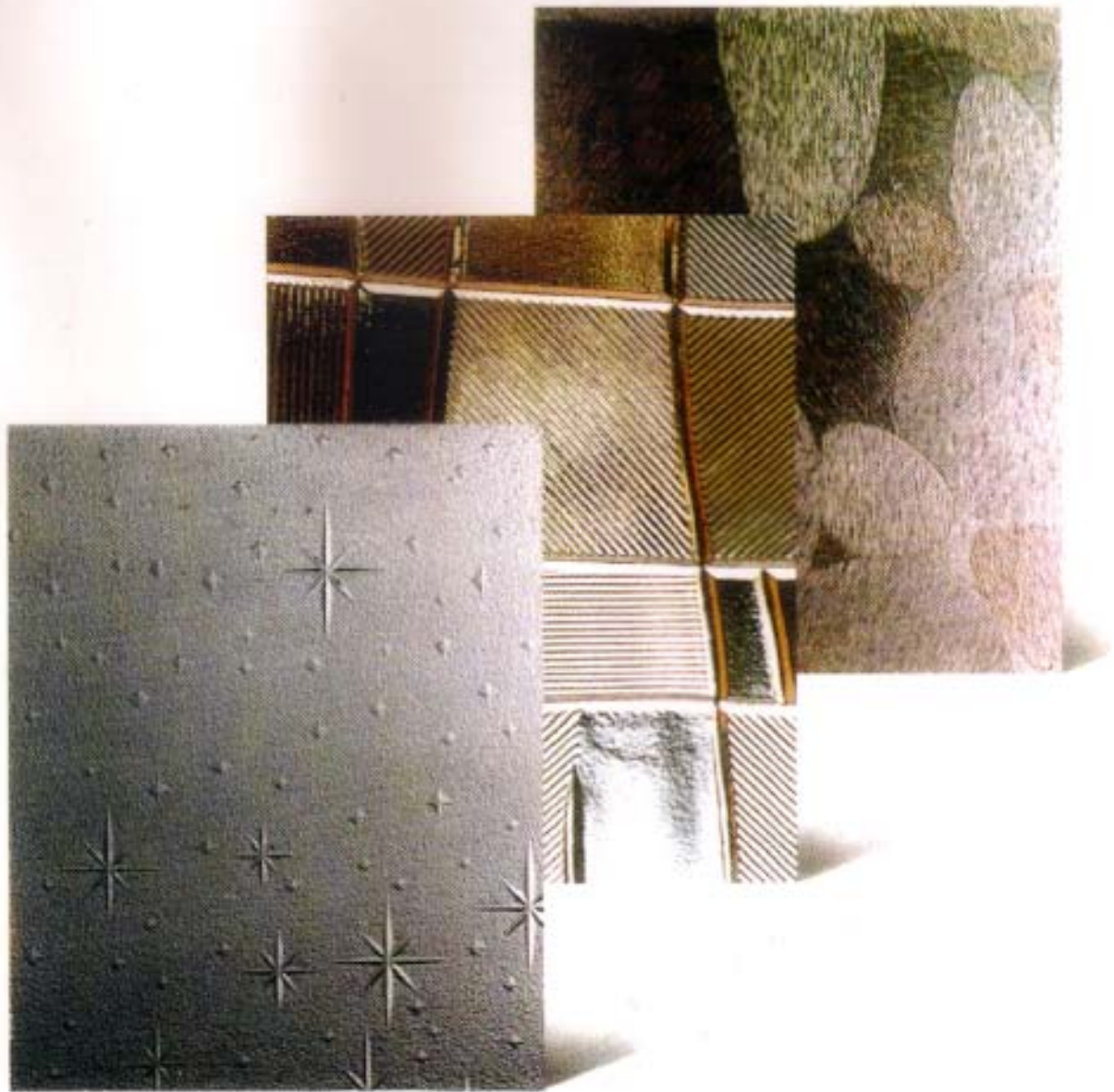


ANNUAL REPORT 2009-2010



IAG COMPANY LIMITED



## 53rd Annual Report 2009-2010

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#### Board of Directors :

Mr. V. Joshi – *Wholetime Director*  
Mr. N. Champati – *Wholetime Director*  
Mr. R. Dosi – *Wholetime Director*  
Mr. S. K. Biswas – *Non Executive Director*  
Mr. P. Mittal – *Non Executive Director*  
Mr. V. Jalan – *Non Executive Director*  
Mr. H. Banerji – *Non Executive Director*

#### Bankers :

State Bank of India  
Punjab National Bank  
Bank of Baroda

#### Auditors :

D. Basu & Co.  
*Chartered Accountants*

#### Solicitors & Advocates :

Orr, Dignam & Co.

#### Registered Office :

3, Hungerford Street, Kolkata - 700 017  
Phone : 033-2290-1935/1940  
Fax : 033-2290-2319  
E-mail : [lagcompanylimited.complaints@gmail.com](mailto:lagcompanylimited.complaints@gmail.com)  
[complaints@lagcompany.in](mailto:complaints@lagcompany.in)

#### Factory :

Bhurkunda, P.O. Bhadaninagar  
Dist. Ramgarh, Jharkhand

## CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I extend a warm welcome to one and all at the Fifty Third Annual General Meeting of your company and have pleasure in placing the Annual Report and Audited Statement of Accounts for the year ended 31st March, 2010 in order to share with you the highlights of contribution, achievements and financial performances of your company.

It is very pleasing to report that the company has fulfilled all the listing compliances and trading in Bombay Stock Exchange has started from October 2009.

I take pride to announce that your company has restarted commercial production from Furnace No. 2 with effect from May 15, 2010. Further I would like to make you aware that the company had been using Furnace Oil for the production of glass earlier, but the same has now been changed to coalfired gasification. This has led to production of glass at a cheaper rate as compared to production being made from gas based glass plant. Initially your company was engaged in production of 6 feet wide glass, but now the company has also started producing 7 feet wide glass which resulted in increase of production. It is noteworthy to mention that your company has set up an additional 4 feet wide new line in Furnace No.2 for the purpose of manufacturing figured glass, frosted glass, roll glass and wired glass in order to cater the demands in the market. Further the company is making continuous efforts for expansion and development and is heading towards becoming a significant glass producer among others.

On behalf of the Board of Directors, I take this opportunity to thank all our shareholders for their confidence and faith in the company, our customers, vendors, banks and financial institutions for their continued co-operation and support. I am also thankful to all our employees for their co-operation, consistent high-level performance, their commitment towards company's goal and for their team effort that has resulted in the revival of the company.

The Management of your company is optimistic about its future and confident about the implementation of the strategic initiatives being taken and continues to count on your collective support in all our endeavors.

With warm Regards

SANTOSH KUMAR BISWAS



## NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that 53rd Annual General Meeting of IAG Company Limited will be held on 27th September, 2010 (Monday) at 11 AM at Rotary Children's Welfare Trust, Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700020 to transact the following business :

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts together with the Reports of Directors and Auditors thereon for the year ended 31st March 2010.
2. To appoint Director in place of those retiring by rotation and eligible for re- appointment.
3. To appoint M/S D. Basu & Co., Chartered Accountants as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

The Register of Members of the Company will remain closed from 26th September, 2010 to 27th September, 2010 (both days inclusive).

Registered Office :  
3, Hungerford Street  
Kolkata - 700017  
Dated : 31st May, 2010

By the order of the Board  
N Champali  
Director

### Notes :

- ◆ A member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and to vote instead of himself and a proxy need not be a member of the Company.
- ◆ The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- ◆ An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the items under special business in annexed hereto.
- ◆ Members are requested to notify to the Company change of their addresses, if any.
- ◆ Members desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 109A of the Companies Act, 1956 are requested to submit prescribed Form 2B for this purpose to the Company.
- ◆ Members are requested to bring their copies of Annual Reports as no extra copies will be distributed at the meeting.
- ◆ CB Management Services(P) Ltd., P-22, Bondel Road, Kolkata 700019 has been functioning as common agent for transfer of Shares both physical and depository modes.

**DIRECTORS' REPORT TO THE MEMBERS**

Your Directors are pleased to present their 53rd Annual Report together with the Audited Accounts for the year ended 31st March, 2010.

**FINANCIAL HIGHLIGHTS :**

	<i>Rs. in lakhs *</i>	<i>Rs. in lakhs *</i>
	<u>Current Year</u>	<u>Previous Year</u>
Income [Sales]	8,125	1,380
Profit/(Loss) before depreciation and write back of liabilities and provisions	530	514
Depreciation	(324)	(226)
Liabilities and Provisions no longer required written back	16	1,004
Prior period adjustments	(35)	(64)
Waiver of unsecured loan	—	1,266
Profit/(Loss) before taxation	187	2,494
Deferred Tax Liabilities (Net)	76	1,651
Fringe Benefit Tax	—	6
Balance brought forward from previous year	—	—
Transfer from Revaluation Reserve	—	—
Transfer to Revaluation Reserve	112	837
Profit/(Loss) carried to Reserve and Surplus/ Balance Sheet	—	—

\* Note : Figures rounded off to nearest rupees of lakhs.

**OPERATIONS AND PROSPECTS**

During the year under review, commercial production from both the furnaces continued till November 2009 and thereafter production from both the furnaces of the company were suspended due to paucity of funds. The company has restarted commercial production from Furnace 2 with effect from May 2010. The company is making all efforts for arranging funds for restarting production from Furnace 1.

**DIVIDEND**

In view of past accumulated losses and inadequate distributable surplus in the year under review the Directors regret that they are unable to recommend any dividend.

**DIRECTORS**

Mr. P.K. Chatterjee, Managing Director resigned with effect from 27th February 2010.

The Board places on record the wise counsel rendered by him during his tenure in the Company.

Mr. Rakesh Dosi and Mr.S.K. Biswas Directors of your company retire from the Board by rotation and are eligible for re-appointment.



#### LISTING

The Equity shares of your company are listed in Bombay Stock Exchange Ltd. and Calcutta Stock Exchange Ltd. The company had fulfilled all the listing compliances as required by the Bombay Stock Exchange and trading in equity shares in BSE started with effect from October 2009.

#### CORPORATE GOVERNANCE

A separate report on corporate Governance along with General Shareholders Information as prescribed under the Listing Agreement, is annexed as a part of this report along with the Auditor's Certificate thereon.

#### DIRECTORS' RESPONSIBILITY STATEMENT

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

1. In preparation of Annual Accounts for the financial year ended 31st March, 2010, applicable accounting standards have been followed along with proper explanation relating to material departures.
2. Appropriate Accounting Policies have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2010 and of the profits for the period from 1st April 2009 to 31st March 2010.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The Annual Accounts for the financial year ended 31st March, 2010 have been prepared on a going concern basis.

#### COMMENT ON AUDITORS' REMARKS

As regards Auditors' comments in their Reports on financial results for the year Company's submissions have been given as under :

##### Regarding Comment No. 4(b)

The company has converted unsecured loan of value 6.5 crores into preference shares and the remaining amount of unsecured loan of Rs. 18 crores will be converted within a short period of time.

##### Regarding Comment No. 4(c)

The Gratuity Trust Fund have not yet encashed the cheque.

##### Regarding Comment No. 4(d)

The interest is provided on the basis of payment of E.M.I. Since the instalment of E.M.I is due as on March 2010 interest provision could not be made.

##### Regarding Comment No. 4(e)

The company has an option to provide for the expenditure within five years and the same will be accounted for in the subsequent years.

##### Regarding Comment No. 4(f)

The process of Reconciliation is being done and the same will be complied within a short time.



**Regarding Comment No. ix(a)**

The statutory dues could not be deposited due to paucity of funds since the company's operations were closed for five months. The same will be deposited during the current financial year.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

Detail of energy conservation and development activities undertaken by the Company along with the information in accordance with the provision of Section 217(1) (e) of the Companies Act, 1956, read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988, are given as an annexure to this report.

**AUDITORS**

M/S D.Basu & Co., Chartered Accountants retire and are eligible for reappointment.

**PARTICULARS OF EMPLOYEES**

No Employee of the Company was in receipt of remuneration exceeding the limits prescribed under section 217(2A) of the Act read with the Companies (Particulars of Employees) Rules, 1975.

**RELATED PARTY TRANSACTIONS**

A statement of related party transactions pursuant to Accounting Standard 18 forms a part of the Annual Report

**PERSONNEL**

Industrial Relations continued to be peaceful and cordial during the year.

**APPRECIATION**

The Board wishes to place on records its sincere appreciation for the continued assistance and support extended to the Company by its Customers, Bankers, Vendors, Government Authorities and Employees.

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

Registered Office :  
3, Hungerford Street  
Kolkata-700017  
Dated : 31st May, 2010

By the Order of the Board of Directors  
N Champati  
Director

INFORMATION UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE PERIOD ENDED 31st MARCH, 2010.

	As at		As at	
	31st March, 2010		31st March, 2009	
<b>Conservation of Energy :</b>				
<b>Power &amp; Fuel Consumption</b>				
<b>1. Electricity :</b>				
<b>Purchased (33 KV for Industrial)</b>				
Unit				
Total Amount (Rs. In Lacs)		3482528		1281960
Rate/Unit (Rs.)		156.68		5.52
		4.50		4.30
<b>Purchased (11 KV for Domestic)</b>				
Unit		2063579		1787864
Total Amount (Rs. In Lacs)		33.13		2.85
Rate/Unit (Rs.)		1.61		1.59
<b>Arrear Payment in instalment with DPS</b>				
Instalment (Rs. In Lacs)		31.50		84.00
DPS (Rs. In Lacs)		12.07		19.13
<b>Own Generation through Diesel Generator (For production)</b>				
Unit (KWH)		568915.20		504845
KWH/LTR of Diesel Oil		3		3
Cost/Unit (Rs.)		10.80		10.53
<b>Diesel Generator (For project)</b>				
Unit (KWH)		142228.00		205024
KWH/LTR of Diesel Oil		3		3
Cost/Unit (Rs.)		10.80		10.53
<b>2. Coal :</b>				
	<u>FURNANCE-I</u>	<u>FURNANCE-II</u>	<u>Production</u>	<u>Consumption</u>
Quantity (MT)	30390.56	17808.16	13272.56	—
Total Cost (Rs. In Lacs)	1276.40	747.94	536.66	11979.04
Average Rate / MT (Rs.)	4200	4200	4044	—
<b>3. Furnace Oil :</b>				
Quantity (KL)	245.251	861.907	2034.078	—
Total Cost (Rs. In Lacs)	68.67	241.33	374.87	2055.83
Average Rate / KL (Gross)(Rs.)	—	—	—	—
Average Rate / KL (Net of Modvat)(Rs.)	28000	28000	—	—
<b>4. LPG :</b>				
Quantity (MT)	165.76	203.36	222.48	—
Total Cost (Rs. In Lacs)	53.04	65.08	73.49	206.50
Average Rate / MT (Gross)(Rs.)	—	—	—	—
Average Rate / MT (Net of Modvat)(Rs.)	32000	32000	—	—
<b>5. Consumption per sq. mtr. of production of Company's products on 2m/m basis :</b>				
	<u>FURNANCE-I</u>	<u>FURNANCE-II</u>	<u>FURNANCE-I</u>	<u>FURNANCE-II</u>
Production	2217557.601 (1TF)	843862.80 (2TF)	1269902.7 (1TF)	1246730.55 (2TF)
Coal (MT)	0.013704518	0.021103146	0.009433037	—
LPG (MT)	0.000074748	0.000240987	0.00006187	0.000102612
Furnace Oil (MT)	0.000110595	0.001021382	—	0.001648975
Electricity	Rs. 4.32/0.7324 Unit	—	Rs. 4.32/0.7324 Unit	Rs. 4.58/0.7505 Unit

**RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION :**

There was no expense regarding Research and Development and Technology Absorption during the year ended 31st March, 2010.

Kolkata  
Date : 31st May, 2010

On Behalf of the Board of Directors  
N Champati  
Director





## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2009-2010

(Pursuant to clause 49 of the Listing Agreement)

### 1. Company's Philosophy

The Company's philosophy on Corporate Governance endeavors the attainment of the highest level of transparency, accountability, motivation in all interactions with its shareholders, investors, lenders, employees and customers.

The Company believes that all its operation and action must serve the underlying goal of enhancing overall shareholder's value, over a sustained period of time.

### 2. Board of Directors

The Board comprises of Seven Directors. The Chairman of the Board is a Non Executive Director and the number of Independent Directors is more than one-third of the total number of Directors. The number of Non Executive Directors is more than 50% of the total number of Directors.

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as specified under the clause 49 of the Listing Agreement), across all the Companies in which they are Directors. The necessary disclosures in this regard have been made by the Directors.

The name and category of the Directors on the Board as on 31st March, 2010, their attendance at the Board meeting during the year and the last Annual General Meeting along with the number of Directorships and Committee memberships held by them in other companies are given below :

Name of Directors	Category	Board Meetings attended during the year	Last AGM attended or not	No. of other Directorship	No. of other Committee Membership
Mr. S K Biswas	Non Executive	6	Yes	0	0
Mr. V Joshi	Executive	8	Yes	5	0
Mr. N Champati	Executive	8	Yes	0	0
Mr. R Dosi	Executive	7	Yes	0	0
Mr. V Jalan	Non Executive	3	Yes	0	0
Mr. H Banerji	Non Executive	5	Yes	0	0
Mr. P Mittal	Non Executive	8	Yes	0	0

Eight Board Meetings were held during the year ended 31st March, 2010 and the gap between two Board Meetings did not exceed four months. The dates of the Board Meetings were as follows :

27th April 2009; 11th May 2009; 11th June 2009; 31st July 2009; 10th September 2009; 23rd November 2009; 30th January 2010 & 27th February 2010.



All the Board Meeting dates are decided in advance and sufficient notice along with the Agenda are sent in advance to the Directors at their Residential Addresses.

The information as required under Annexure IA to clause 49 is being made available to the Board.

Mr. P.K. Chatterjee, Managing Director resigned with effect from 27th February 2010.

The Board has periodically reviewed compliance reports of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliances, if any.

During the year the company did not have any material pecuniary relationship or transaction with any Non Executive Directors.

3. **Audit Committee**

The Company has an Audit Committee constituted as per clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956 to :

- a) Review compliance with Internal Control System.
- b) Review the findings of the Internal Auditor relating to various functions of the Company.
- c) Hold periodical discussion with the Statutory Auditors and Internal Auditors of the Company.
- d) Review Quarterly, Half yearly and Annual financial results of the company before submitting it to the Board.
- e) Make recommendations to the Board on any matter relating to the Financial Management of the Company.
- f) Make recommendations to the Board on any matter relating to the appointment of the Statutory Auditors of the Company and fixing their remunerations.

The name and category of the Directors in the Audit Committee as on 31st March, 2010, their attendance at the Committee Meetings during the year are given below :

Name of the Director	Category	No. of Meetings attended
Mr. P Mittal	Independent, Non Executive	4
Mr. S K Biswas	Independent, Non Executive	4
Mr. V Jalan	Independent, Non Executive	4
Mr. N Champati	Non Independent, Executive	4

Four Audit Committee Meetings were held during the year. The date of the Meetings were as follows :  
27th April 2009; 31st July 2009; 23rd November 2009 & 30th January 2010.

4. **Investor Grievance Committee**

An Investor Grievance Committee was constituted to specifically look after the Investors complaints like Transfer of shares, non receipt of Balance Sheet and non receipt of declared dividends, etc.



The compositions of Investors' Grievance Committee as on 31st March, 2010, are as follows :

1. Mr. N Champati
2. Mr. V Jalan
3. Mr. P Mittal

The meeting of this committee was held 12 (twelve) times during the year on the following dates :

12th May 2009, 29th July 2009, 1st October 2009, 7th October 2009, 19th October 2009, 10th November 2009, 11th January 2010, 12th January 2010, 1st February 2010, 2nd February 2010, 20th February 2010 & 3rd March 2010.

Name of Directors	Number of meetings attended
Mr. N.Champati	12
Mr. V Jalan	12
Mr. P Mittal	12

**Shareholders / Investors Complaints :**

1. Complaints pending as on 01.04.2010 : Nil
2. Number of Routine Complaints received during the year : 23
3. Number of Routine Complaints disposed off during the year : 23
4. Number of Complaints remained undisposed as on 31.03.2010 : Nil

**5. General Body Meetings**

- a) Location and time where last three Annual General Meetings were held :

Financial Year	Location	Date and time
2008-09	Kalakunj, Kolkata	15th October, 2009 at 11:00 A.M.
2007-08	Rotary Children's Welfare Trust, Kolkata	30th September, 2008 at 11:00 A.M.
2006-07	Rammohun Hall, Kolkata	7th August, 2008 at 1:00 P.M.

- b) An Extra ordinary General Meeting was held on 21st July 2009 for increase in the authorized share capital of the company and issue of further equity shares on preferential basis.
- c) Postal ballot was conducted for increase in borrowing limits of the Company under section 293(1) (d) of the Companies Act, 1956, the result of which was declared on 23rd June 2009 and the same was published in the leading dailies for your details.

**6. Disclosures**

- a) The Company has complied with the requirements of the Stock Exchanges, SEBI and other authorities on all matters and no penalty has been imposed by the above mentioned authorities to the company.
- b) The Board has received disclosures from key managerial personnels relating to material, financial and commercial transactions where they and/or their relatives are interested. There is no materially significant related party transactions.

**Secretarial Audit**

A qualified Company Secretary carried out a Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited(NSDL) and Central Depository Services(India) Limited (CDSL) and the total issued and listed capital.

**7. Means of Communication**

**Results :**

The quarterly and annual results along with segment reports are generally published in Financial Express and Aajkal.

**Company's Email ID :**

1. [iagcompanylimited@gmail.com](mailto:iagcompanylimited@gmail.com)
2. [iagcompany.complaints@gmail.com](mailto:iagcompany.complaints@gmail.com)
3. [complaints@iagcompany.in](mailto:complaints@iagcompany.in)

**8. General Shareholders information**

**Annual General Meeting :**

Date, Time & Venue	: 27th September 2010, at 11:00 A.M. at Rotary Children's Welfare Trust Rotary Sadan, 94/2 Chowringhee Road, Kolkata-700020
Financial Year	: 01-04-2009 to 31-03-2010
Book Closure Date	: 26.09.2010 to 27.09.2010 (both days inclusive)

**Listing on Stock Exchanges :**

- 1) **The Calcutta Stock Exchange Association Ltd.**  
7, Lyons Range, Kolkata-700001
  
- 2) **The Stock Exchange, Mumbai**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400001

**Stock code** : 502241  
(The Listing fees have been paid to the Stock Exchange)



Depositories :

- 1) **The National Securities Depository Ltd.**  
Trade World, 4th Floor  
Kamala Mills Compound  
Senapati Bapat Marg  
Lower Parel  
Mumbai-400013
  
- 2) **Central Depository Services (I) Ltd.**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400023

Number Of Shareholders as on 31-03-2010 : 9492 Shareholders

Market Price (High & Low) at Bombay Stock Exchange(BSE) during each month from October 2009 to March 2010.

Month	Open Price	High Price	Low Price	Close Price
October 2009	19	29.85	17.5	18.69
November 2009	17.05	24	16	21.05
December 2009	19.55	25.8	15.6	21.05
January 2010	21	25.85	18.5	20.15
February 2010	19.1	23.45	18.7	19
March 2010	19.4	21	13.9	16.2

The trading in BSE was suspended until September 2009, due to the non-compliances of certain provisions of Companies Act,1956 and SEBI Regulations. The trading in BSE started in October, 2009.



Shareholding Pattern (as on 31-03-2010) :

Status	Holdings %
Promoters Shareholding	41.77
Resident Individuals	49.53
Non-Resident Individuals	0.21
Financial Institutions & Banks	1.81
Mutual Funds & UTI	0.24
Domestic Companies	6.44
<b>Total :</b>	<b>100.00</b>

Share Transfer System : Physical transfer is affected within due date through share transfer & Investor Grievance Committee. The total number of shares transferred in physical form during the year from 01-04-2009 to 31-03-2010 was 5775.

Dematerialisation of Shares & Liquidity : As on 31st March, 2010, more than 75 % of Company's shares are held in electronic form. Company's ISIN is INE 831D01014

Registrar and Share Transfer Agent : **CB Management Services (P) Ltd.**  
22A, Bondel Road, Kolkata-700019  
Tel No : (033) 2280 6692-93-94/2486/2937  
(033) 2282 3236-37-38 & 3543  
Fax : (033) 2287 0263

**Compliance certificate from Auditors of the Company :**

As required by clause 49 of the Listing Agreement, the Certificate from the Statutory Auditors is given as an appendix to the Report on Corporate Governance.

Kolkata  
Date : 31st May, 2010

On Behalf of the Board of Directors  
N Champati  
Director



INFORMATION RELATING TO DIRECTORS PROPOSED TO BE REAPPOINTED / APPOINTED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGE

Name of Directors	Mr. R. Dosi	Mr. S.K. Biswas
Date of Birth	4th January, 1957	2nd June, 1935
Date of Appointment/ Reappointment	16th June 2008	27th June 2008
Designation	Wholetime Director	Non Executive Independent Director
Qualification	B. Com	Chartered Management Accountant and Chartered Secretary from UK
Experience	More than 15 years	More than 50 years in Accounts, Secretarial, Legal, Administrative & Corporate Affairs.
Directorship in any other Company	No	No
Shareholding on the Company	NIL	NIL

**CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To

The Members of IAG COMPANY LIMITED

We have examined the compliance of conditions of Corporate Governance by IAG Company Limited, for the year ended on 31st March, 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange in India.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated by the Listing Agreement.

We state that in respect of investor grievance received during the period ended 31st March 2010 no investor grievances are pending for a period exceeding one month as per records maintained by the Company.

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

Place : KOLKATA  
Date : 31st May, 2010

For D. Basu & Co.  
Chartered Accountants  
Malay Bhaduri  
Partner  
Membership No. 12724

## AUDITORS' REPORT TO THE SHAREHOLDERS OF IAG COMPANY LIMITED

1. We have audited the attached Balance Sheet of IAG COMPANY LIMITED as at 31st March, 2010, the Profit & Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor Report Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, on the basis of such checks as we considered appropriate, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. We further report that :
  - (a) Accumulated losses of Rs. 836.38 lakhs adjusted in the earlier years against Revaluation Reserve on certain fixed assets and the treatment was against the accounting policies laid down by the Institute of Chartered Accountants of India. Out of the profits of the current year a sum of Rs. 111.53 lakhs is reinstated (Sch.K, Note No. 5). We have been informed that the balance would be reinstated as soon as surplus is available.
  - (b) As stipulated by the State Bank of India, Unsecured loans of Rs. 24.50 crores obtained by the Company have not been converted into Non Convertible 0% Dividend paying Preference Shares within March, 2010.
  - (c) Gratuity premium of Rs. 22.76 lakhs claimed by L.I.C. during the year for 2008-09 have not been paid Rs. 72.40 lakhs paid to the Gratuity Fund by the Company by cheque against repayment of loans during the year is yet to be cleared. We are unable to comment whether any further provision of gratuity is required for 2009-2010.
  - (d) No interest has been provided from September 2009 onwards on the Secured Loan of Rs. 41.69 lakhs for purchase of pay-loader and D.G. Set and the loan balance is not confirmed. As per the Company's books instalments for the period from January, 2010 to March, 2010 is due for payment.
  - (e) Total temporary overdrawn of Rs. 34.07 lakhs from several banks is without any arrangement and the same has been grouped under "Other Liabilities" Schedule-G. Chargeable expenses being 10% of net profit earned by the Company have not been provided against Inter Corporate Loan of Rs. 2767 lakhs received from four companies.
  - (f) In absence of reconciliation and balance confirmation from debtors, creditors advances and deposits we have relied on book balances and is subject to scrutiny. Some balances appear to be subject to adjustment and doubtful of recovery. We are unable to quantify the same at this stage.





- (g) The accounts of the Company have been prepared on a going concern concept basis. The current management of the Company has injected substantial funds to improve the future profitability of the company.
- (h) *No. T.D.S. has been deducted on professional and consultancy fees of Rs. 9 lakhs.*
- (i) Service Tax input balance needs reconciliation and adjustment with Excise Records.
- (5) Further to our comments above, we report that :
- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books.
- (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account as produced before us.
- (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956 *EXCEPT NON PROVISION OF LEAVE ENCASHMENT AND BONUS (SCHEDULE-K, NOTE NO. -4) & NON PROVISION OF IMPAIRMENT LOSS OF FIXED ASSETS, INVENTORIES EXCEPTING FINISHED GOODS AND GOODS-IN-PROCESS ARE VALUED AS PER CLOSING PRICE AS ON 31.03.2010 INSTEAD OF WEIGHTED AVERAGE PRICE. THE FINANCIAL IMPACT OF THE SAME COULD NOT BE ASCERTAINED AT THIS STAGE. NON-PROVISION OF GRATUITY (SCHEDULE-K, NOTE - 22).*
- (e) On the basis of written representation received from the Directors, as on 31st March, 2010, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2010 from being appointed as Directors under section 274(1)(g) of the Companies Act, 1956.
- (f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts subject to paras 4 & 5 above and read together with the schedules, notes and significant accounting policies thereon, and attached thereto give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
- (ii) in the case of Profit & Loss Account, of the Profit for the year ended on that date and
- (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

10, Old Post Office Street,  
Kolkata 700001  
Date : 31st May, 2010

For D. BASU & CO.  
Chartered Accountants  
Malay Bhaduri  
Partner  
Membership No. 12724

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in paragraph 3 of the Auditor's 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 Fixed assets have been physically verified by the Company at the year end and we are of opinion that the said verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The inventory have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As certified by the management, no material discrepancies were noticed on such physical verification.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of technical assessment and our examination of records of inventories, the Company has maintained proper records of inventory. The Company's Stores Records need improvement.
- (iii) (a) The Company has taken unsecured loan from three companies and the same has been entered in the register maintained under section 301 of the Companies Act, 1956.
- (b) The Company has not granted any loans, secured or unsecured to Companies, Firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, the company has taken up proper steps to improve internal control procedures to make it commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets, stock and consumption of Raw Materials and for the sale of goods. During the course of our verification, we have not come across any continuing failure to correct the major weakness in the internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements exceeding the value of Rupees Five Lakhs are prima facie at prices which are reasonable having regard to the prevailing market price at the relevant time.
- (vi) According to the information given to us, the Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system which is commensurate with the size of the Company and nature of its business.



(viii) The maintenance of cost records have not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 for the products.

(ix) (a) As certified by the management, following statutory dues are outstanding for more than six months as at the end of the financial year.

	(Rs. in lakhs)
Provident Fund	52.11
Interest on Employees State Insurance	9.79
T.D.S.	15.37
Sales Tax	30.96
Consumer Durable Loan	19.56
Recurring Deposit / CTD	17.21
Salaries & Wages (Factory)	49.47
Statutory Bonus (2008-09)(2009-10 amount not ascertained)	12.56
Salaries (H.O.)	24.07
LIC (Factory)	32.61

(b) According to the records of the Company, the under noted dues of Sales Tax, Income Tax, Excise Duty and Provident Fund are pending on account of disputes :

	Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
1.	The Central Excise Act	Excise Duty Leviable on special packing & forwarding	Unascertainable	1987	CEGAT - DELHI
2.	Income Tax Act, 1961	Exchange Fluctuation Losses on foreign currency loan	Unascertainable	1989 - 1990 to 1992 - 1993	IT Deptt.
3.	The Employees Provident Fund & Misc. Act, 1952	Penal Damage	214.68 (Net of Deposit of Rs. 25 lakhs)	April 2001 to September 2004	Employees P.F. appellate Tribunal, New Delhi
4.	West Bengal Sales Tax Act, 1949	Import of Machinery for repair Treated as turnover (exparte)	26.01	2003-04	West Bengal Sales Tax Tribunal remanded back to Department for examination



- (x) The Company has no accumulated losses as at the beginning of the financial year. The Company has not incurred any cash losses during the current financial year. However, the Company had incurred cash losses during the immediately preceding financial year. Unquantified audit qualifications could not be taken into consideration in computing the above.
- (xi) As notified by the bank, the Company is *not regular* in repayment of dues to the bank.
- (xii) According to the information and explanations given to us, the Company has not granted any loans 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 Chit Fund or a Nidhi/Mutual Benefit Fund / Society.
- (xiv) As explained to us, the Company has maintained proper records of the transactions and contracts of the shares dealt in by the Company and timely entries have been made therein. The investments in shares made by the Company are held in its own name except to the extent of exemptions under Section 49 of the Act.
- (xv) According to the information and explanations given to us and to the best of our knowledge, the Company has not given any guarantees of loans taken by others from banks or financial institutions during the year.
- (xvi) The Company has availed long term loan from Scheduled Bank during the year and the said loan was applied for the purpose for which the loan was obtained.
- (xvii) Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on short-term basis, which have been used for long-term investments.
- (xviii) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- (xix) The Company has not issued any debenture during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit for the year.

10, Old Post Office Street,  
Kolkata 700001  
Date : 31st May, 2010

For D. BASU & CO.  
Chartered Accountants  
Malay Bhaduri  
Partner  
Membership No. 12724

**BALANCE SHEET AS AT 31ST MARCH, 2010**
*Rupees in lakhs*

	Schedule	As at 31st March, 2010		As at 31st March, 2009	
<b>I. SOURCES OF FUNDS :</b>					
<b>(1) Shareholders' Funds :</b>					
(a) Capital	A	643.94		643.94	
(b) Reserves and Surplus	B	2,020.39	2,664.33	1,946.41	2,590.35
<b>(2) Loan Funds :</b>					
(a) Secured Loans	C	4,105.91		1,827.68	
(b) Unsecured Loans		3,404.05	7,509.96	2,411.76	4,239.44
<b>(3) Deferred Tax Liabilities</b>					
	N		444.61		368.77
<b>TOTAL :</b>			<b>10,618.90</b>		<b>7,198.56</b>
<b>II. APPLICATION OF FUNDS :</b>					
<b>(1) Fixed Assets :</b>					
(a) Gross Block	D	17,038.23		14,947.77	
(b) Less : Depreciation		8,470.76		8,109.14	
(c) Net Block		8,567.47		6,838.63	
(d) Capital Work-in-Progress		917.48	9,484.95	397.07	7,235.70
<b>(2) Investments</b>					
	E		0.63		21.63
<b>(3) Current Assets, Loans and Advances :</b>					
(a) Inventories	F	1,766.65		1,706.63	
(b) Sundry Debtors		3,888.61		351.63	
(c) Cash and Bank Balances		15.36		15.20	
(d) Loans and Advances		2,452.92		464.77	
		8,123.54		2,538.23	
<b>Less : Current Liabilities and Provisions</b>					
(a) Current Liabilities	G	6,772.28		2,370.11	
(b) Provisions		217.94		226.89	
		6,990.22		2,597.00	
<b>Net Current Assets</b>			<b>1,133.32</b>		<b>(58.77)</b>
<b>TOTAL :</b>			<b>10,618.90</b>		<b>7,198.56</b>
<b>ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>					
	K				

In terms of our attached report of even date

 10, Old Post Office Street  
 Kolkata-700 001  
 Dated : 31st May, 2010

 For D. Basu & Co.  
 Chartered Accountants  
 Malay Bhaduri  
 Partner  
 Membership No. 12724

 On behalf of the Board of Directors  
 N. Champati  
 Wholetime Director  
 R. Dosi  
 Wholetime Director

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**
*Rupees in lakhs*

	Schedule	For the year ended 31st March, 2010	For the year ended 31st March, 2009
<b>I. INCOME :</b>			
Sales	H	8,124.91	1,379.66
Less : Excise Duty		<u>183.62</u>	<u>111.16</u>
		7,941.29	1,268.50
Other Income	H	2,065.21	639.78
Liabilities written back		16.28	1,003.50
Increase/(Decrease) in stocks	I	<u>(97.73)</u>	<u>744.13</u>
		9,925.05	3,655.91
<b>II. EXPENDITURE :</b>			
Manufacturing & Other Expenses	J	2,668.63	1,287.94
Purchases (For Trading)		5,171.03	59.56
Personnel Expenses (Schedule-K, Note-8)		601.67	229.60
Administrative & Other Expenses (Sch-K, Note-18)		512.86	452.00
Central Excise duty on closing stock		2.74	36.26
Finance Charges (Schedule-K, Note-17)		421.39	73.06
Depreciation (Schedule-K, Note-16)		<u>324.07</u>	<u>225.49</u>
		9,702.39	2,363.91
<b>III. PROFIT (+) / LOSS (-) FOR THE PERIOD :</b>			
Profit/(Loss) before Extra Ordinary Items		222.66	1,292.00
<u>Extra Ordinary Item</u>			
Waiver of unsecured loan (Schedule - K, Note - 6)		—	1,265.68
Profit/(Loss) after Extra Ordinary Items		222.66	2,557.68
Prior period adjustments (Schedule-K, Note-23)		<u>(35.29)</u>	<u>(63.99)</u>
Net Profit / (Loss) before taxation		187.37	2,493.69
<u>Provision for Taxation</u>			
Current		—	—
Fringe Benefit		—	5.95
Deferred	N	<u>75.84</u>	<u>1,651.36</u>
<b>Net Profit / (Loss) after Taxation</b>		<b>111.53</b>	<b>836.38</b>
Transfer to Revaluation Reserve		<u>111.53</u>	<u>836.38</u>
		—	—
<b>Earnings per share - Basic and Diluted (Rs.)</b>	L		
Before Extra Ordinary Items		3.46	20.06
After Extra Ordinary Items		1.73	12.99

**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**
**K**

In terms of our attached report of even date

 10, Old Post Office Street  
 Kolkata-700 001  
 Dated : 31st May, 2010

 For D. Basu & Co.  
 Chartered Accountants  
 Malay Bhaduri  
 Partner  
 Membership No. 12724

 On behalf of the Board of Directors  
 N. Champati  
 Wholetime Director  
 R. Desi  
 Wholetime Director

**SCHEDULES FORMING PART OF BALANCE SHEET**
*Rupees in lakhs*

	As at 31st March, 2010	As at 31st March, 2009
<b>SCHEDULE - A</b>		
<b>SHARE CAPITAL :</b>		
<b>AUTHORISED</b>		
75,00,000 Equity Shares of Rs.10/- each	750.00	
65,00,000 Preference Shares of Rs.10/- each (Previous year 70,00,000 Equity shares of Rs.10/- each)	<u>650.00</u>	<u>700.00</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
28,69,700 Issued for cash	286.97	286.97
3,50,000 Issued for consideration Other than cash	35.00	35.00
32,19,700 Issued as Bonus Shares on capitalisation of share premium	<u>321.97</u>	<u>321.97</u>
	<u>643.94</u>	<u>643.94</u>
<b>SCHEDULE - B</b>		
<b>RESERVES AND SURPLUS :</b>		
1. <b>CAPITAL RESERVE :</b>		
Subsidy from Government of Bihar under Industrial Housing Scheme	0.32	0.32
2. <b>REVALUATION RESERVES :</b>		
As per last account	1,944.12	1,147.70
Add: Transfer from Profit & Loss Account	<u>111.53</u>	<u>836.38</u>
	2,055.65	1,984.08
Less: Adjusted against depreciation	<u>37.55</u>	<u>39.96</u>
	2,018.10	1,944.12
3. <b>SHARE PREMIUM</b>	1.97	1.97
	<u>2,020.39</u>	<u>1,946.41</u>
<b>SCHEDULE - C</b>		
<b>LOAN FUNDS :</b>		
1. <b>SECURED :</b>		
Punjab National Bank & State Bank Of India(Sch-K,Note-1)	3,982.48	1,710.00
HDFC Bank Ltd(Hypothecation of car)	2.60	—
L & T Finance Ltd. (Hypothecation of payloader)	4.11	9.02
Reliance Capital Ltd. (Hypothecation of car)	6.20	15.07
Tata Capital Ltd. (Hypothecation of car)	66.28	93.59
Srei Equipment Finance Pvt Ltd (Hypothecation of D.G & Payloader)	41.69	—
Tata Motor Finance(Hypothecation of car)	<u>2.55</u>	<u>—</u>
	4,105.91	1,827.68
2. <b>UNSECURED :</b>		
Soft Loan from Asahi Glass Co. Ltd., Japan	200.00	200.00
Inter Corporate Loan & Others.	<u>3,204.05</u>	<u>2,211.76</u>
	<u>7,509.96</u>	<u>4,239.44</u>

**SCHEDULES FORMING PART OF BALANCE SHEET**
**SCHEDULE - D**
**FIXED ASSETS :**
*Rupees in lakhs*

Description of Assets	GROSS BLOCK				DEPRECIATION				NET ASSETS	
	Cost/Book value as at 01/04/09	Additions/ Adjustments	Deductions/ Adjustments	Cost/Book value as at 31/03/10	Up to 31/03/09	During the year	Less : Deductions	Up to 31/03/10	As at 31/03/10	As at 31/03/09
Freehold Land	2028.11	-	-	2,028.11	-	-	-	-	2028.11	2028.11
Leasehold Land	0.08	-	-	0.08	0.05	-	-	0.05	0.03	0.03
Roads, Dams etc.	77.19	-	-	77.19	42.09	0.84	-	42.93	34.25	35.10
Buildings	2447.40	371.15	-	2,818.55	1103.02	71.09	-	1,174.71	1643.84	1344.30
Plant & Machinery	9661.49	1701.84	-	11,583.33	6680.25	275.64	-	6,955.89	4627.44	3201.24
Vehicles	309.67	8.66	-	318.33	142.05	4.16	-	146.21	172.12	167.62
Computers	48.57	1.91	-	50.48	25.70	3.55	-	29.25	21.23	22.87
Furniture, Fixture & Equipment	155.26	6.90	-	162.16	115.98	5.74	-	121.72	40.44	39.28
Capital Work in Progress	14947.77	2080.45	-	17038.23	8109.14	361.62	-	8470.76	8667.47	6838.63
	397.07	828.71	306.30	917.48	-	-	-	-	917.48	397.07
<b>TOTAL</b>	<b>15344.84</b>	<b>2917.17</b>	<b>306.30</b>	<b>17955.71</b>	<b>8109.14</b>	<b>361.62</b>	<b>-</b>	<b>8470.76</b>	<b>9484.95</b>	<b>7235.70</b>
Previous Year's total	11504.53	5362.93	1,522.62	15,344.84	7843.69	265.45	-	8109.14	7235.70	

Notes : 1. Land & Buildings at Sodapore & Head Office Building, and Land, Buildings & Structures, Roads, Culverts & Dams at Bhurkund Factory were revalued during the years ended 31st March, 1997 and 31st March, 1998 respectively and the resulting surplus of Rs. 3360.14 lakhs thereon, was transferred to Revaluation Reserve.

**SCHEDULE - E**

	As at 31st March, 2010			As at 31st March, 2009		
	Face value per Share/Bond (Rs.)	Number of Shares/Bonds	Book Value Rs. in Lakhs	Face value per Shares/Bonds (Rs.)	Number of Shares/Bonds	Book Value Rs. in Lakhs
<b>Investments (Long Term) - At Cost</b>						
Other than Trade Investments						
<b>QUOTED</b>						
Equity Shares in Hindusthan Pilkington Glass Works Ltd. (Cost Rs. 300/-) *	10	50	0.00	10	50	0.00
Equity Shares in Union Bank of India (Market value Rs. 10,54,800/-)	10	3600	0.58	10	3600	0.58
			<u>0.58</u>			<u>0.58</u>
<b>UNQUOTED</b>						
Equity Shares in The Indo-Azadi Glass Factory Employees Co-operative Consumers' Stores Ltd.	10	512	0.05	10	512	0.05
Equity Shares in Finprop Estates Pvt. Ltd. ** fully paid-up (towards occupancy rights)		-	-	100	2000	21.00
			<u>0.05</u>			<u>21.05</u>
(* Market value not available)			<u>0.63</u>			<u>21.63</u>
(** Sold out during the year)						





## SCHEDULES FORMING PART OF BALANCE SHEET

Rupees in lakhs

As at  
31st March, 2010As at  
31st March, 2009**SCHEDULE - F****CURRENT ASSETS, LOANS AND ADVANCES :****1. INVENTORIES :**

At cost

Raw Materials	126.42		217.30	
Packing Materials	64.79		37.55	
Stores and Spares	821.14		613.54	
Goods in transit	13.79		-	
Goods in Process ( Including Partly manufactured Goods)	662.15		358.11	
<u>At lower of cost or net realisable value</u>				
Finished Goods	29.29		480.13	
Iron & Steel Materials	49.07	1766.65	-	1706.63

**2. SUNDRY DEBTORS :**

(Considered goods unless otherwise specified)

## a) Debts over six months

Secured	-		-	
Unsecured	1,141.40		193.09	
Unsecured-considered doubtful	18.81		18.81	
	1,160.21		211.90	
Less : Provision	18.81	1141.40	18.81	193.09

## b) Other debts

2747.21 158.54

**3. CASH AND BANK BALANCES :**

Cash in hand 14.91 6.13

With Scheduled Banks on :

Current Accounts	0.45		3.85	
Term Deposit Account	-	15.36	5.22	15.20

**SCHEDULES FORMING PART OF BALANCE SHEET**
*Rupees in lakhs*
**SCHEDULE - F**
**CURRENT ASSETS, LOANS AND ADVANCES : (Contd.)**

	<u>As at 31st March, 2010</u>	<u>As at 31st March, 2009</u>
4. <b>LOANS AND ADVANCES</b> (Unsecured, considered goods unless stated otherwise) :		
Advances recoverable in cash or in kind or for value to be received or pending adjustments :		
Considered goods	2,275.27	250.70
Advance payment of Income Tax and Tax deducted at source	31.65	37.31
Deposits and Prepayments :		
(a) Against Rented Premises	4.25	2.10
(b) CED deposit	61.04	124.49
(c) Others	80.71	50.17
	<u>146.00</u>	<u>176.76</u>
	<u>2,452.92</u>	<u>464.77</u>

**SCHEDULE - G**
**CURRENT LIABILITIES AND PROVISIONS :**

1. <b>CURRENT LIABILITIES :</b>			
Sundry Creditors for goods, services, expenses, etc.	5,203.27	1499.01	
Advances from and credit balances of customers	181.70	97.91	
Interest accrued but not due on Secured Loans	1.22	1.50	
Security Deposits	403.34	100.23	
Other Liabilities	982.75	671.46	2370.11
	<u>6,772.28</u>	<u>671.46</u>	
2. <b>PROVISIONS :</b>			
For gratuity	45.74	48.48	
For Customs duty (EPCG)	172.20	172.20	
For Fringe Benefit Tax	-	6.21	226.89
	<u>217.94</u>	<u>6.21</u>	
	<u>6,990.22</u>	<u>2597.00</u>	

**SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT**
*Rupees in lakhs*

	For the year ended 31st March, 2010		For the year ended 31st March, 2009	
<b>SCHEDULE - H</b>				
<b>SALES AND OTHER INCOME :</b>				
<b>Sales</b>				
Sales ( Manufactured Glass)	2,330.60		1133.49	
Sales ( Manufactured Glass)-Export	9.18		-	
Sales ( Trading of imported & Indigonous glass)	474.59		75.79	
Sales ( Scraps and waste)	374.25		170.38	
Sales ( Trading of Glass, Iron & Steel Materials)	4,936.29	8,124.91	-	1379.66
<b>Other Income</b>				
Interest on Investments and Others (Income Tax deducted at source Rs.Nil prev.yr.Rs. Nil)	0.36		0.49	
Surplus/(loss) on sale of fixed assets / Investment	79.00		(18.04)	
Other Receipts (Schedule - K, Note -7)	1,985.83	2,065.21	657.34	639.79
		<u>10,190.12</u>		<u>2019.45</u>

**SCHEDULE - I**  
**INCREASE / (DECREASE) IN STOCKS :**

<i>Closing Stock</i>				
Finished Goods	29.29		480.13	
Goods-in-Process and Partly Manufactured Goods	662.15		358.11	
Iron & Steel Materials (Trading)	49.07	740.51	-	838.24
<b>Less : Opening Stock</b>				
Finished Goods	480.13		23.02	
Goods-in-Process and Partly Manufactured Goods	358.11		60.53	
Imported Glass (Trading)	-	838.24	10.56	94.11
		<u>(97.73)</u>		<u>744.13</u>

**SCHEDULE - J**  
**MANUFACTURING AND OTHER EXPENSES :**

	Notes as per Schedule-K		
Consumption of raw materials	12	823.18	527.34
Repairs	15	87.31	44.46
Packing Materials	-	213.33	136.44
Power & Fuel	-	1,544.81	579.70
		<u>2,668.63</u>	<u>1287.94</u>

**SCHEDULES FORMING PART OF THE STATEMENT OF ACCOUNTS**

		<b>As at 31.03.10 Rs. in lakhs</b>	<b>As at 31.03.09 Rs. in lakhs</b>
<b>SCHEDULE - K</b>			
<b>ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :</b>			
1.	(i) <b>TERM LOAN</b> From two Scheduled Bank against pari-pasu charges on Equitable Mortgage of existing & proposed plant & machinery, factory land, building and all other fixed assets of the company and hypothecation of all movable assets of the company.	1,862.76	759.60
	(ii) <b>CASH CREDIT</b> From two scheduled bank against pari-pasu charges on hypothecation of Stock of Raw materials, Packing materials, semifinished goods, finished goods, stores and book debts both present and future. Both the loans stated above are secured against first charge on company's land, head office building situated at Kolkata, at Sodepur, West Bengal and at Bhurkunda, Jharkhand. The above loans are also secured by personal guarantee of a Director and three corporate guarantors.	2,119.72	950.40
		<u>3,982.48</u>	<u>1,710.00</u>
2.	(a) Advances (Recoverable) include Rs.0.42 lakhs (previous year Rs. 1.50 lakhs) due from a Director. Maximum balance outstanding at any time during the year. Rs. 0.42 lakhs (previous year Rs. 1.50 lakhs). (b) Estimated amount of contracts remaining to be executed on capital account (net of advance of Rs. 50.30 lakhs) and not provided for Rs. 65.30 Lakhs. (Previous year Rs. 326.07 Lakhs).		
3.	Closing Stock of Finished goods includes excise duty of Rs.2.74 lakhs on finished goods at Bhurkunda factory (Previous Year Rs. 36.26 lakhs) to comply with Accounting Standard - 2 of the Institute of Chartered Accountants of India. However such inclusion has no impact on the financial result of the Company.		
4.	Disclosure under Accounting Standard-15 (Revised) on "Employee Benefits" A. <i>Defined Contribution Plan</i> Contribution to Provident Fund B. <i>Defined Benefit Plan</i> (i) The Company has a defined benefit gratuity plan. Payment of gratuity for every employee have been vested on a Trust which follows Payment of Gratuity Act,1972. The Company has revised the gratuity Scheme with L.I.C.) effective from 1st April,2008 and opted a new scheme "Cash Accumulation Scheme" (ii) No Liability on Leave encashment on retirement & bonus have been provided for in the accounts as the same is treated on cash basis. (iii) Medical benefit of the employees not covered under ESI scheme, are reimbursed and accounted for on cash basis.		
5.	Revaluation Reserve to the extent of Rs. 836.38 Lakhs was debited against accumulated losses of earlier years and out of this, Rs.111.53 lakhs has been reinstated out of profits of current year.		
6.	In terms of an agreement dated 6th February 2009 entered into between Asahi Glass Company Limited, Tokyo, Japan and the company, the unsecured loan liability of Rs. 1465.68 Lakhs (appearing in the books of the company as on 31.03.2006) have been restricted to Rs.200 lakhs is payable within 30.11.2009 and subsequently extended upto 31.08.2010 vide addendum of the agreement dated 08.03.2010. The company is also required to replace the original bank guarantees amounting to Rs. 267.70 lakhs (Issued by The Bank of Tokyo Mitsubishi Ltd. in favour of Customs and Central Excise Authorities) by substitute Bank Guarantees from the company's own banker within 31.08.2010.		
7.	Other Receipts include Profit on Share Trading, Rs. 1563.64 Lakhs, Profit on Commodity Trading Rs.349.99 Lakhs, Commission Rs. 61.29 lakhs and Others Rs. 10.91 Lakhs.		



## SCHEDULES FORMING PART OF THE STATEMENT OF ACCOUNTS

## SCHEDULE - K

## ACCOUNTING POLICIES AND NOTES ON ACCOUNTS : (Contd.)

	For the year ended on 31.03.10 Rs. in lakhs	For the year ended on 31.03.09 Rs. in lakhs
8. (a) Details of Payments to and provision for employees		
The above is comprised of :		
(i) Salary, Wages and allowances	489.53	198.57
(ii) Welfare	9.86	0.87
(iii) Contribution to Provident Fund, ESI and Family Pension Fund	102.28	30.16
	<u>601.67</u>	<u>229.60</u>
(b) Remuneration to directors - Rs. 45.92 lakhs (previous year 13.08 lakhs) [Included in 8(a) above](as per following) :		
Salary -	33.07	8.17
House Rent -	6.84	3.37
Others -	2.40	0.55
Contr. to P.F -	<u>3.61</u>	<u>0.99</u>
	45.92	13.08
9. Purchase (for trading) Consist of :		
a) Imported Glass	28.92	59.56
b) Iron & Steel Materials	4,701.60	-
c) Steel & Figured glass (Indigenous)	<u>440.51</u>	<u>-</u>
	5,171.03	59.56



## SCHEDULES FORMING PART OF THE STATEMENT OF ACCOUNTS

## SCHEDULE - K

## ACCOUNTING POLICIES AND NOTES ON ACCOUNTS : (Contd.)

	For the year ended on 31.03.10 Sq. mtr.	For the year ended on 31.03.09 Sq. mtr.
<b>10. Line of Manufacture of Production :</b>		
<b>I. SHEET, FIGURED &amp; WIRED GLASS</b>		
(a) Licensed Capacity		
(i) Sheet Glass (2 m/m basis)	5,620,000	5,620,000
(ii) Figured and Wired Glass (3 m/m basis)	12,190,000	12,190,000
(b) Installed Capacity (as certified by the Company's technical experts)		
(i) Sheet Glass (2 m/m basis)	5,620,000	5,620,000
(ii) Figured and Wired Glass (3 m/m basis)	12,190,000	12,190,000
(c) Actual Production (Packed)		
(i) Sheet Glass (2 m/m basis)	2,217,559	1,152,221
(ii) Figured and Wired Glass (3 m/m basis)	56,253	815,350
(d) Quantity of Sales		
(i) Sheet Glass (2 m/m basis)	2,430,515	940,247
(ii) Figured and Wired Glass (3 m/m basis)	866,078	432,895
(e) Value of Sales (manufacturing) (Rs. in lakhs)	2,339.78	1,022.33
II. Sale of Sheet & Float Glass (Trading) (Rs. in Lakhs)	474.59	75.79
III. Sale of Iron & Steel Materials (Trading) (Rs. in Lakhs)	4,936.29	-

	For the year ended on 31.03.10		For the year ended on 31.03.09	
	Quantity sq. mtr.	Value Rs. in lakhs	Quantity sq. mtr.	Value Rs. in lakhs
<b>11. Quantities and value of Stock of Finished Goods :</b>				
<b>I. SHEET GLASS (2 m/m basis)</b>				
(a) Opening Stock	217,873	168.85	6,436	1.34
(b) Closing Stock	26,325	17.11	217,873	168.85
<b>II. FIGURED &amp; WIRED GLASS (3 m/m basis)</b>				
(a) Opening Stock	321,687	239.76	82,657	21.68
(b) Closing Stock	13,084	12.18	321,687	239.76
<b>III. Sheet &amp; Float Glass (Trading) (1 m/m basis)</b>				
(a) Opening Stock	-	-	10,560	10.56
(b) Closing Stock	-	-	-	-
<b>IV. Iron &amp; Steel Material (Trading)</b>				
(a) Opening Stock	-	-	-	-
(b) Closing Stock	167,910 (M.T.)	49.07	-	-

**SCHEDULES FORMING PART OF THE STATEMENT OF ACCOUNTS**
**SCHEDULE - K**
**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS : (Contd.)**

	Quantity in M.T.	Value Rs. in lakhs	Quantity in M.T.	Value Rs. in lakhs		
12. Quantities of raw materials which individually account for 10% or more of the total value of raw material consumed :						
(a) Silica Sand	16,624.61	216.12	7528.30	95.91		
(b) Soda Ash	3,546.94	602.98	2453.64	460.50		
(c) Others	-	101.33	-	188.51		
		920.43		744.92		
Less : Capitalised (Note 9 above)		97.25		217.58		
		823.18		527.34		
13. Foreign Currency Transactions						
(i) Value of imports on C.I.F. basis in respect of :						
(a) Components and Spare Parts		5.41		328.99		
(b) Capital Goods		-		113.71		
(ii) Expenditure in Foreign Currency for the year on account of :						
(a) Reconditioned bottom and top rolls		10.41		30.43		
(b) Purchase of Dark Blue & Refractive Glass		23.31		-		
(iii) Earning in Foreign Currency :						
Value of exports (FOB)		9.18		-		
		For the year ended 31st March, 2010 Rs. in lakhs		For the year ended 31st March, 2009 Rs. in lakhs		
14. Consumption of materials						
	Total consumption	Indigenous	Imported	Total consumption	Indigenous	Imported
Raw Materials	823.18	823.18	-	527.34	527.34	-
	100%	100%	-	100%	100%	-
15. Repairs to :						
Buildings			7.29		11.31	
Machinery			51.95		16.92	
Others			28.07	87.31	16.23	44.46
				For the year ended on 31.03.10 Rs. in lakhs		For the year ended on 31.03.09 Rs. in lakhs
16. Depreciation :						
Depreciation during the year including revalued assets		361.62		265.45		
Less : Adjusted against Revaluation Reserve for the year		37.55	324.07	39.96		225.49



## SCHEDULES FORMING PART OF THE STATEMENT OF ACCOUNTS

## SCHEDULE - K

## ACCOUNTING POLICIES AND NOTES ON ACCOUNTS : (Contd.)

	For the year ended on 31.03.10 Rs. in Lakhs		For the year ended on 31.03.09 Rs. in Lakhs	
<b>17. Finance charges include :</b>				
Interest on Term Loan	193.03		13.91	
Interest on Cash Credit	193.19		46.88	
Interest on Others	35.17	421.39	12.27	73.06
<b>18. Administrative and Other Expenses :</b>				
(i) Rent	5.05		8.38	
Less : Credit	0.79	4.26	0.61	7.77
(ii) Rates and Taxes		11.48		4.49
(iii) Insurance		5.75		1.50
(iv) Vehicles expenses		14.75		4.35
(v) Consultancy Charges		16.49		6.23
(vi) Advertisement		5.42		1.78
(vii) Auditors Remuneration and expenses				
(a) As Auditor	2.00		2.00	
(b) As Advisor or in any other capacity in respect of :				
Tax Audit	0.25		0.25	
In Other Capacity	0.40	2.65	0.73	2.98
(viii) Bank Charges		30.62		5.22
(ix) Postage		4.12		3.96
(x) Telephone Charges		11.18		15.58
(xi) Printing and Stationery		6.62		8.26
(xii) Travelling & Conveyance		73.12		80.36
(xiii) Legal & Professional Charges		38.37		26.40
(xiv) Directors' Fees		0.95		0.40
(xv) Commission to Selling agents		3.68		2.84
(xvi) Discount & Breakage claims		57.06		23.05
(xvii) Security guard expenses		5.79		6.06
(xviii) Freight Inward		93.29		20.35
(xix) Other Interest		21.45		99.74
(xx) Claims and Bad Debt written off		-		31.12
(xxi) Business Promotion		4.01		-
(xxii) Miscellaneous		101.80		99.56
		<b>512.86</b>		<b>452.00</b>



**SCHEDULES FORMING PART OF THE STATEMENT OF ACCOUNTS**
**SCHEDULE - K**
**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS : (Contd.)**
**19. CONTINGENT LIABILITIES not provided for in respect of :-**

- a) Disputes of excise duty leviable on the Special Packing and Forwarding charges, for earlier years, which has been remanded back by CEGAT, Delhi for further examination of records, setting aside the earlier order of the Central Excise Department (amount unascertainable).
- b) Income Tax disputes on exchange fluctuation losses considered on foreign currency loans for the A.Y 1989-90 to 1992-93 before Hon'ble Calcutta High Court have been decided in favour of the company and have been remanded to department for ascertaining the relief.
- c) The Company has filed an appeal before Employees Provident Fund Appellate Tribunal, New Delhi against the demand for Penal damage of Rs.214.68 lakhs (Net of Deposit of Rs.25 lakhs) vide order dated 30.06.2008 issued by Regional Provident Fund Commissioner -II, Ranchi, Jharkhand.
- d) Appeal filed before WBST Tribunal against Sales Tax demand of Rs.26.01 lakhs have been remanded to department for examination.

20. Amount outstanding to small scale, micro and medium scale business entities are not ascertainable and therefore can not be quantified in the absence of proper identification of parties falling under the above categories.

21. Balance confirmation for advances and debts have not been received. However they are considered fully recoverable except as provided for in the accounts.

22. The Company has revised the gratuity Scheme effective from 1st April, 2008 and has opted a new scheme "Cash Accumulation System" with LIC.

Since the actuarial valuation has not been done by LIC for the year 2009-10, no further provision for gratuity has been made. However, in the opinion of management, the amount of existing provision has been estimated to be sufficient to cover the liability to be ascertained by LIC.

	<i>Rupees in lakhs</i>	
	<b>For the year ended on 31.03.10</b>	<b>For the year ended on 31.03.09</b>
23. <b>Prior Period Adjustments includes the following :</b>		
Depreciation written back	-	(404.26)
Liabilities written back earlier but reinstated as per Court order	-	468.25
Liabilities not considered earlier now re-instated (net)	<b>35.29</b>	-
	<b>35.29</b>	<b>63.99</b>

24. (a) Furnace -1 has been cooled down on 25.11.09 and remain out of production for the period from 25.11.09 to 31.03.10 for revamping and replacement of outdated and obsolete machinery and accordingly term loan processing charges of Rs.9.78 lacs together with project consultancy fees of Rs. 21 lacs have been Capitalised.

(b) The operation of Furnace-2 was suspended for the period from 01.04.09 to 27.8.09 for expansion and modernisation and had been lit up on 28.8.09. The same was again stopped from 25.11.09 to 31.03.2010. Further the expenses incurred during the above stoppage were capitalised as per under noted details.

**SCHEDULES** FORMING PART OF THE STATEMENT OF ACCOUNTS**SCHEDULE - K****ACCOUNTING POLICIES AND NOTES ON ACCOUNTS : (Contd.)**

Consumption of Raw Materials -	96.71
Power & Fuel Charges -	388.81
Salaries & Wages -	271.93
Loan Processing Charges -	9.77
Consultancy Charges -	21.00
	788.22

**25. SIGNIFICANT ACCOUNTING POLICIES****a) Basis of Accounting**

- i) The accounts have been prepared on historical cost convention as modified by revaluation of certain fixed assets.
- ii) Income and Expenditure are accounted for on accrual basis in accordance with the normally accepted accounting principles except insurance and other claims which, due to uncertainty in realisation, are accounted for on cash basis.

**b) Fixed Assets**

Fixed Assets are valued at cost less depreciation, together with resultant write-up due to Revaluation. Cost comprises procurement price, attributable charges including interest and foreign currency conversion effect on term loans funding the particular assets.

**c) Depreciation on fixed assets have been provided in the accounts in accordance with the rates as per Schedule-XIV of The Companies Act, 1956 as under:-**

- i) All additions prior to 1988-89 On reducing balance method
- ii) Additions after 1988-89 On straight line method

**d) Investments**

Quoted investments are stated at lower of cost or market value. Unquoted/long term investments are considered at cost, unless there is a permanent decline in value thereof, in which case adequate provision is made against the diminution in the value of investments.

**e) Inventories**

Valued in conformity with Accounting Standard - 2 as under :-

Raw Materials, Packing Materials, Stores and Spares (including insurable spares)	-	Weighted average basis at lower of cost or net realisable value.
Goods-in-Process and Partly manufactured goods	-	At lower of cost or net realisable value
Finished Goods	-	At lower of cost or net realisable value

[ Excise duty impact on stocks lying at factory warehouse have been provided for in the accounts and also included in the valuation of stocks in conformity with AS-2]

**f) Sales**

Sales ( excluding trading sale of imported glass and other items) are inclusive of Central Excise Duty. Revenue from sale of goods are recognised upon passage of title to goods to the customers.

**g) Foreign Exchange Transactions**

Transactions in foreign currency have been accounted for at the exchange rates prevailing on the dates of the respective transactions. Foreign Exchange liabilities not covered by forward exchange contracts have been

**SCHEDULES FORMING PART OF THE STATEMENT OF ACCOUNTS**
**SCHEDULE - K**
**ACCOUNTING POLICIES AND NOTES ON ACCOUNTS : (Contd.)**

translated at the exchange rates prevailing at the year end. Gains or losses arising on the re-alignment of such liabilities, except to the extent these are related to fixed assets, have been charged to the Profit and Loss Account under the respective revenue heads.

**h) Retirement and other "Employee Benefits"**
**i. Defined Contribution Plan**

Company's contribution to Provident Fund are charged to Profit & Loss Account of the year when contributions to the funds are due.

The Company has no obligations other than the contribution payable to respective authorities.

**ii. Defined Benefit Plan**

1. The Company has created an approved gratuity fund which has taken a group gratuity insurance policy with Life Insurance Corporation of India.

2. Liability in respect of leave encashment, due on retirement, is accounted for in conformity with Accounting Standard-15.

3. Medical benefits of the employees not covered by ESI are accounted for on cash basis.

**i) Income Tax**

Provision for current tax is made based on the liability computed in accordance with relevant tax rates and laws.

Deferred tax is recognised, subject to the consideration of prudence, on timing difference, being the difference between taxable and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets is not recognised on unabsorbed depreciation or carry forward of losses unless there is virtual certainty and convincing evidence that there will be sufficient future taxable income available to realise such assets.

**j) Impairment of Fixed Assets**

In case, the recoverable amount of Fixed assets is lower than its carrying amount, a provision is made for impairment loss.

**k) Contingencies**

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of notes to the accounts.

26. Figures of the previous year have been regrouped and re-arranged wherever necessary.

*Rupees in lakhs*

	For the year ended on 31.03.10	For the year ended on 31.03.09
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**SCHEDULE - L**
**COMPUTATION OF EARNING PER SHARE :**

Profit / (Loss) before Extra Ordinary Items	222.66	1292.00
Profit / (Loss) After Extra Ordinary Items	111.53	836.38
Profit/(Loss) attributable to Equity Shareholders (Before Extra ordinary Item) - (A)	222.66	1292.00
Profit/(Loss) attributable to Equity Shareholders (After Extra ordinary Item) - (B)	111.53	836.38
Basic / Weighted average number of Equity Shares outstanding - (C)	6439400	6439400
Nominal value of Equity Shares - (Rs.)	10/- each	10/- each
Basic / Diluted Earning Per Share (Rs.) - (A) / (C)	3.46	20.06
Basic / Diluted Earning Per Share (Rs.) - (B) / (C)	1.73	12.99

**SCHEDULES FORMING PART OF THE STATEMENT OF ACCOUNTS**
**SCHEDULE - M**
**RELATED PARTY DISCLOSURE AS PER ACCOUNTING STANDARD (AS) - 18**

List of related parties

- i) Subsidiary : Nil
- ii) Associates : Nil
- iii) Enterprises owned or significantly influenced by Key Management personnel or their relatives: Creative Fiscal Services Ltd., Lucky Projects, Anjani Putra Ispat Ltd & Emmar Alloys, Jharkhand.
- iv) Key Management personnel : Mr. V Joshi, *Wholetime Director*  
 Mr. N Champati, *Wholetime Director*  
 Mr. R Dosi, *Wholetime Director*

(Rs. in lakhs)

Nature of business	Subsidiary	Associate	Enterprises owned or significantly influenced by key management personnel	Key management personnel and their relatives	
				Key management personnel and their relatives	Others
1. Income					
- Sale of goods (Coal Dust)	-	-	-	49.39	-
2. Expenses					
- Remuneration to Directors	-	-	-	45.92	-
				as per schedule "k" note 8(b)	
- Advance recoverable	-	-	-	0.42	-
3. Balance as on 31.03.2010					
- Unsecured Loan	-	-	2,733.12	-	-

Note: Related party relationship is as identified by the company and relied upon by the auditors.

**SCHEDULE - N**  
**DEFERRED TAX (NET)**

Rupees in lakhs

	As at 31st March, 2010	As at 31st March, 2009
Deferred Tax Liability	(368.77)	-
Deferred Tax Asset arising on a/c of :		
Unabsorbed Depreciation and carry forward losses under Tax laws	67.64	559.86
Less : Deferred tax liability arising on a/c of difference between book depreciation and depreciation under Tax laws	(143.48)	(928.63)
Deferred Tax Liability (Net)	(444.61)	(368.77)

In terms of our attached report of even date

 10, Old Post Office Street  
 Kolkata-700 001  
 Dated : 31st May, 2010

 For D. Basu & Co.  
 Chartered Accountants  
 Malay Bhaduri  
 Partner  
 Membership No. 12724

 On behalf of the Board of Directors  
 N. Champati  
 Wholetime Director  
 R. Dosi  
 Wholetime Director



# IAG COMPANY LIMITED

Registered Office :

3, HUNGERFORD STREET, KOLKATA-700017

## ADMISSION SLIP

To be handed over at the entrance of the Meeting Hall

Member's Account Number

Name of the attending  
Member  
(In Block Letter)

No. of Shares  
Held

Name of Proxy  
(In Block Letters)

(To be filled in if the Proxy attends instead of the Member)

I hereby record my presence at the 53rd ANNUAL GENERAL MEETING at Rotary Children's Welfare Trust, Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020 on Monday, 27th September, 2010 at 11 A.M.

.....  
Member's/Proxy's Signature

( To be signed at the time of handling over this slip)

NOTE : The copy of the Annual Report for 2009-2010 please be bought to the Meeting Hall.

For Office Use :

### PROXY

I/We .....  
of .....

Being a member/members of the above-named Company, hereby appoint

Mr./Mrs./Miss.....  
of .....

or failing him Mr./ Mrs./ Miss.....  
of .....

As my/our proxy to attend and vote for me/us on my/our behalf at the 53rd ANNUAL GENERAL MEETING of the Company to be held at Rotary Children's Welfare Trust, Rotary Sadan, 94/2, Chowringhee Road, Kolkata-700 020 on Monday, 27th September, 2010 at 11 A.M.

And/or at any adjournment thereof.

As witness my/our hand(s) this.....

Day of.....

Signature..... Revenue Stamp.....

Rs. 1.00

Account No.....

Note : Proxy must reach the Company's Registered Office not less than 48 hours before the Meeting.

BOOK-POST

*If undelivered, please return to :*



IAG COMPANY LIMITED

**Registered Office :** 3, Hungerford Street, Kolkata - 700 017  
**Phone :** (91) (033) 2290-1935/1940, **Fax :** (033) 2290-2319  
**E-mail :** iagcompanylimited.complaints@gmail.com  
complaints@iagcompany.in