before Depreciation and Tax		15094	12824
Depreciation and Amortisation		(12289)	(12902)
Reversal of Impairment Loss		2	10
Prior Period Adjustments (Net)		(7)	(96)
Profit/(Loss) Before Tax		2800	(164)
Provision for Taxation			
Current Tax		(567)	(7)
Deferred Tax		(1080)	289
MAT Credit Entitlement		564	-
Profit After Tax		1717	118
Share of Profit of Associates		40	68
Minority Interest		(48)	(7)
Taxation Adjustment of earlier years		(31)	20
Balance Brought Forward		5743	5544
Balance Carried to Balance Sheet		7421	5743
Earnings Per Share - Basic and Diluted (Rs.)		1.05	0.12
[Schedule 14, Note 8]			
Notes to the Accounts	14		
The Schedules referred to above form an integral part of the Profit and Loss Account			

For & on behalf of the Board

In terms of our report attached
For Jagdish Sapra & Co.
Chartered Accountants
(Firm Registration No. 001378N)

B. M. Labroo
Chairman

Sanjay Labroo
Managing Director
& Chief Executive Officer

Vipal Kalra
Partner
M. No. 084583
Place : New Delhi
Dated : 16th May, 2011

Place : Gurgaon
Dated : 16th May, 2011

Shailesh Agarwal
Chief Financial Officer

Gopal Ganatra
Head-Legal
& Company Secretary

Schedules to the Consolidated Accounts

Rs. Lakhs

	As At 31 st March, 2011	As At 31 st March, 2010
SCHEDULE 1 : SHARE CAPITAL		
Authorised		
500000000 Equity Shares of Re. 1 each	5000	5000
600000 Preference Shares of Rs. 100 each	600	600
9000000 Preference Shares of Rs. 10 each	900	900
	6500	6500
Issued, Subscribed and Paid Up		
159927586 Equity Shares of Re. 1 each fully paid *	1599	1599
	1599	1599

* Of the above, 135463793 (Previous year 135463793) Shares of Re. 1/- each were allotted as fully paid bonus shares by capitalisation of General Reserve.

SCHEDULE 2 : RESERVES AND SURPLUS

Amalgamation Reserve		
As per Last Balance Sheet	637	637
Capital Reserve		
As per Last Balance Sheet	23	23
Capital Redemption Reserve		
As per Last Balance Sheet	1395	1395
General Reserve		
As per Last Balance Sheet	10498	10498
Surplus in Profit and Loss Account	7421	5743
	19974	18296

Rs. Lakhs

	As At 31 st March, 2011	As At 31 st March, 2010
SCHEDULE 3 : SECURED LOANS		
Banks		
Working Capital	41115	33461
Foreign Currency Term Loans	38994	54096
Rupee Term Loans	35352	115461
		37410
		124967
Others		
Working Capital	2230	-
Foreign Currency Term Loans	2689	-
Rupee Term Loans	11700	-
Loan from Distt. Industries Centre, Government of Haryana (Interest Free)	110	550
	16729	550
	132190	125517

Notes :

- 1) Working Capital Loans are secured by way of first charge on the current assets and second charge on fixed assets of the Company, both present and future.
- 2) Foreign Currency Term Loans from banks are secured by way of first pari-passu charge on specified movable and immovable assets of the Company.
- 3) Rupee Term Loans from banks of Rs. 31387 Lakhs are secured by first pari-passu charge on fixed assets at all plants except at Roorkee. The balance being Short Term Loan of Rs. 3825 Lakhs are secured by way of subservient charges on fixed assets of plant at Roorkee, Chennai and/or first charge on Bangalore Sub Assembly Unit. In the case of a subsidiary, Term Loan of Rs. 140 Lakhs is secured against hypothecation of plant and machinery and other movable assets situated at its Roorkee unit.
- 4) Foreign Currency/Rupee Term Loans from others are secured by subservient charge on Rewari and Chennai plant and first pari-passu charge on T-7 plant Taloja, both present and future. In the case of a subsidiary, Term Loan is secured by way of exclusive charge on the entire fixed assets situated at its Roorkee unit and first pari-passu charge on the entire current assets.
- 5) Loan from Distt. Industries Centre is secured by way of first pari-passu charge on fixed assets of plant at Rewari.

SCHEDULE 4 : UNSECURED LOANS

Short Term Loans From Banks	1833	2813
Foreign Currency Loan	21290	21435
	23123	24248

SCHEDULE 5 : FIXED ASSETS

Description	Gross Block			Depreciation/Amortisation				Net Block		
	As At 1 st April, 2010	Additions	Deductions	As At 31 st March, 2011	As At 1 st April, 2010	For the Year	Deductions	As At 31 st March, 2011	As At 31 st March, 2011	As At 31 st March, 2010
Tangible Assets										
Freehold Land	1814	258	-	2072	-	-	-	-	2072	1814
Leasehold Land	1619	-	-	1619	226	19	-	245	1374	1393
Buildings	36959	818	-	37777	5803	1045	-	6848	30929	31156
Plant and Machinery	142458	5656	345	147769	66231	9810	155	75886	71883	76227
Electrical Installations and Fittings	15514	73	1	15586	6554	807	-	7361	8225	8960
Furniture and Fixtures	1125	54	7	1172	534	65	5	594	578	591
Miscellaneous Assets	3286	188	13	3461	1905	237	6	2136	1325	1381
Vehicles	834	285	113	1006	365	80	50	395	611	469
	203609	7332	479	210462	81618	12063	216	93465	116997	121991
Intangible Assets										
Computer Software	1833	58	-	1891	1397	214	-	1611	280	436
Licences Fees	1115	11	-	1126	1115	2	-	1117	9	-
E-Mark charges	84	3	-	87	45	10	-	55	32	39
	3032	72	-	3104	2557	226	-	2783	321	475
Total	206641	7404	479	213566	84175	12289	216	96248	117318	122466
Previous Year	212294	(4567)	1086	206641	71429	12902	156	84175	122466	
Capital Work-in-progress (Including Capital Advances)									10921	5445
Impaired Assets Held For Disposal									127	125

Note :

Buildings, Plant and Machinery and Electrical Installations exclude Rs. 124 Lakhs [Net] (Previous year Rs. 9016 Lakhs) being decrease in rupee liability in respect of differences in Foreign Exchange Rates as per Companies (Accounting Standards) Amendment Rules 2009.

Rs. Lakhs

	As At 31 st March, 2011	As At 31 st March, 2010
SCHEDULE 6 : CURRENT ASSETS		
Inventories (As taken, valued and certified by Management)		
i) Stores and Spare parts	7577	6575
ii) Raw Materials	10341	7347
iii) Finished and Traded Goods	18611	16318
iv) Waste	30	56
v) Work in Process	2403	2037
	38962	32333
Sundry Debtors (Considered good except where provided for)		
Secured		
Over Six Months	26	30
Others	549	378
Unsecured		
Over Six Months	2995	2858
Others	18900	17368
	22470	17746
Considered Good	22344	17632
Considered Doubtful	126	114
Less : Provision for Doubtful Debts	126	114
	22344	17632
Cash and Bank Balances etc.		
Cash in Hand (As certified)	60	48
Cheques in Hand/Remittances in Transit	9	4
Balance with Post Office in Saving Account *	-	-
Balances with Scheduled Banks		
Current/Cash Credit Accounts	2341	1219
Deposit Account	145	163
Dividend Warrant Accounts	136	158
	2691	1592
Other Current Assets		
(Unsecured and considered good)		
Interest Accrued on Investments *	-	-
Deposits with Government and others	1616	1380
	1616	1380

* Rounded off to Nil.

SCHEDULE 7 : LOANS AND ADVANCES

(Unsecured and considered good)		
Loans	105	105
Advances		
Advances recoverable in cash or in kind or for value to be received and/or adjusted	6379	4935
MAT Credit Recoverable	1971	1407
Advance Income Tax (Net of provision)	67	126
Balance with Excise Authorities	1433	974
	9955	7547

Rs. Lakhs

	As At 31 st March, 2011	As At 31 st March, 2010
SCHEDULE 8 : CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors		
Micro, Small and Medium Enterprises	131	83
Others	23424	16542
Advances from Customers	1036	1304
Unclaimed Dividend *	140	158
Other Liabilities	3098	2442
Interest accrued but not due on loans	899	1158
	28728	21687
PROVISIONS		
Fringe Benefit Tax (Net of taxes paid)	-	25
Employee Benefits	667	478
	667	503

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

	Year Ended 31 st March, 2011	Year Ended 31 st March, 2010
SCHEDULE 9 : OTHER INCOME		
Interest	79	63
Rent Received	1	1
Diminution in Value of Investments Reversed	-	28
Profit on Sale of Fixed Assets (Net)	-	259
Exchange Rate Fluctuations (Net)	558	1522
Foreign Currency Monetary Item Translation Difference Account	204	126
Liabilities and Provisions Written Back	116	453
Dividend on Long Term Investments - Non Trade (Gross)	1	-
Commission Received	167	99
Miscellaneous	573	802
	1699	3353

Rs. Lakhs

RS. Lakhs

	Year Ended 31 st March, 2011		Year Ended 31 st March, 2010	
SCHEDULE 10 : MATERIALS AND MANUFACTURING				
Raw Material Consumed				
Opening Stock	7347		6948	
Add : Purchases	50279		34552	
	57626		41500	
Less : Sales/Trial Run	437		-	
Less : Closing Stock	10341	46848	7347	34153
Excise Duty		7		(65)
Purchases of Finished Goods		1980		1170
Manufacturing Expenses				
Power, Fuel, Water and Utilities		30638		26061
Stores and Spares etc. consumed		11735		9511
Miscellaneous Expenses		1554		1251
Repair and Maintenance				
Plant and Machinery	3425		3157	
Building	237	3662	191	3348
(Increase)/Decrease in Stocks				
Opening Stock				
Finished and Traded Goods	16318		20876	
Work in Process	2037		1490	
Waste	56		63	
	18411		22429	
Closing Stock				
Finished and Traded Goods	18611		16318	
Work in Process	2403		2037	
Waste	30		56	
	21044	(2633)	18411	4018
		93791		79447

SCHEDULE 11 : PERSONNEL

Salaries, Wages, Allowances and Bonus	9581	7605
Recruitment and Training Expenses	103	56
Welfare Expenses	1760	1283
Contribution to Provident and Other Funds	800	437
	12244	9381

	Rs. Lakhs	
	Year Ended 31 st March, 2011	Year Ended 31 st March, 2010
SCHEDULE 12 : SELLING, ADMINISTRATION AND OTHERS		
Advertisement	269	208
Packing and Forwarding	13470	9633
Commission Paid	334	630
Royalty	2437	2090
Cash Discount	1011	598
Bank Charges	426	500
Travelling and Conveyance	812	562
Rent	414	334
Rates and Taxes	443	426
Insurance	438	413
Auditors Remuneration	44	36
Repairs and Maintenance-Others	229	177
Miscellaneous Expenses	2941	2321
Provision for Doubtful Debts and Advances	12	17
Loss on Sale of Fixed Assets (Net)	41	-
Director's Sitting Fee	5	6
Bad and Doubtful Debts	123	137
Commission to Non Executive Directors	14	-
	23463	18088

SCHEDULE 13 : INTEREST

Interest				
On Fixed Loans	10039		9017	
Others	2836	12875	3919	12936
		12875		12936

SCHEDULE 14 : NOTES TO THE ACCOUNTS

1. Statement of Significant Accounting Policies :

a) Basis of Accounting

The financial statements are prepared under the historical cost convention, in accordance with applicable mandatory accounting standards prescribed under the Companies (Accounting Standards), Rules, 2006 and the relevant provisions of the Companies Act, 1956.

b) Principles of Consolidation

The Consolidated Financial Statements relate to Asahi India Glass Ltd. (the Company), its subsidiaries AIS Glass Solutions Ltd., Integrated Glass Materials Ltd. , GX Glass Sales & Services Ltd. and associates.

The subsidiary companies considered in the Consolidated Financial Statements are :

Name of the Company	Country of Incorporation	% of share holding	Held By
i) AIS Glass Solutions Ltd.	India	82.55	Asahi India Glass Ltd.
ii) Integrated Glass Materials Ltd	India	100	Asahi India Glass Ltd.
iii) GX Glass Sales & Services Ltd.	India	100	Asahi India Glass Ltd.

The associate companies considered in the Consolidated Financial Statements are :

Name of the Company	Status	Country of Incorporation	% of share holding	Held by	Financial Statements
i) AIS Adhesives Ltd.	Audited	India	47.83	Asahi India Glass Ltd.	As on 31 st March, 2011
ii) Asahi India Map Auto Glass Ltd.	Audited	India	49.98	Asahi India Glass Ltd.	As on 31 st March, 2011
iii) Vincotte International India Assessment Services (P) Ltd.	Un-Audited	India	20	Asahi India Glass Ltd.	As on 31 st March, 2011

The Consolidated Financial Statements have been prepared on the following basis :

- i) The Financial Statements of the Company have been combined on line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses after fully eliminating intra group balances, intra group transactions and unrealised profit or loss as per Accounting Standard (AS) 21- Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.
- ii) The goodwill/capital reserve on consolidation is recognised in the Consolidated Financial Statements.
- iii) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's Financial Statements.
- iv) Minority interest in the net income and net assets of the Consolidated Financial Statements is computed and shown separately.
- v) Investments in associate companies have been accounted under the equity method as per Accounting Standard (AS) 23- Accounting for Investments in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.

c) Revenue Recognition

Sale of products is recognised at the point of dispatch to the customer. Sales are stated gross of excise duty as well as net of excise duty; excise duty being the amount included in the amount of gross turnover. Sales exclude VAT/Sales Tax and are net of returns and transit insurance claims short received. Interest and other income is accounted for on accrual basis. Dividend income on investment is accounted when right to receive the same is established.

d) Fixed Assets

- i) Fixed assets are carried at the cost of acquisition less accumulated depreciation. The cost of fixed assets include taxes (net of tax credits as applicable), duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Interest on borrowed funds attributable to the qualifying assets up to the period such assets are put to use, is included in the cost of fixed assets.

- ii) Capital Work-in-progress includes expenditure during construction period incurred on projects under implementation. These expenses are apportioned to fixed assets on commencement of commercial production.
- iii) Assets identified and evaluated technically as obsolete and held for disposal are stated at lower of book value or estimated net realisable value/salvage value.

e) Depreciation/Amortisation

Tangible Assets

- i) Depreciation on fixed assets is provided on Straight Line Method (SLM) at the rates and in the manner provided in Schedule XIV of the Companies Act, 1956.
- ii) Leasehold assets are depreciated over the period of lease.
- iii) Assets costing upto Rs. 5000/- each are depreciated fully in the year of purchase.
- iv) Fixed assets not represented by physical assets owned by the Company are amortised over a period of five years.

Intangible Assets

Computer Software, production designs and E-mark charges are amortised over a period of five years proportionately when such assets are available for use.

f) Inventories

Inventories are valued at lower of cost or net realisable value except waste which is valued at estimated realisable value as certified by the Management. The basis of determining cost for various categories of inventories are as follows :

Stores, spare parts and raw material	Actual/Weighted average cost (except stores segregated for specific purposes and materials in transit valued at their specific costs).
Work in process and finished goods	Material cost plus appropriate share of production overheads and excise duty wherever applicable.
Traded Goods	First in First Out Method based on actual cost.

g) Employee Benefits

Contribution to Defined Contribution Schemes such as Provident Fund etc. are charged to the Profit and Loss Account as and when incurred. The Company has a scheme of gratuity fund towards retirement benefits where the Company has no liability other than its annual contribution.

In the Company the Gratuity Fund benefits are administered by a Trust recognised by Income Tax Authorities through the Group Schemes. The liability for gratuity at the end of each financial year is determined on the basis of actuarial valuation carried out by the Insurer's actuary on the basis of projected unit credit method as confirmed to the Company. Company's contributions are charged to the Profit and Loss Account. Profits and losses arising out of actuarial valuations are recognised in the Profit and Loss Account as income or expense.

The Company provides for the encashment of leave as per certain rules. The employees are entitled to accumulated leave subject to certain limits, for future encashment/availment. In Float SBU the liability is

provided based on the number of days of unutilised leave at each balance sheet date on the basis of actuarial valuation using projected unit credit method. Liability on account of short term employee benefits comprising largely of compensated absences, bonus and other incentives is recognised on an undiscounted accrual basis. Termination benefits are recognised as an expense in the Profit and Loss Account.

In AIS Glass Solutions Ltd. and GX Glass Sales & Services Ltd. subsidiaries, gratuity liability is provided as per actuarial valuation on balance sheet date.

h) Foreign Exchange Transactions

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing at the time of the transaction. Transactions outstanding at the year end are translated at exchange rates prevailing at the year end and the profit/loss so determined is recognised in the Profit and Loss Account.

The Company has opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009.

In respect of transactions covered by forward exchange contracts, the difference between exchange rate on the date of the contract and the year end rate/settlement date is recognised in the Profit and Loss Account. Any premium/discount on forward contract is amortised over the life of the contract. Any profit or loss arising on cancellation or renewal of such a contract is recognised as income or expense for the period.

i) Taxation

Current tax is determined as the amount of tax payable in respect of taxable income in accordance with relevant tax rates and tax laws.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only to the extent there is virtual certainty and convincing evidence that there will be sufficient future taxable income available to realise such assets.

j) Impairment of Assets

Regular review is done to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any such indication exists, impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of accounts. In case there is any indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, the recoverable value is reassessed and the reversal of impairment loss is recognised as income in the Profit and Loss Account.

k) Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are reviewed at each balance sheet date and are adjusted to effect the current best estimation.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 3264 Lakhs (Rs. 1235 Lakhs) (net of advances).

3. Contingent Liabilities for :

Particulars	Rs. Lakhs	
	As At 31 st March, 2011	As At 31 st March, 2010
a) Bank guarantees and letters of credit outstanding	3031	2646
b) Claims against the Company not acknowledged as debts (excluding interest and penalty which may be payable on such claims)		
i) Excise and custom duty (including referred in Note No. 5)	1347	2784
ii) Disputed Income Tax and Wealth Tax Demands	367	10
iii) Corporate Guarantees	7106	5168
iv) Channel Financing from Bank	933	1154
v) Disputed Sales Tax Demands	987	968

4. The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act) based on confirmations obtained from suppliers and information available with the Company are as under :

Particulars	Rs. Lakhs	
	As At 31 st March, 2011	As At 31 st March, 2010
a) The principal amount remaining unpaid to suppliers as at the end of accounting year	131	83
b) The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-
c) The amount of interest paid in terms of Section 16, along with the amount of payment made to the suppliers beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years	-	-

5. In a previous year, in Auto SBU of the Company, Custom and Central Excise Settlement Commission settled Excise Duty Liability at Rs. 368 Lakhs (excluding interest) out of which the Company had accepted liability of Rs. 56 Lakhs and paid the same alongwith interest of Rs. 20 Lakhs. The matter was decided in favour of the Company by the High Court of Delhi against which SLP of the Excise Department has been accepted by the Supreme Court of India.

6. Details of Deferred Tax Assets/(Liability) arising on account of timing differences are as follows :

Particulars	Rs. Lakhs	
	As At 31 st March, 2011	As At 31 st March, 2010
Unabsorbed depreciation/carried forward losses under Tax Laws	11833	14120
Difference between book depreciation and depreciation under the Income Tax Rules	(10863)	(11499)
Expenses allowed for tax purpose on payment basis	610	41
Provision for doubtful debts and advances	36	35
	1616	2697

7. Capital Work-in-progress comprises of the following :

Particulars	Rs. Lakhs	
	As At 31 st March, 2011	As At 31 st March, 2010
Building under construction	268	146
Plant and Machinery under erection	7933	2858
Electrical installations under erection	174	10
Capital advances	2183	1701
Expenditure incurred in the course of construction or acquisition	319	708
Others	44	22
	10921	5445

8. Earnings Per Share (EPS) :

Particulars	Rs. Lakhs	
	2010-11	2009-10
Profit After Tax as per the Profit and Loss Account	1709	179
Tax adjustments of earlier years	(31)	20
Profit Attributable to equity shareholders - (A)	1678	199
Basic/Weighted average number of Equity Shares outstanding - (B)	159927586	159927586
Nominal Value of Equity Shares (Re.)	1/- each	1/- each
Earnings Per Share (Basic and Diluted (Rs.) - (A)/(B)	1.05	0.12

9. Related Party Disclosures under Accounting Standard (AS)-18 :

a) List of Related Parties :

- i) Associates : AIS Adhesives Ltd., Asahi India Map Auto Glass Ltd., Vincotte International India Assessment Services (P) Ltd.
- ii) Enterprises owned or significantly influenced by key management personnel or their relatives : Shield Autoglass Ltd., Samir Paging Systems Ltd., R. S. Estates (P) Ltd., Nishi Electronics (P) Ltd., Maltex Malsters Ltd., Essel Marketing (P) Ltd., Allied Fincap Services Ltd., Usha Memorial Trust, Krishna Maruti Ltd.
- iii) Key Management Personnel and their relatives :
Directors : Mr. B. M. Labroo, Mr. Sanjay Labroo, Mr. Arvind Singh, Mr. K. Nakagaki , Mr. H. Nohara
Relatives : Mrs. Kanta Labroo, Mrs. Vimi Singh
- iv) Other related parties where control exists : Asahi Glass Co. Ltd., Japan and its subsidiaries - AGC Flat Glass Asia Pacific Pte. Ltd., Asahi Glass Machinery Co. Ltd., Asahi Glass Phillipines, Inc., Glavermas Pte. Ltd., Asahi Glass Ceramics Co. Ltd., P. T. Asahimas Flat Glass TBK Indonesia, AGC Automotive Thailand Co. Ltd., AGC Flat Glass - Hellas, AGC Flat Glass - Russia, AGC Flat Glass Coating S. A., AGC Technology Systems Solution Company, AGC Flat Glass North America Inc., Asahi Flat Glass Asia Europe S. A., AGC Flat Glass Europe S. A., AGC Flat Glass Nederland BV

b) Transactions with Related Parties :

Rs. Lakhs

Nature of Transaction	Associats		Enterprise owned or significantly influenced by Key Management Personnel		Key Management Personnel and their relatives		Others	
	Volume of transactions for the year ended		Volume of transactions for the year ended		Volume of transactions for the year ended		Volume of transactions for the year ended	
	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010
1. Expenses								
- Purchase of materials	-	-	-	-	-	-	4359	4061
- Stores and Spares	-	-	-	-	-	-	1383	1209
- Purchase of traded goods	-	-	-	-	-	-	249	239
- Purchase of finished goods	-	-	-	-	-	-	1568	-
- Business promotion expenses	-	-	-*	-	-	-	-	3
- Remuneration to directors	-	-	-	-	182	64	-	-
- Directors sitting fee	-	-	-	-	1	1	-	-
- Rent paid	-	-	18	18	9	9	-	-
- Fee for technical and consultancy services	-	-	-	3	-	-	191	164
- Donation	-	-	1	-	-	-	-	-
- Training Expenses	-	-	-	-*	-	-	-	-
- Repairs and Maintenance	-	-	-	-*	-	-	113	33
- Miscellaneous Expenses	-	-	-	-	-	-	-	11
- Royalty	-	-	-	-	-	-	2437	2090
- Commission	-	-	-	-	-	-	-	3
- Interest Others	-	-	-	-	-	-	443	37
2. Income								
- Sale of goods etc.	4201	3408	1	-	-	-	3106	3503
- Interest/Commission received/other	13	7	-	-	-	-	305	102
- Rent Received	-	-	-	-	-	-	-	13
- Liability Written Back	-	-	-	-	-	-	22	-
3. Purchases of Capital Goods	-	-	-	-	-	-	2304	925
4. Loans/Advances Given	-	40	-	-	-	-	-	898
5. Balance as on	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010	31-03-2011	31-03-2010
- Loans and advances	105	80	19	18	-	-	-	2
- Creditors	-	-	-	-	-	-	3188	3374
- Debtors	760	665	1	-	-	-	527	427
- Foreign Currency Loan	-	-	-	-	-	-	21394	21435

Note : Related party relationship is as identified by the Company on the basis of available information and accepted by the Auditors as correct.

* Rounded off to Nil.

10. Segment Information :

a) Information about Primary Business Segments						Rs. Lakhs
Particulars	Automotive Glass	Float Glass	Unallocable	Eliminations	Total	
Segment revenue						
External	84011	65078	8064		157153	
	(71330)	(53880)	(6867)		(132077)	
Inter segment sales (Net of excise duty)	260	7632	2713	(10605)	-	
	(248)	(9732)	(1281)	(-11261)	-	
Other income			319		319	
			(599)		(599)	
Total revenue	84271	72710	11096	(10605)	157472	
	(71578)	(63612)	(8747)	(-11261)	(132676)	
Segment result	9315	6253	27		15595	
	(12421)	(-30)	(35)		(12426)	
Unallocated Income (net of expenses)				1	1	
				(283)	(283)	

Rs. Lakhs

Particulars	Automotive Glass	Float Glass	Unallocable	Eliminations	Total
Operating profit	9315	6253	28		15596
	(12421)	(-30)	(318)		(12709)
Interest expense			(12875)		(12875)
			(-12936)		(-12936)
Interest income			79		79
			(63)		(63)
Provision for taxation - Current Tax			(567)		(567)
			(-7)		(-7)
- Deferred Tax			(1080)		(1080)
			(289)		(289)
- MAT Credit Entitlement			564		564
			(-)		(-)
Tax adjustments for earlier years			(31)		(31)
			(20)		(20)
Net profit	9315	6253	(13882)		1686
	(12421)	(-30)	(-12253)		(138)
Other information					
Segment assets	82033	109484	13145		204662
	(72526)	(103526)	(13156)		(189208)
Total assets	82033	109484	13145		204662
	(72526)	(103526)	(13156)		(189208)
Segment liabilities	16429	10336	2630		29395
	(11956)	(7602)	(2632)		(22190)
Share capital and reserves			21593		21593
			(20021)		(20021)
Minority Interest			(23)		(23)
			(-71)		(-71)
Secured and unsecured loans			155313		155313
			(149765)		(149765)
Deferred Tax (Assets)			(1616)		(1616)
			(-2697)		(-2697)
Total liabilities	16429	10336	177897		204662
	(11956)	(7602)	(169650)		(189208)
Capital expenditure	7406	4311	1163		12880
	(1373)	(-5075)	(341)		(-3361)
Depreciation/Amortisation	5176	6128	985		12289
	(5352)	(6478)	(1072)		(12902)
b) Information about Secondary Business Segments					
Particulars	India	Outside India		Total	
Revenue by Geographical Market					
External	163766	4311		168077	
	(134290)	(9647)		(143937)	
Less : Inter segment sales (Net of excise duty)	10605			10605	
	(11261)			(11261)	
Total	153161	4311		157472	
	(123029)	(9647)		(132676)	

11. Previous year's figures have been regrouped/rearranged, wherever found necessary. Figures in brackets above are in respect of previous year.

12. Figures have been rounded off to Rs. Lakhs.

For & on behalf of the Board

In terms of our report attached
For Jagdish Sapra & Co.
Chartered Accountants
(Firm Registration No. 001378N)

B. M. Labroo
Chairman

Sanjay Labroo
Managing Director
& Chief Executive Officer

Vipal Kalra
Partner
M. No. 084583
Place : New Delhi
Dated : 16th May, 2011

Place : Gurgaon
Dated : 16th May, 2011

Shailesh Agarwal
Chief Financial Officer

Gopal Ganatra
Head-Legal
& Company Secretary

Consolidated Cash Flow Statement

Rs. Lakhs

	2010-2011	2009-2010
	Amount	Amount
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and extraordinary items	2807	(68)
Adjustment for :		
Depreciation and Amortisation of Intangible Assets	12289	12902
Reversal of Impairment Loss	(2)	(10)
(Profit)/Loss on sale of fixed assets and assets discarded (Net)	41	(259)
(Reversal)/Provision for diminution in value of long term investments	-	(28)
Amortisation of Foreign Currency Monetary Items	(204)	(126)
Deferred revenue expenditure written off	5	-
Interest paid	12875	12936
Interest received	(79)	(63)
Dividend received	(1)	-
Operating Profit before working capital changes	27731	25284
Adjustment for :		
Trade and other receivables	(5712)	558
Inventories	(6629)	3179
Trade payable	7222	(6452)
CASH GENERATED FROM OPERATIONS	22612	22569
Interest paid	(12875)	(12936)
Direct taxes paid	(1678)	302
Increase in Foreign Currency Monetary Items	78	1490
CASH FLOW BEFORE PRIOR PERIOD ITEMS	8137	11425
Prior Period items	(7)	(96)
NET CASH FROM OPERATING ACTIVITIES	8130	11329
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including capital work-in-progress	(12879)	3361
Sale of fixed assets	222	1189
Purchase of Investments	-	(91)
(Reversal)/Provision for diminution in value of long term investments	-	28
Dividend received on investment	1	-
Interest received	79	63
NET CASH USED IN INVESTING ACTIVITIES	(12577)	4550

Rs. Lakhs

	2010-2011 Amount	2009-2010 Amount
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Equity Shares	-	33
Proceeds from share application Money	20	-
Proceeds of long term borrowings	11344	24410
Repayment of long term borrowings	(22133)	(22372)
Net proceeds of short term borrowings	16337	(18190)
NET CASH USED IN FINANCING ACTIVITIES	5568	(16119)
NET INCREASE/(DECREASE) IN CASH AND		
CASH EQUIVALENT (A+B+C)	1121	(240)
CASH AND CASH EQUIVALENT As At 1st April, 2010		
(Opening Balance)	1434	1674
CASH AND CASH EQUIVALENT As At 31st March, 2011		
(Closing Balance)	2555	1434

Notes :

- i. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- ii. Figures in brackets represent outflows.
- iii. Previous year figures have been restated wherever necessary.

For & on behalf of the Board

In terms of our report attached
For Jagdish Sapra & Co.
 Chartered Accountants
 (Firm Registration No. 001378N)

B. M. Labroo
 Chairman

Sanjay Labroo
 Managing Director
 & Chief Executive Officer

Vipal Kalra

Partner
 M. No. 084583
 Place : New Delhi
 Dated : 16th May, 2011

Place : Gurgaon
 Dated : 16th May, 2011

Shailesh Agarwal
 Chief Financial Officer

Gopal Ganatra
 Head-Legal
 & Company Secretary

AIS Auto Glass

PLANTS

94.4 Kms.,
National Highway 8,
Village - Jaliawas, Tehsil - Bawal,
District Rewari - 123 501, Haryana
Tel: (01284) 264306 / 366 / 367 / 274
Fax: (01284) 264185

Plot No. F - 76 to 81,
SIPCOT Industrial Area,
Irungattukottai,
Sriperumbudur Taluk,
District - Kancheepuram
Tamil Nadu - 602 105
Tel: (044) 47103442/43
Fax: (044) 47103441

Plot No. T - 16
MIDC Industrial Area, Talaja
District - Raigad Taluka -Panvel
Maharashtra- 410 208
Tel: (022) 27412256/
27411614/ 27410328/27412165
Fax: (022) 27412595

SUB-ASSEMBLY UNITS

Onsite Supplier Park-Building No.5
Toyota Kirloskar Motors Pvt. Ltd.,
Plot No.1, Bidadi Industrial Area
Bidadi-562 109, Ramanagar (D), Bangalore, Karnataka
Tel: (080) 6670 1100 / 01 / 02 / 03 / 04/ 05

Gate No. 123, Kuruli Taluka - Khed,
Distt. Pune, Maharashtra

1301/B, GIDC, Halol
Dist - Panchmahal, Gujrat - 389 350
Tel: (02676) 225610

AIS Float Glass

PLANT

Plot No. T - 7,
MIDC Industrial Area, Talaja,
District Raigad, Taluka -Panvel
Maharashtra - 410 208
Tel: (022) 39256000
Fax: (022) 27410449

SALES AND MARKETING OFFICE

C - 203/B, Fortune 2000
Bandra - Kurla Complex
Bandra (East), Mumbai - 400 051
Tel: (022) 30620101/07/13
Fax: (022) 30620119

CORPORATE PROJECT TEAM

207, 208, Ground Floor , Tribhuvan Complex ,
Ishwar Nagar , Mathura Road ,
New Delhi - 110 065
Tel: (011) 43795400

ZONAL OFFICE-NORTH

13, Ground Floor , Tribhuvan Complex ,
Ishwar Nagar , Mathura Road ,
New Delhi - 110 065
Tel: (011) 4928550
Fax: (011) 49285512

ZONAL OFFICE-SOUTH

No. 2 - C, 1st Floor, Ruby Regency
Dinrose Estate New No. 69,
Chennai - 600 002
Tel: (044) 28542491/92/93
Fax: (044) 28542494

ZONAL OFFICE-EAST

86-B/2, Topsia Road,
4th Floor, Room No. 4H,
Gajraj Chamber,
Kolkata - 700 046
Tel: (033) 2285 3201 / 02 / 03

AIS Glass Solutions

CORPORATE OFFICE

38, Okhla Industrial Estate
Phase-III, New Delhi - 110 020
Tel: (011) 41001690, 49454900
Fax: (011) 41001691

Faridabad-UPVC Unit
Plot No. 17-F, Indusustrial Area, (NIT),
District - Faridabad
Haryana - 121 001
Tel: (0129) 4315912

BANGALORE OFFICE

Unit-1-A, 14,
Wood Street
Bangalore - 560 025
Tel: (080) 41512634

MUMBAI OFFICE

414, Gundecha Industrial Estate
Near Big Bazar, Akurli Road
Kandivali East,
Mumbai - 400 101
Tel: (022) 32472689

TALOJA OFFICE

T-16, MIDC Industrial Area,
Talaja, Dist Raigad, Taluka -Panvel
Maharashtra- 410 208
Tel: (022) 27410328, 27412165, 27402286

BAWAL OFFICE

94.4 Kms, National Highway-8
Village Jaliawas, Tehsil Bawal
District Rewari- 123 501 Haryana.
Tel: (01284) 264366/ 367



Asahi India Glass Ltd.

www.asahiindia.com | www.aisglass.com