



Symbol of Safety

Asahi India Safety Glass Ltd.

16TH ANNUAL REPORT

2000-2001

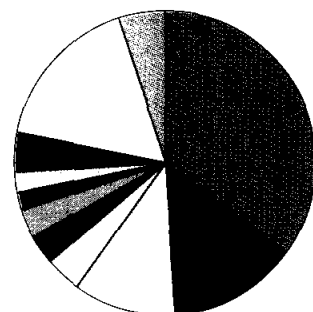
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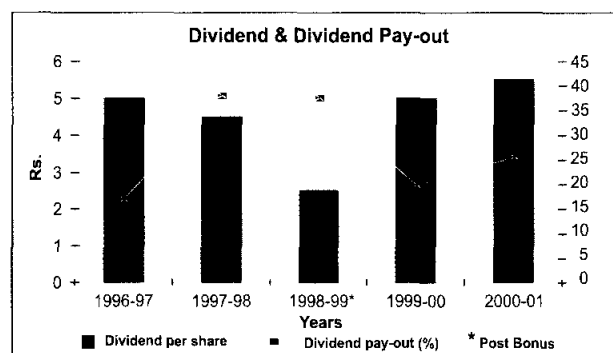
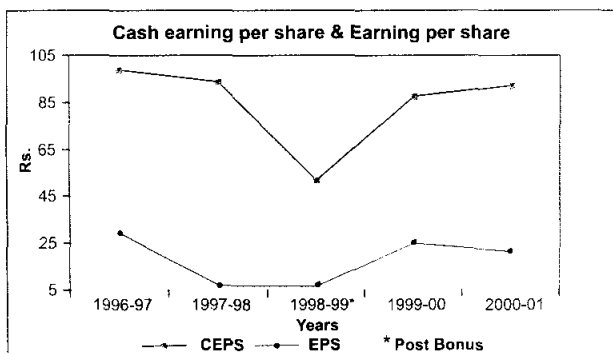
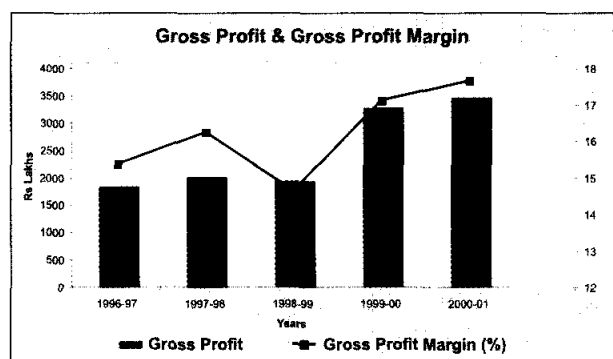
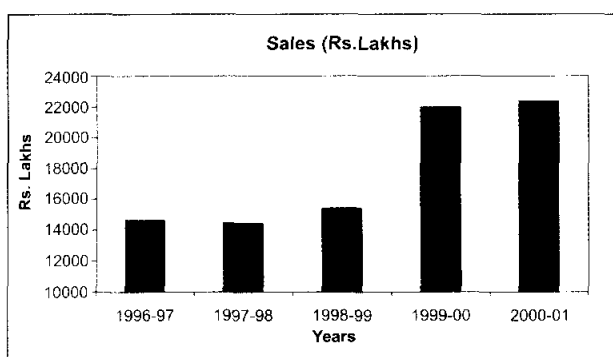
PERFORMANCE HIGHLIGHTS

	2000-01	(Rs. Lakhs) 1999-00
Sales	22,385.98	22,003.58
Operating profit	4,074.16	4,007.46
Gross profit	3,402.49	3,250.83
Profit before tax	1,295.96	1,393.20
Profit after tax	795.96	933.20
Total capital employed	10,138.17	9,201.88
RATIOS (%)		
Operating profit margin	21.16	21.12
Gross profit margin	17.67	17.13
ROACE	20.35	23.17
PER SHARE (Rs.)		
Cash earning per share	91.96	87.86
Earning per share	21.51	25.22
Dividend per share	5.50	5.00

SALES BREAK-UP (2000-01)



Maruti	35%
Hyundai	14%
Telco	11%
Toyota	4%
M&M	3%
Ford	3%
Honda	2%
HML	2%
General Motors	1%
Other OEMs	3%
Spares (OEM & After Market)	17%
Exports	5%



VISION

AIS's VISION is to be an excellent company and be recognised as a leader in the automotive industry in the country.

MISSION

AIS's MISSION is to be a globally competitive organisation providing VALUE to its stakeholders - including its customers, shareholders, employees and society at large through the DEVELOPMENT and delivery of products and services of internationally comparable QUALITY at globally competitive COSTS, DELIVERED at optimal schedules.

QUALITY POLICY

To achieve the avowed objectives, our Policy is "to **provide Stakeholder satisfaction through QCDV.**"

The Customers, Employees, Shareholders, Suppliers and Society are the Stakeholders of our Company.

We are committed to their satisfaction.

We must provide **VALUE** in our activities through world class **QUALITY, COST** competitiveness and on time **DELIVERY**.

We must achieve **QCD** through team work, discipline, respect for humanity, respect for environment and by strict adherence to procedures and systems.

We must constantly upgrade our **QCD** targets through, **KAIZEN** and **KAIRYO**.

CHAIRMAN'S LETTER TO THE SHAREHOLDERS

Dear Shareholders,

I am pleased to report that 2000-2001 was another year of good financial performance for Asahi India Safety Glass Ltd. with sales, at Rs. 224 crores, and cash profits, at Rs. 34 crores, touching new heights. We have achieved



Sales at Rs.224 crores
Cash Profits at
Rs. 34 crores

creditable results in the face of very difficult market conditions by continuous improvement in productivity of all our resources to strengthen profitability and reinvest for growth.

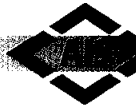
Significant achievements during the year include:

- Commenced supplies to new models like Maruti-Suzuki's Alto, M&M's Bolero and Maxx and Volvo trucks.
- Achieved significant growth in sales in the replacement and export markets.
- Commissioning of state-of-art Asahi Flexible Bending Furnace in the Laminated Plant, significantly enhancing AIS's capabilities to meet the complex and diverse needs of our highly demanding customers.
- Strong operating cash flows.
- Recommended increased dividend payment and issue of bonus shares in the ratio of 1:1 for our shareholders.

**Recommended issue of
Bonus Shares in the
ratio of 1:1**

The overall industrial climate in India, during the year under review, was subdued. Passenger car sales (including multi-utility vehicles), which had surged 45% in 1999-2000 to over 760,000 units, posted a negative growth of 6% in 2000-01 to 717,000 units. We, at AIS, however, succeeded in reporting a positive growth due to impressive operational performance, and our continued focus on Quality, Cost and Delivery. The higher growth in the mid-sized car segment, wherein the quality demands and value additions are higher, also worked in our

**Positive growth inspite
of declining car sales**



favour as a result of our proven technological capabilities. That we also managed to maintain our profitability, despite the intense pressures from automobile manufacturers, is particularly gratifying.

While our domination of the original equipment segment in the local market remained intact, we remain clearly focused on exploiting the opportunities in the replacement and export markets. AIS's sales to the replacement and export markets now constitutes 22% of its total sales, rising six percentage points over the past three years. Our persistent efforts towards building a more diversified business portfolio resulted in a major break-through, with AIS now supplying toughened lid-glass to white-goods major, Whirlpool of India Limited, for its popular washing machines.

**Buoyancy in
replacement and
export markets**

We have built and maintained our leadership position successfully over the years. We shall continue our endeavours for sustained profitable growth by effectively serving our customers, maintaining operational excellence in all our functional areas and building a more diversified business portfolio so as to enhance value for our shareholders.

**Striving to enhance
shareholder value**

Before I conclude, I would like to thank you, our shareholders, for the tremendous confidence and trust you have placed in the Company. I would also like to thank our customers, collaborators, suppliers, AIS management team and dedicated employees for contribution and support.

B.M. Labroo
Chairman



CORPORATE INFORMATION

BOARD OF DIRECTORS

B.M. LABROO
S. LABROO
H. NOHARA
P. L. SAFAYA
A. SINGH
Y. HARA
S. KAPUR
A. NANDY
T. YOKOTA

CHAIRMAN
MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
TECHNICAL DIRECTOR
DIRECTOR (W & A) & CHIEF OPERATING OFFICER
DIRECTOR (COMMERCIAL)
DIRECTOR
DIRECTOR
DIRECTOR
DIRECTOR

MANAGEMENT TEAM

K. Hirosaki	Technical Adviser	Farhiz Karanjawala	Head - Information Systems
K. Miyawaki	Technical Adviser	Vikram Khanna	Head - Materials
B.S. Kanwar	Head - Manufacturing	Ashok Kumar	Head - Finance & Accounts
Anil Ahuja	Head - Production	Dilip Maini	Head - HR & Admn.
Mirza Asif Beg	Head - Quality Assurance	Rajesh Mukhija	Head - Legal & Co.Secretary
Neeraj Chandna	Head - New Projects	Rajnish Singhal	Head - Marketing
Sanjay Ganjoo & R. Shelly	Jt. Heads - Development		
M. Kumar	Head - Electrical		
Navin Rai	Head - Mechanical		

TECHNICAL AND FINANCIAL COLLABORATORS

Asahi Glass Co. Ltd.,
1-12-1, Yurakucho 1-Chome, Chiyoda-Ku, Tokyo 100-8405, Japan.

BANKERS

The Bank of Tokyo-Mitsubishi Ltd.
Punjab National Bank
State Bank of India
Bank of Baroda
The Sumitomo Mitsui Banking Corporation
Corporation Bank
Vysya Bank

AUDITORS

Jagdish Sapra & Co.,
Chartered Accountants,
23, Prakash Apartments,
5, Ansari Road, Daryaganj, N.Delhi.

REGISTERED OFFICE

12, Basant Lok,
Vasant Vihar, New Delhi -110057.
Ph. 6143536,6143537,6142288
Fax : 011-6142324, 6148696

WORKS

94.4 Kms Delhi-Jaipur Highway, NH-8,
Village Jaliawas, Tehsil Bawal,
Dist. Rewari- 123501 (Haryana)
Ph. 01284 - 60366, 60367, 607741
Fax : 01284 - 60185

AIS AT A GLANCE

Asahi India Safety Glass Ltd. (AIS) is India's largest manufacturer of world class automotive safety glass and is, in fact, one of the largest in its field in the Asian region.

Established in 1987, AIS has been jointly promoted by B.M. Labroo & Associates, New Delhi, Asahi Glass Co. Ltd., Japan and Maruti Udyog Ltd., New Delhi.

AIS has a financial and technical collaboration with Asahi Glass Co. Ltd., Japan (AGC). In the automotive safety glass business, the AGC group is a worldwide leader, with 30 % global market share. In fiscal 2000-01, AGC's consolidated net sales and operating income amounted to US \$ 12,111 million and US \$ 1,030 million respectively.

AIS caters to over 90% of the safety glass requirements of the Indian passenger car industry. AIS has a strong presence in the non-OEM segments of replacement and exports and has also recently succeeded in expanding its presence in the non-automotive segment, with its supplies to the white goods industry.

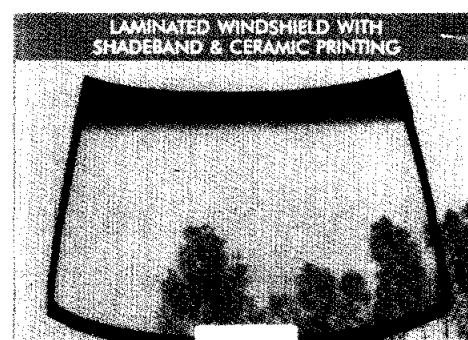
AIS's corporate strategy is to pursue profitable growth while enhancing shareholder value.

OUR PRODUCTS

As India's largest manufacturer of automotive safety glass, AIS manufactures the full range of automotive safety glass. AIS's present product range includes laminated windshields, tempered glass for side and back lites, zone tempered glass for windshields, silver printed defogger glass, black ceramic printed flush fitting glass and PVC-encapsulated fixed glass. The range includes:

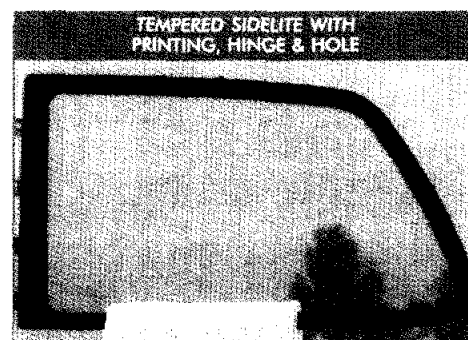
LAMISAFE-LT

This is the registered brand of AIS laminated windshields. Different product options available are clear and tinted windshield – glass or PVB tinted. Top shade bands in different colours can also be provided, besides, the option of mirror button fixing and other assemblies, as required.



TEMPERLITE-LT

This is the registered brand of AIS fully tempered safety glasses for use as side and back glass. These glasses are fitted by AIS with assemblies such as holders, channels etc., as required by the car manufacturers.



ZONELITE-LT

This glass is differentially tempered on the central zone. Resultantly, in the event of breakage, the glass breaks into larger pieces in the area of the driver's vision, allowing the driver better visibility to manoeuvre the vehicle to safety.

BLACK CERAMIC PRINTED GLASS

This glass is printed with black ceramic on the borders to ensure longevity of the bonding in flush fitted fixed glasses - such as the windshield or backlite.

HEATLITE-LT

This silver printed glass is heat-conductive and electro-conductive and ensures a crystal clear field of vision during the monsoons or in foggy and cold weather conditions.

MODULAR ASSEMBLY WINDOWS

This PVC encapsulated fixed glass is a value-added product which can be used with ease for direct fitment onto the car body.

In the non-automotive segment, AIS has the following product range :

ARCHITECTURAL LAMINATED GLASS

AIS has been manufacturing and supplying architectural laminated glass to reputed companies like DLF, ANSALS for some of their prestigious projects in housing and construction sector. AIS has the capability to offer architectural glass of maximum size of 3000*2000 mm in maximum thickness of 8+8 mm with various tint combinations as per market requirements.

TOUGHENED LID GLASS

AIS has commenced production and supplies of toughened lid glass for use by Whirlpool of India Ltd. for their popular brands of washing machines. Besides, AIS has the capability to meet requirement of toughened glass for use in other white goods like refrigerators, microwave oven and similar allied products.

ADVANTAGE LAMISAFE - LT

BREAK PATTERN & VISIBILITY

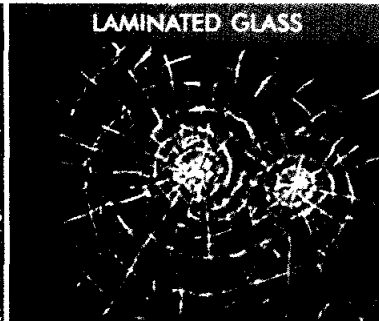
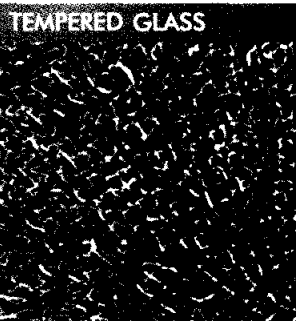
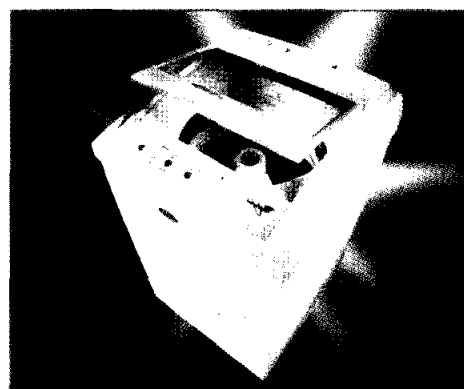
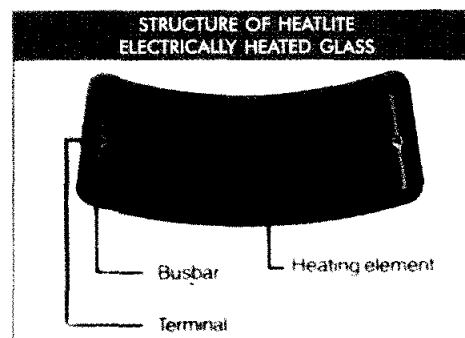
DANGER FROM SHRAPNEL

TEMPERED GLASS

LAMINATED GLASS

TEMPERED WINDSHIELD

LAMINATED WINDSHIELD



OUR CUSTOMERS

AIS continues to be a dominant automotive safety glass supplier to the Indian passenger car and commercial vehicle market. AIS meets 100 per cent of the safety glass requirement of Maruti-Suzuki for all its models besides being the sole/dominant supplier of safety glass to almost all other vehicle manufacturers in India.

AIS is the sole-supplier of glasses to the following OEMs, meeting 100 per cent of their automotive safety glass requirements :

Maruti-Suzuki	All models of cars, vans and utility vehicles
Hyundai	Santro, Accent
Telco	Indica, Safari
Toyota Kirloskar	Qualis
Mahindra & Mahindra	Utility vehicles (Laminated Windshields)
Ford India	Ikon
Honda Sael	City
Hindustan Motors	Mitsubishi Lancer
General Motors	Opel Astra, Opel Corsa
Fiat India	Uno
Daewoo Motors	Matiz, Cielo, Nexia
Swaraj Mazda	LCVs (Laminated Windshields)

AIS also meets 50-70 % of the glass requirements of the following OEM customers :

Telco	Sumo, Estate, Sierra, 207 Family, LCVs & Trucks
Eicher Motors	LCVs
Bajaj Auto	Three-wheelers

During 2000-01, AIS started supplies for the following :

Maruti-Suzuki	Alto
Mahindra & Mahindra	Bolero, Maxx
Volvo	Trucks