



**Subject : Disruption of operations at AIS Float Glass Plant at Taloja, District Raigarh - Update**

Dear Sir,

This is further to our letters dated 27<sup>th</sup> July, 2005 and 18<sup>th</sup> August, 2005 on the subject.

Pursuant to a detailed examination of the plant by the visiting experts from our technical collaborators, we would be required to do a complete replacement of refractories in the metal bath, taking into consideration the random pattern of damage found in bricks. This unfortunately means a considerable later restart of the Float Glass Plant at Taloja. The date could be from early December, 2005 to end January, 2006, depending on the speed with which some key refractories can be procured.

We have decided to use this time to do a Hot Repair of furnace at the Plant which was otherwise due in 2007. This will extend furnace life for over 4 years and also improve auto quality float glass making capability.

There will be an adverse impact on our performance in the financial year 2005-06 in the approximate range of Rs. 45 crores to Rs. 65 crores operating income.

We have formulated and operationalized a detailed recovery plan and are hopeful to complete it in the minimum possible time to ensure restart of the Plant within the revised schedule, as above.

This is for your information and record.

Thanking you,

Yours truly,  
For Asahi India Glass Ltd.