**JAND & ASSOCIATES**
*Chartered Accountants*

# INDEPENDENT AUDITOR'S REPORT

**To the Members of AIS GLASS SOLUTIONS LIMITED**

## Report on the audit of the Standalone Ind AS Financial Statements

### Opinion

We have audited the standalone Ind AS financial statements of AIS GLASS SOLUTIONS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act ('the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standard ) Rules, 2015, as amended, ("Ind As") and other accounting principles generally accepted in India, ,of the state of affairs of the Company as at 31st March, 2020 and its loss (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules there-under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that the following matters to be the key audit matters to be communicated in our report:

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| Key Audit Matter | Principle Audit Procedure Performed |
|---|---|
| **Deferred Tax Asset**<br><br>The company has created deferred tax assets, utilization of these is based on the likelihood of future taxable income. This involves judgement regarding the likelihood of realization of these assets in particular whether there will be sufficient taxable profits in future periods that support the recognition of these assets. In light of the judgement involved in considering these deferred tax assets as recoverable or otherwise, we consider this to be a key audit matter. | We have reviewed the basis of creation of deferred tax assets as detailed in Note No. 1.1(l) forming part of the financial statements. |
| **Going Concern**<br><br>The company has incurred losses with a consequent erosion of its net worth. The company has disclosed the basis of going concern in Note No.1.1(c) of the notes to accounts. The company has also prepared cash flow forecast for next twelve months which involves judgement and estimation. Considering the above, we have identified the assessment of going concern assumption as a key audit matter. | We have obtained an understanding from the company of the basis of providing the Note no. 1.1(c). We have reviewed the reasons as stated in the said note. |

**Emphasis of Matter**

The Company's net worth has been completely eroded. However the financial statements have been prepared on going concern basis for the reasons stated in Note no. 1.1(c) of the notes to accounts forming part of the financial statements.

Our opinion is not modified in respect of this matter.

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## Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outway the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors Report), Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and 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 it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind As specified under Section 133 of the Act

   e) On the basis of the written representations received from the directors, as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020, from being appointed as a director in terms of Section 164 (2) of the Act.

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f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - refer note no. 36 to standalone Ind AS financial statements.

   ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Jand & Associates**

**Chartered Accountants**

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**Pawan Jand**
**Prop.**
**Membership No: 080501**
**Firm Registration No: 008280N**
**Place: New Delhi**
**Date: June 22, 2020**
**UDIN: 20080501AAAAAH9116**

**Annexure A to the Independent Auditors' Report**

**(Referred to in paragraph 1 under Report on other Legal and Regulatory Requirements of our Report of even date)**

i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The Company has a regular program of physical verification of its fixed assets through which all fixed assets are verified, in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification as carried out under the above program during the current year.

c) The title deeds of immovable properties are held in the name of the Company.

ii. The inventories except goods in transit have been physically verified by the management at reasonable intervals during the year, and no material discrepancies were noticed on physical verification.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 as per information and explanations given to us. Consequently the provisions of clauses 3(iii)(a), (iii)(b) and (iii)(c) of the Order are not applicable.

iv. In our opinion and according to the information and explanations given to us, in respect of investments, guarantees and security provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.

v. As per information and explanations given to us, the Company has not accepted any deposits from the public under Section 73 to 76 of the Companies Act, 2013 and hence the provisions of clause 3 (v) of the Order are not applicable.

vi. We have broadly reviewed the records prescribed under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie such records are maintained by the Company. However we have not many any detailed examination of such records as we are not required to do so.

vii. 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, Employees' State Insurance, Income Tax, Goods and Services Tax, Cess and other applicable 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, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Goods and Services Tax that have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below:-

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| Nature of dues | Amount (INR Lacs) | Period to which the amount relates | Forum where dispute is pending |
|---|---|---|---|
| Sales tax | 13.81 | FY 2014-15 | Joint Commissioner (Appeals) |
| | 13.99 | FY 2015-16 | Joint Commissioner (Appeals) |
| | 23.78 | AY 2014-15 | Excise & Taxation Authority |

viii. According to the records of the Company examined by us and on the basis of information and explanations given to us, the Company has not defaulted in repayment of dues to banks, financial institutions and Government. The Company has not obtained any borrowings by way of debentures.

ix. 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. The Company has not raised any monies by way of initial public offer or further public offer (including debt instruments).

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has not paid any managerial remuneration during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of the Order are not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, provisions of clause 3(xiv) of the Order are not applicable to the Company.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of clause 3(xv) of the Order are not applicable to the Company.

xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Jand & Associates**

**Chartered Accountants**

**Pawan Jand**
**Prop.**
**Membership No: 080501**
**Firm Registration No: 008280N**
**Place: New Delhi**
**Date: June 22, 2020**
**UDIN: 20080501AAAAAH9116**

**Annexure B to the Independent Auditor's Report of even date on the Standalone Financial Statements of AIS GLASS SOLUTIONS LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of AIS GLASS SOLUTIONS LIMITED ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, ***except for the internal controls related to recording consumption of UPVC profiles***, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India

**For Jand & Associates**

**Chartered Accountants**

JAND & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

**Pawan Jand**
**Prop.**
**Membership No: 080501**
**Firm Registration No: 008280N**
**Place: New Delhi**
**Date: June 22, 2020**
**UDIN: 20080501AAAAAH9116**

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

### 1. CORPORATE INFORMATION

AIS GLASS SOLUTIONS LIMITED (the Company) is a public limited company incorporated in India under the under the provision of Companies Act, 1956 with its Registered Office at Delhi. The company is engaged in business of manufacture, trade and end to end solution provider for products and services relating to all kind of architectural glass including toughened glass, laminated glass, insulated glass, glass products and uPVC windows.

### 1.1 STATEMENT OF ACCOUNTING POLICIES

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

**(a) Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards( Ind AS) issued by the ministry of corporate affairs under the Companies (Indian Accounting Standards) Rules, 2015 notifies under section 133 of The Companies Act 2013

The financial statement has be prepared as a going concern for the reasons as set out under note 1.1 ( c )

**(b) Basis for preparation**

The Financial Statements have been prepared under the historical cost convention on accrual basis with the exception of certain assets and liabilities carried at fair values by Ind AS. Historical cost is generally based on fair value of consideration given in exchange of goods and services.

The company, based on the nature of its products and services and normal time between acquisition of assets and their realization in cash or cash equivalent, has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**(c) Going concern**

The Company is an integral part of the larger architectural business of its holding company. It however on standalone basis has been incurring losses and the accumulated losses have exceeded its net worth. However, the accounts have been prepared on the fundamental assumption of going concern based on the continuous financial support extended by its holding company Asahi India Glass Ltd and after taking into consideration the following key aspects:

a. The company owes Rs. 13,003 Lakhs to its holding company Asahi India Glass Ltd of which Rs. 10,850 Lakhs is for long term purposes. This accounts for majority of total creditors of the company.
b. The company has generally been regular in paying its statutory dues.
c. The company is regular in servicing its debts.
d. The company enjoys brand equity for "AIS Stronglas" and "AIS VUE"
e. The Company will continue to invest and build Windows and Glass business. In FY19-20, the Company has invested Rs. 866 Lakhs to expand its Windows business. In the FY 20-21, it plans to invest Rs. 292 Lakhs to augment its manufacturing capability at both the plants. The company has very recently tied up with key suppliers to diversify into the business of aluminum windows. Further the Company has moved into value added products in the glass business and both these are expected to improve the revenue of the Company.

**(d) Property, plant and equipment-Tangible Assets**

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discounts and rebates and impairment losses, if any, less accumulated depreciation. Such costs include purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.
Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

<u>**Depreciation method**</u>

**i. Tangible Assets**

Pursuant to the notification of Schedule II of The Companies Act, 2013 ("the Act"), by the Ministry of Corporate Affairs effective 01-04-2014, depreciation on fixed assets is provided on Straight Line Method (SLM) over estimated economic life and in manner prescribed in Schedule II of the Companies Act 2013.

**ii. Intangible Assets**

Intangible asset are amortized over a period of five years on a pro-rata basis.

**iii. Leasehold Assets**

Leasehold assets are depreciated over the period of lease.

iv. Gains and losses on disposals are determined by comparing proceeds with carrying amount and such gains or losses are recognized as income or expense in the statement of profit and loss.

v. Cost of items of Property, plant and equipment not ready for intended use as on the balance sheet date is disclosed as capital work in progress. Advances given towards acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as Capital Advance under Other non current assets.

**(e) Intangible Assets and Amortization**

Intangible assets are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated amortization/depletion and impairment loss, if any.
The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are recognized as income or expense in the statement of profit and loss.
Cost of items of intangible assets not ready for intended use as on the balance sheet date is disclosed as intangible assets under development.

<u>**Amortization method and estimated useful lives**</u>

Intangible asset are amortized over a period of five years on a pro-rata basis.

**(f) Impairment**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**(g) Leases**

**Company as a lessee:-**

In accordance with Ind AS-116, for all leases with a term of more than twelve months, the Company recognizes a "right of use" assets at cost representing its right to use the underlying leased asset and a lease liability representing its obligation to make future lease payments. The right of use assets are depreciated using the straight line method from the commencement date over the shorter of lease term or useful life of right to use asset. Interest expense is accounted for on the outstanding lease liability using the incremental borrowing rate.

The lease payments associated with short term leases of twelve months or less are recognized as an expense on straight line basis over the lease term.

**Company as a lessor:-**

The Company classifies the leases as either a finance lease or an operating lease depending on whether the risks and rewards incidental to ownership of an underlying asset are transferred and recognizes finance income over the lease term.

**(h) Financial Instruments, Financial Assets, Financial Liabilities and Equity Instruments**

Financial Assets and Financial Liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument. Since the transaction price does not differ significantly from the fair value of the financial asset or financial liability, the transaction price is assumed to be the fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase and sale of financial assets are recognized using trade date accounting.

i. **Financial Assets**

Financial assets include Trade Receivables, Advances, Security Deposits, Cash and Cash Equivalents etc. which are classified for measurement at amortized cost.

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

**Impairment:**

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) are tested for impairment based on available evidence or information. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**De-recognition:**

Financial assets are derecognized when the right to receive cash flow from the assets has expired, or has been transferred and the company has transferred substantially all of the risks and rewards of ownership.

**Income recognition:**

Interest income is recognized in the Statement of profit and loss using the effective interest method.

**ii. <u>Financial Liabilities</u>:**

Borrowings, trade payables and other Financial Liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

**De-recognition:**

Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

**(i) Inventories**

Inventories are valued at lower of cost or net realizable value except waste, which is valued at estimated net realizable value. Cost of inventory includes all costs incurred in bring the inventories to their present location and condition. Cost of purchase inventory is determined after deducting rebates and discounts. Estimated net realizable value is estimated selling price less estimated cost as certified by the management. The basis of determining cost for various categories of inventories is as follows:

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

**(j) Revenue**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is being received. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes and duties collected on behalf of the Government.

i. **Sale of goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer.

ii. **Interest Income**

Interest income is accrued on time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

iii. **Service Income**

Revenue with regard to services is recognized over the period of rendering of services

**(k) Cash and cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits with banks, short term balances (with an original maturity of three months or less from date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**(l) Taxes on income**

Income tax expense represents the sum of the current tax and deferred tax.

Current tax charge is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of profit and loss because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The company's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

The company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are off set against each other and the resultant net amount is presented in the balance sheet if and only when the company currently has a legally enforceable right to set off the current income tax assets and liabilities.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity respectively.

The Company has decided to continue recognizing and creating deferred tax asset in the current financial year and this has been supported by Management's evaluation of facts and circumstances primarily based on the following: -

1) The Company has continued investments in scaling up the capacities of the windows business, which is a consumer product and the gross margins are very healthy in this segment in the industry. The Company has able to secure its supply lines with long term contracts and has introduced competitive range of new products in the market which has received a good response.
2) The continued focus on this segment is expected to increase the top line of the Company.
3) The Company is diversifying uPVC business into Aluminum system doors and windows which have large market and will give significant benefit in long term as there are very limited organized players in this market.
4) The Company continues to strengthen its presence in architectural glass segment which is its core business and is showing operational improvement due to its emphasis on lowering fixed costs, increasing realization by extending its market reach, value added offerings & focus on quality.
5) The Management has a plan to merge and shall merge profitable entities in the AIS Group with the Company within a period of one year from the date of signing these financials to provide much needed scale to enhance the operations and become profitable.

**(m) Employee Benefits**

**(i) Short term employee Benefits**

Short term employee benefits are expensed as the related service is provided at an undiscounted amount expected to be paid. A liability is recognized for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(ii) Post-Employment Benefits**

**Defined Contribution Plans**

The company's defined contribution plans includes Employees Provident Fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) and Employee State Insurance Corporation (under the provisions of the Employees' State Insurance Act, 1948). The company has no further obligation beyond making the contributions. The company's contributions to these plans are charged to the Statement of Profit and loss as incurred over the operating cycle.

**Defined Benefits Plans**

The company has defined benefit plan as Gratuity. The Liability or Assets are recognized in the Balance Sheet in respect of Gratuity plans is present value of the Defined Benefit obligations at the end of the reporting period less fair value of plan Assets. The defined benefit obligation is calculated annually by independent actuary actuaries using projected unit credit methods. The present value of define benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

**(iii) Other Long Term Benefit Plans**

The liabilities for earned leave those are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit Method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

**(n) Earnings Per Share**

Basic earnings per share is calculated by dividing the profit for the period attributable to the owners of company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For the purposes of calculating diluted earnings per share the profit for the period attributable to the owners of the company and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**(o) Exceptional items**

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the company for the year, the company makes a disclosure of the nature and amount of such items separately under the head "exceptional items."

**(p) Segment reporting**

The Company has two reportable segments, as described below, which are the Company's strategic business units. For each of the strategic business units, the Chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis.

The following segments are Company's reportable segments:

a) Architectural Glass
b) uPVC Windows

**(q) Provisions and contingent liabilities**

A provision is recognized if as a result of a past event, the company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate the risks specific to the liability. The increase in the provision due to passage of time is recognized as an interest expense.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the Standalone Financial Statements. However, when the realization of income is virtually certain then the related asset is not a contingent asset and its recognition is appropriate.

**(r) Finance cost**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

**(s) Use of Estimates and Critical accounting Judgments**

The preparation of Financial Statements is in conformity with generally accepted accounting principles which requires management to make estimates and assumptions.

The estimates and the associated assumptions are based on historical experience, opinions of experts and other factors that are considered to be relevant. Actual results may differ from these estimates.

Significant judgments and estimated are made in areas relating to useful lives of Property, Plant and Equipment, impairment of Property, Plant and Equipment, Investments, Actuarial assumptions relating to recognition and measurement of employee defined benefit obligations and recognition of provisions and exposure of contingent liabilities relating to pending litigations or other outstanding claims etc.

As per our report of even date
**For Jand & Associates**
Chartered Accountants
Firm Registration No. 008280N

**Pawan Jand**
Proprietor
Membership No. 080501

Place: New Delhi
Date: 22/06/2020

JAND & ASSOCIATES
NEW DELHI
CHARTERED ACCOUNTANTS

**Gopal Ganatra**
Director
DIN:05233949

Place: New Delhi
Date: 22/06/2020

**Rupinder Shelly**
Director
DIN: 02895975

Place: New Delhi
Date: 22/06/2020

**Santosh Kumar Gupta**
Head-Finance & Accounts

Place: New Delhi
Date: 22/06/2020

**AIS GLASS SOLUTIONS LIMITED**
**BALANCE SHEET AS AT 31 MARCH 2020**

('Rs.in Lakhs)

| Particulars | Note | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, Plant & Equipment | 2a | 5,649.35 | 4,707.38 |
| Capital work-in-progress | 3 | 3.24 | 431.48 |
| Intangible assets | 2b | 17.98 | 14.35 |
| Right of Use Asset | 2c | 471.46 | - |
| Financial assets | | | |
| Loans | 4 | 69.61 | 63.68 |
| Trade receivables | 5 | 260.60 | 260.60 |
| Other financial assets | 6 | 25.50 | 24.08 |
| Deferred tax assets (net) | 7 | 2,424.31 | 2,009.67 |
| **Total non-current assets** | | **8,922.06** | **7,511.24** |
| **Current assets** | | | |
| Inventories | 8 | 1,190.48 | 946.62 |
| Financial assets | | | |
| Trade receivables | 9 | 1,338.40 | 1,394.22 |
| Cash and Bank Balances | 10 | 56.88 | 71.86 |
| Current tax assets | 11 | 15.77 | 15.10 |
| Other current assets | 12 | 223.76 | 465.59 |
| **Total current assets** | | **2,825.29** | **2,893.39** |
| **TOTAL ASSETS** | | **11,747.35** | **10,404.63** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 13 | 397.60 | 397.60 |
| Other equity | 14 | (5,990.65) | (4,607.73) |
| **Total equity** | | **(5,593.05)** | **(4,210.13)** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 15 | 543.36 | 703.95 |
| Trade payables | 16 | 10,850.37 | 10,850.37 |
| Other financial liabilities | 17 | 553.77 | 90.26 |
| Provisions | 18 | 85.44 | 81.44 |
| **Total non-current liabilities** | | **12,032.94** | **11,726.02** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 19 | 2,235.80 | - |
| Trade Payables | 20 | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | | 55.39 | 30.38 |
| (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,672.38 | 2,419.78 |
| Other financial liabilities | 21 | 1,045.63 | 184.95 |
| Other current liabilities | 22 | 274.73 | 241.56 |
| Provisions | 23 | 23.53 | 12.07 |
| **Total current liabilities** | | **5,307.46** | **2,888.74** |
| **TOTAL EQUITY AND LIABILITIES** | | **11,747.35** | **10,404.63** |
| Significant accounting policies | 1 | | |

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

As per our report of even date
***For* Jand & Associates**
Chartered Accountants
Firm Registration No: 008280N

**Pawan Jand**
Proprietor
Membership No.: 080501

Place : New Delhi
Date : 22/06/2020

JAND & ASSOCIATES
NEW DELHI
CHARTERED ACCOUNTANTS

For and on behalf of the Board

**Gopal Ganatra**
Director
DIN: 05233949

**Rupinder Shelly**
Director
DIN:02895975

**Santosh Kumar Gupta**
Head-Finance & Accounts

AIS GLASS SOLUTIONS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

('Rs.in Lakhs)

| Particulars | Note | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|---|
| **Revenue** | | | |
| Revenue from operations | 24 | 5,389.56 | 6,692.28 |
| Other income | 25 | 49.09 | 92.76 |
| **Total revenue** | | **5,438.65** | **6,785.04** |
| **Expenses** | | | |
| Cost of materials consumed | 26 | 2,894.90 | 3,849.81 |
| Changes in inventory of finished goods, work-in-progress, stock-in-trade and others | 27 | (119.08) | (20.75) |
| Employee benefits expenses | 28 | 1,644.15 | 1,554.45 |
| Finance costs | 29 | 232.85 | 62.88 |
| Depreciation and amortization expenses | 30 | 439.54 | 283.00 |
| Other expenses | 31 | 2,078.19 | 2,351.24 |
| **Total expenses** | | **7,170.54** | **8,080.64** |
| **Profit before tax** | | **(1,731.89)** | **(1,295.60)** |
| **Profit before tax** | | **(1,731.89)** | **(1,295.60)** |
| **Tax expense** | | | |
| Current tax | | | |
| Deferred tax | | 412.48 | 26.11 |
| **Total tax expense** | | **412.48** | **26.11** |
| **Profit After Tax** | | **(1,319.41)** | **(1,269.49)** |
| **Other comprehensive income** | | | |
| Items that will not be reclassified to profit or loss (net of tax) | | | |
| - Net actuarial gains/(losses) on defined benefit plans | | (8.31) | (4.49) |
| - Deferred Tax relating to items which is not reclassified to profit or loss | | 2.16 | 1.17 |
| **Other comprehensive income for the year, net of income tax** | | **(6.15)** | **(3.32)** |
| **Total comprehensive income for the year** | | **(1,325.56)** | **(1,272.81)** |
| **Earnings per equity share (Face value 10/- each)** | | | |
| Basic & Diluted | 36 | (33.18) | (31.93) |
| Significant accounting policies | 1 | | |

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

As per our report of even date
***For* Jand & Associates**
Chartered Accountants
Firm Registration No. 008280N

For and on behalf of the Board

**Gopal Ganatra**
Director
DIN: 05233949

**Rupinder Shelly**
Director
DIN:02895975

**Pawan Jand**
Proprietor
Membership No.: 080501

JAND & ASSOCIATES ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

**Santosh Kumar Gupta**
Head-Finance & Accounts

Place : New Delhi
Date : 22/06/2020

**AIS GLASS SOLUTIONS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020**

(Rs. in Lakhs.)

| | Particulars | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| I. | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | Profit before tax as per Profit & loss Statement | (1,731.89) | (1,295.60) |
| | **Adjustments for Non-Operating & Non- Cash Items:** | | |
| | Interest Expenses | 232.85 | 62.88 |
| | Interest income | (1.55) | (1.61) |
| | Foreing exchange gain/loss | (2.72) | 0.42 |
| | Depreciation | 439.54 | 283.00 |
| | Loss on sale of Fixed Assets | 1.21 | 0.65 |
| | Net actuarial gains/(losses) on defined benefit plans | (8.31) | (4.49) |
| | Provision for Bad & Doubtful Debts | 41.67 | 40.57 |
| | Provision for Doubtful Advances . | 6.34 | 19.81 |
| | **Operating profit/(loss) before working capital changes** | **(1,022.87)** | **(894.36)** |
| | **Adjustments for changes in assets & liabilities:** | | |
| | Changes in Trade receivables, Inventories & Other Assets | (2.23) | (340.37) |
| | Changes in Trade payables & Other liabilities | 735.65 | 1,369.48 |
| | **Cash generated from operations before extraordinary items** | **(289.45)** | **134.75** |
| | **Cash flow from operations before taxes** | **(289.45)** | **134.75** |
| | Tax paid during the year & tax adjustements related to earlier year | - | - |
| | **Net Cash flow From Operating Activities** | **(289.45)** | **134.75** |
| II. | **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | **Additions to Fixed Assets & Capital work in Progress** | | |
| | Addition in Fixed Assets | (1,916.90) | (191.86) |
| | Deletion /(Addition) in Capital Work in Progress | 428.24 | (339.27) |
| | Sale of Fixed Assets | 1.73 | 0.34 |
| | Addition / Received from Fixed Deposit on matruity | - | (1.45) |
| | Interest received during the year | 1.55 | 1.61 |
| | **Net Cash Used In Investing Activities** | **(1,485.38)** | **(530.63)** |
| III. | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Loan taken from AIS Adhesive Ltd | 600.00 | 400.00 |
| | Repayment of Loan from AIS Adhesive Ltd | - | (400.00) |
| | Loan Taken from Bajaj Finserve Ltd | - | 495.25 |
| | Loan Taken from RBL Bank | 485.80 | - |
| | Loan Taken From Asahi India Glass Limited | 850.00 | - |
| | Loan Taken From AIS Distribution Services Limited | 300.00 | - |
| | Repayment of Loan Bajaj Finserve Ltd | (155.47) | - |
| | Repayment of Loan from Kotak Mahindra Prime Ltd | (5.12) | (4.63) |
| | Repayment of Lease Liabilties | (82.50) | - |
| | Interest paid | (232.85) | (62.88) |
| | **Net Cash Used In Financing Activities** | **1,759.86** | **427.75** |
| IV. | **Net Increase/ (Decrease) in cash & cash equivalents (I+II+III)** | **(14.97)** | **31.87** |
| V. | **Cash & Cash equivalents at the beginning of the accounting period** | **71.86** | **39.99** |
| VI. | **Cash & Cash equivalents at the end of the accounting period (IV+V)** | **56.88** | **71.86** |

As per our report of even date
**For Jand & Associates**
Chartered Accountants
Firm Registration No. 008280N

**Pawan Jand**
Proprietor
Membership No.: 080501

Place : New Delhi
Date : 23/06/2020

JAND & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

**For and on behalf of the Board**

**Gopal Ganatra**
Director
DIN: 05233949

**Rupinder Shelly**
Director
DIN:02895975

**Santosh Kumar Gupta**
Head- Finance & Accounts

AIS GLASS SOLUTIONS LIMITED
STATEMENT OF CHANGES IN EQUITY

**(A) Equity share capital**

**As At 31 March 2020** ('Rs.in Lakhs)

| Particulars | Balance as at 1 April 2019 | Changes during the year | Balance as at 31 March 2020 |
|---|---|---|---|
| Equity share capital | 397.60 | - | 397.60 |

**(B) Other equity**

**As At 31 March 2020** ('Rs.in Lakhs)

| Particulars | Reserves & surplus | | | Total |
|---|---|---|---|---|
| | Capital reserve | General reserve | Retained earnings | |
| **Balance as at 1 April 2019** | 21.71 | (22.56) | (4,606.88) | (4,607.73) |
| Profit for the year | - | - | (1,319.41) | (1,319.41) |
| Other comprehensive income | - | - | (6.15) | (6.15) |
| **Total comprehensive income** | **21.71** | **(22.56)** | **(5,932.44)** | **(5,933.29)** |
| **Adjustment during the year** | | | (57.36) | (57.36) |
| **Balance as at 31 March 2020** | **21.71** | **(22.56)** | **(5,989.80)** | **(5,990.65)** |

As per our report of even date
***For* Jand & Associates**
Chartered Accountants
Firm Registration No. 008280N

**Pawan Jand**
Proprietor
Membership No.: 080501

Place : New Delhi
Date : 22/06/2020

JAND & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

For and on behalf of the Board

**Gopal Ganatra**
Director
DIN: 05233949

**Rupinder Shelly**
Director
DIN:02895975

**Santosh Kumar Gupta**
Head-Finance & Accounts

**2a Property, plant & equipment**
**As at 31 March 2020**

('Rs.in Lakhs)

| Particulars | Gross block | | | | Depreciation/amortisation and impairment | | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1 April 2019 | Additions | Deductions/ adjustments | As at 31 March 2020 | As at 1 April 2019 | For the year | Deductions/ adjustments | Upto 31 March 2020 | As at 31 March 2020 | As at 31 March 2019 |
| Land Leasehold | 1,754.75 | - | - | **1,754.75** | 58.2 | 19.40 | - | 77.59 | **1,677.16** | 1,696.55 |
| Buildings | 2,114.98 | 376.03 | 1.94 | **2,489.07** | 277.6 | 117.27 | 1.17 | 393.71 | **2,095.35** | 1,837.36 |
| Plant and equipment | 1,060.14 | 760.61 | 2.12 | **1,818.63** | 300.6 | 147.43 | 0.60 | 447.43 | **1,371.20** | 759.53 |
| Electrical installations and | 295.49 | 95.88 | - | **391.38** | 45.9 | 22.84 | - | 68.78 | **322.59** | 249.55 |
| Furniture and fixtures | 49.55 | 18.94 | - | **68.49** | 7.1 | 5.96 | - | 13.06 | **55.42** | 42.45 |
| Office equipment | 52.63 | 34.24 | 0.22 | **86.64** | 15.4 | 13.54 | 0.02 | 28.94 | **57.70** | 37.20 |
| Data processing equipments | 95.77 | 14.78 | 0.61 | **109.94** | 39.3 | 24.48 | 0.17 | 63.57 | **46.37** | 56.51 |
| Vehicles | 38.91 | - | - | **38.91** | 10.7 | 4.65 | - | 15.35 | **23.56** | 28.21 |
| **Total** | **5,462.21** | **1,300.47** | **4.89** | **6,757.79** | **754.83** | **355.56** | **1.96** | **1,108.44** | **5,649.35** | **4,707.38** |

Interest Capitalised Rs. 20.58 Lakhs in Building, Plant and Equipments and Electrical Installations and Fittings.

**2b Intangible assets**
**As at 31 March 2020**

('Rs.in Lakhs)

| Particulars | Gross block | | | | Depreciation/amortisation and impairment | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1 April 2019 | Additions | Deductions/ adjustments | As at 31 March 2020 | Upto 1 April 2019 | For the year | Deductions/ adjustments | Upto 31 March 2020 | As at 31 March 2020 | As at 31 March 2019 |
| Software | 27.55 | 2.08 | - | 29.63 | 15.68 | 4.79 | - | 20.47 | 9.16 | 11.87 |
| Trademark | 0.46 | - | - | 0.46 | 0.20 | 0.07 | - | 0.26 | 0.20 | 0.26 |
| License fees | 3.19 | 7.26 | - | 10.45 | 0.97 | 0.84 | - | 1.81 | 8.63 | 2.21 |
| **Total** | **31.20** | **9.34** | **-** | **40.54** | **16.85** | **5.70** | **-** | **22.55** | **17.98** | **14.35** |

**2c Right of Use Asset**
**As at 31 March 2020**

('Rs.in Lakhs)

| Particulars | Gross block | | | | Depreciation/amortisation and impairment | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 1 April 2019 | Additions | Deductions/ adjustments | As at 31 March 2020 | Upto 1 April 2019 | For the year | Deductions/ adjustments | Upto 31 March 2020 | As at 31 March 2020 | As at 31 March 2019 |
| Leasehold Land & Building | 895.75 | - | - | 895.75 | 333.83 | 78.27 | - | 424.29 | 471.46 | - |
| **Total** | **895.75** | **-** | **-** | **895.75** | **333.83** | **78.27** | **-** | **424.29** | **471.46** | **-** |

3 **Capital work-in-progress**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Building Under Construction | 1.27 | 171.62 |
| Plant & Equipment Under Erection | 1.97 | 84.43 |
| Electrical installation under erection | - | 20.62 |
| Project Expenditure Pending Allocation | - | 145.79 |
| Intangible Assets under Development | - | 2.08 |
| Others | - | 6.94 |
| **Total** | **3.24** | **431.48** |

4 **Loans - Non-current**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| (a) Loans Receivables considered good-Unsecured | | |
| Security Deposits | | |
| a) Others | 69.61 | 63.68 |
| (b) Loans Receivables which have significant increase in Credit Risk | 8.90 | 3.74 |
| (c) Loans Receivables-credit impaired | (8.90) | (3.74) |
| Total | **69.61** | **63.68** |

5 **Trade Receivables - Non-current**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| (a) Trade Receivables considered good-Unecured | 260.60 | 260.60 |
| (b) Trade Receivables which have significant increase in Credit Risk | - | - |
| (c) Trade Receivables-credit impaired | - | - |
| | 260.60 | 260.60 |
| Allowance for Trade Receivables- credit impaired | - | - |
| **Total*** | **260.60** | **260.60** |

* No Interest is charged on Trade Receivables

6 **Other financial assets - Non-current**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Bank deposits with more than 12 months maturity | 25.50 | 24.08 |
| **Total** | **25.50** | **24.08** |

* Pledged with Govt Authoroties

** Include interest accured Rs.4.75 Lakhs as at 31st Mar 2020, Rs.3.55 Lakhs as at 31st Mar 2019

**7 Deferred tax assets (net)**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **Deferred tax assets** | | |
| **Opening Balance** | | |
| Unabsorbed depreciation/ carried forward losses under tax laws | 2,242.21 | 1,843.72 |
| Expenses allowed for tax purpose on payment basis | 25.42 | 23.91 |
| Provision for doubtful debts & advances | 113.92 | 101.44 |
| Provision for decommissioning liability | - | - |
| MAT credit recoverable | 39.22 | 39.22 |
| Others | 3.54 | 1.38 |
| | **2,424.31** | **2,009.67** |
| **Deferred tax liabilities** | | |
| Difference in book net value and tax net value of property, plant and equipment and intangible assets | - | - |
| Others | - | - |
| | - | - |
| **Total** | **2,424.31** | **2,009.67** |

(a) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

**(b) Movement in deferred tax balances**

**As at 31 March 2019**

('Rs.in Lakhs)

| Particulars | Net balance as on 1 April | Recognised in profit or loss | Recognised in OCI | Net balance as on 31 March 2020 |
|---|---|---|---|---|
| **Deferred tax assets** | | | | |
| Unabsorbed depreciation/ carried forward losses under tax laws | 1,843.72 | 398.48 | - | 2,242.21 |
| Expenses allowed for tax purpose on payment basi | 23.91 | 1.51 | - | 25.42 |
| Provision for doubtful debts & advances | 101.44 | 12.48 | - | 113.92 |
| MAT credit recoverable | 39.22 | - | - | 39.22 |
| Others | 1.38 | | 2.16 | 3.54 |
| | **2,009.67** | 412.48 | 2.16 | **2,424.31** |
| **Deferred tax liabilities** | | | | |
| Difference in book net value and tax net value of property, plant and equipment and intangible assets | - | | - | - |
| Others | - | - | - | - |
| | - | - | - | - |
| **Total** | **2,009.67** | **412.48** | **2.16** | **2,424.31** |

**8 Inventories**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Raw materials | 550.66 | 481.50 |
| Work-in-progress | 243.19 | 188.45 |
| Finished goods | 154.77 | 90.55 |
| Stores, spares & loose tools | 240.20 | 184.60 |
| Waste | 1.66 | 1.52 |
| **Total** | **1,190.48** | **946.62** |
| **Inventories include material-in-transit** | | |
| Raw materials | 50.14 | 76.74 |

(a) The mode of valuation of inventory has been stated in Note No. 1.1(i)

(b) Inventories are valued at cost or net realisable value, whichever is lower except waste. Waste is valued at estimated realisable value.

( c) The cost of Inventories recognised as an expense during the year is Rs.2895.19 Lakhs (Previous year was Rs.3849.81 Lakhs)

**9 Trade receivables**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| (a) Trade Receivables considered good-Unecured | 1,338.40 | 1,394.22 |
| (b) Trade Receivables which have significant increase in Credit Risk | - | - |
| (c) Trade Receivables-credit impaired | 334.35 | 292.68 |
| | 1,672.75 | 1,686.90 |
| Allowance for Trade Receivables- credit impaired | (334.35) | (292.68) |
| **Total *** | **1,338.40** | **1,394.22** |

* No Interest is charged on Trade Receivables

**10 Cash and cash equivalents**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **Balances with banks** | | |
| Current accounts | 46.75 | 1.63 |
| Cheques & drafts in hand | 7.62 | 67.84 |
| Cash in hand | 2.51 | 2.39 |
| **Total** | **56.88** | **71.86** |

**11 Current tax Assets**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Advance Tax represented by TDS receivable | 15.77 | 15.10 |
| **Total** | **15.77** | **15.10** |

**12 Other current assets**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **Advances** | | |
| Advances to Employees | 2.96 | 3.04 |
| Loan to Employees | 6.14 | - |
| Against supply of goods and services | | |
| - From others | | |
| - Considerded Good | 48.45 | 349.17 |
| - Considerded Doubtful | 94.91 | 93.74 |
| Less : Provision for Doubtful Advances | (94.91) | (93.74) |
| Advances with government authorities | 140.14 | 58.90 |
| Prepaid expenses | 26.07 | 54.48 |
| **Total** | **223.76** | **465.59** |

**13 Share capital**

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| | | ('Rs.in Lakhs) |
| **Authorised** | | |
| 5000000 equity shares of par value ` 10/- each (5000000 equity shares of par value ` 10/- each as at 31 March 2019) | **500.00** | **500.00** |
| | **500.00** | **500.00** |
| **A. Issued, subscribed and fully paid up** | | |
| 3976000 equity shares of par value ` 10/- each (3976000 equity shares of par value ` 10/- each as at 31 March 2019) | 397.60 | 397.60 |

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

| Particulars | As at March 31, 2020 | As at March 31, 2019 |
|---|---|---|
| **Number of shares outstanding at the beginning of the year** | 3,976,000 | 3,976,000 |
| *Add:* Number of shares allotted during the year | - | - |
| *Less:* Number of shares bought back during the | - | - |
| **Number of shares outstanding at the end of the year** | **3,976,000** | **#######** |

**C.** The company has only one class of Equity shares. Every shareholder is entitled to one vote per share.
**D.** Out of the above issued shares, 32,81,999 (Previous year 32,81,999) shares are held by Asahi India Glass Limited, the Holding company.

**(a) Details of shareholders holding more than 5% shares in the Company:**

| Particulars | 31 March 2020 | | 31 March 2019 | |
|---|---|---|---|---|
| | No. of shares | %age holding | No. of shares | %age holding |
| ASAHI INDIA GLASS LIMITED | 3,281,999 | 82.55% | 3,281,999 | 82.55% |
| MR. SANJAY LABROO | 294,000 | 7.39% | 294,000 | 7.39% |

**14 Other equity**

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| | | ('Rs.in Lakhs) |
| Capital reserve | 21.71 | 21.71 |
| General reserve | (22.56) | (22.56) |
| Retained earnings | (5,977.66) | (4,600.90) |
| Other Comprehensive Income | (12.14) | (5.99) |
| **Total** | **(5,990.65)** | **(4,607.73)** |

| | | As at 31 March 2020 | As at 31 March 201! |
|---|---|---|---|
| | | | ('Rs.in Lakhs) |
| **(a)** | **Capital reserve** | | |
| | Opening balance | 21.71 | 21.71 |
| | Add: Capital Subsidy received for capital investment in the State of Uttarakhand | | |
| | **Closing balance** | **21.71** | **21.71** |
| **(b)** | **General reserve** | | |
| | Opening balance | (22.56) | (22.56) |
| | **Closing balance** | **(22.56)** | **(22.56)** |
| **(c)** | **Retained earnings** | | |
| | Opening balance | (4,600.90) | (3,331.41) |
| | Add / (Less): Net Profit / (Loss) after Tax transferred from statement of profit & loss | (1,319.41) | (1,269.49) |
| | Add: Ind AS adjustments (adoption of Ind-AS 116) | (57.36) | - |
| | | **(5,977.66)** | **(4,600.90)** |
| **(d)** | **Items of other comprehensive income recognised directly in retained earnings:** | | |
| | Opening balance | (5.99) | (2.66) |
| | - Net actuarial gains/(losses) on defined benefit plans, net of tax | (8.31) | (4.49) |
| | 'Less: Tax on OCI | 2.16 | 1.17 |
| | **Closing balance** | (12.14) | (5.99) |
| | **Total (a+b+c+d)** | **(5,990.65)** | **(4,607.73)** |

15 **Borrowings - Non-current**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Term loans | | |
| **From others** | | |
| **Secured** | | |
| -Rupee Term Loans* | 543.36 | 703.95 |
| **Total** | **543.36** | **703.95** |

* Secured by creation of charge on immovable and movable fixed assets

16 **Trade payables - Non-current**

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Dues to others* | 10,850.37 | 10,850.37 |
| **Total** | **10,850.37** | **10,850.37** |

* Dues to related party

17 **Other financial liabilities - Non-current**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Deposit from customers | 97.26 | 90.26 |
| Lease Liabilities | 456.51 | - |
| **Total** | **553.77** | **90.26** |

18 **Provisions - Non-current**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Provision for employee benefit expenses | | |
| Leave Encashment | 18.13 | 24.09 |
| Gratuity | 67.32 | 57.35 |
| **Total** | **85.44** | **81.44** |

19 **Borrowings -current**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **Loans Repayable on demand** | | |
| **Secured** | | |
| From Banks* | 485.80 | - |
| **Unsecured** | | |
| From related parties | 1750.00 | - |
| **Total** | **2235.80** | **-** |

*Secured by exclusive charge on all moveable fixed and current Assets

20 **Trade payables - Current**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Dues to micro and small enterprises * | 55.39 | 30.38 |
| Dues to others** | 1,672.38 | 2,419.78 |
| **Total** | **1,727.77** | **2,450.16** |

* Detailed disclosure with respect to micro and small enterprises as required by the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is made in Note 40. Further total interest has been paid or payable to such entities during the year is Rs. .02 Lakhs or previous year is Nil. Dues to MSME's have been determined by the company based on the information collected by them. These have been relied upon by the auditors

** Include related party balance of Rs.1267.57 Lakhs as at 31st Mar 2020, Rs.1853.94 Lakhs as at 31st Mar 2019

21 **Other current financial liabilities**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Current maturities of long term borrowings | | |
| **Secured** | | |
| From others | 161.85 | 51.30 |
| Book Overdraft | 680.55 | - |
| (Bank balance represented by cheques issued but not persented) | | |
| Interest accrued but not due on borrowings | 62.24 | 10.01 |
| Creditors for Capital Goods | 9.91 | 5,52 |
| Accrued salaries and benefits | 50.82 | 118.12 |
| Lease Liabilities | 80.27 | - |
| **Total** | **1,045.63** | **184.95** |

22 **Other current liabilities**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **Other payables** | | |
| Withholding Taxes | 11.85 | 15.49 |
| Statutory dues | 51.19 | 37.04 |
| Advances from customers | 211.69 | 189.03 |
| **Total** | **274.73** | **241.56** |

23 **Current provisions**

('Rs.in Lakhs)

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **Provision for employee benefits:** | | |
| -Leave encashment | 2.11 | 1.82 |
| - Gratuity | 9.50 | 3.35 |
| Provision Others | 11.91 | 6.91 |
| **Total** | **23.53** | **12.07** |

24 **Revenue from operations**

('Rs.in Lakhs)

| Particulars | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|
| **Sale of products** | | |
| Sale of products | 5,540.54 | 6,824.04 |
| Less: Inter division transfer | (208.89) | (206.90) |
| | 5,331.65 | 6,617.14 |
| **Other operating revenue** | | |
| Others | 57.92 | 75.14 |
| | 57.92 | 75.14 |
| **Total** | **5,389.56** | **6,692.28** |

25 **Other income**

('Rs.in Lakhs)

| Particulars | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|
| Interest income | 1.55 | 1.61 |
| Liabilities and provision written back | 20.95 | 82.72 |
| **Other non operating revenue** | | |
| Rent | 4.05 | 6.95 |
| Others | 19.82 | 1.49 |
| Net Gain on foreign currency transactions & translation | 2.72 | - |
| **Total** | **49.09** | **92.76** |

26 **Cost of materials consumed**

('Rs.in Lakhs)

| Particulars | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|
| **Cost of Materials Consumed** | | |
| Raw Material Consumed | 2,894.90 | 3,849.81 |
| **Total** | **2,894.90** | **3,849.81** |

27 **Changes in inventory of finished goods, work-in-progress and others**

('Rs.in Lakhs)

| Particulars | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|
| **Inventory of materials at the beginning of the y** | | |
| Finished goods | 90.55 | 78.81 |
| Work-in-progress | 188.45 | 179.82 |
| Others - Waste | 1.52 | 1.15 |
| | 280.52 | 259.78 |
| **Inventory of materials at the end of the year** | | |
| Finished goods | 154.76 | 90.55 |
| Work-in-progress | 243.18 | 188.45 |
| Others - Waste | 1.66 | 1.52 |
| | 399.60 | 280.52 |
| **Total** | **(119.08)** | **(20.75)** |

28 **Employee benefits expenses**

('Rs.in Lakhs)

| Particulars | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|
| Salaries, wages, allowances and bonus | 1,473.58 | 1,375.36 |
| Contribution to provident and other funds | 77.89 | 69.43 |
| Staff welfare expenses | 92.68 | 109.66 |
| **Total** | **1,644.15** | **1,554.45** |

29 **Finance cost**

('Rs.in Lakhs)

| Particulars | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|
| Interest Cost Others | 185.75 | 62.88 |
| Interest Expense on Lease | 47.10 | - |
| **Total** | **232.85** | **62.88** |

**30 Depreciation and Amortisation Expenses**

('Rs.in Lakhs)

| Particulars | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|
| Depreciation | 355.56 | 276.90 |
| Amortisation of Intangible Assets | 5.70 | 6.11 |
| Depreciation of Right to Use Assets | 78.27 | - |
| | 439.54 | 283.00 |

**31 Other expenses**

('Rs.in Lakhs)

| Particulars | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|
| Consumption of stores and spares | 338.89 | 380.07 |
| Power,fuel, water & utilities | 363.24 | 449.45 |
| Rent | 39.29 | 74.37 |
| Rates and taxes | 2.30 | 4.33 |
| Insurance | 16.42 | 11.58 |
| **Payment to the Auditors** | | |
| As Auditor | 8.00 | 8.00 |
| For Taxation Matters | 1.00 | 1.00 |
| For Certification | 1.20 | - |
| Legal & Professional Expenses | 15.74 | 18.77 |
| Telephone & Communication | 10.19 | 14.25 |
| Sales & Marketing | 88.02 | 84.71 |
| Recruitment & Training Expenses | 10.99 | 5.28 |
| Packing Charges | 71.80 | 96.02 |
| Forwarding Charges | 327.25 | 402.78 |
| Bank Charges | 6.99 | 5.90 |
| Travelling & Conveyance | 134.73 | 140.98 |
| **Repairs and maintenanace** | | |
| On Building | 15.56 | 23.49 |
| On Plant and Machinery | 219.20 | 301.58 |
| Repairs & Maintenance- Others | 14.12 | 16.72 |
| Provision for Doubtful Debts and Advances | 48.01 | 60.38 |
| Loss on sale of fixed assets | 1.21 | 0.65 |
| Advertisement | 124.40 | 55.88 |
| Net Loss on foreign currency transactions & translation | - | 0.42 |
| **Miscellaneoous expenses** | | |
| Manufacturing | 70.54 | 49.87 |
| Others* | 148.57 | 134.75 |
| Bad Debts & Advances Written Off | 0.54 | 10.00 |
| **Total** | 2,078.19 | 2,351.24 |

* Other expenses does not include any expenses more than 1% of turnover.

**32 Adoption of Ind AS 116 'Leases'**

Effective 1st April 2019, the Company adopted Ind AS 116 " Leases" applied to lease contracts existing on 1st April 2019 other than short term leases using the modified retrospective method and has taken cumulative adjustment to retained earnings on the date of initial application. On transition, the adoption of the new Standard resulted in recognition of right of use assets of Rs. 561.92 lacs and a lease liability of Rs 619.28 lacs by adjusting retained earnings, net of taxes of Rs. 57.36 lacs.

On application of Ind AS 116, the nature of expenses has been changed from lease rent in previous periods to depreciation cost for the right of use asset and finance cost for interest accrued on lease liability.

Rental Expense recorded for short term leases for the years ended March 31, 2020 is Rs. 39.29 Lakhs. The comparative figures of rent for the year ended 2019 is continuing to appear as per the accounting policy of that year.

**33 Disclosure as per Ind AS 12 'Income taxes'**

**(a) Income tax expense**

**i) Income tax recognised in Profit or Loss**

(`Rs.in Lakhs)

| Particulars | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|
| **Deferred tax expense** | | |
| Origination and reversal of temporary differences | 412.48 | 26.11 |
| Reduction in tax rate | - | - |
| **Total** | 412.48 | 26.11 |

**ii) Income tax recognised in other comprehensive income**

(`Rs.in Lakhs)

| Particulars | For the year ended 31 March 2020 | | | For the year ended 31 March 2019 | | |
|---|---|---|---|---|---|---|
| | Before tax | Tax expense/ (benefit) | Net of tax | Before tax | Tax expense/ (benefit) | Net of tax |
| Net actuarial gains/(losses) on defined benefit plans* | (8.31) | 2.16 | (6.15) | (4.49) | 1.17 | (3.32) |
| **Total** | (8.31) | 2.16 | (6.15) | (4.49) | 1.17 | (3.32) |

*** Items that will not be reclassified to Profit or Loss**

34 Disclosure as per Ind AS 19 'Employee benefits'

**(a) Defined contribution plans:**

The Company pays fixed contribution to below funds at predetermined rates to approprate authorities:

**i. Provident fund**

An amount of Rs.58.43 Lakhs for the year ending on 31 March 2020 (Rs. 50.45 Lakhs for the year ending on 31st March 2019) is recognised as expense on this account and charged to the Statement of Profit and Loss.

**ii. Employee state insurance/ labour fund**

An amount of Rs.2.73 Lakhs for the year ending on 31 March 2020 (Rs.4.15 Lakhs for the year ending on 31st March 2019) is recognised as expense on this account and charged to the Statement of Profit and Loss.

**(b) Defined benefit plans:**

**i. Gratuity**

a) The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service. The Company has carried out actuarial valuation of gratuity benefit.

ii. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

(`Rs.in Lakhs)

| | 31 March 2020 | 31 March 2019 |
|---|---|---|
| Net defined benefit (asset)/liability : | | |
| Gratuity | 76.82 | 60.70 |
| | **76.82** | **60.70** |
| Non-current | 67.32 | 57.35 |
| Current | 9.50 | 3.35 |

**iii. Movement in net defined benefit (asset)/liability**

(`Rs.in. Lakhs)

| Particulars | Defined benefit | |
|---|---|---|
| | 31 March 2020 | 31 March 2019 |
| Opening balance | 60.70 | 45.45 |
| Included in profit or loss: | | |
| Current service cost | 12.49 | 11.31 |
| Past service cost | | |
| Interest cost (income) | 4.25 | 3.52 |
| **Total amount recognised in profit or loss** | **16.74** | **14.83** |
| Included in OCI: | | |
| Remeasurement loss (gain): | 8.31 | 4.49 |
| Actuarial loss (gain) arising from: | - | - |
| Demographic assumptions | - | - |
| Financial assumptions | - | - |
| Experience adjustment | - | - |
| Return on plan assets excluding interest income | - | - |
| **Total amount recognised in other comprehensive income** | **8.31** | **4.49** |
| **iv. Other** | | |
| Contributions paid by the employer | | - |
| Benefits paid | 8.93 | 4.07 |
| **Closing balance** | **76.82** | **60.70** |

**v. Defined benefit obligations**

**a. Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date:

| Particulars | 31 March 2020 | 31 March 2019 | |
|---|---|---|---|
| Discount rate | 7.00% Per Annum | 7.75% Per Annum | |
| Withdrawal Rate | 5% Per Annum | 5% Per Annum | |
| Salary escalation rate | 5% Per Annum | 5% Per Annum | |

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

**b. Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| | 31 March 2020 | | 31 March 2019 | |
|---|---|---|---|---|
| | **Increase** | **Decrease** | **Increase** | **Decrease** |
| Discount rate (1.00% movement) | 69.91 | 84.90 | 55.06 | 67.27 |
| Withdrawal Rate (1.00% movement) | 77.72 | 75.74 | 61.81 | 59.39 |
| Salary escalation rate (1.00% movement) | 84.98 | 69.73 | 67.39 | 54.88 |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

**vi. Risk exposure**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

**a) Changes in discount rate**

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

**b) Life expectancy**

The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

**vii. Estimate of expected benefit payment in future years**

(`Rs.in Lakhs)

| **31 March 2020** | **2019-20** | **2020-21** | **2020-21** | **2021-22** | **2022-23** | **2023-24** | **Total** |
|---|---|---|---|---|---|---|---|
| Gratuity | | 9.50 | 1.36 | 1.44 | 1.48 | 1.50 | 15.28 |
| **Total** | | **9.50** | **1.36** | **1.44** | **1.48** | **1.50** | **15.28** |
| **31 March 2019** | | | | | | | |
| Gratuity | 3.35 | 3.64 | 3.90 | 4.19 | 4.35 | - | **19.43** |
| **Total** | **3.35** | **3.64** | **3.90** | **4.19** | **4.35** | **-** | **19.43** |

**c) Other Long Term Benefit Plan**

**i.** The company has other long term benefit plan i.e. leave encashment and same has been worked out by an independent actuary.

**ii.** Based on the actuarial valuation obtained in this respect, the following table sets out the status of the leave encashment plan and the amounts recognised in the Company's financial statements as at balance sheet date:

(`Rs.in Lakhs)

| | **31 March 2020** | **31 March 2019** |
|---|---|---|
| Net defined benefit (asset)/liability : | | |
| Leave Encashment | 20.24 | 25.91 |
| | 20.24 | 25.91 |
| Non-current | 18.13 | 24.09 |
| Current | 2.11 | 1.82 |

**iii. Movement in net defined benefit (asset)/liability**

(`Rs.in Lakhs)

| Particulars | Defined benefit | |
|---|---|---|
| | 31 March 2020 | 31 March 2019 |
| Opening balance | 25.91 | 16.55 |
| Included in profit or loss: | | |
| Current service cost | 3.33 | 8.52 |
| Past service cost | | |
| Interest cost (income) | 1.81 | 1.28 |
| Remeasurement loss (gain): | 5.42 | 7.74 |
| **Total amount recognised in profit or loss** | **10.56** | **17.55** |
| **iv. Other** | | |
| Contributions paid by the employer | - | - |
| Benefits paid | 16.23 | 8.19 |
| **Closing balance** | **20.24** | **25.91** |

**v. Defined benefit obligations**

**a. Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date:

| Particulars | 31 March 2020 | 31 March 2019 | |
|---|---|---|---|
| Discount rate | 7.00% Per Annum | 7.75% Per Annum | |
| Withdrawal Rate | 5% Per Annum | 5% Per Annum | |
| Salary escalation rate | 5% Per Annum | 5% Per Annum | |

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

**b. Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| | 31 March 2020 | | 31 March 2019 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1.00% movement) | 18.32 | 22.48 | 23.44 | 28.80 |
| Withdrawal Rate (1.00% movement) | 20.59 | 19.83 | 26.58 | 25.14 |
| Salary escalation rate (1.00% movement) | 22.50 | 18.27 | 28.85 | 23.36 |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

**vi. Risk exposure**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

**a) Interest Risk**

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability

**b) Life expectancy**

The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

**c) Salary risk**

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

## 35 Disclosure as per Ind AS 24 'Related Party Disclosures'

**(a) List of Related parties:**

**i) Enterprises having control over reporting enterprise:**

1. Asahi India Glass Limited (Holding Company)

**ii) Enterprises owned or significantly influenced by KMPs or their relative:**

1. GX Glass Sales & Services Limited
2. Shield Autoglass Ltd.
3. AIS Adhesive Limited
4. AIS Distribution Services Limited
5. Scopfy Components Private Limited

**iii) Key Managerial Personnel (KMP):**

| | |
|---|---|
| Mr. Sanjay Labroo | Director |
| Mr. Rupinder Shelly | Director |
| Mr. Gopal Ganatra | Director |

**(b) Transactions with the related parties are as follows:**

| Particulars | Enterprises having control over reporting enterprises | | Enterprises owned or significantly influenced by Key Management Personnel | |
|---|---|---|---|---|
| | 31st March 2020 | 31st March 2019 | 31st March 2020 | 31st March 2019 |
| **1. Expenses** | | | | |
| - Purchase of Raw Materials and Power and Fuel | | | | |
| '- Asahi India Glass Limited | 2,145.82 | 3,386.42 | - | - |
| - Purchase of Glass & Others | | | | |
| '- GX Glass Sales & Services Limited | - | - | 7.42 | 2.82 |
| - Services Received | | | | |
| '- Shield Auto Glass Limited | - | - | 5.28 | 5.28 |
| - Interest Paid | | | | |
| '- AIS Adhesive Limited | - | - | 16.03 | 10.74 |
| '- AIS Distribution Services Limited | - | - | 1.84 | - |
| '- Asahi India Glass Limited | 38.64 | - | | |
| **2. Income** | | | | |
| - Sale of Goods etc. | | | | |
| '- Asahi India Glass Limited | 394.76 | 283.53 | - | - |
| '- GX Glass Sales & Services Limited | - | - | 301.26 | 541.95 |
| - Rent Received | | | | |
| '- Asahi India Glass Limited | 4.05 | 6.95 | - | - |
| **3. Loans/Advances Received** | | | | |
| '- AIS Adhesives Limited | - | - | 600 | 400 |
| '- Asahi India Glass Limited | 850.00 | - | - | - |
| '- AIS Distribution Services Limited | - | - | 300 | - |
| **4. Loans/Advances Repaid** | | | | |
| '- AIS Adhesive Limited | - | - | - | 400 |

**(c) Outstanding balances with related parties are as follows:**

| Particulars | Enterprises having control over reporting enterprises | | Enterprises owned or significantly influenced by Key Management Personnel | |
|---|---|---|---|---|
| | 31st March 2020 | 31st March 2019 | 31 March 2020 | 31 March 2019 |
| **Amount recoverable other than loans and advances** | | | | |
| '- GX Glass Sales & Services Limited | | | 405.37 | 329.04 |
| **Amount payable other than loans and advances** | | | | |
| '- Asahi India Glass Limited | (12,117.94) | (12,704.31) | - | - |
| '- Shield Auto Glass Limited | - | - | (1.04) | (0.51) |
| **Amount payable towards loans and advances** | | | | |
| '- Asahi India Glass Limited | (884.78) | - | - | - |
| '- AIS Distribution Services Limited | - | - | (301.65) | - |
| '- AIS Adhesives Limited | - | - | (614.42) | - |

**(d) Terms and conditions of transactions with the related parties**

(i) Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

(ii) Oustanding balances at the end of the year are unsecured, interest free and the settlement occurs in cash

(iii) Related party relationship is as identified by the Company on the basis of available information and legal opinion obtained by the Company and accepted by the Auditors as correct.

## 36 Disclosure as per Ind AS 33 'Earnings per Share'

('Rs.)

| | 31 March 2020 | 31 March 2019 |
|---|---|---|
| Profit (Loss) for the year attributable to equity shareholders | (1,319.41) | (1,269.49) |
| Weighted average no of equity shares for the purpose of basic and diluted EPS | 3,976,000 | 3,976,000 |
| **Basic and diluted earnings per share (Nominal Value Per Share Rs.10/- )** | **(33.18)** | **(31.93)** |

## 37 Disclosure as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'

**Contingent liabilities and commitments** (`Rs.in Lakhs)

| Particulars | 31 March 2020 | 31 March 2019 |
|---|---|---|
| **Contingent liabilities** | | |
| **(a) Claims against the Company not acknowledged as Debts*** | | |
| i) Disputed Sales Tax Demand | 51.58 | 80.98 |
| ii) Others | 2.58 | - |
| **(b) Guarantees** | | |
| i) Bank Guarantees and Letters of Credit Outstanding | 114.51 | 124.97 |

* The Company has been advised that the demands are likely to be deleted and accordingly no provision is

**Commitments** (`Rs.in Lakhs)

| Particulars | 31 March 2020 | 31 March 2019 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | - | 341.88 |

## 38 Disclosure as per Ind AS 108 'Operating segments'

### (a) General Information

The Company has two reportable segments, as described below, which are the Company's strategic business units. For each of the strategic business units, the Chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis.

**The following summary describes the operations in each of the Company's reportable segments:**
Architectural Glass
uPVC Windows

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Company's Board. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

The accounting principles and policies adopted in the preparation of the financials statements are also consistently applied to record income/expenditure and asseets/liabilities in individual segments. The inter segment revenue have been accounted for based on the transcation price agreed to between segments which is primarily market based.

### (b) Information about reportable segments and reconciliations to amounts reflected in the financial statements:

(`Rs.in Lakhs)

| Particulars | Architectural Glass: | | uPVC Windows | | Unallocable | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 31 March 2020 | 31 March 2019 | 31 March 2020 | 31 March 2019 | 31 March 2020 | 31 March 2019 | 31 March 2020 | 31 March 2019 |
| **Segment revenue** | | | | | | | | |
| Sale of products | | | | | | | | |
| - External | 4,252.95 | 5,546.43 | 1,345.50 | 1,352.75 | | | 5,598.45 | 6,899.18 |
| - Inter-segment | | | (208.89) | (206.90) | | | (208.89) | (206.90) |
| **Total** | 4,252.95 | 5,546.43 | 1,136.61 | 1,145.85 | | | 5,389.56 | 6,692.28 |
| **Segment result** | (23.80) | (262.33) | (947.40) | (526.92) | (576.92) | (536.23) | (1,548.13) | (1,325.48) |
| Unallocated Interest Expenses | | | | | (232.85) | (62.88) | (232.85) | (62.88) |
| Unallocated Other Income | | | | | 49.09 | 92.76 | 49.09 | 92.76 |
| **Profit before tax** | (23.80) | (262.33) | (947.40) | (526.92) | (760.68) | (506.35) | (1,731.89) | (1,295.60) |
| Deferred Tax (net) | | | | | 412.48 | 26.11 | 412.48 | 26.11 |
| **Profit after tax** | (23.80) | (262.33) | (947.40) | (526.92) | (348.20) | (480.24) | (1,319.41) | (1,269.49) |

**Other Information**

(`Rs.in Lakhs)

| Particulars | Architectural Glass | | uPVC Windows | | Unallocable | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 31st March 2020 | 31st March 2019 | 31st March 2020 | 31st March 2019 | 31st March 2020 | 31st March 2019 | 31st March 2020 | 31st March 2019 |
| Segment assets | 6,689.36 | 6,740.93 | 2,486.83 | 1,570.56 | 2,571.16 | 2,093.15 | 11,747.35 | 10,404.63 |
| Segment liabilities | 1,659.13 | 2,367.11 | 1,147.50 | 425.33 | 904.24 | 174.49 | 3,710.87 | 2,966.93 |
| Capital Expenditure | 434.41 | 105.74 | 875.29 | 419.79 | 3.36 | 5.58 | 1,313.05 | 531.12 |
| Depreciation & Amortization | 251.29 | 231.33 | 172.60 | 42.04 | 15.65 | 9.63 | 439.54 | 283.00 |

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

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

### (c) Information about major customers

No external customer individually accounted for more than 10% of the revenues during the year ended 31 March 2020 and 2019.

## 39 Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings in foreign as well as domestic currency,
The Company is exposed to the following risks :-
- Credit risk
- Liquidity risk
- Market risk

### (a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

#### (i) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

(` Rs in Lakhs)

| Ageing | 31-Mar-20 | 31-Mar-19 |
|---|---|---|
| Payment not due | 113.73 | 579.52 |
| Less than 6 Months | 684.46 | 556.23 |
| More than 6 Months | 800.81 | 519.07 |
| | **1,599.00** | **1,654.82** |

#### (ii) Reconciliation of impairment loss provisions

The movement in the allowance for impairment in respect of financial assets during the year was as follows:

(` Rs in Lakhs)

| Particulars | Trade receivables | Security Deposits | Advances | Total |
|---|---|---|---|---|
| Balance as at 1 April 2019 | 292.68 | 3.74 | 93.74 | 390.16 |
| Impairment loss recognised | 41.67 | - | 6.34 | 48.01 |
| Amounts written off | - | - | - | - |
| **Balance as at 31 March 2020** | 334.35 | 3.74 | 100.08 | 438.17 |

Based on review of data of financial assets and other current assets the Company believes that, apart from the above, no impairment allowance is necessary.

### (b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Based on the active financial support extended by the holding Company, Asahi India Glass Ltd the Company has appropriate liquidity risk management framework for the management of short, medium and long term funding and liquidity management requirements. Further the Company manages day to day liquidity risk by monitoring cash flows and banking facilities. This is done by continuously monitoring forecast and actual cash flows.

**40 Information in respect of micro and small enterprises as at 31 March 2020 as required by Micro, Small and Medium Enterprises Development Act, 2006**

(`Rs in. Lakhs)

| Particulars | 31 March 2020 | 31 March 2019 |
|---|---|---|
| a) Amount remaining unpaid to any supplier: | | |
| Principal amount | 55.39 | 30.38 |
| Interest due thereon | 0.02 | |
| b) Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day. | | |
| c) 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 the MSMED Act. | | |
| d) Amount of interest accrued and remaining unpaid | | |
| e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act | | |

**41** The Company has evaluated the possible effects which would result from pandemic relating to COVID-19 on the carrying amounts of receivables, inventories, property plant & equipment and intangible assets. The assessment of assumptions relating to the possible future un-certainties in the global economic conditions, the Company has at the date of approval of these financial statements, used internal and external sources of information, including economic forecasts and estimates from market sources, on the expected future performance of the Company.

Basis the evaluation of current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment of these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

**42** Amount in the financial statements are presented in Lakhs (upto two decimals) except for per share data and as other-wise stated. Certain amounts, which do not appear due to rounding off, are disclosed separately. Previous years' figures have been regrouped/rearranged wherever considered necessary.

As per our report of even date
***For* Jand & Associates**
Chartered Accountants
Firm Registration No. 008280N

**Pawan Jand**
**Proprietor**
Membership No.: 080501

Place : New Delhi
Date : 22/06/2020

JAND & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

For and on behalf of the Board

**Gopal Ganatra**
Director
DIN: 05233949

**Rupinder Shelly**
Director
DIN:02895975

**Santosh Kumar Gupta**
Head-Finance & Accounts