

JAND & ASSOCIATES

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF GX GLASS SALES & SERVICES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **GX Glass Sales & Services Limited ("the Company")**, which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matter in the Notes to the financial statements:

- 1. The Company's net worth has been completely eroded. The Company has incurred a net loss during the current year and has been incurring losses in the previous years as well. Further the current liabilities have exceeded the current assets. However the financial statements have been prepared on the fundamental assumption of going concern for the reasons stated in Note No. 1 (a) (ii) forming part of these financial statements.
- 2. The Company was to recover a sum of INR 57,55,173 from its director as per directive from Ministry of Corporate Affairs. The Company has recovered a sum of INR 39,37,072 and the balance of INR 18,18,101 is proposed to be recovered in the financial year 2016-17. For details refer to note no. 2.27.1 .

Our opinion is not modified in respect of the above matter.

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 Section 143 (11) of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 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, 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e) The going concern matter as described under Emphasis Matter paragraph above, in our opinion, does not have an adverse affect on the functioning of the company for the reasons stated therein.
- f) On the basis of written representations received from the directors, as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
- g) Our report on Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 is given under Annexure-II to this report.
- h) 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 does not have any pending litigationas on March 31, 2016
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as on March 31, 2016
 - iii) No amounts are required to be transferred, to the Investor Education and Protection Fund by the Company as on March 31, 2016

For JAND & ASSOCIATES
FRN: 008280N

Pawan Jand
Prop.
Membership No. 80501
Place: New Delhi
Dated: May 12, 2016



**Referred to in paragraph 1 under Report on other Legal & Regulatory requirements section
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 loans, 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, and hence the provisions of clause 3 (v) of the Order are not applicable.
- vi. The Company is not required to maintained cost records as prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013.
- 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, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, and other material statutory dues with the appropriate authorities during the year.

The Company has not deposited service tax on reverse mechanism during the year which been outstanding for more than six months as at the end of financial year.

- b) There are no dues with respect to income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute.



- 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, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to The Companies Act.
- 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, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year review.
- 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.
- xvi. In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For JAND & ASSOCIATES
FRN:008280N

PawanJand
Prop.
Membership No. 80501
Place: New Delhi
Dated: May 12, 2016



**ANNEXURE-II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
FINANCIAL STATEMENTS OF GX GLASS SALES & SERVICES 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 GX GLASS SALES & SERVICES LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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 (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.

Auditors' 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") 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 and, 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 judgment, 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.



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, 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 March 31, 2016, 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

FRN: 008280N


Pawan Jand
Prop.



Membership No. 80501

Place: New Delhi

Dated: May 12, 2016

GX GLASS SALES AND SERVICES LIMITED
BALANCE SHEET AS AT
31.03.2016

(in Rs.)

	PARTICULARS	NOTE NO.	As At 31st Mar 2016	As At 31st March,2015
I	<u>EQUITY AND LIABILITIES</u>			
1	<u>SHAREHOLDERS' FUNDS</u>			
	(a) Share capital	2.1	35,350,000	35,350,000
	(c) Reserves and surplus	2.2	(142,813,844)	(97,816,162)
			(107,463,844)	(62,466,162)
2	<u>NON-CURRENT LIABILITIES</u>			
	(b) Long-term provisions	2.3	2,889,078	1,113,106
			2,889,078	1,113,106
3	<u>CURRENT LIABILITIES</u>			
	(a) Short-term borrowings	2.4	3,899,403	5,687,260
	(b) Trade payables	2.5	145,835,609	105,769,654
	(c) Other current liabilities	2.6	15,862,536	23,132,325
			165,597,549	134,589,239
	TOTAL		61,022,782	73,236,183
II	<u>ASSETS</u>			
1	<u>NON-CURRENT ASSETS</u>			
	(a) Fixed assets			
	(i) Tangible assets	2.7	7,374,161	15,393,847
	(ii) Intangible assets	2.8	424,681	807,423
	(iii) Capital work In Progress	2.9	-	592,508
	(b) Long-term loans and advances	2.10	1,660,900	2,632,420
			9,459,742	19,426,198
2	<u>CURRENT ASSETS</u>			
	(a) Inventories	2.11	13,065,435	13,030,579
	(b) Trade Receivables	2.12	31,053,137	28,621,540
	(c) Cash and cash equivalents	2.13	1,184,513	1,332,904
	(d) Short-term loans and advances	2.14	6,259,955	10,824,963
			51,563,040	53,809,985
	TOTAL		61,022,782	73,236,183
SIGNIFICANT ACCOUNTING POLICIES			1	
NOTES ON ACCOUNTS			2	
<p>Per our report attached of even date For JND & ASSOCIATES Chartered Accountants (Firm Registration No. 008280 N)</p> <p>Pawan Jand Prop. M. No. 80-501 Place: New Delhi</p> <p>Place: New Delhi Dated: _____</p> <p style="text-align: right;">Rupinder Shelly Director</p> <p style="text-align: right;">Aditya Bhutani Director</p> <p style="text-align: right;">Rajesh Dobriyal Head-F & A</p>				

GX GLASS SALES AND SERVICES LIMITED
PROFIT & LOSS STATEMENT FOR THE YEAR ENDED
31.03.2016

(in Rs.)

S. N	PARTICULARS	NOTE NO.	For The Period ended 31st Mar 2016	For the Year ended 31st March, 2015
I	<u>REVENUE</u>			
II	Revenue from Operations	2.15	170,850,427	157,066,100
III	Other income	2.16	168,708	72,516
IV	Total Revenue (I+II)		171,019,135	157,138,616
V	<u>EXPENSES:</u>			
VI	a Purchase of Stock in Trade	2.17	127,362,252	110,516,412
VII	b Changes in inventories of Stock in Trade	2.18	(34,856)	(2,598,438)
VIII	c Employees benefits expense	2.19	37,396,598	36,602,072
IX	d Finance costs	2.20	687,979	763,801
X	e Depreciation and amortisation expense	2.21	5,076,478	5,202,065
XI	f Other expenses	2.22	45,528,367	37,846,420
	Total expenses		216,016,817	188,332,332
XII	Profit/(loss) before extraordinary items and tax (III-IV)		(44,997,682)	(31,193,716)
XIII	Extraordinary items		-	(5,755,113)
XIV	Profit/(loss) before tax		(44,997,682)	(25,438,603)
XV	Tax expense:			
XVI	a Current tax		-	-
XVII	b Earlier years tax		-	-
XVIII	c Deferred tax		-	-
XIX	d MAT credit entitlement		-	-
XX	Profit/(Loss) for the period (VII-VIII)		(44,997,682)	(25,438,603)
XXI	Earning per equity share:			
XXII	a Basic		(13)	(7)
XXIII	b Diluted		(13)	(7)

SIGNIFICANT ACCOUNTING POLICIES
NOTES ON ACCOUNTS

1
2

Per our report attached of even date
For **AND & ASSOCIATES**
Chartered Accountants
(Firm Registration No. 000280 N)

Pawan Jaiswal
Prop
M. No. 80-501
Place: New Delhi
Dated: 17/04/2016

Place: New Delhi
Dated: 17/04/2016

Rupinder Shelly
Director

Aditya Bhutani
Director

Rajesh Dobriyal
Head-F & A

GX GLASS SALES AND SERVICES LIMITED
NOTES ON ACCOUNTS FOR THE YEAR ENDED
31.03.2016

2.1 SHARE CAPITAL:

(in Rs.)

PARTICULARS	AS AT	
	31st Mar 2016	31st March, 2015
<u>AUTHORISED:</u>		
50,00,000 Equity shares of Re. 10/- each	50,00,000	50,00,000
(Previous Year 50,00,000 Equity shares of Rs 10/- each)	50,00,000	50,00,000
<u>ISSUED, SUBSCRIBED & PAID UP</u>		
35,35,000 (Previous Year 35,35,000)		
Equity share of Rs. 10/- each issued at par and fully paid up	35,350,000	35,350,000
	35,350,000	35,350,000

The details of Shareholders holding more than 5% Equity Shares are given below:-

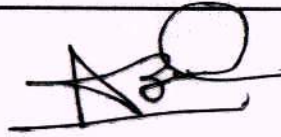

Name of the Shareholder	As at 31st Mar 2016		As at 31st March, 2015	
	No. of shares	% held	No. of shares	%-held
1 M/S Asahi India Glass Limited (Holding Co.)				
Opening Balance 29,97,500				
Add : During the Year <u>NIL</u>	29,97,500	84.79%	29,97,500	84.79%
2 Mr Aditya Bhutani				
Opening Balance 3,40,000				
Add : During the Year <u>NIL</u>	3,40,000	9.62%	3,40,000	9.62%


The reconciliation of the number of shares outstanding and the amount of share capital at the beginning and at the end of the reporting period is given below:

Particulars	As at 31st Mar 2016		As at 31st March, 2015	
	No. of shares	Amount	No. of shares	Amount
Number of shares at the beginning	35,35,000	35,350,000	35,35,000	35,350,000
Add : During the year				
Number of shares at the end	35,35,000	35,350,000	35,35,000	35,350,000

2.2 RESERVES & SURPLUS:

PARTICULARS	AS AT	
	31st Mar 2016	31st March, 2015
<u>Surplus in Statement of Profit and Loss:</u>		
As per last Balance Sheet	(97,816,162)	(72,078,665)
Add: Impact of Depreciation based on Companies Act 2013		(298,894)
Add: Net profit/(Loss) after tax transferred from Statement of Profit & Loss	(44,997,682)	(25,438,603)
Closing Balance	(142,813,844)	(97,816,162)
	(142,813,844)	(97,816,162)



2.3	<u>LONG-TERM PROVISIONS:</u>	(in Rs.)	
		AS AT	
	PARTICULARS	31st Mar 2016	31st March, 2015
	Provision for Employees benefits:		
	Leave Encashment	1,362,827	1,113,106
	Gratuity	1,526,251	-
		<u>2,889,078</u>	<u>1,113,106</u>
2.4	<u>CURRENT LIABILITIES:</u>		
	<u>Short Term Borrowings:</u>		
		AS AT	
	PARTICULARS	31st Mar 2016	31st March, 2015
	<u>Secured Loan</u>		
	From banks*	3,899,403	4,978,688
	<u>Unsecured Loan</u>		
	Loans from Related Party	-	708,572
		<u>3,899,403</u>	<u>5,687,260</u>
	*Secured by exclusive charge on all movable fixed and current assets. It is further supported by irrevocable corporate gurantee of holding company Asahi India Glass Ltd		
2.5	<u>Trade Payables:-</u>	(in Rs.)	
		AS AT	
	PARTICULARS	31st Mar 2016	31st March, 2015
	Sundry creditors:		
	- Micro, Small and Medium Enterprises*	-	-
	- Related Party	135,991,775	94,239,620
	- Others	9,843,835	11,530,034
		<u>145,835,609</u>	<u>105,769,654</u>
	* as certified by the company		
2.6	<u>Other Current Liabilities:</u>		
		AS AT	
	PARTICULARS	31st Mar 2016	31st March, 2015
	Interest accrued and due on borrowings	-	138,351
	Advances from customers	11,108,506	17,656,338
	<u>Other payables:</u>		
	Accrued salaries and benefits	3,175,749	3,598,037
	Withholding taxes	416,645	936,747
	Statutory dues	1,161,636	802,852
		<u>15,862,536</u>	<u>23,132,325</u>

GX GLASS SALES AND SERVICES LTD
NOTES ON ACCOUNTS FOR THE YEAR ENDED
31.03.2016

S. No	DESCRIPTIONS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		AS AT 1-Apr-15	ADDITION	DEDUCTIONS	AS AT 31-Mar-16	AS AT 1-Apr-15	FOR THE Year	ON DEDUCTION ADJUSTMENT	AS AT 31-Mar-16	AS AT 31-Mar-16	AS AT 31-Mar-15
2.7	TANGIBLE ASSETS										
	Leasehold Building	1,912,707	250,400	1,104,155	1,058,953	694,317	576,542	643,858	627,001	431,952	1,218,391
	Showroom Building	18,323,287	2,457,003	13,763,490	7,016,801	8,269,114	2,700,500	7,801,614	3,168,001	3,848,801	10,054,173
	Office Equipments	2,531,159	328,272	-	2,859,431	1,234,059	607,235	-	1,841,294	1,018,136	1,297,099
	Computers	2,783,632	469,277	-	3,252,909	2,270,894	381,988	-	2,652,882	600,028	512,738
	Electrical Installations & Fitting	463,772	-	-	463,772	132,928	56,066	-	188,994	274,777	330,843
	Furniture & Fixtures	1,832,430	32,000	-	1,864,430	575,807	201,288	-	777,095	1,087,335	1,256,623
	Vehicles	1,430,923	-	1,309,633	121,290	706,944	170,117	868,903	8,157	113,133	723,979
	Total	29,277,911	3,536,953	16,177,277	16,637,586	13,884,063	4,693,736	9,314,375	9,263,425	7,374,161	15,393,847
2.8	INTANGIBLE ASSETS										
	Computer Software	1,507,294	-	-	1,507,294	883,201	225,810	-	1,109,011	398,283	624,093
	Product Designs	1,576,426	-	-	1,576,426	1,393,095	156,932	-	1,550,027	26,398	183,330
	Total	3,083,720	-	-	3,083,720	2,276,297	382,742	-	2,659,039	424,681	807,423
	Grand Total	32,361,631	3,536,953	16,177,277	19,721,306	16,160,360	5,076,478	9,314,375	11,922,463	7,798,842	16,201,270
	Previous Year	30,867,693	1,493,937		32,361,631	10,659,401	5,202,065	(298,894)	16,160,360	16,201,270	20,208,293





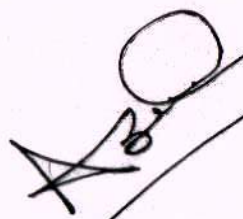

2.9	<u>Capital work in progress:</u>	AS AT	
	PARTICULARS	31st Mar 2016	31st March, 2015
	Building under construction	-	592,508
		-	592,508
2.10	<u>LONG TERM LOANS AND ADVANCES:</u>	(in Rs.)	
	PARTICULARS	31st Mar 2016	31st March, 2015
	<u>Unsecured considered good:</u>		
	Security Deposits	1,660,900	2,632,420
		1,660,900	2,632,420
2.11	<u>INVENTORIES:</u>	AS AT	
	PARTICULARS	31st Mar 2016	31st March, 2015
	(As taken, valued & certified by the Management)- At cost or net realisable value, whichever is lower except scrap at estimated realisable value)		
	1 Glass & Glass Products	8,506,945	7,548,758
	2 Glass Fittings & Allied Products	3,744,044	4,410,854
	3 Others (stores & spares)	689,402	927,008
	4 Scrap	125,045	143,959
		13,065,435	13,030,579
2.12	<u>TRADE RECEIVABLES:</u>	AS AT	
	PARTICULARS	31st Mar 2016	31st March, 2015
	<u>Unsecured Considered Good</u>		
	Over Six months	13,479,422	9,371,132
	Others:	14,650,706	19,250,408
	<u>Unsecured Considered doubtful</u>		
	Over Six months	15,180,092	8,633,905
	Others	-	-
	Less: Provision for doubtful debts	(12,257,084)	(8,633,905)
		31,053,137	28,621,540
		31,053,137	28,621,540


[Signature]

[Signature]

[Signature]

2.13 CASH & CASH EQUIVALENTS:		
	AS AT	
PARTICULARS	31st Mar 2016	31st March, 2015
(a) Balances with Banks:		
In Current accounts	487,474	896,398
Fixed Deposit	402,745	371,419
<i>(held as margin money against security given)</i>		
(b) Cash on hand	292,377	63,309
(c) Others:		
Interest Accured but not due on Fixed Deposit	1,917	1,777
	<u>1,184,513</u>	<u>1,332,903</u>
2.14 SHORT TERM LOANS & ADVANCES:		
	AS AT	
PARTICULARS	31st Mar 2016	31st March, 2015
<u>Unsecured considered good</u>		
(a) Others:		
Against supply of goods and services	2,902,240	3,400,434
Prepaid Expenses	487,640	482,088
Advance Income Tax (TDS)	506,455	944,303
Balances with Government Authorities	545,579	243,024
Others	1,818,041	5,755,113
	<u>6,259,955</u>	<u>10,824,962</u>











GX GLASS SALES AND SERVICES LIMITED
NOTES ON ACCOUNTS FOR THE PERIOD ENDED
31.03.2016

(in Rs.)

NOTE NO.	PARTICULARS	For the period Ended 31st Mar 2016	For the year ended 31st March, 2015
2.15	REVENUE FROM OPERATIONS:		
a)	Sales of Products :-		
(i)	Glass & Glass Products	86,370,305	77,042,901
(ii)	Glass Fittings & Allied Products	54,321,521	48,010,870
(iii)	Others	15,166,566	15,349,070
b)	Sales of Services		
	Installation Services	14,992,035	16,663,259
	Total	<u>170,850,427</u>	<u>157,066,100</u>
2.16	OTHER INCOME:		
(a)	Interest Income	33,555	26,060
(b)	Others	135,153	46,456
		<u>168,708</u>	<u>72,516</u>
2.17	PURCHASE OF STOCK IN TRADE:		
	Glass & Glass Products	80,314,759	71,152,517
	Glass Fittings & Allied Products	36,169,044	31,290,331
	Others	10,878,449	8,073,564
		<u>127,362,252</u>	<u>110,516,412</u>
2.18	CHANGES IN INVENTORIES OF STOCK IN TRADE		
	Glass & Glass Products		
	At the beginning of the Accounting Period	7,548,758	6,332,252
	At the end of the Accounting Period	8,506,945	7,548,758
		<u>(958,186)</u>	<u>(1,216,506)</u>
	Glass Fittings & Allied Products		
	At the beginning of the Accounting Period	4,410,853	3,069,420
	At the end of the Accounting Period	3,744,044	4,410,853
		<u>666,810</u>	<u>(1,341,433)</u>
	Others		
	At the beginning of the Accounting Period	1,070,967	1,030,468
	At the end of the Accounting Period	814,447	1,070,967
		<u>256,520</u>	<u>(40,499)</u>
		<u>(34,856)</u>	<u>(2,598,438)</u>

2.19	<u>EMPLOYEE BENEFITS EXPENSE</u>		
	Salary & Wages	34,704,621	33,890,603
	Contribution to Provident and other Funds	1,843,224	1,740,908
	Staff Welfare Expenses	848,753	970,561
		<u>37,396,598</u>	<u>36,602,072</u>
2.20	<u>FINANCE COSTS:</u>		
	<u>Interest on Loan</u>		
	Bank	625,081	625,449
	Others (Related party)	62,898	138,352
		<u>687,979</u>	<u>763,801</u>
2.21	<u>DEPRECIATION AND AMORTIZATION EXPENSE:</u>		
	Depreciation	4,693,736	4,635,602
	Amortisation	382,742	566,463
		<u>5,076,478</u>	<u>5,202,065</u>
2.22	<u>OTHER EXPENSES:</u>		
	Rent	6,458,013	6,162,746
	Rates & Taxes	1,115,014	566,072
	Insurance	68,206	69,070
	<u>Payment to the auditors:</u>		
	As Auditor	400,000	400,000
	For Taxation Matters	100,000	100,000
	For Other services	250,000	250,000
	Recruitment & Training	45,091	151,609
	Advertisement	990,506	234,088
	Forwarding & Installation Charges	12,679,658	12,998,405
	Travelling & conveyance	5,218,804	5,619,028
	Legal & Professional Charges	2,271,543	1,728,464
	<u>Repairs & Maintenance:</u>		
	Others	1,204,414	1,297,334
	Provision for doubtful debt	3,623,178	3,509,114
	<u>Miscellaneous expenses:</u>		
	Others	3,683,426	4,760,490
	Fixed assets Written Off	6,862,903	
	Bad debts written off	557,611	
		<u>45,528,367</u>	<u>37,846,420</u>

GX GLASS SALES & SERVICES LTD

1. Significant Accounting policies:

a) Basis of Accounting

- i) The financial statements are prepared under the historical cost convention on accrual basis of accounting to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions thereof.
- ii) The net worth of the Company has been eroded and the accumulated losses of the Company are Rs. 142,813,844/- as against the Paid up Capital of Rs 3,53,50,000/-. However the accounts have been prepared on the fundamental assumption of going concern concept after taking in to consideration the following;
 1. The Company is a subsidiary of Asahi India Glass Ltd. The company has been receiving and shall continue to receive active financial support from its holding company.
 2. The Company's management has carried out a market study of its value proposition in the market. The company has come to the conclusion that its brand, products and processes have wide acceptability in the market, which so far it has not exploited. Going forward, the company is in the process of taking effective measures to overcome the limitations and expect a turn around in next 3 years.
 3. The company amongst other things is considering adequate capital infusion to take care of the current losses and further requirement of funds to manage the growth of the business.

b) Fixed Assets

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

Office building on lease comprise of cost of additions and alteration carried out on leased premises.

Capital works in progress includes expenditure incurred till date of balance sheet on assets under construction / installation and capital advances made.



c) **Depreciation**

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) as per useful life and in manner prescribed in Schedule II of the Companies Act 2013.

Intangible Assets

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

Leasehold Assets

Leasehold assets are depreciated over the period of lease.

d) **Inventories**

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

Stores, Spares Parts and Consumables	First in First out based on actual cost
Traded Goods	First in First Out based on actual cost
Material in Transit	At actual cost
Scrap/waste	Estimated net realizable value

e) **Revenue Recognition**

Sales are recognized as soon as goods are dispatched to customer and are stated net of returns, trade discounts, trade taxes etc.

Revenue with regard to services is recognized once the services are rendered.

f) **Cost of Material and Stores Consumed**

Cost of traded goods and Stores is worked out by adding opening stock to purchase and reducing closing stock and replacement therefrom.

The block contains three handwritten marks. At the top is a large, stylized signature that appears to be 'Azad'. To its right is another signature that looks like 'Rohit'. Below these, centered, is a set of initials that appear to be 'SH'.

g) Employees Benefit

Contribution to Defined Contribution Scheme such as Provident Fund, ESIC, etc. are charged to the Profit and Loss Account as incurred.

The liability for gratuity at the end of each financial year is determined on the basis of actuarial valuation carried out by the actuary on the basis of projected unit credit method as confirmed to the Company. Profits and losses arising out of actuarial valuations are recognized in the Profit and Loss Account as income or expense.

The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of actuarial valuation using projected unit credit method.

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

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

h) Taxes on Income

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

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

i) Operating Lease

The company has taken office building and warehouses and recognized as operating lease and the rentals thereon are charged to Profit and Loss Account. The lease agreements are usually renewed by mutual consent on mutually agreeable terms.

Three handwritten signatures in black ink are located at the bottom right of the page. The top signature is a large, stylized 'A' followed by a circle and a horizontal line. The middle signature is a cursive 'Sh'. The bottom signature is a cursive 'Shyul'.

GX GLASS SALES & SERVICES LTD.

2. Notes to Accounts:

2.23. Contingent Liabilities

Particulars	As at 31 st March 2016 (Rs.)	As at 31 st March 2015 (Rs.)
Bank Guarantees	3,30,000	3,30,000

2.24. Related Party disclosures

List of Related Parties:

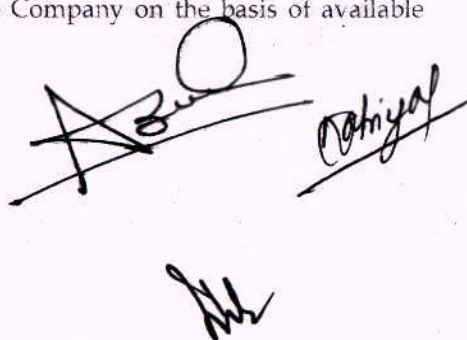
- i. Enterprise having control over reporting enterprise: Asahi India Glass Limited
- ii. Enterprise significantly influenced by Key Management Personnel: AIS Glass Solutions Limited, Sheild Auto Glass Ltd, AIS Distribution Services Limited.
- iii Key Management Personnel: Mr. Sanjay Labroo, Mr. Rupinder Shelly, Mr. Aditya Bhutani.

Nature of Transactions	Enterprise having control over reporting enterprise		Enterprise significantly influenced by Key Management Personnel		Key Management Personnel	
	As at 31 st Mar 2016	As at 31 st Mar 2015	As at 31 st Mar 2016	As at 31 st Mar 2015	As at 31 th Mar 2016	As at 31 st March 2015
Purchase Glass & Others Products Asahi India Glass Limited AIS Glass Solutions Limited	38,05,524	44,62,864	8,08,73,941	6,93,70,516		
Sale of Glass & Glass Services Asahi India Glass Limited AIS Glass Solutions Ltd	2,53,122 12,28,861	450630 272958				
Remuneration Mr. Aditya Bhutani					60,53,617	68,93,369
Excess Remuneration Recoverable Director					18,18,041	57,55,113




Loan Received						
Asahi India Glass Ltd	25,00,000	NIL				
Loan Repayment						
Asahi India Glass Ltd	32,65,179	5,98,047				
Interest						
Asahi India Glass Limited	62,898	1,38,351				
AIS Glass Solutions Ltd	NIL	NIL				
Loan Outstanding Balances including Interest Payable						
Asahi India Glass Limited	NIL	8,46,923				
Balance as creditors:						
Asahi India Glass Limited	2,10,05,466	1,81,43,528				
AIS Glass Solutions Ltd			1,12,556,011	7,46,04,932		
Expenses Incurred						
Shield Auto Glass Ltd	50,350	NIL				
Balance outstanding:-						
Shield Auto Glass Ltd	41,297	91,647				
AIS Distribution Services Limited	2,54,674	2,54,674				

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



The block contains three handwritten signatures. The top left signature is a large, stylized 'A' followed by 'B' and 'O'. The top right signature is 'Rohit' followed by 'Garg'. The bottom signature is a smaller, cursive signature.

2.25. Employee Benefits:

(A) DEFINED CONTRIBUTIONS PLAN

As per Accounting Standard (AS) 15 issued by Institute of Chartered Accounts of India Employee Benefits, detail of expenses under Defined Contribution Plan are as under:-

Contributions	31 st Mar 2016	31 st Mar 2015
Provident Funds other funds (in Rs.)	17,22,495	15,63,826
Employee State Insurance (in Rs.)	1,20,729	1,77,082

(B) DEFINED BENEFIT PLANS

The company has a defined benefit gratuity plan and every employee who completes five years of service or more gets gratuity.

The company, in accordance with its rules, has made provision for leave encashment of as per actuarial valuation of Rs.4,67,770/- (Previous Year Rs. 5,78,983/-) and provision for gratuity at Rs.15,26,251/- (Previous Year Rs. NIL). The assumptions making the provision are as under.

For Leave Encashment

Discount rate	8.00 % per annum	9.00 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Expected rate of return	0	0
Withdrawal rate (Per Annum)	2.00% p.a.	2.00% p.a.

For Gratuity

Discount rate	8.00 % per annum	NA
Salary Growth Rate	5.00 % per annum	NA
Mortality	IALM 2006-08 Ultimate	NA
Expected rate of return	0	NA
Withdrawal rate (Per Annum)	2.00% p.a.	NA





2.26. Segment reporting

Particulars	For the year ended march 31, 2016			
	Glass	UPVC	Unallo-cable	Total
Segment Revenue				
Sales	135,777,104	35,073,323	-	170,850,427
Other Income	-	-	94,540	94,540
Net Revenue	135,777,104	35,073,323	94,540	170,944,967
Segment Results				
Segment result before Interest & Taxes	(27,198,551)	(5,340,479)	(11,844,841)	(44,383,871)
Interest expenses	-	-	(687,979)	(687,979)
Interest incomes	-	-	74,168	74,168
Profit/(Loss) before tax	(27,198,551)	(5,340,479)	(12,458,652)	(44,997,682)
Tax expenses	-	-	-	-
Profit/(Loss) after tax	(27,198,551)	(5,340,479)	(12,458,652)	(44,997,682)
Other Information				
Segment assets	42,627,056	6,211,797	4,385,087	53,223,940
Segment liabilities	135,467,173	24,652,691	8,366,762	168,486,627
Share Capital	-	-	35,350,000	35,350,000
Reserves & Surplus	-	-	(142,813,844)	(142,813,844)
Capital expenditure	-	-	19,721,306	19,721,306
Depreciation & Amortization	-	-	11,922,463	11,922,463

2.27.1 The Company during the previous year had received an order from the Ministry of Corporate Affairs to recover a sum of Rs.57,55,113/- from its executive director on account of excess remuneration paid without approval. The company during the year has recovered a sum of Rs.39,37,072/- leaving a balance of Rs.18,18,041/-. The executive director has assured the company that he shall pay the balance amount during the financial year 2016-17.

2.27.2 The company during the financial years 2012-13 and 2013-14 had paid remuneration aggregating to Rs.1,10,00,424/- . The company in terms of the Companies Act, 1956 is required to obtain the approval from Ministry of Corporate Affairs as the remuneration paid is in excess of the limits prescribed under the Companies Act, 1956. The company when it moved the application for approval was directed by the Ministry of Corporate Affairs to first recover the excess remuneration paid till financial year 2011-12 before moving the application. Therefore the application is still to be moved

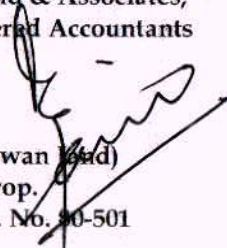
[Handwritten signatures and initials]

2.28. The total expenses on account of operating lease for the reporting period ended 31st Mar 2016 is Rs. 64,58,013/- (Previous Reporting Year Rs. 61,62,746/-).

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

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

As Per our report of even date
For Jand & Associates,
Chartered Accountants


(Pawan Jand)
Prop.
M. No. 30-501

Place: New Delhi
Date: 31.03.2016


(Rupinder Shelly)
Director


(Aditya Bhutani)
Director


(Rajesh Dabhiyal)
Head-F&A