

JAND & ASSOCIATES

Chartered Accountants

AUDITORS' REPORT

The Members,

GX Glass Sales & Services Ltd,

New Delhi.

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



d) In our opinion, Balance Sheet and Profit & Loss Account dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, we report that prima-facie none of the directors is disqualified from being appointed as a director in terms of section 274(1) (g) of the Companies Act, 1956 as at March 31, 2012;

f) As stated in Note No. 2.28 of Notes to accounts forming part of financial statements, the company has paid total remuneration of Rs. 49,71,228 (Previous Year Rs.39,54,885) to its executive director which is in excess of the limit specified under Schedule XIII to the Companies Act, 1956 by Rs. 49,71,228 (Previous Year Rs.39,54,885).

g) *Subject to our comments in Para (f) above in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:*

- (i) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2012 and
- (ii) In the case of Profit and Loss Statement, of the profit for the year ended on that date.

PLACE: New Delhi

Dated: May14, 2012



For JAND & ASSOCIATES

Chartered Accountants

(PAWAN JAND)

Prop.

M.No. 80-501

F.R.N. 008280N

JAND & ASSOCIATES

ANNEXURE TO THE AUDITOR'S REPORT *Chartered Accountants*

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

- (i) a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As per information and explanation given to us, the management during the year has physically verified the fixed assets and no material discrepancy were noticed on such verification.
- c) The company has not disposed off any substantial part of its fixed assets during the year, which may have any impact on the going concern nature of the company.
- (ii) a) As per information and explanations given to us, the inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of inventory and the discrepancies noticed on such verification between physical stock and book records were not material and have been properly dealt with in the books of accounts.
- (iii) a) The company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Company Act, 1956.

As the company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Company Act, 1956 hence sub-clauses (b), (c) and (d) are not applicable.

- e) The Company has taken an unsecured loan from a company covered in the register maintained under Section 301 of the Company Act, 1956 during the previous year.

Party Name	Nature	Amount(Rs.)
Asahi India Glass limited	Unsecured Loan	14,48,082



- f) As per information and explanations given to us, the rate of interest and other terms & conditions of the unsecured loan taken by the company are not prima facie prejudicial to the interest of the company.
- g) As per information and explanation given to us, there is no stipulation as regards to the repayment of principle and the same is repayable on demand.
- (iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchase of inventories and fixed assets and with regard to sale of goods. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control procedures.
- (v) a) According to information and explanation given to us, the company has entered into the Register maintained under Section 301 of the Company Act, 1956 all such transactions, which needs to be entered into such Register.
- b) According to information and explanation given to us, the transactions of purchase of goods and materials made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Company Act, 1956 and exceeding the value of Rupees Five Lakhs in respect of each party, have been made at prices which are reasonable having regard to prevailing market prices for such goods and material.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 58A and 58AA of the Company Act, 1956 and the rules framed there under.
- (vii) In our opinion and according to the information and explanations given to us, the Company has an internal audit system and the same needs to be strengthened to make it commensurate with the size of the Company and nature of its business.
- (viii) The maintenance of cost records for the Company's business has not been prescribed by the Central Government under Section 209(1) of the Company Act, 1956.
- (ix) a) The Company has generally been regular in depositing undisputed statutory dues,, including Provident Fund, Employee' State Insurance, Sales tax, Income Tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authority during the year.
- b) In our opinion and according to the information and explanations given to us, there are no disputed statutory dues during the year.
- (x) The company has been into existence for less than five years from the date of its registration till the last date of its financial year covered under this report hence this Clause is not applicable.



- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The company has not obtained any borrowings from any financial institutions or by way of debentures.
- (xii) As per information and explanations given to us, the Company has not granted any loan and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a nidhi/mutual benefit fund/society and hence Clause (xiii) of the order is not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investment and hence Clause (xiv) of the order is not applicable to the company.
- (xv) As per information and explanations given to us, the Company has not given any guarantees for loans taken by others from bank or financial institutions.
- (xvi) As per information and explanations given to us, the Company has not obtained any term loan during the year.
- (xvii) ***According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that during the year short-term funds have been used to finance long-term investment to the extent of Rs. 50,31,934 for purchase of fixed assets.***
- (xviii) The Company has not made any preferential allotment of shares during the year.
- (xix) According to the information and explanation given to us, no debentures have been issued by the Company during the year.
- (xx) The Company has not raised money by the way of public issue during the year.
- (xxi) During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of material fraud on or by the company nor have we been informed by the management of such instances being noticed or reported during the year.

Place: New Delhi
Dated: May 14, 2012



For JAND & ASSOCIATES
Chartered Accountants

(PAVAN JAND)
Prop.
M.No. 080501
F.R.N. 008280N

GX GLASS SALES AND SERVICES LIMITED

BALANCE SHEET AS AT

31.03.2012

	PARTICULARS	NOTE NO.	As At 31st March, 2012	As At 31st March, 2011
I	<u>EQUITY AND LIABILITIES</u>			
1	<u>SHAREHOLDERS' FUNDS</u>			
	(a) Share capital	2.1	35,350,000	500,000
	(c) Reserves and surplus	2.2	(27,751,830)	(11,250,370)
2	<u>SHARE APPLICATION MONEY (Pending Allotment)</u>		-	25,880,141
			7,598,170	15,129,771
3	<u>NON-CURRENT LIABILITIES</u>			
	(a) Long-term provisions	2.3	428,670	94,803
			428,670	94,803
4	<u>CURRENT LIABILITIES</u>			
	(a) Short-term borrowings	2.4	4,458,430	-
	(b) Trade payables	2.5	33,676,048	16,413,823
	(c) Other current liabilities	2.6	7,242,774	7,745,818
			45,377,252	24,159,641
	TOTAL		53,404,092	39,384,215
II	<u>ASSETS</u>			
1	<u>NON-CURRENT ASSETS</u>			
	(a) Fixed assets			
	(i) Tangible assets	2.07	24,205,511	6,429,054
	(ii) Intangible assets	2.08	1,823,592	1,637,595
	(iii) Capital work-in-progress	2.09	-	6,318,516
	(b) Long-term loans and advances	2.10	2,000,820	2,169,820
			28,029,923	16,554,985
2	<u>CURRENT ASSETS</u>			
	(a) Inventories	2.11	6,585,918	2,903,169
	(b) Trade receivables	2.12	16,676,056	18,185,069
	(c) Cash and cash equivalents	2.13	106,844	530,258
	(d) Short-term loans and advances	2.14	2,005,351	1,210,733
			25,374,170	22,829,229
	TOTAL		53,404,092	39,384,215

SIGNIFICANT ACCOUNTING POLICIES

1

NOTES ON ACCOUNTS

2

Per our report attached of even date

For JAND & ASSOCIATES

Chartered Accountants

(Firm Registration No. 008280 N)



Pawan

Prop.

M. No. 60-501

Place: New Delhi

Dated: 14/5/2012

Place: New Delhi

Date: 14/5/2012

Khan
Vikram Khanna
Director

Aditya
Aditya Bhutani
Director

Rajesh
Rajesh Dobriyal
Section Head-F & A

GX GLASS SALES AND SERVICES LIMITED
PROFIT & LOSS STATEMENT FOR THE YEAR ENDED
31.03.2012

S. N	PARTICULARS	NOTE NO.	For The Year ended 31st March, 2012		For the Period ended 31st March, 2011	
	REVENUE					
I	Revenue from Operations	2.15		97,805,279	71,708,391	
	Less: Excise Duty			-	-	
	Net Revenue from Operations			97,805,279	71,708,391	71,708,391
II	Other income	2.16		14,537		8,784
III	Total Revenue (I+II)			97,819,816		71,717,175
IV	EXPENSES:					
a	Purchase of Stock in Trade	2.17		67,340,676		52,954,671
b	Changes in inventories of Stock in Trade	2.18		(3,682,749)		(2,903,169)
c	Employees benefits expense	2.19		30,975,580		20,080,924
d	Finance costs	2.20		495,962		1,325
e	Depreciation and amortisation expense	2.21		2,357,856		1,243,507
f	Other expenses	2.22		16,833,952		11,590,288
	Total expenses			114,321,276		82,967,546
V	Profit/(loss) before extraordinary items and tax (III-IV)			(16,501,459)		(11,250,370)
VI	Extraordinary items			-		-
VII	Profit/(loss) before tax			(16,501,459)		(11,250,370)
VIII	Tax expense:			-		-
a	Current tax			-		-
b	Earlier years tax			-		-
c	Deferred tax			-		-
d	MAT credit entitlement			-		-
IX	Profit/(Loss) for the period (VII-VIII)			(16,501,459)		(11,250,370)
X	Earning per equity share:					
a	Basic			(4.67)		(225)
b	Diluted					

SIGNIFICANT ACCOUNTING POLICIES
NOTES ON ACCOUNTS

1
2

For our report attached of even date
For JAND & ASSOCIATES
Chartered Accountants
(Firm Registration No. 008280 N)



Pawan Jand
Prop
M. No. 80,501
Place: New Delhi
Dated: 14/05/2012

Place: New Delhi
Dated: 14/05/2012

Vikram Khanna
Director

Aditya Bhutani
Director

Rajesh Dobriyal
Section Head-F & A

GX GLASS SALES AND SERVICES LIMITED
NOTES ON ACCOUNTS FOR THE YEAR ENDED
31.03.2012

2.1 SHARE CAPITAL:

PARTICULARS	AS AT	
	31st March, 2012	31st March, 2011
<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 50,000)		
Equity share of Rs. 10/- each issued at par and fully paid up	35,350,000	500,000
	35,350,000	500,000

The Company has only one class of Issued Equity Shares having a par value of Re 10/- each. Each holder of Equity Shares is entitled to one vote per share.

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

Name of the Shareholder	As at 31st March, 2012		As at 31st March, 2011	
	No. of shares	% held	No. of shares	% held
1 M/S Asahi India Glass Limited (Holding Co.)				
Opening Balance 50,000				
Add : During the Year <u>29,47,500</u>	29,97,500	84.79%	50,000	100%
2 Mr Aditya Bhutani				
Opening Balance NIL				
Add : During the Year <u>3,40,000</u>	3,40,000	9.62%	NIL	NIL

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 March, 2012		As at 31st March, 2011	
	No. of shares	Amount	No. of shares	Amount
Number of shares at the beginning	50000	500,000	-	-
Add : During the year	34,85,000	34,850,000	50,000	500,000
Number of shares at the end	35,35,000	35,350,000	50,000	500,000

2.2 RESERVES & SURPLUS:

PARTICULARS	AS AT	
	31st March, 2012	31st March, 2011
Surplus in Statement of Profit and Loss:		
As per last Balance Sheet	(11,250,370)	-
Add: Net profit/(Loss) after tax transferred from Statement of Profit & Loss	(16,501,459)	(11,250,370)
Closing Balance	(27,751,830)	(11,250,370)
	(27,751,830)	(11,250,370)

2.3 LONG-TERM PROVISIONS:

PARTICULARS	AS AT	
	31st March, 2012	31st March, 2011
Provision for Employees benefits:		
Leave Encashment	428,670	94,803
	428,670	94,803

CURRENT LIABILITIES:

2.4 Short Term Borrowings:

PARTICULARS	AS AT	
	31st March, 2012	31st March, 2011
Secured Loan		
From banks	2,993,256	-
Unsecured Loan		
Loans from Related Party	1,465,174	-
	4,458,430	-

- i Secured loan from bank is repayable on demand and is secured by exclusive charge on all the present and future current assets and movable fixed assets of the company.
- ii Unsecured loan from related party is repayable on demand
- iii There is no default either continuing or otherwise as at the balance sheet date in repayment of the both the loans and interest thereon.

2.5 Trade Payables:-

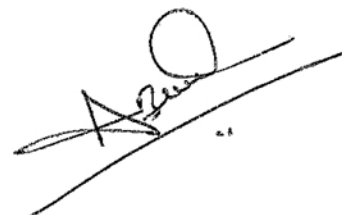
PARTICULARS	AS AT	
	31st March, 2012	31st March, 2011
Sundry creditors:		
- Micro, Small and Medium Enterprises*	-	-
- Others	33,676,048	16,413,823
	33,676,048	16,413,823

* as certified by the company

2.6 Other Current Liabilities:

PARTICULARS	AS AT	
	31st March, 2012	31st March, 2011
Advances from customers	4,260,609	4,877,015
Other payables:		
Accrued salaries and benefits	2,010,920	1,909,834
Withholding taxes	294,535	333,737
Statutory dues	676,710	625,233
	7,242,774	7,745,818

S. No	DESCRIPTIONS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		AS AT	ADDITION	DEDUCTIONS	AS AT	AS AT	FOR THE	ON	AS AT	AS AT	AS AT
		1ST April 2011			31st March 2012	1ST April 2011	Year	DEDUCTION ADJUSTMENT	31st March 2012	31st March 2012	31ST MARCH 2011
2.07	TANGIBLE ASSETS										
	Leasehold Building	1,104,155	-	-	1,104,155	61,168	122,672	-	183,840	920,315	1,042,987
	Showroom Building		18,323,287		18,323,287	-	1,139,156		1,139,156	17,184,132	-
	Office Equipments	698,984	909,573	-	1,608,556	137,150	64,528	-	201,678	1,406,879	561,834
	Computers	1,800,610	283,164	-	2,083,774	186,352	312,957	-	499,309	1,584,465	1,614,258
	Electrical Installations & Fitting	463,772	-	-	463,772	10,984	22,029	-	33,013	430,758	452,787
	Furniture & Fixtures	1,476,247	160,741	-	1,636,987	50,499	103,028	-	153,527	1,483,460	1,425,748
	Vehicles	1,430,923	-	-	1,430,923	99,483	135,938	-	235,421	1,195,502	1,331,440
	Total	6,974,690	19,676,764	-	26,651,454	545,635	1,900,308	-	2,445,943	24,205,511	6,429,054
2.08	INTANGIBLE ASSETS										
	Computer Software	754,234	184,481	-	938,715	75,648	168,667	-	244,315	694,400	678,586
	Product Designs	1,117,362	459,064	-	1,576,426	158,353	288,881	-	447,234	1,129,192	959,009
	Total	1,871,596	643,545	-	2,515,141	234,002	457,548	-	691,550	1,823,592	1,637,595
	Grand Total	8,846,286	20,320,309	-	29,166,595	779,637	2,357,856	-	3,137,493	26,029,103	8,066,648
	Previous Year	-	8,846,286		8,846,286	-	779,637	-	779,637	8,066,648	-




2.09 Capital work in progress:

PARTICULARS	AS AT	
	31st March, 2012	31st March, 2011
Expenditure incurred in the course of construction or acquisition	-	6,318,516
	-	6,318,516

2.1 LONG TERM LOANS AND ADVANCES:

PARTICULARS	AS AT	
	31st March, 2012	31st March, 2011
<u>Unsecured considered good:</u>		
Security Deposits	2,000,820	2,169,820
	2,000,820	2,169,820

2.11 INVENTORIES:

PARTICULARS	AS AT	
	31st March, 2012	31st March, 2011
(As taken, valued & certified by the Management)- At cost or net realisable value, whichever is lower except scrap at estimated realisable value)		
1 Stock in trade	1,929,622	2,052,019
2 Stores, Spares & Loose Tools	4,620,996	817,550
3 Scrap	35,300	33,600
	6,585,918	2,903,169

2.12 TRADE RECEIVABLES:

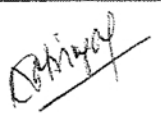
PARTICULARS	AS AT	
	31st March, 2012	31st March, 2011
Unsecured Considered Good		
Over Six months	5,929,038	1,149,932
Others:	10,747,018	17,035,137
	16,676,056	18,185,069

2.13 CASH & CASH EQUIVALENTS :

PARTICULARS	AS AT	
	31st March, 2012	31st March, 2011
(a) Balances with Banks:		
In Current accounts	41,919	180,675
Fixed Deposit		-
(held as margin money against security given)	30,000	325,000
(b) Cash on hand	32,373	17,452
(c) Others:		
Interest Accrued but not due on Fixed Deposit	2,552	7,131
	106,844	530,258

2.14 SHORT TERM LOANS & ADVANCES:

PARTICULARS	AS AT	
	31st March, 2012	31st March, 2011
Unsecured considered good unless otherwise stated		
(a) Others:		
Against supply of goods and services	536,374	303,726
Prepaid Expenses	352,093	102,495
Advance Income Tax (Net of provision)	467,906	140,252
Balances with Government Authorities	648,978	664,260
	2,005,351	1,210,733

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

31.03.2012

NOTE NO.	PARTICULARS	For the Year Ended 31st March, 2012	For the period ended 31st March, 2011
2.15	REVENUE FROM OPERATIONS :		
	a) Sales of Products :-		
	(i) Glass	58,613,706	41,477,737
	(ii) Others	29,688,678	23,277,519
	b) Sales of Services		
	Installation Services	9,502,895	6,953,135
	Total	<u>97,805,279</u>	<u>71,708,391</u>
2.16	OTHER INCOME:		
	(a) Interest Income	5,697	8,184
	(b) Miscellaneous	8,840	600
		<u>14,537</u>	<u>8,784</u>
2.17	PURCHASE OF STOCK IN TRADE :		
	Glass	42,675,296	36,013,175
	Others	24,665,380	16,941,497
		<u>67,340,676</u>	<u>52,954,671.48</u>
2.18	CHANGES IN INVENTORIES OF STOCK IN TRADE		
	Glass		
	At the beginning of the Accounting Period	2,052,019	-
	At the end of the Accounting Period	<u>1,929,622</u>	<u>2,052,019</u>
		<u>122,397</u>	<u>(2,052,019)</u>
	Others		
	At the beginning of the Accounting Period	851,150	-
	At the end of the Accounting Period	<u>4,656,296</u>	<u>851,150</u>
		<u>(3,805,146)</u>	<u>(851,150.00)</u>
		<u>(3,682,749)</u>	<u>(2,903,169.00)</u>
2.19	EMPLOYEE BENEFITS EXPENSE		
	Salary & Wages	28,958,801	18,817,823
	Contribution to Provident and other Funds	1,158,676	742,304
	Staff Welfare Expenses	858,103	520,797
		<u>30,975,580</u>	<u>20,080,924</u>
2.20	FINANCE COSTS:		
	Interest on Loans	495,962	1,325
		<u>495,962</u>	<u>1,325</u>
2.21	DEPRECIATION AND AMORTIZATION EXPENSE:		
	Depreciation	1,900,308	545,635
	Amortisation	457,548	234,002
	Preliminary Expenditure Written Off	-	463,870
		<u>2,357,856</u>	<u>1,243,507</u>
2.22	OTHER EXPENSES:		
	Rent	3,040,057	1,675,020
	Rates & Taxes	172,842	-
	Insurance	35,562	19,752
	Payment to the auditors:		
	As Auditor	400,000	250,000
	For Taxation Matters	100,000	50,000
	For Other services	200,000	-
	Recruitment & Training	1,703,771	822,264
	Advertisement	2,585,153	1,703,986
	Packing & Forwarding	1,324,246	727,875
	Commission paid	-	56,605
	Bank Charges	64,467	81,486
	Travelling & conveyance	3,421,197	1,668,622
	Legal & Professional Charges	1,115,220	2,655,612
	Repairs & Maintenance:		
	Others	554,231	375,437
	Miscellaneous expenses:		
	Others	2,117,207	1,503,628
		<u>16,833,952</u>	<u>11,590,288</u>

GX GLASS SALES & SERVICES LTD.

1. Significant Accounting policies:

a) Basis of Accounting

- i) Financial Statements are based on historical costs and are prepared on accrual basis.
- ii) Accounts have been prepared to comply in all material respects with applicable accounting principles in India, accounting standards notified under sub-section 3(C) of section 211 of the Companies Act, 1956 Companies (Accounting Standards) Rules, 2006 issued by the Central Government and other relevant provisions of the Companies Act, 1956.

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

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

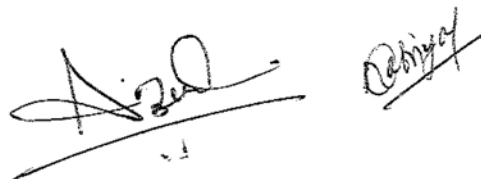
Assets costing up-to Rs.5,000/- each are depreciated fully in the year of purchase.

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 same are rendered.

Revenue with regard to ongoing projects is recognized based on percentage completion of work.

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 therefrom.

g) Employees Benefit

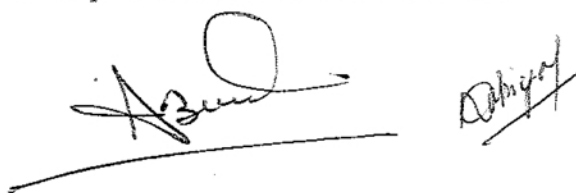
Contribution to Defined Contribution Scheme such as Provident Fund, ESIC, etc. are charged to the Profit and Loss Account as incurred.

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.



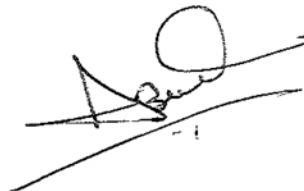
h) Taxes on Income

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.

A handwritten signature in black ink, appearing to be 'N. S.', written over two horizontal lines.A handwritten signature in black ink, appearing to be 'Rohit', written over two horizontal lines.

GX GLASS SALES & SERVICES LTD.

2. Notes to Accounts:

2.23. Contingent Liabilities

Particulars	As at 31 st March 2012(Rs.)	As at 31 st March 2011(Rs.)
Bank Guarantees	30,000	325,510


2.24. Estimated amount of contracts remaining to be executed on capital account net off capital advances not provided for are NIL (Previous Year Rs. 21.99 lacs).

2.25. Related Party disclosures

List of Related Parties:

- Enterprise having control over reporting enterprise: Asahi India Glass Limited
- Enterprise significantly influenced by Key Management Personnel: AIS Glass Solutions Limited.
- Key Management Personnel: Mr. Sanjay Ganjoo, Mr. Rupinder Shelly, Mr. Aditya Bhutani and Mr. Vikram Khanna

Nature of Transactions	Enterprise having control over reporting enterprise		Enterprise significantly influenced by Key Management Personnel		Key Management Personnel	
	As at 31 st March 2012	As at 31 st March 2011	As at 31 st March 2012	As at 31 st March 2011	As at 31 st March 2012	As at 31 st March 2011
Share Capital Asahi India Glass Limited Mr Aditya Bhutani Mr Sanjay Mohan Labroo Mr Rupinder Shelly	55,94,859	500000			34,00,000 15,00,000 1,50,000	NIL NIL NIL
Share Application Money Asahi India Glass Limited Aditya Bhutani	NIL	23880141			NIL	2000000
Purchase Glass & Glass Products Asahi India Glass Limited AIS Glass Solutions Limited	55,68,761.86	1044766	3,84,05,824.59	17992632		




Sale of Glass & Glass Services Asahi India Glass Limited Mr. Rajesh Mukhija	✓ 7,77,301.29	66061				28577
Remuneration Mr. Aditya Bhutani					49,71,228	3954885
Loan Taken and Paid Back Mr. Rajesh Mukhija						521343
Loan Taken Asahi India Glass Limited	✓ 14,48,082.00	NIL				
Interest Accrued Asahi India Glass Limited	✓ 18,991.00	NIL				
Balance as creditors: Asahi India Glass Limited AIS Glass Solutions	✓ 45,36,853.00	341,935		2,27,48,234	59,82,349	
Balance as Debtors: Asahi India Glass Limited	✓ 7,11,051.00	NIL				

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

2.26. Employee Benefits:

(A) DEFINED CONTRIBUTIONS PLAN

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

Contributions	31 st March 2012	March 31, 2011
Provident Fund (in Rs.)	19,91,622	635,336
Employee State Insurance (in Rs.)	2,41,625	102,308

(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. However as this is only second year of operation of the company no provision for gratuity liability is made.

The company, in accordance with its rules, has made provision for leave encashment of as per actuarial valuation of Rs.4,28,670/- (Previous Year Rs. 94,803/-). The assumptions making the provision are as under.

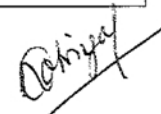

Period	From 4/1/2011 to 3/31/2012
Discount Rate	8.75% Per annum
Salary Growth	8.00% Per annum
Mortality	LIC 94-96 Ultimate
Expected Return Rate	0
Withdrawal rate (Per Annum)	2.00% P.A

2.27.Under Micro, Small and Medium Enterprise Development Act, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company has ascertained that as per information gathered by it none of the suppliers are covered under such Act.

2.28.The remuneration to director is approved by the shareholders of the company. However, owing to the losses during the year such remuneration was not determinable on the date of such approval. The remuneration so approved and paid is in excess by Rs. 49, 71,228/- (previous year Rs39,54,885) of the limits specified in Schedule XIII of the Companies Act, 1956. An application is being made to the Central Government for the waiver of excess remuneration.

2.29.Capital work in progress comprises of the following:

Particulars	As as 31 st March 2012(Rs.)	As at 31 st March 2011 (Rs.)
Capital advances	NIL	5,80,896
Building under construction	NIL	11,64,027
Electrical installations	NIL	1,83,600
Preoperative expenses	NIL	42,76,555
Others	NIL	1,13,438
Total	NIL	63,18,516



2.30. The total expenses on account of operating lease for the year ended 31st March 2012 is Rs 30,40,057/- (Previous Year Rs 16,75,020/-)

2.31. 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.

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

2.33. That previous reporting period was of 9 months operation as the company commenced its operations in the month of July 2010.

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

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

Place: New Delhi
Date: 14/05/2012



(Vikram Khanna)
Director

(Aditya Bhutani)
Director

(Rajesh Dobriyal)
Section Head-F&A