



**ANNUAL REPORT 2009-2010**

## The Board of Directors

Ajay G. Piramal	Chairman
Vinita Bali	Director
Dharendra Chadha	Director
Shitin Desai	Director
Jiten Doshi	Director
Bharat Kewalramani	Director
Dr. (Mrs.) Swati A. Piramal	Director
Murari Rajan (w.e.f. 16 <sup>th</sup> Oct 2009)	Director
N. Santhanam (upto 16 <sup>th</sup> Oct 2009)	Director
Vijay Shah	Managing Director

### Auditors

M/s. Haribhakti & Co.,  
Chartered Accountants  
Race Course Circle  
Vadodara, Pin 390 007  
Gujarat, India.

### Bankers

Allahabad Bank  
HDFC Bank Limited  
ICICI Bank Limited  
Exim Bank  
Corporation Bank  
Axis Bank Limited  
Standard Chartered Bank  
The Hongkong & Shanghai Banking  
Corporation Limited  
IDBI Bank Limited  
Central Bank of India  
IndusInd Bank Limited

### Registered Office

Piramal Tower,  
Ganpatrao Kadam Marg,  
Lower Parel, Mumbai 400 013  
Maharashtra, India.

### Subsidiary Companies

Piramal Glass Ceylon PLC.  
Piramal Glass International Inc.  
Piramal Glass-USA Inc.  
Piramal Glass Flat River LLC.  
Piramal Glass Williamstown LLC.  
Piramal Glass (UK) Limited

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# The Vision

To be amongst the  
top three speciality glass  
manufacturers in the world.

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## Chairman's Letter



Dear Shareholders,

Warm greetings to you all!

Our Company continues to move forward on its vision of global leadership in specialty glass packaging (flacconage). The extremely turbulent and volatile environment seems to be behind us and the investments made by the Company in the last 3 years in terms of acquisition of a loss making company in the US and the substantial capital investment in expansion and capacities both in Sri Lanka and India have now started bearing fruit.

This financial year marks a new chapter in the history of our Company as the process of turnaround has begun with the Company reporting a positive profit performance.

The Company's consolidated revenue for the year grew by 9.4 % to Rs 11039 million. The Operating Profit before Interest Depreciation and Tax grew by 60 % to Rs 2381 million. The PBIDT to sales was 21.1 % as compared to 14.5 % of the total income of last year. The Net Profit for the year was Rs. 32 million as compared to a loss of Rs. 1072 million last year. What is significant is that, inspite of the tough economic environment still prevalent in the US, the turnaround of our US operations has started bearing fruits. Our US subsidiary has reported cash profits for this year and a positive PAT for the last 2 quarters. Similarly, the doubling of capacity in our operations at Sri Lanka has stabilized and it has reported a positive PAT for the last 3 quarters and a cash profit for the whole year.

We have had a Rights Issue of Rs 1860 million which is indicative of the confidence reposed in us by our Shareholders. This, alongwith our internal cash generation was utilized towards our paying a debt of Rs.3750 million, consequent to which, we could renegotiate our entire loan portfolio to a very favourable interest rate of about 7.1% (Q IV quarter) as compared to peak of 13% during the previous year. During the year, we have incurred a foreign exchange loss of Rs. 339 million which was due to the exchange rate difference against our exports. An impact of all these changes will be significantly positive on our profit performance in the future, and will boost further improvement in the operating performance.

### **Cosmetics & Perfumery division:**

Our Cosmetics & Perfumery business grew by 31 % from 3674 million to 4820 million. We continue to gain share of the market particularly in the international marquee brands globally. We are now a recognized name as a quality glass packaging vendor for the perfumery industry globally.

### **Pharmaceutical division :**

We continued to focus on high value added products in the pharmaceutical glass packaging market, in the process rationalizing products and markets with a view to increase profitability.

### **Speciality Food and Beverages division :**

We focus on making high value Speciality Food and Beverages markets from our operations in USA & Sri Lanka. This segment had clocked a sale of Rs 2830 million as compared to a sale of Rs 2437 million in FY09, showing a 16% growth.

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**Knowledge Action Care :**

In line with our corporate values of “Knowledge, Action & Care”, we have been working on several initiatives of Employee Engagement as well as a formal process of Manufacturing Excellence. The initiative of measuring Employee Engagement with the help of the world renowned Gallup continues this year with some of our locations reporting high performance in Employee Engagement. It is a matter of satisfaction that our manufacturing operations in Kosamba reported a 4.32 (on a scale of 5 as compared to 3.81 in FY09) rating which is 75th percentile in the global Gallup survey. The Company as a whole reported a 4.12 (on a scale of 5 as compared to 3.78 in FY09) rating which is 64th percentile in the global Gallup survey. We believe that the empowerment of our employees is one of our key factors of success and helps realise our vision of global leadership.

On our Manufacturing Excellence journey, both our plants in India at Kosamba and Jambusar have qualified for the preliminary audit for level 3A in the 4 level process for achieving global expertise. In Sri Lanka too, we have recently embarked on the journey of Manufacturing Excellence.

I sincerely thank all our customers, employees, suppliers, bankers and shareholders for their confidence and support.

Warm regards,

**Ajay G. Piramal**

Chairman

Date : April 23, 2010

## Management Discussion & Analysis

### Business Overview:

Piramal Glass Limited (PGL) is a manufacturer of glass containers for the Pharmaceuticals, Cosmetics & Perfumery and Speciality Food & Beverage industry. PGL manufactures a wide range of glass bottles and jars, in sizes ranging from 2 ml to 2.5 litres.

### Growth Drivers

#### Cosmetics & Perfumery (C&P)

The C&P global market is estimated to be \$ 2.3 billion. Historically, this market has been growing around 5% YOY primarily driven by emerging economies. In the last 2 years, however, the market was impacted by the recessionary trends as C&P falls in luxury goods segment and hence the market de-grew in the range of almost 20%. This trend has adversely impacted our competitors who are predominantly from Europe. During the recent past, we have seen a revival in off-take across the globe which could possibly “restock” the bounce back from the emerging economies and is far more stronger.

In the long run, the Company estimates that since the glass packaging is used for products like nail polish, make-up foundations, skin creams and perfumes all being beauty products, increasing fashion consciousness coupled with awareness are the critical drivers for this industry especially in emerging markets. We feel that the growth of this industry will be driven by the emerging economies primarily due to a growing young population, working women and their increasing disposable income. The availability of major international brands and setting up of large retail stores across the country will also provide flip to the demand.

The glass containers manufactured in C&P are used to fill nail polish, perfumes, foundations, attars, etc. The main raw materials used are semi snow quartz, soda ash & lime stone powder.

This market is broadly classified into five segments depending on the end bottle price.

- Select
  - Mid - Mass
  - Low Mass
  - Skin Care
  - Nail Polish or Colour Cosmetics
- } Clubbed as Premium
- } Clubbed as Mass

The C&P glass packaging division is the growth driver for the Company and it constitutes 43% of the current sales and has been growing at a CAGR of 42% over the last 7 years. For FY10, C&P division grew at 31%.

Our Company provides glass containers across all segments of the market i.e. both Mass and Premium. The growth within C&P is, however, driven by the Premium segment of the market which is our area of focus. The Company is aggressively gaining share from its competitors in Europe. The clientele includes multinational companies like Unilever, Revlon, L'Oreal, Avon, P&G, Estee Lauder, LVMH, etc.

### Pharmaceuticals

Pharmaceutical glass container division manufacturers amber bottles, amber and flint vials for liquid oral formulations, injectibles, etc. The Pharmaceutical glass packaging market is estimated to be around \$ 2 billion. The market for glass packaging for pharma industry has been relatively stable, globally. In India, however, there has been a shift towards PET mainly for oral dosage syrups and formulations leading to an approximate de-growth of the market by 10%. On the other hand, the demand for glass packaging for injectibles has been growing and will be much more stronger in the future as more and more pharma companies obtain US FDA approval for their injectible manufacturing facilities in India.

Our Company's Pharma division, constitutes 31% of the total sales and has de-grown by 15%. PGL continues to be the leader in the Indian market supplying glass containers to both multinational and Indian pharma companies like Glaxo Smith Kline, Pfizer, Piramal Healthcare, Cipla, Abbott, Alembic, Ranbaxy, E-Merck, Aventis, Dabur (India), Himalaya Drugs, Dr. Reddy's Laboratories, etc.

The Company has been consciously rationalizing its capacity for profit improvement by focusing more towards high value-added exports and pruning the less profitable products. The Company will continue this process of product/market rationalization for further improvement in profitability.

#### Speciality Food & Beverages

The Speciality Food & Beverages division caters to the niche market for high end liquor, wine and food which are often unique in design and decoration. This business is freight intensive and hence localized. PGL caters to leading customers in India like UB group, Diageo, Cadbury Schweppes, Smuckers, etc. and other niche local liquor manufacturers from its US & Sri Lanka operations. This division constitutes 26% of global sales and global market size is around \$1.3 billion.

#### Performance summary: (Consolidate)

Rs. in million

Particulars	FY2010	FY2009
<b>Sales and Profit:</b>		
Net Sales	11,039.2	10,088.3
EBIDTA (excluding FOREX related impact)	2,380.7	1,488.2
EBIDTA	2,042.1	948.6
PBT (after exceptional items)	86.5	(1,257.5)
PAT (after prior period items)	32.3	(1,071.7)
<b>Margins: (as % to total income)</b>		
EBIDTA % (excluding FOREX related impact)	21.1%	14.5%
EBIDTA %	18.1%	9.2%
PBT % (after exceptional items)	0.8%	(12.2%)
PAT % (after prior period items)	0.3%	(10.4%)
<b>Growth:</b>		
Net Sales	9.4%	
Global Sales*	10.02%	
EBIDTA (excluding FOREX related impact)	60.0%	
EBIDTA	115.3%	
Net Profit	NA	

Notes:

\*Global Sales are Total Consolidated Sales outside India.

#### Results review summary:

Total sales for the year ended 31 March 2010 grew by 9.4% to Rs. 11,039.2 million compared to FY2009 Net sales of Rs. 10,088.3 million.

Earning Before Interest, Depreciation, Tax and Amortization (EBIDTA) for the year was at Rs. 2,042.1 million, a growth of 115.3% over FY2009 EBIDTA of Rs. 948.6 million.

Operating Margins grew to 18.1% in FY2010, compared with 9.2% for FY2009.

Net interest decreased by 20.0% to Rs. 1,049.1 million, as compared to Rs. 1,313.7 million in FY2009. The total consolidated debt as on 31 March 2010 was Rs. 9,824.3 million, compared with Rs. 13,570.7 million for FY2009. Debt/Equity ratio was 3.4 in FY2010, compared to 15.4 in FY2009.

## MANAGEMENT DISCUSSION & ANALYSIS

Depreciation for the year ended 31 March 2010 was Rs. 906.5 million compared to Rs. 892.5 million in FY2009. Further, taxes were at Rs. 54.2 million, compared with Rs. (185.8) million in FY2009.

As a result, there was a Net Profit after exceptional items of Rs. 32.3 million.

### Net sales analysis:

Rs. in million

Consolidated Sales break-up	% Salience	FY 2010	FY 2009	% Growth
<b>India Sales</b>				
Cosmetics & Perfumery	6.4%	710.1	501.2	41.7%
Pharmaceuticals	16.8%	1,857.1	1,855.4	0.1%
Speciality Food and Beverages	2.8%	309.8	313.1	
<b>Sub-total - India</b>	26.1%	2,877.0	2,669.7	7.8%
<b>Global Sales</b>				
Cosmetics & Perfumery	37.2%	4,109.9	3,172.9	29.5%
Pharmaceuticals	13.9%	1,532.0	2,121.7	(27.8%)
Speciality Food and Beverages	22.8%	2,520.3	2,124.0	18.7%
<b>Sub-total - Outside India</b>	73.9%	8,162.2	7,418.6	10.0%
<b>Consolidated Total Sales</b>	<b>100.0%</b>	<b>11,039.2</b>	<b>10,088.3</b>	<b>9.4%</b>

### Notes:

Global Sales are Total Consolidated sales outside India.

### Profitability analysis:

Rs. in million

Consolidated Profits break-up	EBIDTA			PAT		
	FY2010	FY2009	% Growth	FY2010	FY2009	% Growth
Piramal Glass Limited	1460.1	769.7	90%	157.7	(543.5)	-
Piramal Glass USA Inc.	291.2	(77.0)	-	(35.5)	(353.6)	90%
Piramal Glass (UK) Ltd.	(6.7)	(11.6)	42%	(6.7)	(11.8)	43%
Piramal Glass International Inc.	0	3.0	-	(0.2)	2.2	-
Piramal Glass Ceylon PLC	352.9	323.2	9%	(27.5)	(106.8)	74%
<b>Sub-total</b>	2097.5	1,007.3	108%	87.7	(1,013.5)	-
<b>Consolidated*</b>	2042.1	948.6	115%	44.3	(1025.2)	-

### Notes:

\*Consolidated Profits / (Loss) is after adjustment of Minority Interest and Inter-company transactions.

### Manufacturing facilities review:

PGL continues to build on its strategy of developing a strong front end in western market while building a robust manufacturing base in low cost regions.

PGL Group's current manufacturing facilities across different regions are as follows:

#### Piramal Glass Limited (PGL):

PGL has production facilities at Jambusar and Kosamba in Gujarat, India. The Company has ISO 9001, ISO 14001 certification and OHSAS (Occupational Health, Safety Analysis Series) i.e. ISO 18001 certification.



Furnace location and number	Installed Capacity TPD *	Type of glass containers manufactured
<b>Jambusar (2)</b>		
1	230	Soda Lime Amber - Pharmaceuticals
2	105	Soda Lime Flint – Pharmaceuticals, Speciality Food & Beverages, Cosmetics & Perfumery
<b>Kosamba (6):</b>		
1	25	Borosilicate Amber & Flint – Pharmaceuticals
2	40	Soda Lime Flint – Pharmaceuticals
3	75	Soda Lime Amber - Pharmaceuticals & Chemical
4	35	} Soda Lime Flint – Cosmetics & Perfumery, skincare
5	65	
6	100	

\* Ton Per Day

**Piramal Glass USA Inc (PGI):**

PGI has manufacturing facilities in USA. The installed capacity of the facility is as follows:

Furnace location and number	Installed Capacity TPD	Type of glass containers manufactured
Two furnaces		
1	100	Personal care and Speciality Food & Beverages – Flint
2	95	

**Piramal Glass Ceylon PLC (PGCP) :**

PGCP manufactures bottles in flint, amber and other colors with sizes ranging from 50 ml to 2,500 ml. It caters to liquor, food & beverage and wine industry customers. The Company has built a new production facility with an installed capacity of 250 tons of glass bottles per day in replacement of earlier production facility of 120 tons of glass bottles per day.

Furnace location and number	Installed Capacity TPD	Type of glass containers manufactured
Single furnace	250	Speciality Food & Beverages, Pharmaceuticals, Cosmetics & Perfumery

**Power & Energy:**

Power and Fuel cost decreased by 13.1% to Rs. 1693.9 million as compared to sales growth of 9.4%.

**Manpower:**

The PGL Group seeks to recruit and retain quality industry professionals and provide them with a high performance environment. During the financial year, total consolidated workforce of PGL was 3,241, which is a decrease of 86 over FY2009. This decrease was mainly on account of right sizing across various functional areas.

The workforce details are as follows:

Consolidated manpower break-up	FY2010	FY2009	+/-
Piramal Glass Limited	2342	2,406	(64)
Piramal Glass – USA, Inc.	515	545	(30)
Piramal Glass (UK) Limited	0	1	(1)
Piramal Glass Ceylon PLC	384	375	9
<b>Total</b>	<b>3241</b>	<b>3,327</b>	<b>(86)</b>

• **Business risk factors:**

- Replacement threat:  
Glass packaging faces the risk of replacement by other packaging solutions such as plastic and other forms of packaging.
- Cyclical nature:  
The glass packaging industry might exhibit cyclical pattern of demand and supply.
- Capital intensive and Energy intensive nature of business:  
The glass packaging needs significant capital expenditure in creating infrastructure and regular relining of Production furnaces.

**Disclaimer:**

Certain statements included above may be forward looking and would involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements.

**Financial Highlights (Consolidated)**

**Income Statement**

Rs in million

	Year ended 31 March 2010	Year ended 31 March 2009	% Growth (De-growth)
<b>Total Income</b>			
<b>Sales</b>			
– Gross	11,323.0	10,448.5	8.4%
– Net	11,039.2	10,088.3	9.4%
Other Income	220.6	208.7	5.7%
<b>Total</b>	11,259.8	10,297.1	9.4%
EBIDTA (excluding FOREX related impact)	2,380.7	1488.2	60.0%
EBIDTA (excluding FOREX related impact) as % to Total Income	21.1%	14.5%	
Forex (gain) / loses	338.6	539.6	
<b>EBIDTA</b>	2,042.1	948.6	115.3%
EBIDTA as % to Total Income	18.1%	9.2%	
Interest	1,049.1	1,313.7	(20.1%)
Depreciation	906.6	892.5	1.6%
<b>Profit before Tax</b>	86.5	(1,257.5)	
% of Total Income	0.8%	(12.2%)	
Provision for Taxation – Current	32.7	0.3	
– Mat Credit Entitlement	(31.4)	-	
– Deferred	52.9	(188.9)	
– FBT	0.0	2.8	
<b>Profit After Tax</b>	32.3	(1,071.7)	
% of Total Income	0.3%	(10.4%)	

**Net Sales**

During the year net sales increased by 9.4% to Rs. 11,039.2 million as compared to Rs. 10,088.3 million in FY 2009. The detailed analysis of it is discussed earlier in the report.

**Other Income**

Other income was Rs.220.6 million in FY2010 registering a growth of 5.7%.

**Profit before Interest, Depreciation & Tax (EBIDTA)**

EBIDTA excluding FOREX related impact grew by 60% to Rs. 2,381 million. We have incurred a foreign exchange loss of Rs. 540 million due to unfavourable movement in forex markets.

**Interest**

Net interest cost decreased by 20% to Rs.1,049 million as compared to Rs. 1,314 million in FY 2009.

**Balance Sheet**

Rs. in million

	As at 31 March, 2010	As at 31 March, 2009
<b>SOURCES OF FUNDS</b>		
Share Capital	804.3	179.8
Reserves & Surplus	1,594.5	253.7
Minority Interest	376.2	447.3
Loan Funds	9,824.3	13,570.7
Deferred Tax Liability (Net)	113.2	92.6
<b>TOTAL</b>	<b>12,712.5</b>	<b>14,544.1</b>
<b>APPLICATION OF FUNDS</b>		
Fixed Assets	8,561.8	9,709.5
Investments	1.1	1.1
Net Working Capital	4,149.6	4,833.5
<b>TOTAL</b>	<b>12,712.5</b>	<b>14,544.1</b>

**Key Ratios:**

Particulars	FY 2010	FY 2009
Debt Equity Ratio	3.5 : 1	15.4 : 1
Return on Capital Employed (excluding FOREX related impact (%))	10.8	4.4
Return on Capital Employed (%)	8.3	0.4
Return on Net Worth (%)	1.8	(75.5)
Asset Turnover Ratio	1.2	1.1

Return on Capital Employed	FY 2010	FY 2009
PBIT (excluding FOREX related impact)	1,474.2	595.7
PBIT	1,135.6	56.1
Average Net Fixed Assets	9,135.6	9,375.8
Average Net Current Assets	4,492.1	4,221.1
Capital Employed	13,627.8	13,596.9
ROCE (%) (Excluding FOREX related impact)	10.8	4.4
ROCE (%)	8.3	0.4

## Corporate Governance

A report for the financial year ended March 31, 2010 on the compliance by the Company with the Corporate Governance requirements under Clause 49 of the Listing Agreement, is furnished below.

### 1. Company's Philosophy on Corporate Governance

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organisation. Good Corporate Governance leads to long term shareholder value and enhances interest of other stake holders. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organisation towards creating wealth and shareholder value.

### 2. Board of Directors

The Company's Board presently comprises one (1) executive director, three (3) non-executive directors and five (5) independent directors.

The constitution of the Board is given below:

Name of Director	Category* [Designation]	Other Directorships <sup>1</sup>		Membership of other Board Committees <sup>2</sup>	
		as Member	as Chairman	as Member	as Chairman
Ajay G. Piramal	NED - Promoter [Chairman]	1	6	3	1
Vinita Bali	ID	4	—	2	—
Dharendra Chadha	ID	—	—	—	—
Shitin Desai	ID	2	—	1	—
Jiten Doshi	ID	1	—	—	—
Bharat Kewalramani	ID	1	—	—	—
Dr. Swati A. Piramal	NED – Promoter Group	8	1	2	1
Murari Rajan (From October 16, 2009)	NED	1	—	—	—
N. Santhanam (Upto October 16, 2009)	NED	**	**	**	**
Vijay Shah	ED (MD)	1	—	—	—

Note : \* ED - Executive Director; MD – Managing Director; NED - Non-Executive Director; ID - Independent Director

\*\* Not Applicable

<sup>1</sup> This includes directorships in public limited companies and subsidiaries of public limited companies and excludes directorships in private limited companies, overseas companies and companies under section 25 of the Companies Act, 1956.

<sup>2</sup> This relates to Committees referred to in clause 49 of the Listing Agreement, viz. Audit Committee and Investors Grievance Committee. This also includes Remuneration Committee, which is not considered for the purpose of computing maximum limits under clause 49.

**3. Attendance of Directors at Board Meetings**

The Board of the Company met five (5) times during the financial year, on the following dates:

April 29, 2009	July 23, 2009	August 13, 2009
October 16, 2009	January 22, 2010	

The Company placed before the Board the budgets, annual operating plans, performance of the business and various other information including those specified under Annexure 1A of the Listing Agreement, from time to time.

The attendance of Directors at the Board Meetings and the last Annual General Meeting held on August 13, 2009 were as under:

Name of Director	Board Meetings		AGM
	Held during their tenure	Attended	
Ajay G. Piramal	5	5	✓
Vinita Bali	5	4	✓
Dharendra Chadha	5	5	✓
Shitin Desai	5	5	✓
Jiten Doshi	5	4	—
Bharat Kewalramani	5	5	✓
Dr. Swati A. Piramal	5	5	✓
Murari Rajan (From October 16, 2009)	2	2	N.A.
N.Santhanam (Upto October 16, 2009)	3	2	—
Vijay Shah	5	5	✓

**4. Code of Conduct**

The Company has formulated and implemented separate Codes of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company. A declaration signed to this effect by Mr. Vijay Shah, Managing Director, is appended at the end of this Report. The Codes of Conduct are posted on the Company's website.

**5. Audit Committee**

During the financial year 2009-10, four Audit Committee Meetings were held on the following dates, including before finalisation of annual accounts and adoption of quarterly financial results by the Board:

April 29, 2009	July 23, 2009	October 16, 2009	January 22, 2010
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The constitution of the Committee and the attendance of each member of the Committee is given below:

Name	Designation	Category	Audit Committee Meeting	
			Held during their tenure	Attended
Shitin Desai	Chairman	Independent Director	4	4
Dharendra Chadha (From October 16, 2009)	Member	Independent Director	2	2
Jiten Doshi	Member	Independent Director	4	4
N. Santhanam (Upto October 16, 2009)	Member	Non - Executive Director	2	2

The Company Secretary is Secretary to the Committee.

The terms of reference of the Audit Committee include those specified under Clause 49 of the Listing Agreement as well as under Section 292A of the Companies Act, 1956 such as:

- To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the Auditors/ Internal Auditors;
- To ensure compliance with internal control systems;
- To review the quarterly, half-yearly and annual financial statements of the Company before submission to the Board;
- To investigate into any matter in relation to items specified in section 292A of the Companies Act, 1956 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the Company and also seek external professional advice, if necessary;
- To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit Report;
- To review, investigate and make recommendations to the Board on any matter in relation to the items specified in sub-clause (D) of clause 49(II) of the Listing Agreement and for this purpose to seek information from any employee and/or obtain outside legal or professional advice.
- To monitor the proceeds of the Rights Issue of the Company as contemplated by sub clause 5A of clause 49 (II) (D) of the Listing Agreement.

#### 6. Nomination & Remuneration Committee

The Nomination & Remuneration Committee makes recommendations on remuneration and perquisites for executive Directors and proposes new appointments on the Board.

The members of the Committee are:

Name	Designation	Category
Shitin Desai	Chairman	Independent Director
Vinita Bali	Member	Independent Director
Dharendra Chadha	Member	Independent Director
Ajay G. Piramal	Member	Non - Executive Director

The Committee met on 29th April, 2009. Mr. Bharat Kewalramani, Independent Director was inducted as a member of the Committee for this meeting, which was attended by all the directors except Ms. Vinita Bali.

## 7. Remuneration of Directors

Details of remuneration to the Directors for the year ended March 31, 2010 are as follows:

Name of the Director	Relationship with other directors	Business relationship with the Company	Sitting fees*	Salary & Perquisites	Performance Incentive	Total
Ajay G. Piramal	Husband of Dr. Swati A. Piramal	Promoter	120,000	—	—	120,000
Vinita Bali	None	None	160,000	—	—	160,000
Dharendra Chadha	None	None	160,000	—	—	160,000
Shitin Desai	None	None	200,000	—	—	200,000
Jiten Doshi	None	None	160,000	—	—	160,000
Bharat Kewalramani	None	None	120,000	—	—	120,000
Dr. Swati A. Piramal	Wife of Mr. Ajay G. Piramal	Promoter Group	100,000	—	—	100,000
Murari Rajan (From October 16, 2009)	None	None	40,000	—	—	40,000
N.Santhanam (Upto October 16, 2009)	None	None	80,000	—	—	80,000
Vijay Shah	None	Managing Director	—	14,613,435	6,000,000	20,613,435

\*includes sitting fees paid for Committee Meetings

Non-Executive Directors are paid remuneration by way of sitting fees.

### Notes:

- Mr. Vijay Shah has been re-appointed as a Managing Director for a period of 3 years with effect from 1st May, 2009. Requisite approval of the shareholders was accorded at the last AGM held on 13th August, 2009 by Special Resolution which also included the main terms of his remuneration. Final approval of the Central Government is awaited.
- No loans and advances have been given to any Director of the Company.
- Shareholding of Non-Executive Directors (including shareholding as joint holder) is given below:

Name	No. of shares held
Ajay G. Piramal	54,384
Dr. Swati A. Piramal	20,201
Shitin Desai	234

## 8. Investors Grievance Committee

During the financial year four Investors Grievance Committee Meetings were held on the following dates:

April 27, 2009

July 23, 2009

October 16, 2009

January 22, 2010

Following are the members of this Committee. They attended all the four meetings.

Name	Designation	Category
Vinita Bali	Chairperson	Independent
Vijay Shah	Member	Managing Director

The Company Secretary is the Compliance Officer.

#### Investor Grievances

The following table shows the nature of complaints received from shareholders during 2009-10 and 2008-09. There was one complaint pending as on 31st March, 2010 which has since been resolved.

Nature of Complaints	2009-10	2008-09
Dividend	1	1
Non-receipt of Shares	1	—
Rights Issue	42	—
Others	8	18
<b>Total</b>	<b>52</b>	<b>19</b>

The complaints are generally responded to within 7 days from their lodgment with the Company.

The Company has designated the email id 'complianceofficer.pgl@piramal.com' exclusively for the purpose of registering complaints by investors electronically. This email id has been displayed on the Company's website 'www.piramalglass.com'.

#### 9. General Body Meetings

The location and time of the Annual General Meetings held during the last 3 years are as follows:

Annual General Meeting (AGM)	Date	Time	Venue	No. of Special Resolutions passed
9th AGM	July 25, 2007*	2.30 p.m.	Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013	2
10th AGM	August 7, 2008	3.00 p.m.	Walchand Hirachand Hall, Indian Merchants' Chamber Building, IMC Marg, Churchgate, Mumbai 400 020	—
11th AGM	August 13, 2009	3.00 p.m.		2

\* The shares of the Company have been listed with effect from 28th February, 2008

#### Postal Ballot

No resolution was passed by postal ballot during the financial year 2009-10.

At present, there is no proposal for passing any resolution through postal ballot.

#### 10. Note on Directors appointment / re-appointment

Mr. Shitin Desai and Ms. Vinita Bali are retiring by rotation at this Annual General Meeting (AGM) and are proposed for re-appointment.

Shareholders approval is also being sought at the Annual General Meeting for appointment of Mr. Murari Rajan as Non-Executive Director.



Brief details concerning these Directors are given below:

**Mr. Shitin Desai**

Mr. Shitin Desai, of 62 years age, is one of the Founding Directors of DSP Merrill Lynch Limited and is its Executive Vice Chairman. He has been advising various large corporate organisations in formulating, structuring and implementing financial packages for various projects across sectors and is recognised as one of the leading investment bankers in the country. Mr. Desai has been actively associated with the area of International finance, and has been closely involved in launching the first two Indian offshore funds in UK & USA. Mr. Desai was a member on the Committee on Takeovers appointed by SEBI and was also a Member of the RBI Capital Markets Committee, Advisory Group for Securities Market of RBI and Insider Trading Committee. He was also a Member on the Executive Committee (Futures & Options Segment) of the National Stock Exchange of India Limited.

His other directorships in public limited companies and subsidiaries of public limited companies in India are:

Sr. No.	Name of Company	Membership of Board / Board Committees
1.	DSP Merrill Lynch Ltd.	– Executive Vice-Chairman – Member- Audit Committee
2.	Kalpataru Power Transmission Ltd.	– Director

**Ms. Vinita Bali**

Ms. Vinita Bali, of 53 years age, is currently the Managing Director of Britannia Industries Limited and has spent over 17 years overseas in a variety of marketing, sales and general management positions with eminent multinationals like The Coca-Cola Company and Cadbury Schweppes. She is a B.A. in Economics from Delhi University and has done her MBA from Jamnalal Bajaj Institute of Management Studies, Mumbai. She was appointed on the Board of our Company on July 26, 2007. Ms. Bali has rich and diverse experience in packaged foods and beverages industry.

Her other directorships in public limited companies and subsidiaries of public limited companies in India are:

Sr. No.	Name of Company	Membership of Board / Board Committees
1.	Britannia Industries Limited	– Managing Director
2.	Titan Industries Ltd.	– Director
3.	Mphasis Limited	– Director – Member of Audit Committee
4.	Bombay Dyeing & Manufacturing Co. Ltd.	– Director

**Mr. Murari Rajan**

Mr. Murari Rajan, of 47 years age, was appointed by the Board as a Director on October 16, 2009 under section 262 of the Companies Act, 1956 (“the Act”) in the casual vacancy caused by the resignation of Mr. N. Santhanam. He holds office upto the date of this Annual General Meeting.

Mr. Murari Rajan is an MBA (Finance and Strategy) graduate of the Sloan School of Management (MIT) and a member of the Institute of the Chartered Accountants of England and Wales. He began his career with McKinsey & Co., in New York and subsequently worked for several years at Wolfensohn & Co., Credit Suisse, J P Morgan and Harmon & Co. He has extensive experience in financial services and corporate strategy. During his career, he has worked on and led Mergers & Acquisitions (“M&A”) transactions exceeding \$ 70 billion across a variety of industries.

Mr. Murari Rajan is responsible for Strategy, M&A and Corporate Development of various companies across the Piramal Group and is also on the Board of IndiaVenture Advisors Pvt. Ltd., a private equity fund managed by the Piramal Group.

He is also a director in Piramal Diagnostic Services Pvt. Ltd., subsidiary of a public company.

**11. Disclosures**

- No transaction of material nature has been entered into by the Company with its Directors or Management and their relatives, etc. that may have a potential conflict with the interests of the Company.
- The Register of Contracts/statement of related party transactions, are placed before the Board/Audit Committee regularly.
- Transactions with related parties are disclosed in Note No. 10 of Part B of Schedule 19 to the Accounts in the Annual Report.
- There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or the Stock Exchanges or any other statutory authority does not arise.
- Listing fees for the financial year 2010-11 have been paid to the stock exchanges where the shares of the Company are listed.

**Compliance with Mandatory / Non-mandatory Requirements**

The Company has implemented all the applicable mandatory requirements of Clause 49 of the Listing Agreement.

The Company has also adopted the non-mandatory requirements as specified in Annexure 1D to Clause 49 of the Listing Agreement regarding constitution of remuneration committee and training of Board Members.

**12. Means of Communication**

- The annual, half-yearly and quarterly results are regularly posted by the Company on its website [www.piramalglass.com](http://www.piramalglass.com). These are also submitted to the Stock Exchanges where the Company's shares are listed and published in newspapers in accordance with the Listing Agreement
- Management Discussion & Analysis forms part of this Annual Report.

**13. General Information for Shareholders****a) Annual General Meeting**

- |                 |   |
|-----------------|---|
| – Date and Time | June 24, 2010 at 11.00 a.m.   |
| – Venue         | Walchand Hirachand Hall<br>Indian Merchants' Chamber Building<br>IMC Marg, Churchgate<br>Mumbai 400 020 |

**b) Financial Calendar  
Financial reporting for:**

- |  |                        |
|--|------------------------|
| – Quarter ending June 30, 2010                                 | by end- July 2010      |
| – Half year ending September 30, 2010                          | by end- October 2010   |
| – Quarter ending December 31, 2010                             | by end- January 2011   |
| – Year ending March 31, 2011                                   | by end- May 2011       |
| – Annual General Meeting<br>for the year ending March 31, 2011 | by end- September 2011 |

**c) Registered Office**

Piramal Tower  
Ganpatrao Kadam Marg  
Lower Parel, Mumbai 400 013

**d) Listing on Stock Exchanges**

Bombay Stock Exchange Limited  
(code: 532949);  
  
National Stock Exchange of India Limited  
(code: PIRGLASS);  
  
Ahmedabad Stock Exchange Limited  
(code: 20219 )

**e) Reuters Code**

PRML.BO

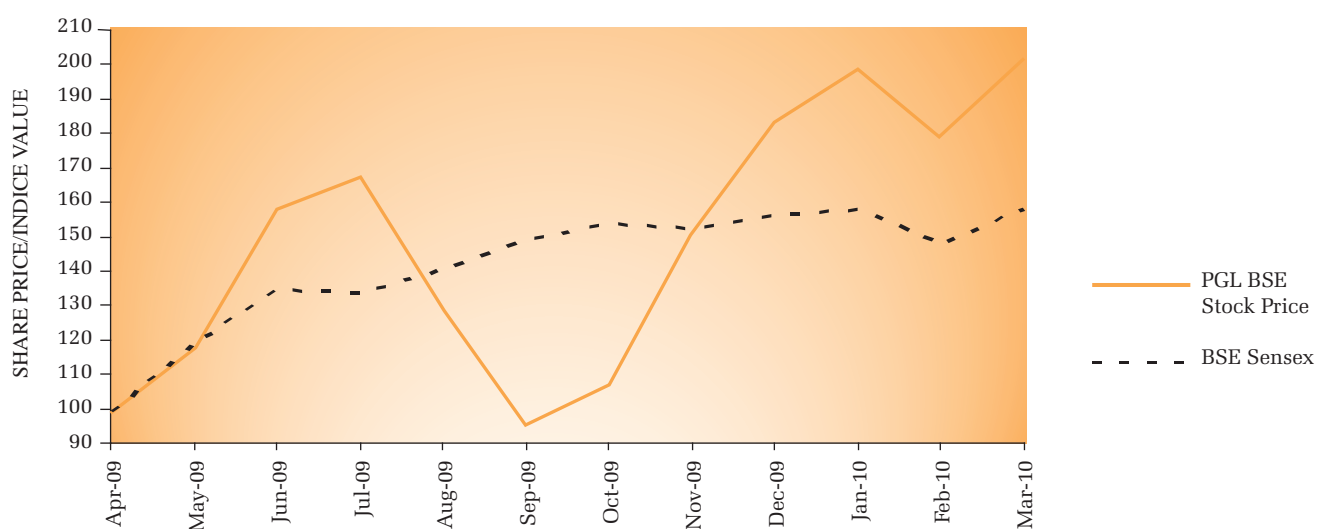
## f) Stock market data

Month	Bombay Stock Exchange				National Stock Exchange			
	High (Rs.)	Low (Rs.)	Average Closing Price (Rs.)	Monthly Volume	High (Rs.)	Low (Rs.)	Average Closing Price (Rs.)	Monthly Volume
Apr-09	51.90	31.05	41.59	33,386	51.90	31.00	40.04	19,461
May-09	65.10	41.00	49.16	60,669	59.55	39.65	46.80	5,198
Jun-09	79.00	52.15	65.92	36,134	76.60	55.25	65.47	3,729
Jul-09	79.20	57.25	69.77	43,717	79.60	56.20	67.19	4,532
Aug-09	93.60	37.05	53.67	156,759	95.20	37.00	54.13	42,221
Sep-09	43.85	35.50	39.95	327,043	43.00	34.95	39.66	142,083
Oct-09	57.15	36.25	44.82	1,086,731	56.30	36.00	44.65	306,347
Nov-09	78.80	46.00	62.77	774,415	79.50	45.90	62.99	386,425
Dec-09	85.80	70.35	76.22	464,102	87.00	70.75	76.46	213,499
Jan-10	93.90	66.55	82.74	483,234	93.40	66.25	82.46	187,565
Feb-10	79.90	68.10	74.48	269,612	80.00	68.15	73.97	84,908
Mar-10	98.00	71.55	83.86	1,010,154	99.70	73.15	83.91	772,357

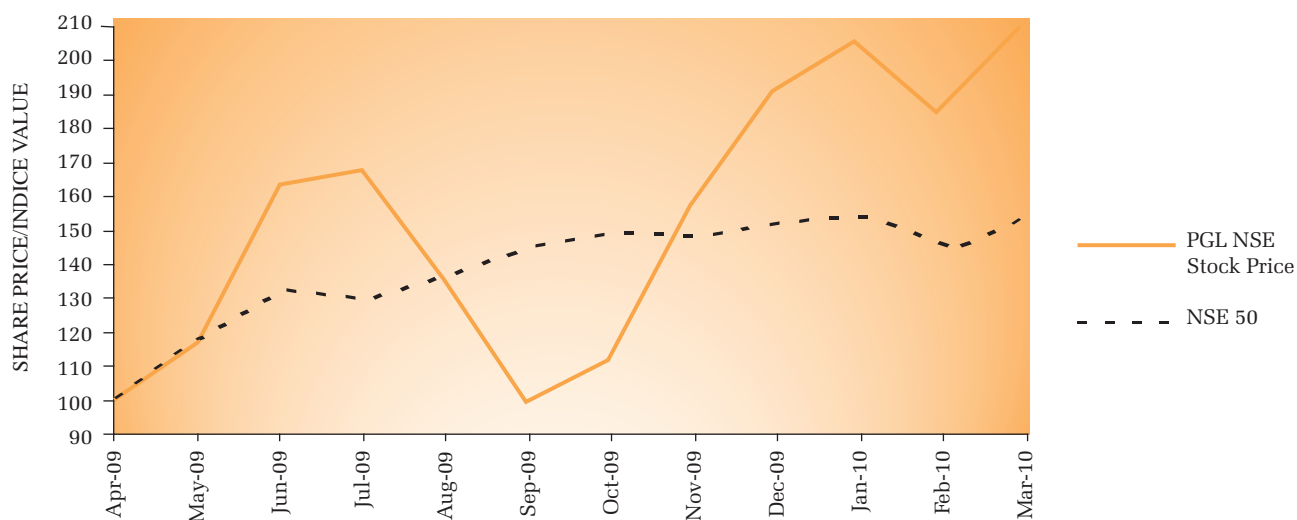
## g) Stock Performance vs BSE Sensex and NSE-50

Performance of the Company's Equity Shares on Bombay Stock Exchange Limited and National Stock Exchange of India Limited relative to the BSE Sensitive Index (BSE Sensex) and S&P CNX Nifty (NSE-50) respectively are graphically represented in the charts below:

## Bombay Stock Exchange Limited



## National Stock Exchange of India Limited



#### h) Share Transfer Agents

M/s Link Intime India Pvt. Ltd. ("Link Intime") have been appointed as the new Share Transfer Agents of the Company w.e.f. February 1, 2010 in place of Freedom Registry Limited (formerly known as Amtrac Management Services Limited). Necessary intimation in this regard was individually mailed to all the shareholders, in addition to public announcements in the newspapers. The contact details of Link Intime are given below:

**Link Intime India Pvt. Ltd.**

C-13 Pannalal Silk Mills Compound,  
LBS Marg, Bhandup (West), Mumbai – 400078.  
Tel.: (022) 25946970  
Fax: (022) 25946969  
e-Mail: [piramal.irc@linkintime.co.in](mailto:piramal.irc@linkintime.co.in)

203, Davar House,  
197/199, D. N. Road,  
Mumbai - 400 001.

#### i) Share Transfer System (in physical segment)

To expedite the share transfer process in the physical segment, authority has been delegated to the Share Transfer Committee, which comprises :

Mr. Ajay G. Piramal            Chairman  
Mr. Vijay Shah                Member

For administrative convenience and to facilitate speedy approvals, authority has also been delegated to the Share Transfer Agents and also to the senior executives to approve share transfers upto specified limits. Share transfers / transmissions approved by the Committee and/or the authorised executives are placed at the Board Meeting from time to time.

In case of shares held in physical form, all transfers are completed within 12 days from the date of receipt of complete documents. As at 31st March 2010 there were no Equity Shares pending for transfer. Also, there were no demat requests pending as on 31st March, 2010.

## j) Distribution of Equity Shareholding as on March 31, 2010

Slab of Shareholdings	No. of Shareholders	%	No. of shares	%
1 to 100	46,252	86.43	794,452	0.99
101 to 200	3,043	5.69	454,651	0.57
201 to 500	2,396	4.48	790,630	0.98
501 to 1000	786	1.47	589,159	0.73
1001 to 5000	745	1.39	1,672,059	2.08
5001 to 10000	132	0.25	990,216	1.23
10001 to 20000	73	0.14	1,012,886	1.26
20001 to 30000	31	0.06	790,772	0.98
30001 to 40000	9	0.02	295,117	0.37
40001 to 50000	10	0.02	454,797	0.57
50001 to 100000	11	0.02	826,805	1.03
Above 100000	24	0.04	71,763,192	89.22
<b>Total</b>	<b>53,512</b>	<b>100.00</b>	<b>80,434,736</b>	<b>100.00</b>

## According to categories of Equity Shareholders as on March 31, 2010

Sr. No.	Category of Shareholder	Number of Shareholders	No. of shares	%
(A)	Shareholding of Promoter and Promoter Group	21	61,767,996	76.79
(B)	Public shareholding			
	<b>1. Institutions</b>			
	(a) Mutual Funds/ UTI	11	33,266	0.04
	(b) Financial Institutions / Banks	25	591	0.00
	(c) Insurance Companies	1	31,128	0.04
	(d) Foreign Institutional Investors	3	5,024	0.01
	<b>Sub-Total (B1)</b>	<b>40</b>	<b>70,009</b>	<b>0.09</b>
	<b>2. Non-institutions</b>			
	(a) Bodies Corporate	578	8,540,410	10.62
	(b) Individuals			
	(i) holding nominal share capital up to Rs 1 lakh	52,165	4,852,019	6.03
	(ii) holding nominal share capital in excess of Rs.1 lakh.	118	4,817,110	5.99
	(c) Other			
	1. Clearing Member	141	149,040	0.19
	2. Trust	3	184,499	0.23
	3. Non – resident Indians – Repatriable	316	46,450	0.06
	4. Non – resident Indians – Non-Repatriable	130	7,203	0.01
	<b>Sub-Total (B2)</b>	<b>53,451</b>	<b>18,596,731</b>	<b>23.12</b>
	<b>Total Public Shareholding</b>	<b>53,491</b>	<b>18,666,740</b>	<b>23.21</b>
	<b>GRAND TOTAL</b>	<b>53,512</b>	<b>80,434,736</b>	<b>100.00</b>

**k) Dematerialisation of shares**

As on 31st March 2010, 7,86,04,080 equity shares of face value of Rs.10/- each, (97.72% of the total number of shares) are in dematerialised form as compared to 16,291,699 equity shares of face value of Rs.10/- each (90.60% of the total number of shares) as on 31st March 2009. The difference in number of shares is on account of the Rights Issue during the year.

**l) Outstanding GDRs/ADRs/Warrants or any convertible instruments**

There are no outstanding convertible warrants/instruments.

**m) Plant Locations**

**India**

- ONGC Rd., Tarsadi Village, Kosamba, (R.S.), Dist. Surat, Pin 394120
- Gajera Road, Uchhad Village, Jambusar, Dist. Bharuch, Pin 392150

**Overseas**

- Piramal Glass Ceylon PLC, Poruwadanda, Wagawatte, Horana, Sri Lanka.
- Flat River Glass, 1000 Taylor Avenue, Park Hills, Missouri, MO 63601, USA
- PGI Decora/Coated, 918E, Malaga Road, Williamstown, NJ 08094, USA

**n) Investors Correspondence**

**Nehal C. Doshi**

Company Secretary  
Piramal Glass Limited  
Piramal Tower Annexe  
Ganpatrao Kadam Marg  
Lower Parel, Mumbai - 400 013. India  
Tel : (91-22) 3046 7836 • Fax : (91-22) 2490 2363  
Email: complianceofficer.pgl@piramal.com

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**Certification under Clause 49 (I) (D) of the Listing Agreement**

All the Board Members and Senior Management personnel have affirmed compliance with the respective Codes of Conduct for Piramal Glass Limited for the financial year ended 31st March, 2010.

**Vijay Shah**

Managing Director

Mumbai

April 23, 2010

### Certificate on Corporate Governance

To The Members of  
Piramal Glass Limited

We have examined the compliance of the conditions of Corporate Governance by Piramal Glass Limited for the year ended March 31, 2010 as stipulated in clause 49 of the Listing Agreement of the Stock Exchanges.

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 Corporate Governance.

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

We state that in respect of investor grievances during the year ended March 31, 2010, one investor grievance was pending against the Company as on March 31, 2010, which has since been resolved as per the records maintained by the Company.

For **N. L. Bhatia & Associates**  
Practicing Company Secretaries

**N. L. Bhatia**  
Partner  
C.P. No. 422

Place : Mumbai  
Date : April 23, 2010

## NOTICE

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**NOTICE** is hereby given that the 12th Annual General Meeting of the Members of Piramal Glass Limited will be held on **Thursday, the 24th day of June, 2010 at 11.00 a.m.** at the **Walchand Hirachand Hall, Indian Merchants' Chamber Building, IMC Marg, Churchgate, Mumbai 400 020** to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2010 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Shitin Desai, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Ms. Vinita Bali, who retires by rotation and is eligible for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS**

#### **6. Mr. Murari Rajan – Appointment as a Director**

To consider and, if thought fit, to pass, with or without modification(s) as may be permissible, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Murari Rajan, who was appointed as a Director of the Company in the casual vacancy caused by the resignation of Mr. N. Santhanam, be and is hereby appointed as a Director of the Company.”

#### **7. Keeping of register and index of members and debenture-holders**

To consider and, if thought fit, to pass, with or without modification(s) as may be permissible, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the proviso to Section 163(1) of the Companies Act, 1956, (‘the Act’) approval be and is hereby accorded to keep the Register and Index of Members and Register and Index of Debenture holders and copies of all annual returns prepared under section 159 together with the copies of the certificates and documents required to be annexed thereto under section 161 of the Act, with the Share Transfer Agents of the Company for the time being, who presently are, Link Intime India Private Limited, having their office presently at C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400078 or at such other place where the office of such Share Transfer Agents of the Company may be situated within the local limits of the city of Mumbai.”

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company have been declared closed from **Tuesday, June 15, 2010 to Thursday, June 24, 2010 (both days inclusive)**.
4. Dividend on equity shares as recommended by the Board of Directors for the financial year ended 31<sup>st</sup> March, 2010 when declared at the meeting, will be paid within 5 days from the date of declaration.

#### **5. Directors:**

Mr. Shitin Desai and Ms. Vinita Bali are retiring by rotation at this Annual General Meeting (AGM) and are proposed for re-appointment.

Shareholders approval is also being sought for appointment of Mr. Murari Rajan as Director.

The information to be provided for these Directors under Clause 49 of the Listing Agreement, is given in the Corporate Governance section of this Annual Report.

None of the directors to be appointed or re-appointed at the Annual General Meeting are related to any other director of the Company.



## 6. Dividend Payment

As per directive from Securities and Exchange Board of India (SEBI), the Company has been using the Electronic Clearing Service (ECS) of the Reserve Bank of India (RBI), at designated locations, for payment of dividend to shareholders holding shares in dematerialized form. This service was extended by the Company also to shareholders holding shares in physical form, who chose to avail of the same. In this system, the investor's bank account is directly credited with the dividend amount.

As per RBI's notification, with effect from 1<sup>st</sup> October 2009, the remittance of money through ECS has been replaced by National Electronic Clearing Service (NECS). NECS operates on the new and unique bank account number allotted by banks post implementation of the Core Banking Solutions (CBS). Pursuant to implementation of CBS, **your bank account number may have undergone a change, which is required to be communicated by you to your Depository Participant (in case of shareholders holding shares in dematerialized form) or to the Company's Share Transfer Agent (in case of shareholders holding shares in physical form, in which case, the communication may be made in the Mandate Form separately enclosed in this Annual Report).**

Shareholders holding shares in physical form who have not yet opted for the ECS Mandate Facility, are urged to avail of the NECS Mandate Facility as this not only protects a shareholder against fraudulent interception and encashment of dividend warrants but also eliminates dependence on the postal system, loss/damage of dividend warrants in transit and correspondence relating to revalidation/issue of duplicate dividend warrants.

Kindly ensure that the above instructions are under your signature (which should be as per specimen registered with the Depository Participant / Company) and are communicated **before commencement of the book closure date, to facilitate receipt of dividend. Please note that if your new bank account number is not informed as aforesaid, payment of your dividend to your old bank account number may either be rejected or returned.** Kindly refer to the Mandate Form enclosed in this Annual Report for further details.

7. Those members who have so far not encashed their dividend warrants for the below mentioned financial years may claim or approach the Company for the payment thereof as the same will be transferred to the Investor Education and Protection Fund of the Central Government, pursuant to section 205C of the Companies Act, 1956 on the respective dates mentioned there against. Periodic intimation in this regard is sent to the concerned shareholders. Kindly note that after such dates, the members will lose their right to claim such dividend.

Financial Year ended	Due date of transfer
31.03.2005	16.09.2012*
31.03.2006	08.10.2013*
31.03.2008	07.09.2015

\* This refers to the due date for transfer of dividend declared by erstwhile Kojam Fininvest Limited which was merged with the Company.

8. Section 109A of the Companies Act, 1956 provides for Nomination by the shareholders of the Company in the prescribed Form 2B. Shareholders are requested to avail this facility.
9. Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgment of request for these transactions is now mandatory.
10. M/s Link Intime India Pvt. Ltd. ("Link Intime") are the new Share Transfer Agents of the Company w.e.f. February 1, 2010. Necessary intimation in this regard was individually mailed to all the shareholders, in addition to public announcements in the newspapers. The contact details of Link Intime are: M/s Link Intime India Pvt. Ltd., C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400078, Tel: 25946970; Fax: 25946969; Email: piramal.irc@linkintime.co.in.

Registered Office:  
Piramal Tower,  
Ganpatrao Kadam Marg,  
Lower Parel, Mumbai 400 013.

By Order of the Board

**Nehal Doshi**  
Company Secretary

Dated : April 23, 2010

## ANNEXURE TO NOTICE

Explanatory Statement under section 173(2) of the Companies Act, 1956

### Item No. 6:

#### Mr. Murari Rajan – Appointment as a Director

Mr. Murari Rajan was appointed by the Board as a Director on October 16, 2009 under section 262 of the Companies Act, 1956 (“the Act”) read with Article 135 of the Articles of Association of the Company in the casual vacancy caused by the resignation of Mr. N. Santhanam. He holds office upto the date of this Annual General Meeting.

Mr. Murari Rajan is an MBA (Finance and Strategy) graduate of the Sloan School of Management (MIT) and a member of the Institute of the Chartered Accountants of England and Wales. He began his career with McKinsey & Co. in New York and subsequently worked for several years at Wolfensohn & Co., Credit Suisse, J P Morgan and Harmon & Co. He has extensive experience in financial services and corporate strategy. During his career, he has worked on and led Mergers & Acquisitions (“M&A”) transactions exceeding USD 70 billion across a variety of industries.

Mr. Murari Rajan is responsible for Strategy, M&A and Corporate Development of various companies across the Piramal Group and is also on the Board of IndiaVenture Advisors Pvt. Ltd., a private equity fund managed by the Piramal Group.

Further details relating to Mr. Murari Rajan as required under clause 49 of the Listing Agreement, is given in the Corporate Governance Section of this Annual Report.

As required under section 257 of the Act, the Company has received joint notice along with deposit from some members proposing the candidature of Mr. Murari Rajan.

Your directors recommend the resolution at item no. 6 of the accompanying notice for your approval.

Mr. Murari Rajan may be deemed to be interested in this resolution as it concerns his appointment.

### Item No. 7:

#### Keeping of register and index of members and debenture-holders

At the last Annual General Meeting held on 13<sup>th</sup> August, 2009, a Special Resolution was passed under proviso to section 163(1) of the Companies Act, 1956 (“the Act”) for keeping the Register and Index of Members and Register and Index of Debenture-holders and copies of all annual returns prepared under section 159 together with copies of certificates and documents required to be annexed thereto under section 161 at the premises of the then Company’s Share Transfer Agents namely, Freedom Registry Limited.

Subsequently with effect from 1<sup>st</sup> February, 2010 Link Intime India Private Limited having their office at C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400078 have been appointed as the Share Transfer Agents of the Company in place of Freedom Registry Limited, which was communicated to the members by the Company.

Hence this special resolution for approval of the members for keeping the aforesaid registers, indexes, returns and copies of all such certificates and documents with the Company’s Share Transfer Agents. At present Link Intime India Private Limited are the Share Transfer Agents and their office is situated at C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400078. The proposed resolution facilitates keeping of such documents with any company or firm who may be the Share Transfer Agents of the Company for the time being and at such office that may be designated by the Share Transfer Agents within the limits of the city of Mumbai, in which case, intimation giving details of such change would be duly provided to the shareholders.

Your directors recommend the special resolution at item no. 7 of the accompanying notice for your approval.

None of the Directors are, in any way, concerned or interested in the aforesaid resolution.

Registered Office:  
Piramal Tower,  
Ganpatrao Kadam Marg,  
Lower Parel, Mumbai 400 013.

By Order of the Board

**Nehal Doshi**  
Company Secretary

Dated : April 23, 2010

## Directors' Report

### To the Shareholders

Your Directors have pleasure in presenting the 12th Annual Report and the Audited Accounts of the Company for the year ended March 31, 2010.

### Financial Results

(Rs. in Million)

	For the year ended 31.03.10	For the year ended 31.03.09	Growth %
Net Sales	6,521.68	5,818.20	12.09
Operating other Income	291.04	218.28	33.33
Total operating income	6,812.72	6,036.48	12.86
OPBIDTA	1,460.10	769.68	89.70
- Margin	21.43%	12.75%	
Less :			
Interest	610.26	844.16	(27.71)
Depreciation	639.38	654.97	(2.38)
Profit/ (Loss) Before Tax	210.46	(729.45)	
Provisions for Taxation:			
Current Tax	31.38	-	
MAT Credit Entitlement	(31.38)	-	
Deferred Tax	52.72	(188.79)	
Fringe Benefit Tax	-	2.82	
Profit/(Loss) After Tax	157.74	(543.48)	
- Margin	2.31%	(9.00%)	
Add: Profit brought forward from Previous Year	289.88	833.36	
Profit Available for Appropriation	447.60	289.88	
<b>Appropriation</b>			
Proposed dividend on equity shares	80.43	-	
Dividend tax thereon	13.36	-	
Transfer to General Reserve	-	-	
Balance retained in Profit & Loss Account	353.80	289.88	
Earning Per Share (Basic/Diluted) Rs.	2.99	(23.61)	

### Equity Dividend

In view of the remarkable improvement in the Company's performance, the Board has recommended a dividend of Re 1/- per equity share of Rs 10/- (i.e.10%) for the financial year ended 31st March 2010. Total cash outflow on account of this dividend payment including dividend distribution tax thereon will be Rs. 93.79 million.

### Rights Issue

During the year, we completed a Rights Equity Issue of 62.94 million shares at a price of Rs.30/- per share for a face value of Rs.10/- per share, in the ratio of 7 equity shares for every 2 equity shares held on the record date, which was 13th August 2009. The Issue was subscribed 106.1% of the issue size. Out of the total size of the Issue, 62,451,736 equity shares were allotted on September 19, 2009. The balance 488,764 Equity Shares (of which 481,922 equity shares pertain to Overseas Corporate Bodies which are subject to

requisite approvals of Reserve Bank of India and 6,842 equity shares are those for which documentation for establishing title thereto are awaited) have been kept in abeyance pending such approval / establishment of title.

The Right Shares were listed for trading on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) with effect from 25th September, 2009 and on the Ahmedabad Stock Exchange (ASE) with effect from 7th October, 2009.

### **Operations Review**

As part of the long term strategy of the Company, we continue to focus on Cosmetics & Perfumery (C&P) division. During the year, this segment grew by 31% from Rs. 3,674 million to Rs. 4,820 million. The growth is being driven by new customers and new products developed across the globe.

In the Pharmaceutical segment, we maintained our leadership position in the domestic market. The quest for improving quality through business process improvement continues.

### **Subsidiary Companies**

Our Company has six subsidiaries viz. Piramal Glass Ceylon PLC, Piramal Glass International Inc., Piramal Glass (UK) Limited, Piramal Glass - USA Inc., and its two subsidiaries, Piramal Glass Flat River LLC and Piramal Glass Williamstown LLC, which are also consequently the subsidiaries of the Company.

Operations of these companies are discussed below.

#### **Piramal Glass Ceylon PLC**

During the year, Piramal Glass Ceylon focused on stabilizing its manufacturing operations and increasing productivity, apart from developing the export market for the niche speciality Food & Beverages (F&B) products.

The turnover of Piramal Glass Ceylon has grown by 19.86% from SLR 2,936 million in the previous year to SLR 3,519 million.

#### **Piramal Glass International Inc.**

This is a wholly owned subsidiary of the Company. The turnover of this subsidiary has contributed to a top line of USD 3.80 million (Previous year 3.37 million) and has enabled the Company to maintain and improve its market share in select markets in USA due to a focused approach.

#### **Piramal Glass - USA Inc.**

Piramal Glass - USA Inc. the Company's wholly owned subsidiary is on verge of turning around. It has reported cash profits during the year. This was enabled through stringent cost cutting measures and development of new products and customers.

Its sales grew from USD 70.97 million in the previous year to USD 73.87 million, depicting a growth of 4.08%.

#### **Piramal Glass Flat River LLC**

Piramal Glass - Flat River LLC, is a wholly owned subsidiary of Piramal Glass - USA Inc. This Company earns its income by leasing its property to the Piramal Glass - USA Inc. This has earned an income of USD 0.26 million in the year under review, which is the same as the previous year.

#### **Piramal Glass Williamstown LLC**

Piramal Glass - Williamstown LLC, is also a wholly owned subsidiary of Piramal Glass - USA, Inc. This Company too earns its income by leasing its property to Piramal Glass - USA Inc. It has reported an income of USD 0.18 million in the year under review which is the same as the previous year.

#### **Piramal Glass (UK) Limited**

Piramal Glass (UK) Limited, is a wholly owned subsidiary of the Company. Its turnover during the year was GBP 0.35 million reflecting a growth of 15.15%. It has reported a loss of GBP 0.077 million as compared to loss of GBP 0.148 million in the previous year.

The Central Government has granted exemption under section 212(8) of the Companies Act, 1956, from attaching to the Balance Sheet of the Company, the Accounts and other documents of its subsidiaries. However, the Consolidated Financial Statements of the Company, which include the results of the said subsidiaries, are included in this Annual Report. Further, a statement containing the

particulars prescribed under the terms of the said exemption for each of the Company's subsidiaries is also enclosed. Copies of the audited accounts of the Company's subsidiaries can also be sought by any investor of the Company or its subsidiaries on making a written request to the Company Secretary at the Registered Office of the Company in this regard. The Annual Accounts of the subsidiary companies are also available for inspection of any investor at the Company's and/or concerned subsidiaries' registered office and are also available on the Company's website i.e. [www.piramalglass.com](http://www.piramalglass.com).

#### **Corporate Governance**

Our Company has complied with the applicable provisions of Corporate Governance under clause 49 of the Listing Agreement with the stock exchanges. A separate report on Corporate Governance compliance is included as a part of the Annual Report along with the Certificate from Mr. N.L. Bhatia, practising Company Secretary.

#### **Internal Control System**

The Company has a sound internal control system, which ensures that all assets are protected against loss from unauthorized use and all transactions are recorded and reported correctly. The internal control systems are further supplemented by internal audit carried out by an independent firm of Chartered Accountants and periodical review by management. The Audit Committee of the Board addresses issues raised by both, the Internal Auditors and Statutory Auditors.

#### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

Our Company has directed its efforts to reduce energy costs by focusing on energy savings through the best optimization of operations on a day-to-day basis. The Company has used fuels in appropriate mix to attain maximum savings.

As required by the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the prescribed format as an Annexure to this Report.

#### **Environment and Safety**

Our Company's commitment to environmental protection and safety is based on the continued ongoing processes implemented at its manufacturing facilities. The Company's plants at Kosamba and Jambusar are certified by BVQI for its Occupational Health Safety and Environment Management System in conformity to international standards under the Integrated Management System.

#### **Personnel**

Our Company had a staff strength of 2,342 employees as at 31st March, 2010 (FY 2008-09: 2,406 employees).

Any shareholder interested in obtaining a copy of the Statement of Particulars of Employees referred to in section 217(2A) of the Companies Act, 1956, may write to the Company Secretary at the Registered Office of the Company.

#### **Directors**

Mr. Shitin Desai and Ms. Vinita Bali are retiring by rotation at this Annual General Meeting (AGM) and are proposed for re-appointment.

Shareholder's approval is also being sought for appointment of Mr. Murari Rajan as Director.

The Board recommends their re-appointment/ appointment at the ensuing Annual General Meeting.

Mr. N. Santhanam has ceased to be a Director of the Company on 16th October, 2009. Your directors place on record their appreciation for the services rendered by him during his tenure on the Board of the Company.

#### **ESOP**

The Piramal Glass Employees Stock Option Trust (ESOP Trust) is a private independent Trust which has been settled by certain employees of the Company in 2005 for the benefit of employees, including directors (whether whole-time or not), inter alia with the object that the Trustees of the Trust should operate Schemes for providing incentives to Employees by way of or similar to Stock Option Schemes. In line with its objects, the ESOP Trust had purchased from existing shareholders, the shares of erstwhile Kojam Fininvest Limited ('Kojam'), which has since merged with the Company, pursuant to which, the ESOP Trust was allotted shares of the Company in place of shares held by it in Kojam. Since then, the ESOP Trust has been granting and vesting Stock Options to Employees and has been issuing shares to Employees against exercise of stock options so vested. During the year ended 31st March 2010, the

ESOP Trust had granted and vested stock options to the Senior Employees including the Managing Director and to the Independent Directors of the Company. Since the shares that are issued by the ESOP Trust against exercise of Stock Options are existing shares and not new shares, there is no effect on the capital structure of the Company nor is there any impact on the Profit & Loss account of the Company nor on the earnings per share or other ratios relating to share capital.

### **Change In Share Transfer Agents**

M/s Link Intime India Pvt. Ltd. (Link Intime) have been appointed as the new Share Transfer Agents of the Company with effect from 1st February, 2010. Necessary communication in this regard was mailed individually to all the Shareholders as well as by advertisement in the newspapers. Contact details of Link Intime have been provided under the Corporate Governance Section of this Annual Report and the same are also available on the website of the Company.

### **Directors Responsibility Statement**

As required under section u/s 217 (2AA) of the Companies Act, 1956, ("the Act") we hereby state:

1. that in the preparation of annual accounts, the applicable accounting standards have been followed. There are no material departures from these applicable accounting standards.
2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates 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 its profit for the year ended on that date;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors have prepared the annual accounts on a going concern basis.

### **Group**

As per the intimation from the Promoters, the names of the Promoters and the entities comprising 'group' as defined in the Monopolies and Restrictive Trade Practices Act, 1969 (MRTP) are given for the purpose of SEBI (Substantial Acquisitions of Shares and Takeovers) Regulations, 1997 in the Annexure to this Report.

### **Auditors**

M/s. Haribhakti & Co., Chartered Accountants, Vadodara retire as Auditors of the Company at the ensuing AGM and are eligible for re-appointment.

### **Acknowledgements**

We take this opportunity to thank the employees for their dedicated service and co-operation in the functioning of the Company. We also thank the Shareholders and Company's Bankers for their continued support to the Company.

By Order of the Board

**Ajay G. Piramal**

Chairman

Mumbai

Dated : April 23, 2010

## Annexure to Directors' Report

### I. Particulars under Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 for the year ended 31st March 2010

#### Conservation of Energy

During the year, the Company introduced the following measures to conserve energy:

- Installation of VFD at Cooling Towers and high power motors.
- Replacement of Reciprocating Compressor to Screw Compressoer.
- Continuous power generation in Wind Mill plant.

### Form - A

#### Form of disclosure of particulars with respect to Conservation Energy.

A	POWER & FUEL CONSUMPTION	2009-2010	2008-2009
1	Gas / Electricity		
a)	(I) Gas		
	Unit ('000 M3)	73468.78	65792.84
	Total Amount (Rs. In Mio)	686.95	593.34
	Rate / Unit (M3)	9.35	9.02
	(II) Electricity		
	Unit (in '000)	23967.52	28590.55
	Total Amount (Rs. In Mio)	173.39	189.51
	Rate / Unit (KWH)	7.23	6.63
b)	Own Generation		
	(I) Through Diesel Generator		
	Unit	—	—
	Total Amount (Rs. In Mio)	—	—
	Rate / Unit	—	—
	(II) Through Steam Turbine Generator		
	Unit	—	—
	Total Amount (Rs. In Mio)	—	—
	Rate / Unit	—	—

	2009-2010	2008-2009
<b>2 Coal</b>		
Quantity (Tonnages)	—	—
Total Amount (Rs. In Mio)	—	—
Average Rate	—	—
<b>3 Furnace Oil</b>		
Quantity (K Ltrs.)	10225.09	13618.66
Total Amount (Rs. In Mio)	216.20	286.88
Average Rate / K. Ltrs	21.14	21.07
<b>4 LPG/ Propane</b>		
Quantity (Tons.)	—	—
Total Amount (Rs. In Mio)	—	—
Average Rate / Ton	—	—
<b>5 Other/ Internal Generaton</b>		
<b>(I) CPP plant</b>		
Unit (in '000)	85617.08	82196.55
Total Amount (Rs. In Mio)	298.51	262.70
Average Rate	3.49	3.20
<b>(II) Wind Mill Generation</b>		
Unit (in '000)	1918.64	2059.44
Total Amount (Rs. In Mio)	11.91	9.59
Average Rate	6.21	4.66

#### B. Consumption per unit of Production

Since the operation of the Company involves multiple products of different sizes and volumes, disclosure of consumption figure per unit of production is not meaningful.

#### FORM - B

Form for the disclosure of particulars with respect to Technology Absorption

- Research & Development** : The Company does not have a Research & Development set up and therefore there is no expenditure under this head.
- Technology Absorption, Adaption & Innovation** : Continuous efforts are being made to reduce costs and improve product qualities.
- Foreign Exchange Earning and Outgo** : During the year Foreign Exchange Earning was Rs. 3329.40 Mio as against Outgo of Rs. 128.22 Mio



**II. Group coming within the definition of 'group' as defined in Monopolies and Restrictive Trade Practices Act, 1969 (MRTP)**

The persons and entities which constitute the Group coming within the definition of 'group' as defined in MRTP which exercises, or is established to be in a position to exercise, control, directly or indirectly, over the Company, include the following:

Mr. Ajay G. Piramal

Dr. (Mrs.) Swati A. Piramal

Mrs. Lalita G. Piramal

Ms. Nandini Piramal

Mr. Anand Piramal

Adelwise Investments Pvt. Ltd.

Ajay G. Piramal (HUF)

Akshar Fincom Pvt. Ltd.

Alpex Holdings Pvt. Ltd.

Alpex International Ltd.

Alpex Power Pvt. Ltd.

BMK Laboratories Pvt. Ltd.

Cavaal Fininvest Pvt. Ltd.

Glass Engineers Pvt. Ltd.

Gopikisan Piramal Pvt. Ltd.

Gopikisan Piramal (HUF)

INDIAREIT Fund Advisors Pvt. Ltd.

IndiaVenture Fund Advisors Pvt. Ltd.

Nandini Piramal Investment Pvt. Ltd.

Nicholas Piramal Pharma Pvt. Ltd.

Paramount Pharma Pvt. Ltd.

PEL Management Services Pvt. Ltd.

PGL Holdings Pvt. Ltd.

PHL Fininvest Private Ltd.

PHL Holdings Pvt. Ltd.

Piramal Capital Pvt. Ltd.

Piramal Diagnostic Services Pvt. Ltd.

Piramal Enterprises Ltd.

Piramal International Pvt. Ltd.

Piramal Management Services Pvt. Ltd.

Piramal Pharmaceutical Development Services Pvt. Ltd.

Piramal Texturising Pvt. Ltd.

## DIRECTORS' REPORT

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Piramal Water Pvt. Ltd.

Propiedades Realities Pvt. Ltd.

Savoy Finance & Investment Pvt. Ltd.

The Ajay G. Piramal Foundation

The Sri Gopikrishna Trust

The Sri Govinda Trust

The Sri Hari Trust

The Sri Krishna Trust

The Swastik Safe Deposit & Investments Ltd.

Vulcan Investments Pvt. Ltd.

Piramal Healthcare Ltd.

Piramal Life Sciences Ltd.

The above disclosure has been made, inter-alia, for the purpose of Regulation 3(1)(e) of SEBI (Substantial Acquisitions of Shares and Takeovers) Regulations, 1997.

## AUDITORS' REPORT TO THE MEMBERS OF PIRAMAL GLASS LIMITED

1. We have audited the attached Balance Sheet of PIRAMAL GLASS LIMITED, (Formerly known as Gujarat Glass Limited.) (hereinafter referred to as the 'Company') as at 31st March, 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto which we have signed under reference to this report. 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 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 statements presentation. We believe that our audit provides reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003 as amended by the companies (Auditor's Report) (amendment) Order 2004, (together the, "Order") issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956 of India (the Act) and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in para 3 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 purposes of our audit;
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books;
  - c) The Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet and the Profit and Loss Account and the Cash Flow Statement, 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 of the Company as on 31st March, 2010, and taken on record by the Board of Directors of the Company, we report that none of the Directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
  - f) In our opinion, and to the best of our information and according to explanations given to us, the said accounts read together with the Significant Accounting Policies and Notes forming part thereof, 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 and Loss Account, of the profit of the Company for the year ended on that date; and
    - iii) in the case of Cash Flow statement, of the cash flows of the Company for the year ended on that date.

**HITESH J. DESAI**

Partner

M. No. 37569

For **HARIBHAKTI & CO.**,  
Chartered Accountants

Mumbai, April 23, 2010

**ANNEXURE REFERRED TO IN PARAGRAPH (3) OF AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF PIRAMAL GLASS LIMITED (Formerly known as Gujarat Glass Limited) ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010.**

- i. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the Company in its possession, are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme a portion of the fixed assets have been verified by the management during the year and no material discrepancies between the book records and the physical inventory has been noticed. Confirmations have been received in respect of fixed assets lying with third parties.
- (c) In our opinion and according to the information and explanations, the fixed assets disposed off during the year were not substantial and therefore do not affect the going concern assumption.
- ii. (a) The inventory (excluding stocks with third parties and materials in transit) has been physically verified by the management during the year. In respect of stocks lying with third parties, these have been substantially confirmed by them. 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 physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion and according to the information and explanations given to us, the Company is maintaining proper records of its inventories. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and the same have been properly dealt with in the books of account.
- iii. (a) In our opinion and according to the information and explanations given to us, 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 Companies Act, 1956. Accordingly sub-clauses (b), (c) and (d) of clause 4 (iii) of the Order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company has not taken any loans secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly sub-clause (f) and (g) of clause 4 (iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased/sold are of special nature for which suitable alternative sources do not exist for obtaining comparative quotation, there are adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. In respect of transactions entered in the register maintained in pursuance of section 301 of the Act:
  - (a) To the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts or arrangements referred to in section 301 of the Act 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, having regard to the fact that certain items purchased / sold and service rendered / received are of special nature and suitable alternative, sources do not exist for obtaining comparative quotations, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rs. 5 Lacs in respect of any party, during the year, have been made at price which are reasonable having regard to the prevailing market prices at relevant time or the prices at which the transactions for similar goods have been made with other parties.
- 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, 58AA or any other relevant provisions the Companies Act, 1956 and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records by the Company under clause (d) of Sub section (I) of Section 209 of the Act, for the products of the Company.

- ix. According to the information and explanations given to us and the records of the Company examined by us in respect of statutory and other dues:
- (a) The Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities in India. According to the information and explanations given to us, there are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March 2010 for a period more than six months from the date they became payable.
- (b) Disputed Sales tax liability of Rs. 2.19 million and disputed Excise duty of Rs 7.06 million has not been deposited since the matters are pending with the relevant Appellate Authorities.
- x. The Company does not have any accumulated losses as at the end of the financial year. The Company has not incurred cash losses during the current financial year. The Company had incurred cash losses during the immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to financial institutions or banks as at the balance sheet date.
- xii. Based on our examination of documents and records and according to the information and explanations given to us, we are of the opinion that the Company has not granted any loans and/or 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. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the order are not applicable to the Company.
- xv. The Company has given guarantees, for term loan and working capital facilities availed by its Subsidiary Company viz. Piramal Glass USA Inc. According to the information and explanation given to us we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
- xvi. According to the information and explanations given to us and to the best of our knowledge and belief, term loans availed by the Company were, prima facie, applied by the Company during the year for the purpose for which the loans were obtained, other than temporary deployment pending applications.
- xvii. According to the information and explanations given to us and on the overall examination of the Balance Sheet of the Company and Cash Flow Statement we report that no funds raised on short term basis have been used for long term investment of the Company.
- xviii. The Company has not made during the year any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of Companies Act, 1956.
- xix. The Company has not issued any debentures during the year and hence the clause relating to the creation of security or charge for debentures is not applicable to the Company.
- xx. The management has disclosed the end use of the money raised by Rights Issue (Refer Note No 2 of Part B of Schedule 19 on Notes to Accounts) and the same has been verified by us.
- xxi. During the course of our examination of books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to information and explanation given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have been informed of such cases by the management.

**HITESH J. DESAI**

Partner

M. No. 37569

For **HARIBHAKTI & CO.**,  
Chartered Accountants

Mumbai, April 23, 2010

**Balance Sheet as at March 31, 2010**

	Schedule No.	As at March 31, 2010 Rs. in Million		As at March 31, 2009 Rs. in Million	
<b>I. SOURCES OF FUNDS</b>					
<b>1 Shareholders' Funds</b>					
a. Share Capital					
Equity Share Capital	1	804.35		179.83	
b. Reserves and Surplus	2	3,209.47	<b>4,013.82</b>	1,913.77	<b>2,093.60</b>
<b>2 Loan Funds</b>					
a. Secured Loans	3	4,461.41		1,273.35	
b. Unsecured Loans	4	1,244.20	<b>5,705.61</b>	7,841.61	<b>9,114.96</b>
<b>3 Deferred Tax Liability (Net)</b>					
Deferred Tax Liability		567.70		580.31	
Less : Deferred Tax Assets		(461.91)	<b>105.79</b>	(495.86)	<b>84.45</b>
(Refer note no 13 of part-B, of schedule 19)					
<b>TOTAL</b>			<b>9,825.22</b>		<b>11,293.01</b>
<b>II. APPLICATION OF FUNDS</b>					
<b>1 Fixed Assets</b>					
a. Gross Block	5	10,236.29		10,166.31	
b. Less: Depreciation		(4,342.15)		(3,729.98)	
c. Net Block		5,894.14		6,436.33	
d. Capital Work in Progress		140.18	<b>6,034.32</b>	117.66	<b>6,553.99</b>
<b>2 Investments</b>	<b>6</b>		<b>589.50</b>		<b>589.50</b>
<b>3 Current Assets, Loans and Advances</b>					
a. Inventories	7	1,360.44		1,321.20	
b. Sundry Debtors	8	2,323.38		2,322.30	
c. Cash and Bank Balances	9	17.18		21.26	
d. Loans and Advances	10	728.25		1,553.02	
		<b>4,429.25</b>		<b>5,217.78</b>	
<b>Less: Current Liabilities and Provisions</b>					
a. Current Liabilities	11	845.85		770.49	
b. Provisions	12	382.00		297.77	
		<b>1,227.85</b>		<b>1,068.26</b>	
<b>Net Current Assets</b>			<b>3,201.40</b>		<b>4,149.52</b>
<b>TOTAL</b>			<b>9,825.22</b>		<b>11,293.01</b>
<b>NOTES TO ACCOUNTS</b>	<b>19</b>				

Schedules referred to above and notes attached thereto form an integral part of Balance Sheet  
This is the Balance sheet referred to in our report of even date.

**Hitesh J. Desai**  
Partner  
M. No. 37569

**Haribhakti & Co.,**  
Chartered Accountants  
Mumbai, April 23, 2010

**Ajay G. Piramal** Chairman  
**Vinita Bali** Director  
**Dharendra Chadha** Director  
**Shitin Desai** Director  
**Jiten Doshi** Director  
**Bharat Kewalramani** Director

**Dr. (Mrs.) Swati A. Piramal** Director  
**Murari Rajan** Director  
**Vijay Shah** Managing Director  
**Sandeep Arora** Chief Financial Officer  
**Nehal Doshi** Company Secretary

**Profit & Loss Account for the Year Ended March 31, 2010**

	Schedule No.	Year Ended March 31, 2010 Rs. in Million	Year Ended March 31, 2009 Rs. in Million
<b>INCOME</b>			
Turnover (Gross)		6,805.53	6,178.33
Less : Excise Duty		214.05	289.41
Less : Sales Tax		69.80	70.72
Turnover (Net)		6,521.68	5818.20
Other Income	13	291.04	218.28
		<b>6,812.72</b>	<b>6,036.48</b>
<b>EXPENDITURE</b>			
Materials	14	1,603.66	1,684.62
Staff Cost	15	722.58	677.03
Other Expenses	16	2,993.96	3,180.71
(Increase)/Decrease in WIP/Finished Goods	17	32.42	(275.56)
		<b>5,352.62</b>	<b>5,266.80</b>
<b>PROFIT BEFORE INTEREST, DEPRECIATION AND TAX</b>		<b>1,460.10</b>	<b>769.68</b>
Interest	18	610.26	844.16
Depreciation		639.38	654.97
<b>PROFIT BEFORE TAX</b>		<b>210.46</b>	<b>(729.45)</b>
Provision for Taxation - Current		31.38	-
- Mat Credit Entitlement		(31.38)	-
- Deferred		52.72	(188.79)
- FBT		-	2.82
<b>PROFIT/(LOSS)FOR THE YEAR</b>		<b>157.74</b>	<b>(543.48)</b>
Balance brought forward from earlier year		289.88	833.36
<b>NET PROFIT AVAILABLE FOR APPROPRIATION</b>		<b>447.62</b>	<b>289.88</b>
Proposed Dividend		80.43	-
Corporate Dividend Tax		13.36	-
Transfer to General Reserve		-	-
Balance carried to Balance Sheet		353.83	289.88
		<b>447.62</b>	<b>289.88</b>
<b>Earning Per Share (Basic / Diluted) Rs.</b>		<b>2.99</b>	<b>(23.61)</b>
<b>Earning Per Share Before Extraordinary Items (Net of Taxes) Rs.</b>		<b>2.99</b>	<b>(23.61)</b>
<b>NOTES TO ACCOUNTS</b>		<b>19</b>	

Schedules referred to above and notes attached thereto form an integral part of Profit & Loss Account.  
This is the Profit & Loss Account referred to in our report of even date.

**Hitesh J. Desai**  
Partner  
M. No. 37569

**Ajay G. Piramal** Chairman  
**Vinita Bali** Director  
**Dharendra Chadha** Director  
**Shitin Desai** Director  
**Jiten Doshi** Director  
**Bharat Kewalramani** Director

**Dr. (Mrs.) Swati A. Piramal** Director  
**Murari Rajan** Director  
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**Sandeep Arora** Chief Financial Officer  
**Nehal Doshi** Company Secretary

**Haribhakti & Co.,**  
Chartered Accountants  
Mumbai, April 23, 2010

## Cash Flow Statement for the Year Ended March 31, 2010

	Year ended March 31, 2010 Rs. in Million	Year ended March 31, 2009 Rs. in Million
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	210.44	(729.43)
Adjustments for :		
Add/ (Less) :		
(Profit)/ Loss on Sale of Fixed Assets	6.27	9.14
Depreciation	639.38	654.97
Interest Paid	610.26	844.15
Dividend Income	(0.10)	(4.30)
Technical Fees	(71.82)	(29.95)
<b>Operating Profit Before Working Capital Charges</b>	<b>1,394.43</b>	<b>744.58</b>
<b>Adjustments for Changes in Working Capital :</b>		
(Increase)/ Decrease in Inventories	(39.25)	(379.30)
(Increase)/ Decrease in Sundry Debtors	52.03	(500.85)
(Increase)/ Decrease in Loans & Advances	751.63	(333.37)
Increase/ (Decrease) in Trade Payables & Other Liabilities	75.37	(227.32)
Increase/ (Decrease) in Other Provisions	(19.07)	101.61
<b>Cash Generated From Operations</b>	<b>2,215.14</b>	<b>(594.65)</b>
Direct Tax Paid Less refund received	42.72	4.16
<b>Net Cash from Operating Activities – A</b>	<b>2,257.86</b>	<b>(590.49)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets/ WIP	(161.52)	(351.10)
Sale of Fixed Assets	35.54	2.42
Dividend Received	0.10	4.30
Technical Fees Received	18.70	-
<b>Net Cash from Investing Activities – B</b>	<b>107.18</b>	<b>(344.38)</b>



	Year ended March 31, 2010 Rs. in Million	Year ended March 31, 2009 Rs. in Million
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in Share Capital	624.52	-
Increase/(Decrease) in Share Premium	1,231.75	-
(Repayment)/ Proceeds From Borrowings	(3,409.33)	1,791.99
Interest Paid	(601.70)	(848.49)
<b>Net cash from Financing Activities – C</b>	<b>(2,154.76)</b>	<b>943.50</b>
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(4.08)</b>	<b>8.63</b>
<b>Cash &amp; Cash Equivalents as at 01-04-2009 (Opening Balance)</b>	<b>21.26</b>	<b>12.63</b>
<b>Cash &amp; Cash Equivalents as at 31-03-2010 (Closing Balance)</b>	<b>17.18</b>	<b>21.26</b>

**Notes :**

- 1 The above cash flow has been prepared under the Indirect Method as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- 2 The previous year figures have been regrouped wherever necessary in order to confirm to this years presentation.
- 3 Figures in brackets reflect cash outflows.

This is the Cash Flow statement referred to in our report of even date.

**Hitesh J. Desai**  
Partner  
M. No. 37569

**Haribhakti & Co.,**  
Chartered Accountants  
Mumbai, April 23, 2010

**Ajay G. Piramal** Chairman  
**Vinita Bali** Director  
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**Vijay Shah** Managing Director  
**Sandeep Arora** Chief Financial Officer  
**Nehal Doshi** Company Secretary

## Schedules forming part of the Balance Sheet as at March 31, 2010

	As at March 31, 2010 Rs. in Million	As at March 31, 2009 Rs. in Million
<b>1 SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
82000000 Equity Shares of Rs 10/- each	820.00	820.00
(Previous year 82000000 Equity Shares of Rs 10/- each)		
The Authorised Share Capital of the Company was enhanced and reclassified into 82000000 Equity Shares of Rs. 10/- each as amended by a Special Resolution passed by the Shareholders through a Postal Ballot on 9th March, 2009.		
	<b>820.00</b>	<b>820.00</b>
<b>ISSUED</b>		
80923500 Equity Shares of Rs 10/- each	809.24	179.83
(Previous year 17983000 Equity Shares of Rs 10/- each)		
	<b>809.24</b>	<b>179.83</b>
<b>SUBSCRIBED AND PAID UP</b>		
80434736 Equity Shares of Rs 10/- each	804.35	179.83
Of the total paid up capital 62451736 Equity shares of face value of Rs 10 each were allotted on 19th September 2009 as fully paid equity shares, pursuant to the Rights Issue of Equity Shares by the company. (Refer note No. 2 of part B of Schedule 19 on Notes to Accounts)		
	<b>804.35</b>	<b>179.83</b>
<b>2 RESERVES AND SURPLUS</b>		
<b>Share Premium Account</b>		
As per last Balance Sheet	1,075.26	1,075.26
Add: Amount received on rights issue	1,249.03	-
Less : Right Issue Expenses	17.28	-
	2,307.01	1,075.26
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	490.00	490.00
<b>General Reserve</b>		
As per last Balance Sheet	58.63	58.63
Transfer from P&L appropriation	-	-
	58.63	58.63
<b>Profit and Loss Account</b>		
As per annexed Profit and Loss Account	353.83	289.88
	<b>3,209.47</b>	<b>1913.77</b>

	As at March 31, 2010 Rs. in Million	As at March 31, 2009 Rs. in Million
<b>3 SECURED LOANS *</b>		
<b>Cash Credit from Banks</b> (Refer Note 1)	249.05	303.41
<b>Term Loan</b>		
Rupee Term loan from Financial Institutions (Refer Note 2)	1,880.00	-
Foreign Currency Term Loan (Refer Note 2)	224.50	507.20
Buyers Credit (Refer Note 3)	107.86	462.74
Rupee Short Term loan from Banks (Refer Note 4)	2,000.00	-
	<b>4,461.41</b>	<b>1,273.35</b>

**NOTES:**

- 1 Cash Credit facilities including packing credit in foreign currency are secured by Hypothecation of current assets namely, stocks, bills receivables and book debts and all other movables, both present and future, of the Company.
  - 2 The Rupee Term Loan and foreign currency Term Loans are secured by mortgage and pari passu charge of immovable properties of the Company, both present and future. They are further secured by hypothecation of all movables and movable machinery, machinery spares and accessories, both present and future, subject to prior charge created/ to be created in favour of banks and/ or financial institutions for securing the borrowing for working capital facilities and the charge on specific assets referred to sr. no. 3 below.
  - 3 Loans under Buyers Credit are secured by an exclusive charge on the assets and equipments procured under the facility.
  - 4 The Rupee Short Term Loans are secured by mortgage and second charge of immovable properties of the Company, both present and future. They are further secured by second charge on all movables and movable machinery, machinery spares and accessories both present and future.
- \* Repayable within a year Rs. 2,661.41 million, previous year Rs. 995.00 million.

	As at March 31, 2010 Rs. in Million	As at March 31, 2009 Rs. in Million
<b>4 UNSECURED LOANS *</b>		
Long Term Loan from banks.	393.75	750.00
Packing Credit and/or Short Term Loans from Banks	593.18	6834.34
Sales Tax Deferment loan (Repayable in five equal installments commencing from F.Y. 2011-12)	257.27	257.27
	<b>1,244.20</b>	<b>7,841.61</b>

**Note:**

- \* Repayable within a year Rs. 818.66 million, previous year Rs. 7137.40 million

STANDALONE FINANCIAL STATEMENTS

5 FIXED ASSETS (AT COST)

(Refer Note No.2, Part A, Schedule 19)

Rs. in Million

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.09	Additions	Deductions	As on 31.03.10	As on 01.04.09	Additions	Deductions	As on 31.03.10	As on 31.03.10	As on 31.03.09
<b>Intangible Assets</b>										
Software	85.19	1.56	—	86.75	20.77	21.68	—	42.45	44.30	64.42
<b>Tangible Assets</b>										
Freehold Land	75.97	0.88	12.21	64.64	—	—	—	—	64.64	75.97
Buildings	1,197.12	10.58	4.11	1,203.59	248.19	39.00	0.09	287.10	916.49	948.93
Plant & Machinery	8,595.99	118.55	41.64	8,672.90	3,350.45	562.42	23.25	3,889.62	4,783.28	5,245.54
Furniture & Fixtures	191.69	6.22	2.09	195.82	103.76	14.85	0.23	118.38	77.44	87.93
Vehicles	20.35	1.21	8.97	12.59	6.81	1.43	3.64	4.60	7.99	13.54
<b>Total</b>	<b>10,166.31</b>	<b>139.00</b>	<b>69.02</b>	<b>10,236.29</b>	<b>3,729.98</b>	<b>639.38</b>	<b>27.21</b>	<b>4,342.15</b>	<b>5,894.14</b>	<b>6,436.33</b>
Previous Year	9,729.08	452.53	15.30	10,166.31	3,082.12	654.97	7.11	3,729.98	6,436.33	
Capital Work in Progress									140.18	117.66
<b>TOTAL</b>									<b>6,034.32</b>	<b>6,553.99</b>

Notes :

- 1) Gross Block is net of CENVAT credit availed on relevant assets
- 2) Borrowing cost capitalized Rs. NIL (Previous year Rs. NIL million) during the year.

	As at March 31, 2010 Rs. in Million	As at March 31, 2009 Rs. in Million
<b>6 INVESTMENTS</b>		
<b>(Long Term, Non Trade)</b>		
<b>A. Shares in Subsidiary Companies – Quoted</b>		
(i) 536331880 Ordinary Shares, of SLR 1 each of Piramal Glass Ceylon PLC, Sri Lanka. (previous year 536331880 Ordinary Shares of SLR 1 each) Market Value Rs.466.07 million (previous year Rs. 313.75 million)	348.09	348.09
<b>B. Shares in Subsidiary Companies – Un-Quoted</b>		
(i) 25000 Ordinary Shares of USD 1 each of Piramal Glass International Inc., USA	1.21	1.21
(ii) 50000 Ordinary Shares of USD 10 each of Piramal Glass USA Inc.,	227.61	227.61
(iii) 150000 Ordinary Shares of GBP 1 each of Piramal Glass (UK) Ltd.	11.59	11.59
<b>C. Shares in Other Companies – Un-Quoted</b>		
100,000 Ordinary Shares of Rs. 10 each of Enviro Infrastructure Co. Ltd.	1.00	1.00
	<b>589.50</b>	<b>589.50</b>
<b>7 INVENTORIES</b>		
(As certified by the Management)		
Raw and Packing Materials	107.60	109.21
Stores, Spares & Moulds (*)	629.85	523.63
Work-in- Progress	12.79	11.87
Finished Goods (* #)	739.60	750.50
	1,489.84	1,395.21
* Provision for Inventory	(129.40)	(74.01)
# Includes trading inventory of Rs. 2.27 million	<b>1,360.44</b>	<b>1,321.20</b>

	As at March 31, 2010 Rs. in Million		As at March 31, 2009 Rs. in Million	
<b>8 SUNDRY DEBTORS</b>				
i. Over six months				
Unsecured - Considered good	578.57		509.97	
- Considered doubtful	58.50		57.79	
	637.07		567.76	
Less: Provision for Bad debts	58.50	<b>578.57</b>	(57.79)	<b>509.97</b>
ii. Others				
Unsecured - Considered good	1,744.81		1,812.33	
	<b>2,323.38</b>		<b>2,322.30</b>	
<b>9 CASH AND BANK BALANCES</b>				
i. Cash and cheques on hand		1.13		0.65
ii. Balance with Scheduled Banks				
- Current Account		12.53		18.59
- Rights Issue Refund Account		0.08		-
- Others		3.44		2.02
		<b>17.18</b>		<b>21.26</b>
<b>10 LOANS AND ADVANCES</b>				
(Unsecured and Considered Good, unless otherwise stated)				
Advances recoverable in cash or in kind or for value to be received				
- From Suppliers		52.26		120.30
- From Others				
- Unsecured Considered Good	451.79		1,222.08	
- Unsecured Considered Doubtful	35.00		35.00	
	486.79		1,257.08	
Less : Provisions	(35.00)	451.79	(35.00)	1,222.08
Advance Income Tax & TDS		34.50		(0.95)
Prepaid expenses		10.94		7.36
Balance with Excise Authorities		107.87		118.65
Other Deposits		70.89		85.58
		<b>728.25</b>		<b>1,553.02</b>
<b>11 CURRENT LIABILITIES</b>				
Sundry Creditors for Capital Goods, Materials and Expenses		745.57		651.88
Interest accrued but not due		30.43		39.00
Other liabilities		69.85		79.61
		<b>845.85</b>		<b>770.49</b>
<b>12 PROVISIONS</b>				
Provision for Employees retirement benefits		35.52		25.42
Provision for Other Liabilities		221.31		269.53
Proposed Dividend		80.43		-
Tax on proposed Dividend		13.36		-
Provision for Tax		31.38		2.82
		<b>382.00</b>		<b>297.77</b>

### Schedules annexed to and forming part of the Profit and Loss Account for the Year Ended March 31, 2010

	Year ended March 31, 2010 Rs. in Million	Year ended March 31, 2009 Rs. in Million
<b>13 OTHER INCOME</b>		
Technical Fees	71.81	29.95
Mould Recovery	30.29	30.96
Claims & Refunds	-	6.98
Scrap Sales	28.23	36.58
Income from Windmill	11.91	9.59
Export Incentive	72.34	52.40
Miscellaneous Income	49.17	18.92
Sales Tax Remission	25.07	26.61
Dividend Income (Gross)	0.10	4.30
Interest on Deposits	2.12	1.99
	<b>291.04</b>	<b>218.28</b>
<b>14 MATERIALS</b>		
<b>Raw Materials</b>		
Opening stock	95.46	91.99
Add: Purchases	1,020.67	1,067.23
	1,116.13	1,159.22
Less: Closing stock	(88.49)	(95.46)
Raw Materials Consumed	1,027.64	1,063.76
Packing Materials Consumed	480.93	495.21
Cost of Trading Goods Sold	95.09	125.65
	<b>1,603.66</b>	<b>1,684.62</b>
<b>15 STAFF COST *</b>		
Salaries, Wages and Bonus	675.61	630.99
Contribution to Provident and Other funds	26.35	24.44
Staff Welfare	20.62	21.60
	<b>722.58</b>	<b>677.03</b>
*Includes managerial remuneration of Rs.17.61 Million(P.Y. Rs. 17.04 Million paid / payable to the Managing Director.(Refer note No. 6 of Part B of Schedule 19 on Notes to Accounts)		

	Year ended March 31, 2010 Rs. in Million	Year ended March 31, 2009 Rs. in Million
<b>16 OTHER EXPENSES</b>		
Power & Fuel	1,093.16	1,103.13
Stores, Spares, Lubricants and Moulds consumed	260.91	274.08
Repairs to:		
Building	7.57	3.76
Plant & Machinery	23.40	22.35
Others	21.31	17.73
Rent, Rates & Taxes	40.44	29.08
Wind farm rent & maintenance	2.09	1.75
Bank Charges	20.59	17.80
Insurance	8.83	9.53
Communication expenses	12.95	17.51
Donation	0.14	0.10
Travelling Expenses (Directors Travelling Rs.4.11 Million, PY Rs 4.06 Million)	34.11	36.67
Foreign Technical Fees	32.88	28.50
Legal & Professional Fees	30.42	37.99
Audit Fees	0.95	0.85
Freight Outward & forwarding charges	548.26	552.61
Marketing Survey Fees	21.10	20.06
Commission on Sales	28.59	31.69
Sitting fees	1.14	1.08
Loss on Sale of Assets	18.83	9.14
Decoration Expenses	219.11	164.82
Excise Expense	10.49	4.74
Exchange Loss	335.67	544.74
Miscellaneous Expenses	221.02	251.00
	<b>2,993.96</b>	<b>3,180.71</b>
<b>17 (INCREASE)/DECREASE IN FINISHED GOODS AND WORK-IN-PROGRESS</b>		
<b>Opening Stock</b>		
Finished Goods	685.14	407.84
Work-in-Progress	11.87	13.61
	<b>697.01</b>	<b>421.45</b>
<b>Closing Stock</b>		
Finished Goods	651.80	685.14
Work-in-Progress	12.79	11.87
	<b>664.59</b>	<b>697.01</b>
<b>(Increase)/Decrease in WIP/Finished Goods</b>	<b>32.42</b>	<b>(275.56)</b>

	Year ended March 31, 2010 Rs. in Million	Year ended March 31, 2009 Rs. in Million
<b>18 INTEREST</b>		
Interest on loans from Banks	520.76	467.93
Interest to Others	89.50	376.23
	<b>610.26</b>	<b>844.16</b>

**19. NOTES TO THE ACCOUNTS**

Accounting Policies and Notes on Accounts

**PART – A SIGNIFICANT ACCOUNTING POLICIES****1 ACCOUNTING ASSUMPTION**

The financial statements are drawn up in accordance with the historical cost convention on accrual basis and comply with the accounting standards referred to in Sec 211 (3C) of the Companies Act, 1956.

**2 FIXED ASSETS**

All fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. In the case of fixed assets acquired for new projects / expansions, interest cost on borrowing and other related expenses up to the date of commercial production incurred towards acquiring fixed assets are capitalized.

**3. IMPAIRMENT**

- a. The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit & Loss account.
- b. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

**4. DEPRECIATION**

Depreciation on all fixed assets is provided on straight-line method at the rate specified in Schedule XIV of the Companies Act, 1956. Depreciation on additions / deletions is provided on pro-rata basis to the months of additions / deletions.

**5 INVESTMENTS**

Investments are classified as long-term investments and are stated at cost. Diminution in value, if any, which is of a temporary nature, is not provided.

**6 VALUATION OF INVENTORIES**

Raw materials, Stores & spares, Moulds and Packing Materials are valued at weighted average cost. Work in progress and finished goods are valued at lower of cost or net realizable value. Cost of working in progress and finished goods is determined by taking materials, labour cost and other appropriate allocable overheads. Excise Duty on goods manufactured by the company and are remaining in inventory is included as part of valuation of finished goods.

**7 REVENUE RECOGNITION**

Sales are recognized, on invoicing and actual dispatch to customers and are recorded inclusive of Excise Duty and Sales Tax. Technical Services and Other Fees, Interest incomes are accounted on accrual basis. Dividends and Insurance Claims are accounted on receipt basis.

**8 EXCISE DUTY**

The Excise Duty in respect of Closing Inventory of Finished Goods is included as part of the Inventory. The amount of CENVAT Credit, in respect of Material consumed for Sales is deducted from Cost of Material Consumed.

**9 FOREIGN CURRENCY TRANSACTION**

The transactions in foreign currency are accounted at exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currency outstanding at the year-end are translated at the year-end exchange rate and the unrealized exchange gain or loss is recognized in the profit and loss account.



**10 RETIREMENT BENEFITS**

The Company's contributions in respect of Provident Fund are charged against revenue every year. Present Liability for future payment of Gratuity and unavailed leave benefits to the employees at the end of the year is provided on the basis of actuarial valuation and is charged to revenue.

**11 BORROWING COSTS**

Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent where borrowing costs that are directly attributable to the acquisition, construction, or production of an asset till put for its intended use is capitalized as part of the cost of that asset.

**12 A. CURRENT TAX**

Provisions for Current Income tax liability is made on estimated Taxable Income under Income Tax Act, 1961 after considering permissible tax exemptions, deductions and disallowances. This liability is calculated at the applicable tax rate or Minimum Alternate Tax rate under section 115JB of The Income Tax Act, 1961 as the case may be.

**B. DEFERRED TAX**

Deferred Tax liability ascertained as on 31st March '02 resulting from timing differences between book profits and tax profits is accounted for under the liability method, at the tax rate specified under section 115JB of the Income Tax Act, 1961 to the extent that the timing differences are expected to crystallize. Deferred tax liability on timing difference arising subsequent to 31st March, 2002 is accounted at regular rate as enacted in the Income Tax Act, 1961.

**13 PROVISION AND CONTINGENT LIABILITIES**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

**PART – B NOTES FORMING PART OF ACCOUNTS:**

## 1. Contingent Liability in respect of :

	As at March 31, 2010 (Rs. in Million)	As at March 31, 2009 (Rs. in Million)
a) Estimated amount of contracts remaining to be executed on Capital account	188.15	53.88
b) Disputed Liability		
- Central Excise authorities	7.06	3.58
- Sales Tax Authorities	2.19	98.90
c) Counter Guarantees issued to Banks & others *	1,157.88	219.54
* The counter guarantees issued to banks includes a Counter Guarantee given for Working Capital Loan of US \$ 20 million granted to the wholly owned subsidiary in USA viz. Piramal Glass USA, Inc		
d) The Company has provided Corporate Guarantees and has given pari passu charge on the entire fixed assets (movable & immovable) both present & future (except assets having exclusive charge) of the Company situated at Jambusar & Kosamba, for Term Loans aggregating to US \$ 60 million granted to the wholly owned subsidiary in USA viz. Piramal Glass USA, Inc.	1,787.63	2639.40

## 2. Pursuant to the Companies Rights Issue of 62940500 Equity Shares of Rs 10/- each for cash at a price of Rs 30/- (including share premium of Rs 20/-) per equity share of which :

- i) 62451736 equity shares were allotted on September 19, 2009,
- ii) Offer of 488764 equity shares have been kept in abeyance, of which 481922 equity shares pertain to Overseas Corporate Bodies which are subject to requisite approval of Reserve Bank of India and,
- iii) 6842 equity shares are those for which documentation for establishing title thereto are pending.

The net proceeds from the Rights Issue of the equity share of the Company, after meeting issue expenses of Rs 17.28 million, amounting to Rs 1,856.27 million have been used for repayment of debt.

3. The aggregate amount of Investments, Loans and other outstanding balances with Subsidiaries of the Company is as follows:

	As at March 31, 2010 (Rs. in Million)	As at March 31, 2009 (Rs. in Million)
<b>Investment in Equity Shares</b>		
- Piramal Glass Ceylon PLC	348.09	348.09
- Piramal Glass International Inc.	1.21	1.21
- Piramal Glass USA Inc.	227.61	227.61
- Piramal Glass (UK) Ltd.	11.59	11.59
<b>Amount recoverable (Subsidiaries)</b>		
<b>- Piramal Glass Ceylon PLC</b>		
- Debtors	4.02	3.26
- Technical Fees & Others	146.41	94.61
<b>- Piramal Glass International Inc.</b>		
- Debtors	94.64	66.94
<b>- Piramal Glass USA Inc.</b>		
- Debtors	237.92	175.26
- Other for Expenses	22.89	15.54
- Loan & Interest (maximum amount outstanding Rs. 953.07 million, PY Rs. 912.16 million)	229.82	912.16
<b>- Piramal Glass (UK) Ltd.</b>		
- Debtors	30.10	34.87
- Loan (maximum amount outstanding Rs.51.67 million, PY Rs 51.67 million)	48.44	51.67

4. During the year under review there has been a turnaround over the operational activities of Company's wholly owned subsidiary viz. Piramal Glass USA, Inc. and the resultant annual losses has reduced from Rs 353.63 million for the FY 2008-09 to Rs 35.53 million for the FY 2009-10.

Considering the present global opportunities and looking at the emerging market scenario in the field of cosmetic and perfumery markets, the management is hopeful to turn-around the present situation and in its opinion does not require any provision for diminution in the value of investments and/or loans granted to the said Subsidiary Company.

5. Debtors, Loans and advances includes Rs. 859.54 million (previous year Rs. 1,392.49 million) which are due from companies, where Directors of the company are interested as Director.

6. **Managerial Remuneration:**

Staff cost includes Managerial Remuneration paid/payable to Manger and Managing Director, details whereof is as under:

	Year Ended March 31, 2010 (Rs. in Million)	Year Ended March 31, 2009 (Rs. in Million)
<b>Managerial Remuneration</b>		
<b>A. To Managing Director</b>		
a. Salary	16.08	15.67
b. Contribution to PF & Pension Fund	1.50	1.37
c. Commission	-	-
d. Monetary Value of Perquisites under the Income Tax Act	0.03	-
<b>Total remuneration Paid / Payable</b>	<b>17.61</b>	<b>17.04</b>
<b>B. Computation of Net Profit u/s 198/349 of the Companies Act, 1956</b>		
Profit Before Tax and Exceptional Items	210.46	(729.45)
Less: Bad-debt written off	-	0.64
Profit on Sale of assets	12.56	-
	<b>197.90</b>	<b>(730.09)</b>
Less: Brought forward Loss from previous year	(687.48)	-
	<b>(489.58)</b>	<b>(730.09)</b>
Add: Loss on Sale of Assets	18.83	9.14
Provision for Doubtful Debts	-	16.43
Remuneration	17.61	17.04
Net Profit u/s 198 / 349 of the Companies Act, 1956	<b>(453.14)</b>	<b>(687.48)</b>
Maximum permissible managerial remuneration as per	<b>4.80</b>	<b>2.40</b>
Section 349 of the Companies Act (Rs. 4 lacs per month)		

**Notes:**

“The above remuneration is subject to requisite approval from Central Government of India, in terms of sub paragraph C of Para 1 of section II of part II of Schedule XIII of the Companies Act 1956, for which necessary application has been made.

Necessary adjustment if any will be made upon receipt of the final approval from the Government of India.

## 7. Miscellaneous Expense include Auditors Remuneration in respect of:

(Rs. in Million)

Particulars	2009-2010	2008-2009
a. Tax Audit	0.20	0.17
b. Certification*	0.02	1.36
c. Out of Pocket Expenses	0.13	0.19
	<b>0.35</b>	<b>1.72</b>

## STANDALONE FINANCIAL STATEMENTS

8. a. In view of all the set off of accumulated losses/unabsorbed depreciation of Rs 1359.20 million available to the Company, there is no tax liability on the Company except under section 115JB of the Income Tax Act, 1961 which has been provided for.
- b. Income tax assessment has been completed upto financial year 2004-2005, relevant to AY 2005-2006. Appeal is pending before Appellate Authorities for several additions and/or disallowances made in all the years. The management does not expect any additional liability, and adjustment entries, if any, will be passed on finalization of assessments
9. The Company's operations relate only to container glass packaging in the domestic as well as export market and accordingly, primary segment reporting disclosures for business segments, as envisaged in Accounting Standard 17 on 'Segment Reporting' (AS 17) issued by The Institute of Chartered Accountants of India, is not applicable.

The Company's operations relating to secondary segment reporting has been confined to sales in India and exports outside India.

Fixed assets used in the company's business and liabilities contracted in respect of its manufacturing facilities are not identifiable in line with the following reportable segments as the fixed assets and liabilities contracted are used interchangeably between the segments. Accordingly, only figures for debtors have been given.

Secondary segment reporting:

(Rs. in Million)

Particulars	Year Ended 31.03.10			Year Ended 31.03.09		
	Domestic	Export	Total	Domestic	Export	Total
<b>Revenue by Geographical Segment</b>						
Gross Sales (Net of returns)	2,787.82	4,017.70	6,805.53	2,667.69	3,510.64	6,178.33
<b>Current Assets, Loans &amp; Advances</b>						
Sundry Debtors (Net of Provisions)	748.49	1,576.64	2,325.14	1,318.88	1,004.14	2,323.02

10. As required by Accounting Standard – AS 18 “ Related Parties Disclosure” issued by The Institute of Chartered Accountants of India are as follows:

**A. List of Related Parties with whom transactions have taken place during the year:**

**a. Subsidiary Company**

- Piramal Glass Ceylon Ltd., Sri Lanka (erstwhile Ceylon Glass Ltd.)
- Piramal Glass International Inc., USA (erstwhile GG USA Inc.)
- Piramal Glass UK Ltd., UK (erstwhile Piramal Glass (UK) Ltd.)
- Piramal Glass USA Inc., USA (erstwhile Gujarat Glass International Inc.)
- Piramal Glass Flat River LLC., USA (erstwhile GGI Flat River LLC., USA)
- Piramal Glass Williamstown LLC., USA (erstwhile GGI Williamstown LLC., USA)

**b. Associated Companies**

- Piramal Healthcare Ltd. (erstwhile Nicholas Piramal India Ltd.)
- Piramal Enterprises Ltd.
- Alpex International Ltd.

**c. Key Management Personnel**

- Mr. Ajay Piramal Chairman
- Dr. Swati Piramal Director
- Mr. Vijay Shah Managing Director
- Mr. Sandeep Arora Chief Financial Officer

**B. Summary of the transactions with related parties is as follows:**

(Rs. in Million)

Particulars	Subsidiaries		Associates		Key Management Personnel		Total	
	Year ended 31.03.10	Year ended 31.03.09	Year ended 31.03.10	Year ended 31.03.09	Year ended 31.03.10	Year ended 31.03.09	Year ended 31.03.10	Year ended 31.03.09
Purchase of goods/ service/ assets	-	-	15.33	14.38	-	-	15.33	14.38
Sale of goods	628.38	378.99	220.24	213.79	-	-	848.62	592.78
Reimbursement of exp. Recd.	44.13	21.15	1.52	0.49	-	-	45.65	21.64
Reimbursement of exp. Paid	2.00	2.91	8.48	15.24	-	-	10.48	18.15
Technical Fees & Other Exp. Recd	71.81	29.95	-	-	-	-	71.81	29.95
Dividend received	-	4.30	-	-	-	-	-	4.30
Marketing Fees Paid	21.10	20.06	-	-	-	-	21.10	20.06
Loan	408.82	724.79	-	-	-	-	408.82	724.79
Remuneration	-	-	-	-	22.64	17.04	22.64	17.04
Corporate Service Charges	-	-	41.69	41.84	-	-	41.69	41.84
System Service Charges	-	-	-	-	-	-	-	-
Outstanding payable	15.72	21.11	0.08	-	-	-	15.80	21.11
Outstanding receivable	814.24	1,354.29	45.29	38.20	-	-	859.53	1,392.49

Note : The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company and approved by the Board of Directors of the Company, which has been relied upon by the Auditors.

11. The company's leasing arrangement (Operating) is only in respect of vehicles. The aggregate lease rentals payable on these leasing arrangements are charged as lease rentals under "other expenses" in schedule - 16.

These leasing arrangements are for a period not exceeding five years and are in most cases renewable by mutual consent on mutually agreeable terms.

The future lease rent payable in respect of vehicle on lease is:

- (i) not later than 1 year - Rs.1.79 million (Previous year Rs.2.43 million), and
- (ii) later than 1 year but less than 5 years - Rs.1.01 million (Previous year Rs.0.68 million).

The future lease rent payable in respect of office building on lease is:

- (i) not later than 1 year - Rs. 2.68 million (Previous year 2.68), and
- (ii) later than 1 year but less than 5 years - Rs.12.39 million (Previous year 11.75).
- (iii) later than 5 years - Rs.8.80 million (Previous year 12.13).

12. As required by Accounting Standard 20 issued by the Institute of Chartered Accountants of India, the Earning Per Share (EPS) is calculated by dividing the profit attributable to the equity share holders by the average number of equity shares outstanding during the year and is ascertained as follows:

**Profit available to equity shareholders**

Particulars		Year ended March 31, 2010	Year ended March 31, 2009
Profit \ Loss available to equity shareholders	Rs. in Million	157.74	(543.48)
Weighted average no. of equity share for Basic EPS	Nos.	52716431	23018240
Nominal value of equity shares	Rs.	10	10
Earning Per Share (Basic/Diluted)	Rs.	2.99	(23.61)

Note: The EPS for the year ended 31st March 2010 have been calculated on the basis of weighted Average No of shares derived as per Accounting Standard 20 to reflect the effect of Rights Issue. Accordingly the EPS for the year ended 31st March 2009 have also been restated. The diluted EPS has been calculated without considering the shares in abeyance. (Refer note 3 above)

## STANDALONE FINANCIAL STATEMENTS

13. During the Financial Year 2001-02 provision for deferred tax as required by Accounting Standard – 22 issued by the Institute of Chartered Accountants of India (ICAI) was determined and provided in accounts by considering the “enacted rate” of tax at the MAT rate u/s 115JB of the Income-tax Act, 1961, which was the applicable rate to the company for that year. Subsequently, in December 2002, ICAI issued an Accounting Standard Interpretation clarifying that the tax effect to be recognized under Accounting Standard – 22 should be measured using regular tax rate and not MAT rate. Subsequently the liability has been provided at regular tax rate as enacted in the Income Tax Act, 1961.

(Rs. in Million)

	As of March 31, 2009	For the year 2009-2010	As of March 31, 2010
<b>Deferred Tax Liability</b>	580.31	(12.61)	567.70
Excess of net block over WDV as per the provisions of the Income Tax Act 1961			
<b>Total</b>	<b>580.31</b>	<b>(12.61)</b>	<b>567.70</b>
<b>Deferred Tax Assets</b>			
Unabsorbed Depreciation	304.28	(0.11)	304.17
Provision for gratuity & leave encashment	2.46	4.99	7.45
Provision for Doubtful Debts	19.88	-	19.88
Disallowance u/s 43B	5.03	(2.19)	2.84
Provision for non-moving inventory	25.15	-	25.15
MAT Credit u/s 115JB	55.04	31.38	86.42
Exchange Loss on fixed assets	80.90	(67.01)	13.89
Deduction U/S 35 DD	3.12	(1.01)	2.11
<b>Total</b>	<b>495.86</b>	<b>(33.95)</b>	<b>461.91</b>
<b>Net Deferred Tax Liability</b>	<b>84.45</b>		<b>105.79</b>

14. The Actuarial Valuation of Liability arising on account of retirement benefits has been carried out by experts in accordance with parameters suggested under Revised Accounting Standard 15. The necessary disclosures as regards liability arising on Actuary Valuation, Fair value of assets and Assumptions made by the experts while determining the liability are given here under:

Rs. in Million

		As at 31st March 2010	As at 31st March 2009
<b>(i)</b>	<b>Present value of the funded defined benefit obligation at the end of the period</b>	67.86	63.76
	Fair value of plan assets	71.75	63.76
	Net Liability / (Assets)	(3.89)	0.00
<b>(ii)</b>	<b>The amounts recognized in salary, wages and employee benefits in the Profit and Loss account as follows in respect of gratuity:</b>		
	Current service cost	6.22	4.99
	Interest Cost	5.24	3.92
	Expected return on plan assets	(5.10)	(4.95)
	Net Actuarial (gain) / loss recognised during the period	(7.99)	13.89
	Net Cost	(3.89)	17.85
	Net charge to Profit and Loss account	(8.95)	17.85

			Rs. in Million
<b>(iii)</b>	<b>Actual return on plan assets</b>		
	Expected return on plan assets	5.10	4.95
	Actuarial gain / (loss) on plan assets	2.89	(3.00)
	Actual return on plan assets	7.99	1.95
<b>(iv)</b>	<b>Reconciliation of present value of the obligation and the fair value of the plan assets:</b>		
	Opening defined benefit obligation as on 1st April, 2009	63.76	43.96
	Current service cost	6.22	4.99
	Interest cost	5.24	3.92
	Actuarial (gain) / loss	(7.36)	10.89
	Closing defined benefit obligation as on 31st March, 2010	67.86	63.76
<b>(v)</b>	<b>Change in fair value of the plan assets</b>		
	Opening fair value of the plan assets	63.76	47.45
	Expected return on plan assets	5.10	4.95
	Actuarial (gain) / loss	2.89	(3.00)
	Contributions by the employer	0.00	14.36
	Closing fair value of the plan assets	71.75	63.76
<b>(vi)</b>	<b>Experience Adjustments</b>		
	Defined benefit obligation	67.86	63.76
	Plan assets	67.86	63.76
	Surplus / (Deficit)	0.00	0.00
	Experience adjustment on plan liabilities	(3.33)	3.68
	Experience adjustment on plan assets	2.89	(3.00)
<b>(vii)</b>	<b>Investment details of plan assets</b>		
	Government of India Securities	0%	0%
	Corporate Bonds	0%	0%
	Insurer Managed Fund	100%	100%
	<b>Total</b>	<b>100%</b>	<b>100%</b>
<b>(viii)</b>	<b>There are no amounts included in the fair value of plan assets for:</b>		
	i) Company's own financial instrument		
	ii) Property occupied by or other assets used by the Company		
	The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.		
<b>(ix)</b>	<b>Principal actuarial assumptions at the Balance Sheet date (31st March, 2010)</b>		
	Discount rate	<b>8.00%</b>	<b>7.50%</b>
	Estimated rate of return on plan assets	<b>8.00%</b>	<b>8.00%</b>
	The estimates of future salary increases are considered taking into account inflation, seniority, promotion and other relevant factors.	<b>5.00%</b>	<b>5.00%</b>
	Attrition Rate	<b>2.00%</b>	<b>2.00%</b>
	Mortality Table	<b>LIC (1994-96) Ultimate</b>	

## STANDALONE FINANCIAL STATEMENTS

15. A) Total amount due to Small Scale Industrial Undertakings is Rs. 22.01 million. The names of the Small Scale Industrial Undertakings to whom the company owes a sum exceeding Rs 1 Lakh and which is outstanding for more than 30\* days are, (Rs. in Million)

Name of Creditor / supplier	As at 31st March 2010	As at 31st March 2009
Sheetal Engg Works	1.70	2.00
Solar Enterprise	1.03	1.20
Dattashish Enterprise	0.19	0.28
G S Minerals	0.44	0.46
J.B. Mineral Grinding	0.47	0.70
Ashish Engineering	1.28	1.89
Foremost Minerals	1.61	2.39
S B M Enterprises	1.62	1.65
Anmol Cast Industries	4.77	6.19
Intercer Engineering	0.23	0.17
Universal Engineering Works	0.45	0.67
Ganesh Engineering Co.	0.53	-
Tashkent Oil Co. Pvt. Ltd.	0.16	-
Wearresist Technologies Pvt Ltd.	0.12	-
Kaeser Compressors India Pvt. Ltd.	0.17	-
<b>TOTAL</b>	<b>14.77</b>	<b>17.60</b>

\* As per the terms of contract, the credit period is generally up to 60 days.

**Note:** The above information regarding small scale industrial undertakings have been determined to the extent such parties has been identified on the basis of information available with the company. This has been relied upon by the Auditors.

- B) Under the Micro, Small and Medium Enterprise Development Act, 2006, which came into effect on October 2, 2006, certain disclosures are required to be made relating to Micro, Medium and Small Enterprises. The Company is in the process of compiling relevant information from its suppliers about their coverage under the Act. Since the relevant information is not readily available, no disclosures have been made in account.
16. There are no amounts due and outstanding to be credited to Investor Education and Protection fund.
17. Consumption of Raw Materials:

Name of the Raw Material	Year ended March 31, 2010		Year ended March 31, 2009	
	Quantity (in tons)	Amt. (Rs. in Million)	Quantity (in tons)	Amt. (Rs. in Million)
Quartz & Sand	118551.36	185.59	117844.83	190.56
Soda Ash	32485.06	429.80	32287.03	506.39
Cullet (Broken Glass)	23889.83	101.57	20438.10	80.54
Others	51160.34	310.68	51568.46	286.27
<b>Total</b>		<b>1,027.64</b>		<b>1,063.76</b>



18. Details of Turnover, stocks etc., for the year ended 31st March 2010 (figures in brackets pertains to previous year) excluding excise duty & sales tax.

Rs. in Million

Products	Opening Stock		Turnover		Closing Stock	
	Quantity	Value in Rs.	Quantity	Value in Rs.	Quantity	Value in Rs.
Glass Containers	5433.54	755.58	35088.19	6479.19	4676.84	710.07
	(2886.38)	(446.84)	(31392.91)	(5,793.03)	(5433.54)	(755.58)

Notes:

- Stocks are net of breakages.
- Installed Capacity of Manufacturing of Glass Containers of the Company is 246375 MT (PY 246375 MT) and the actual production of Glass Containers is 3441.98 Million Pcs (PY 3394.01 Lakh Pcs).
- Installed capacity is as certified by the Director of the Company and accepted by the Auditors as this is a technical matter.
- Under the Liberalized Industrial Policy of the Government, vide notification No. S-O-477 (E) dated 25th July 1991, the Company's products are exempted from licensing provisions under the Industries (Development Regulation) Act, 1951.

(Rs. in Million)

19.

	Year ended March 31, 2010	Year ended March 31, 2009
<b>a. Value of imports on CIF Basis</b>		
1. Raw Materials	469.89	211.43
2. Capital Goods & Spares	115.26	136.02
<b>b. Expenditure in Foreign Currency (On mercantile basis)</b>		
- Subscription / Books & Periodicals	0.53	0.05
- Foreign Travelling	8.70	9.73
- Technical Fees & Consultancy Fees	32.00	28.53
- Exports Promotional Expenses	36.22	36.59
- Marketing Survey Fees for USA	21.10	20.06
- Decoration, Resorting, Repacking & Warehousing Expenses	24.98	25.42
- Legal & Professional Exp.	0.38	1.43
- Other Office Expenses	4.31	4.67
<b>c. Earnings in Foreign Exchange</b>		
- Export of goods calculated on FOB basis	3,257.43	2,809.49
- Technical Fees	71.97	29.95
- Dividend received from Ceylon Glass Co. Ltd	-	4.30

**d. Break up of Imported & Indigenous Raw Materials Consumed:**

	Year ended March 31, 2010	%	Year ended March 31, 2009	%
1. Raw Materials Imported	402.31	39.15	210.56	19.79
2. Indigenous	625.33	60.85	853.20	80.21
<b>Total</b>	<b>1,027.64</b>	<b>100.00</b>	<b>1,063.76</b>	<b>100.00</b>

20. Figures of Previous year have been regrouped wherever necessary for comparative purposes.

**Balance Sheet Abstract And Company's General Business Profile**

## I. Registration Details

Registration No. **U 2 8 9 9 2 M H 1 9 9 8 P L C 1 1 3 4 3 3**  
 Balance Sheet Date **3 1 0 3 1 0** State Code **1 1**  
 Date Month Year

## II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue	<b>N I L</b>	Rights Issue	<b>6 2 4 5 1 7</b>
Bonus Issue	<b>N I L</b>	Private Placement	<b>N I L</b>

## III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	<b>9 8 2 5 1 9 8</b>	Total Assets	<b>9 8 2 5 1 9 8</b>
Sources of Funds		Reserves & Surplus	<b>3 2 0 9 4 4 8</b>
Paid up Capital & Share Suspense	<b>8 0 4 3 4 7</b>	Unsecured Loans	<b>1 2 4 4 2 0 2</b>
Secured Loans	<b>4 4 6 1 4 1 4</b>	Investments	<b>5 8 9 4 9 8</b>
Application of Funds		Miscellaneous Expenditure	<b>N I L</b>
Net Fixed Assets	<b>6 0 3 4 3 1 3</b>		
Net Current Assets	<b>3 2 0 1 3 8 6</b>		
Accumulated Losses	<b>N I L</b>		

## IV. Performance of Company (Amount in Rs. Thousands)

Turnover	<b>6 8 1 2 7 0 5</b>	Total Expenditure	<b>6 6 0 2 2 6 9</b>
+ – Profit / Loss Before Tax	<b>2 1 0 4 3 6</b>	+ – Profit / Loss After Tax	<b>1 5 7 7 1 3</b>
Earnings per Share in Rs.	<b>2 . 9 9</b>	Dividend Rate %	<b>1 0 . 0 0</b>

## V. Generic Names of Three Principal Products / Services of the Company (as per monetary terms)

Item Code No. **7 0 1 0 9 0 0 1**  
 Product Description **G L A S S C O N T A I N E R S**

Schedules referred to above and notes attached thereto form an integral part of Balance Sheet.

Signature to Schedule 1 to 8

<b>Hitesh J. Desai</b> Partner M. No. 37569	<b>Ajay G. Piramal</b> <b>Vinita Bali</b> <b>Dharendra Chadha</b> <b>Shitin Desai</b> <b>Jiten Doshi</b> <b>Bharat Kewalramani</b>	Chairman Director Director Director Director Director	<b>Dr. (Mrs.) Swati A. Piramal</b> <b>Murari Rajan</b> <b>Vijay Shah</b> <b>Sandeep Arora</b> <b>Nehal Doshi</b>	Director Director Managing Director Chief Financial Officer Company Secretary
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Chartered Accountants  
Mumbai, April 23, 2010

## Statement Pursuant to Approval u/s. 212 (8) of the Companies Act, 1956

	Name of the Subsidiary Company	Piramal Glass Ceylon Plc	Piramal Glass International Inc	Piramal Glass USA Inc.	Piramal Glass Flat River Llc	Piramal Glass Williamstown Llc	Piramal Glass (UK) Ltd.
	<b>Financial Year / Period ended on</b>	<b>31.03.2010</b>	<b>31.03.2010</b>	<b>31.03.2010</b>	<b>31.03.2010</b>	<b>31.03.2010</b>	<b>31.03.2010</b>
		<b>(Rs. in Million)</b>	<b>(Rs. in Million)</b>	<b>(Rs. in Million)</b>	<b>(Rs. in Million)</b>	<b>(Rs. in Million)</b>	<b>(Rs. in Million)</b>
1	Capital	397.86	1.08	226.00	156.38	103.03	11.60
2	Reserves	465.97	5.13	(1,653.08)	16.10	9.37	(58.12)
3	Total Assets	2,652.54	101.10	2,027.08	172.48	112.40	26.60
4	Total Liabilities	1,788.70	94.89	3,454.17	—	—	73.12
5	Details of Investment						
	DFCC Bank Deposit	0.10	—	—	—	—	—
6	Turnover (Net)	1,479.30	21.31	3,509.54	—	—	26.18
7	Profit / (Loss) before taxation	(27.60)	(0.01)	(36.03)	4.21	1.87	(6.74)
8	Provision for taxation	—	0.17	1.32	—	—	—
9	Profit / (Loss) after taxation	(27.60)	(0.17)	(37.35)	4.21	1.87	(6.74)
10	Proposed/ Interim Dividend	—	—	—	—	—	—
11	Exchange Rate used	0.39	44.90	44.90	44.90	44.90	68.06
12	Local Currency	SLR	US \$	US \$	US \$	US \$	GBP

## Auditors' Report

To,  
The Board of Directors,  
Piramal Glass Ltd.  
Mumbai.

- 1.0 We have audited (refer para 3.0) the attached 'Consolidated Balance Sheet' of the Piramal Glass Limited (the Company), formerly known as Gujarat Glass Limited and its Subsidiaries (the Group) as at 31st March 2010, the accompanying 'Consolidated Profit & Loss Account' for the period ended on that date annexed thereto, and also the 'Consolidated Cash Flow Statement' for the period ended on that date, which we have signed under reference to this report. These consolidated financial statements are the responsibility of Piramal Glass Limited's management and have been prepared by the management on the basis of the separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2.0 We conducted our audit in accordance with generally accepted auditing standards in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining, on 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.
- 3.0 We did not audit the financial statements of the Subsidiaries; viz., Piramal Glass Ceylon Plc, Sri Lanka, (formerly known as Ceylon Glass Company Limited), Piramal Glass International Inc., USA (formerly known as GG USA INC.), Piramal Glass USA Inc. (formerly known as Gujarat Glass International INC.) Piramal Glass Flat River LLC, (formerly known as GGI Flat River LLC.) and Piramal Glass Williamstown LLC. (formerly known as GGI Williamstown LLC.) and Piramal Glass (UK) Limited; whose financial statements reflect the Group share of total assets of Rs. 4846.75 million as at March 31, 2010 and Group share of total revenues of Rs. 5036.17 million for the period ended on that date as considered in the consolidated financial statements.
- These financial statements and other information of the subsidiaries have been audited up to 31st March 2010, by other auditors, whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included in respect of the Subsidiaries, is based solely on the report of the other auditors.
- 4.0 We report that the Consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.
- 5.0 Based on our audit and on consideration of the reports of other auditors on separate financial statements and on the other financial information of the components, in our opinion and to the best of the information and explanations given to us, the attached consolidated financial statements together with the notes thereon, annexed thereto give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the 'Consolidated Balance Sheet', of the consolidated state of affairs of Piramal Glass Ltd. and its Subsidiaries as at March 31, 2010;
  - (b) in the case of the 'Consolidated Profit & Loss A/c', of the consolidated results of operations of Piramal Glass Ltd. and its Subsidiaries for the year ended on that date; and
  - (c) in the case of the 'Consolidated Cash flow Statement', of the consolidated cash flows of Piramal Glass Ltd. and its Subsidiaries for the year ended on that date.

**HITESH J. DESAI**  
Partner  
M.No. 37569

Date: 23rd April 2010  
Place: MUMBAI

**HARIBHAKTI & CO.,**  
Chartered Accountants

**Balance Sheet as at March 31, 2010**

	Schedule No.	As at March 31, 2010 Rs. in Million		As at March 31, 2009 Rs. in Million	
<b>I. SOURCES OF FUNDS</b>					
<b>1 Shareholders' Funds</b>					
a. Share Capital	1	804.35		179.83	
b. Reserves and Surplus	2	1,594.52	<b>2,398.87</b>	253.69	<b>433.52</b>
<b>2 Minority Interest</b>					
a. Capital		173.27		174.51	
b. Reserves		202.93	<b>376.20</b>	272.78	<b>447.29</b>
<b>3 Loan Funds</b>					
a. Secured Loans	3	8,266.23		5,321.43	
b. Unsecured Loans	4	1,558.10	<b>9,824.33</b>	8,249.27	<b>13,570.70</b>
<b>4 Deferred Tax Liability (Net)</b>					
Deferred Tax Liability		575.11		588.85	
Less : Deferred Tax Assets		(461.91)	<b>113.20</b>	(496.23)	<b>92.62</b>
(Refer note no. 10 of part-B, of schedule 19)					
<b>TOTAL</b>			<b>12,712.60</b>		<b>14,544.13</b>
<b>II. APPLICATION OF FUNDS</b>					
<b>1 Fixed Assets</b>					
a. Gross Block	5	13,672.84		14,051.54	
b. Less: Depreciation		(5,251.89)		(4,489.56)	
c. Net Block		8,420.95		9,561.98	
d. Capital Work in Progress		140.78	<b>8,561.73</b>	147.56	<b>9,709.54</b>
<b>2 Investments</b>					
	6		<b>1.12</b>		<b>1.12</b>
<b>3 Current Assets, Loans and Advances</b>					
a. Inventories	7	2542.06		2,854.84	
b. Sundry Debtors	8	2,635.24		2,688.05	
c. Cash and Bank Balances	9	70.96		118.45	
d. Loans and Advances	10	624.67		766.54	
			<b>5872.93</b>		<b>6,427.88</b>
<b>Less: Current Liabilities and Provisions</b>					
a. Current Liabilities	11	1,070.43		1,033.35	
b. Provisions	12	652.75		561.06	
			<b>1,723.18</b>		<b>1,594.41</b>
<b>Net Current Assets</b>			<b>4,149.75</b>		<b>4,833.47</b>
<b>TOTAL</b>			<b>12,712.60</b>		<b>14,544.13</b>
<b>NOTES TO ACCOUNTS</b>	19				

Schedules referred to above and notes attached thereto form an integral part of Balance Sheet  
This is the Balance sheet referred to in our report of even date.

**Hitesh J. Desai**  
Partner  
M. No. 37569

**Haribhakti & Co.,**  
Chartered Accountants

Mumbai, April 23, 2010

**Ajay G. Piramal** Chairman  
**Vinita Bali** Director  
**Dharendra Chadha** Director  
**Shitin Desai** Director  
**Jiten Doshi** Director  
**Bharat Kewalramani** Director

**Dr. (Mrs.) Swati A. Piramal** Director  
**Murari Rajan** Director  
**Vijay Shah** Managing Director  
**Sandeep Arora** Chief Financial Officer  
**Nehal Doshi** Company Secretary

**Profit & Loss Account for the Year Ended March 31, 2010**

	Schedule No.	Year ended March 31, 2010 Rs. in Million	Year ended March 31, 2009 Rs. in Million
<b>INCOME</b>			
Turnover (Gross)		11,323.03	10,448.46
Excise Duty		214.05	289.41
Sales Tax		69.80	70.72
Turnover (Net)		11,039.18	10,088.33
Other Income	13	220.65	208.73
		<b>11,259.83</b>	<b>10,297.06</b>
<b>EXPENDITURE</b>			
Materials	14	2,239.88	2,711.70
Staff Cost	15	2,183.11	2,350.73
Other Expenses	16	4,446.53	4,797.49
(Increase)/Decrease in WIP/Finished Goods	17	348.16	(511.46)
		<b>9,217.68</b>	<b>9,348.46</b>
<b>PROFIT BEFORE INTEREST, DEPRECIATION AND TAX</b>			
		<b>2,042.15</b>	<b>948.60</b>
Interest	18	1,049.05	1,313.65
Depreciation		906.55	892.47
<b>PROFIT BEFORE TAX</b>			
		<b>86.55</b>	<b>(1,257.52)</b>
Provision for Taxation – Current		32.73	0.25
– Mat Credit Entitlement		(31.38)	-
– Deferred		52.86	(188.88)
– FBT		-	2.82
<b>PROFIT FOR THE YEAR</b>			
		<b>32.34</b>	<b>(1,071.71)</b>
Prior Period Expenses / (Income)		-	-
<b>PROFIT FOR THE YEAR AFTER PRIOR PERIOD ITEMS</b>			
		<b>32.34</b>	<b>(1,071.71)</b>
<b>MINORITY INTEREST</b>			
		<b>(11.97)</b>	<b>(46.53)</b>
<b>PROFIT AFTER MINORITY INTEREST</b>			
		<b>44.31</b>	<b>(1,025.18)</b>
Balance brought forward from earlier year		(1,456.67)	(427.68)
Prior Period Adjustments (net of Minority's Share)		-	-
Less: Final Dividend Paid (Minority Share)		-	(3.81)
<b>NET PROFIT AVAILABLE FOR APPROPRIATION</b>			
		<b>(1,412.36)</b>	<b>(1,456.67)</b>
Transfer to General Reserve		-	-
Proposed Dividend		80.43	-
Tax on Proposed Dividend		13.36	-
Balance carried to Balance Sheet		<b>(1,506.15)</b>	<b>(1,456.67)</b>
		<b>(1,412.36)</b>	<b>(1,456.67)</b>
<b>Earning Per Share (Basic / Diluted) Rs.</b>			
		<b>0.84</b>	<b>(44.54)</b>
<b>Earning Per Share Before Extraordinary Items (Net of Taxes) Rs.</b>			
		<b>0.84</b>	<b>(44.54)</b>
<b>NOTES TO ACCOUNTS</b>			
	19		

Schedules referred to above and notes attached thereto form an integral part of Profit & Loss Account. This is the Profit & Loss Account referred to in our report of even date.

**Hitesh J. Desai**  
Partner  
M. No. 37569

**Ajay G. Piramal** Chairman  
**Vinita Bali** Director  
**Dharendra Chadha** Director  
**Shitin Desai** Director  
**Jiten Doshi** Director  
**Bharat Kewalramani** Director

**Dr. (Mrs.) Swati A. Piramal** Director  
**Murari Rajan** Director  
**Vijay Shah** Managing Director  
**Sandeep Arora** Chief Financial Officer  
**Nehal Doshi** Company Secretary

**Haribhakti & Co.,**  
Chartered Accountants  
Mumbai, April 23, 2010

**Consolidated Cash Flow Statement for the Year Ended March 31, 2010**

	Year ended March 31, 2010 Rs. in Million	Year ended March 31, 2009 Rs. in Million
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	86.55	(1,257.52)
Adjustments for :		
Add/ (Less) :		
(Profit)/ Loss on Sale of Fixed Assets	5.57	(12.82)
Depreciation	906.55	892.47
Dividend from Investment in unquoted Shares	(0.10)	
Interest Paid	1,049.05	1,313.65
<b>Operating Profit Before Working Capital Charges</b>	<b>2,047.62</b>	<b>935.78</b>
Adjustments for Changes in Working Capital :		
(Increase)/ Decrease in Inventories	312.78	(727.15)
(Increase)/ Decrease in Sundry Debtors	52.81	(670.02)
(Increase)/ Decrease in Loans & Advances	206.08	440.75
Increase/ (Decrease) in Trade Payables & Other Liabilities	37.09	(206.08)
Increase/ (Decrease) in Other Provisions	(36.25)	(29.94)
<b>Cash Generated From Operations</b>	<b>2,620.13</b>	<b>(256.66)</b>
Direct Tax Paid Less refund received	(39.77)	4.16
<b>Net Cash from Operating Activities – A</b>	<b>2,580.36</b>	<b>(252.50)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets/ WIP	(243.81)	(1,644.73)
Sale of Fixed Assets	36.09	97.49
<b>Net Cash from Investing Activities – B</b>	<b>(207.72)</b>	<b>(1,547.24)</b>

CONSOLIDATED FINANCIAL STATEMENTS

	Year ended March 31, 2010 Rs. in Million	Year ended March 31, 2009 Rs. in Million
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Repayment)/ Proceeds From Borrowings	(3,149.55)	3,157.90
Proceeds from Right Issue	624.52	
Share Premium Received	1,231.75	
Equity Dividend – Subsidiary Company / Unquoted Shares	0.10	(3.81)
Interest Paid	(1,058.79)	(1,322.29)
<b>Net cash from Financing Activities – C</b>	<b>(2,351.97)</b>	<b>1,831.80</b>
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>20.67</b>	<b>32.06</b>
<b>Increase/(Decrease) in Cash Flow on account of Exchange Fluctuation</b>	<b>(68.15)</b>	<b>0.76</b>
<b>Cash &amp; Cash Equivalents as at 01-04-2009 (Opening Balance)</b>	<b>118.44</b>	<b>85.62</b>
<b>Cash &amp; Cash Equivalents as at 31-03-2010 (Closing Balance)</b>	<b>70.96</b>	<b>118.44</b>

**Notes :**

- 1 The above cash flow has been prepared under the Indirect Method as setout in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- 2 The previous year figures have been regrouped wherever necessary in order to confirm to this years presentation.
- 3 Figures in brackets reflect cash outflows.

This is the Cash Flow statement referred to in our report of even date.

**Hitesh J. Desai**  
Partner  
M. No. 37569

**Haribhakti & Co.,**  
Chartered Accountants  
Mumbai, April 23, 2010

**Ajay G. Piramal** Chairman  
**Vinita Bali** Director  
**Dharendra Chadha** Director  
**Shitin Desai** Director  
**Jiten Doshi** Director  
**Bharat Kewalramani** Director

**Dr. (Mrs.) Swati A. Piramal** Director  
**Murari Rajan** Director  
**Vijay Shah** Managing Director  
**Sandeep Arora** Chief Financial Officer  
**Nehal Doshi** Company Secretary



**Schedules forming part of the Balance Sheet as at March 31, 2010**

	As at March 31, 2010 Rs. in Million	As at March 31, 2009 Rs. in Million
<b>1 SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
82000000 Equity Shares of Rs 10/- each	820.00	820.00
(Previous year 82000000 Equity Shares of Rs 10/- each)		
The Authorised Share Capital of the Company was enhanced and reclassified into 82000000 Equity Shares of Rs. 10/- each as amended by a Special Resolution passed by the Shareholders through a Postal Ballot on 9th March, 2009.		
	<b>820.00</b>	<b>820.00</b>
<b>ISSUED</b>		
80923500 Equity Shares of Rs 10/- each	809.24	179.83
(Previous year 17983000 Equity Shares of Rs 10/- each)	<b>809.24</b>	<b>179.83</b>
<b>SUBSCRIBED AND PAID UP</b>		
80434736 Equity Shares of Rs 10/- each	804.35	179.83
Of the total paid up capital 62451736 Equity shares of face value of Rs 10 each were allotted on 19th September 2009 as fully paid equity shares, pursuant to the Rights Issue of Equity Shares by the company. (Refer note No. 3 of part B of Schedule 19 on Notes to Accounts)		
	<b>804.35</b>	<b>179.83</b>
<b>2 RESERVES AND SURPLUS</b>		
<b>Share Premium Account</b>		
As per last Balance Sheet	1,075.26	1,075.26
Add: Amount Received on Rights Issue	1,249.03	-
Less: Rights Issue Expenses	(17.28)	-
	<b>2,307.01</b>	<b>1,075.26</b>
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	<b>490.00</b>	<b>490.00</b>
<b>General Reserve</b>		
As per last Balance Sheet	58.63	58.63
Additions during the year	-	-
	<b>58.63</b>	<b>58.63</b>
<b>Profit and Loss Account</b>		
As per annexed Profit and Loss Account	<b>(1,506.15)</b>	<b>(1,456.67)</b>
<b>Exchange Reserve</b>		
As per last Balance Sheet	(143.30)	3.27
Add: Addition during the year	206.15	(128.57)
Less : Minority Interest	25.00	18.00
	<b>37.85</b>	<b>(143.30)</b>
<b>Capital Reserve</b>		
As per last Balance Sheet	<b>60.33</b>	<b>60.33</b>
<b>Revaluation Reserve</b>	<b>146.85</b>	<b>169.44</b>
(Refer Note 1 of Part A of Schedule 19)		
	<b>1,594.52</b>	<b>253.69</b>

CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2010 Rs. in Million	As at March 31, 2009 Rs. in Million
<b>3 SECURED LOANS *</b>		
<b>Cash Credit</b> (Refer Note 1)	348.08	437.65
<b>Term Loan</b>		
Rupee Term loan from Financial Institutions (Refer Note 2)	2,778.00	-
Foreign Currency loan from Banks (Refer Note 2)	3,032.29	4,421.04
Buyers Credit (Refer Note 3)	107.86	462.74
Rupee Short Term loan from Banks (Refer Note 4)	2000.00	-
	<b>8,266.23</b>	<b>5,321.43</b>

**NOTES:**

- Cash Credit facilities are secured by Hypothecation of stocks and/or pledge of current assets namely, stocks, bills receivables and book debts and all other movables, both present and future, of the Company. Further, the Cash Credit facilities obtained by the subsidiary viz. Piramal Glass- USA Inc., USA, is secured by counter guarantee of Piramal Glass Limited and a pari passu first charge on entire fixed assets of Piramal Glass Limited.
- The loans obtained by parent company, viz. Piramal Glass Ltd and its subsidiary viz. Piramal Glass -USA Inc., USA are Secured by mortgage and first charge of immovable properties of the Company, both present and future. They are further secured by hypothecation of all movables and movable machinery, machinery spares and accessories, both present and future, subject to prior charge created/ to be created in favour of banks for securing the borrowing for working capital facilities. The term loan obtained by the subsidiary viz. Piramal Glass- USA Inc., is further secured by an exclusive first charge on stock and receivables of the same subsidiary.  
  
The loans obtained by subsidiary company, viz. Piramal Glass Ceylon Inc. are secured by mortgage and first charge of the properties of the company at Rathmalana and Horana location.
- Loans under Buyers Credit are secured by an exclusive charge on the assets and equipments procured under the facility.
- The Rupee Short Term Loans are secured by mortgage and second charge of immovable properties of the Company, both present and future. They are further secured by second charge on all movables and movable machinery, machinery spares and accessories both present and future.

\* Repayable within a year Rs 4,653.43 million (Previous year Rs. 2187. 00 million)

	As at March 31, 2010 Rs. in Million	As at March 31, 2009 Rs. in Million
<b>4 UNSECURED LOANS *</b>		
Packing Credit and/or Short Term Loans from Banks	906.62	7,240.60
Long Term Loan	393.75	750.00
Sales Tax Deferment loan (Refer Note 1)	257.27	257.27
Finance Leases	0.46	1.40
	<b>1,558.10</b>	<b>8,249.27</b>

**NOTE :**

- The Sales Tax Deferment loan is repayable in five equal installments commencing from F. Y. 2011-12.

\* Repayable within a year Rs 1136.11 million, previous Year Rs. 7544.60 million

5. FIXED ASSETS

Rs. in Million

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2009	Additions	Sale/ Adjustment	As on 31.03.2010	As on 31.03.2009	Additions Year	Sale / Adjustment	As on 31.03.2010	As on 01.04.2009	As on 31.03.2010
<b>INTANGIBLE ASSETS</b>										
Software	85.19	1.56	-	86.75	20.77	21.68	-	42.45	64.42	44.30
<b>TANGIBLE ASSETS</b>										
Freehold Land	484.30	0.88	65.75	419.43	-	-	-	-	484.30	419.43
Leasehold Land	14.44	-	1.92	12.52	2.85	0.43	0.38	2.90	11.59	9.62
Building	2,081.18	16.49	116.81	1,980.86	305.65	60.02	4.21	361.46	1,775.53	1,619.40
Plant & Machinery	10,997.74	209.26	387.63	10,819.37	3,940.24	783.91	114.74	4,609.41	7,057.50	6,209.96
Furniture & Fixtures	320.31	6.93	27.83	299.41	174.35	37.25	16.34	195.26	145.96	104.15
Office Equipments	9.54	-	1.25	8.29	9.49	0.03	1.23	8.29	0.05	-
Vehicles	58.84	1.33	13.96	46.21	36.21	3.23	7.32	32.12	22.63	14.09
<b>TOTAL</b>	<b>14,051.54</b>	<b>236.45</b>	<b>615.15</b>	<b>13,672.84</b>	<b>4,489.56</b>	<b>906.55</b>	<b>144.22</b>	<b>5,251.89</b>	<b>9,561.98</b>	<b>8,420.95</b>
Previous year	12,286.53	1,236.98	528.03	14,051.54	3,545.52	892.46	51.58	4,489.56	8,741.01	9,561.98
<b>CWIP</b>									<b>147.56</b>	<b>140.78</b>
<b>TOTAL</b>									<b>9,709.54</b>	<b>8,561.73</b>

Notes:

- Gross Block is net of CENVAT credit availed on relevant assets.
- Additions to Plant & Machinery includes NIL million (Previous year Rs. NIL million) on account of borrowing cost as per Accounting Standard 16 – Borrowing Costs
- Aggregate amount of revaluation of Land & Building, Plant & Machinery, Electric power installation etc owned by Piramal Glass Ceylon Plc., amounts to Rs. 300.16 million ( Previous Year Rs. 300.16 million)
- Additions and/or sales/Adjustment include foreign exchange fluctuations.

	As at March 31, 2010 Rs. in Million	As at March 31, 2009 Rs. in Million
<b>6 INVESTMENTS</b>		
<b>(Long Term, Non Trade)</b>		
<b>Investment in Shares – Quoted</b>		
15108 shares (P.Y. 15108 Shares) of DFCC Bank	0.12	0.12
Market Value Rs. 1.29 Million (PY Rs 0.53 Million)		
<b>Investment in Shares – Un-Quoted</b>		
100000 of Rs. 10 each of Enviro Infrastructure Co. Ltd	1.00	1.00
	<b>1.12</b>	<b>1.12</b>
<b>7 INVENTORIES</b>		
(As certified by the Management)		
Raw Material and Packing Material	313.44	306.80
Work-in- Progress	18.83	14.99
Finished Goods	1,589.35	1,967.52
Stores, Spares & Moulds	774.34	670.92
Provision for Inventory	(153.90)	(105.39)
	<b>2,542.06</b>	<b>2,854.84</b>

CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2010 Rs. in Million	As at March 31, 2009 Rs. in Million
<b>8 SUNDRY DEBTORS</b>		
i. Over six months		
Unsecured - Considered good	536.78	530.72
- Considered doubtful	57.79	64.42
	<b>594.57</b>	<b>595.14</b>
ii. Others		
Unsecured - Considered good	2,113.83	2,157.33
- Considered doubtful	-	8.63
	2,113.83	2,165.96
Less: Provision for Bad Debts	(73.16)	(73.05)
	<b>2,635.24</b>	<b>2,688.05</b>
<b>9 CASH AND BANK BALANCES</b>		
i. Cash and cheques on hand	1.69	1.01
ii. Balance with Scheduled Banks		
- Current Account	65.75	115.43
- Rights Issue Refund Account	0.08	-
- Others	3.44	2.01
	<b>70.96</b>	<b>118.45</b>
<b>10 LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Advances recoverable in cash or in kind or for value to be received	300.12	448.78
Advance Tax (Net of Provisions)	45.87	8.41
Prepaid Expenses	39.07	36.53
Balance with Excise Authorities	107.87	118.65
Other Advances	131.74	154.17
	<b>624.67</b>	<b>766.54</b>
<b>11 CURRENT LIABILITIES</b>		
Sundry Creditors for Capital Goods, Materials and Expenses	893.88	747.95
Interest accrued but not due	32.27	42.01
Other liabilities	4.24	238.49
Equity dividend payable	140.04	4.90
	<b>1,070.43</b>	<b>1,033.35</b>
<b>12 PROVISIONS</b>		
Provision for Employees retirement benefits	102.61	90.40
Provision for Other Liabilities	423.31	466.36
Proposed Dividend	80.43	-
Provision for Tax on Dividend	13.36	-
Provision for Tax	33.04	4.30
	<b>652.75</b>	<b>561.06</b>

**Schedules annexed to and forming part of the Profit & Loss Account for the Year Ended March 31, 2010**

	Year ended March 31, 2010 Rs. in Million	Year ended March 31, 2009 Rs. in Million
<b>13 OTHER INCOME</b>		
Income from Windmill	11.91	9.59
Claims & Refunds	-	6.98
Scrap Sales	28.23	36.58
Export Incentive	72.34	52.40
Miscellaneous Income	50.45	43.49
Mould Recovery	30.29	30.96
Sales Tax Remission	25.07	26.61
Dividend (Gross)	0.13	-
Interest on Deposit	2.23	2.12
	<b>220.65</b>	<b>208.73</b>
<b>14 MATERIALS</b>		
<b>Raw Materials</b>		
Opening stock	288.87	236.06
Add: Purchases	1,611.28	2,026.40
	1,900.15	2,262.46
Less: Closing stock	285.46	288.87
Raw Materials Consumed	1,614.69	1,973.59
Packing Materials Consumed	523.47	526.51
Purchase of Trading Goods Sold	101.72	211.60
	<b>2,239.88</b>	<b>2,711.70</b>
<b>15 STAFF COST</b>		
Salaries, Wages and Bonus	1797.52	1,898.13
Contribution to Provident and Other funds	356.13	420.47
Staff Welfare	29.46	32.13
	<b>2,183.11</b>	<b>2,350.73</b>
<b>16 OTHER EXPENSES</b>		
Power & Fuel	1693.92	1,949.24
Stores, Spares, Lubricants and Moulds consumed	573.50	562.36
Repairs to:		
- Building	21.71	14.19
- Plant & Machinery	128.32	89.80
- Others	32.52	30.59
Rent, Rates & Taxes	105.90	125.54
Wind farm rent & maintenance	2.09	1.75
Bank Charges	26.61	22.10
Insurance	38.21	37.54
Communication	22.92	28.30
Donation	0.20	0.33
Travelling Expenses (Directors Travelling Rs.4.11 Million, PY Rs 4.06 Million)	71.37	68.57
Foreign Technical Fees	34.00	28.50
Legal & Professional Fees	58.36	64.04
Audit Fees	3.78	6.16
Freight Outward	692.87	712.44
Commission on Sales	28.59	31.69
Sitting fees	1.14	1.08
Loss on Sale of Assets	18.97	9.48
Decoration	219.11	164.82
Exchange Fluctuation Loss	338.57	539.61
Miscellaneous	333.87	309.84
	<b>4,446.53</b>	<b>4,797.49</b>

## CONSOLIDATED FINANCIAL STATEMENTS

	Year ended March 31, 2010 Rs. in Million	Year ended March 31, 2009 Rs. in Million
<b>17 INCREASE/(DECREASE) IN FINISHED GOODS AND WORK-IN-PROGRESS</b>		
Opening Stock	1,889.60	1,378.14
Closing Stock	1,541.44	1,889.60
(Increase)/Decrease in WIP/Finished Goods	<b>348.16</b>	<b>(511.46)</b>
<b>18 INTEREST</b>		
Interest on Loans from Banks	870.69	874.79
Interest to Others	178.36	438.86
	<b>1,049.05</b>	<b>1,313.65</b>

### 19. NOTES TO CONSOLIDATED ACCOUNTS

#### PART – A SIGNIFICANT ACCOUNTING POLICIES:

##### Basis of Accounting:

The financial statements are prepared under the historical cost convention and comply with the applicable Accounting Standards in the country of incorporation except for:

- i. the revaluation of certain property, plant & machinery of Piramal Glass Ceylon Plc, and
- ii. assets and liabilities acquired by Piramal Glass- USA, Inc accounted at its estimated fair value.

##### Principles of Consolidation:

1. The Consolidated Financial Statements comprises the financial statements of Piramal Glass Ltd. (the Company) and its Subsidiaries (collectively known as the 'Group'). The consolidated financial statements have been prepared on the following basis in line with Accounting Standard - 21 Consolidated Financial Statements issued by ICAI.
  - a. The financial statement have been combined on a line by line basis by adding together book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and transactions and unrealized profit/losses resulting from intra group transactions related to transfer of assets/liabilities.
  - b. The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
  - c. Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the Company.
  - d. Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
2. While preparing Consolidated Financial Statements, the foreign exchange adjustments have been carried out on following basis, as per Accounting Standard 11 – Accounting for effects of changes in Foreign Exchange Rates.
  - a. The summarized revenue and expense transaction at the year-end reflected in profit and loss account of the foreign subsidiaries, which are stated in the currency of their domicile, are translated into Indian Rupees at an average of Average Monthly Exchange Rate.
  - b. All monetary and non-monetary items reflected in the balance sheet of the foreign subsidiaries which are stated in the currency of their domicile, are translated into Indian Rupees at the year-end closing exchange rate except for fixed assets and share capital in case of integral foreign subsidiaries, which are converted at the exchange rate prevailing on acquisition / transaction date.
  - c. The resultant translation exchange gain/loss in case of Non-integral foreign operations is disclosed as Foreign Exchange Translation Reserve in Reserves & Surplus schedule to the accounts. In case of integral foreign operations as the translation exchange gain / loss is recognized in the Consolidated Profit & loss account.

##### Other Significant Accounting Policies

1. These are set out under "Significant Accounting Policies" as given in the unconsolidated financial statements of Piramal Glass Limited and its subsidiaries.

**PART – B NOTES FORMING PART OF ACCOUNTS:**

1. The subsidiary companies considered in the consolidated financial statements are:

Name of Company	Country of Incorporation	% of Voting Power held as at 31st March'2010
Piramal Glass Ceylon PLC (Formerly known as Ceylon Glass Company Ltd)	Sri Lanka	56.45 %
Piramal Glass International Inc. (Formerly known as GG USA Inc.)	USA	100.00%
Piramal Glass USA, Inc. (Formerly known as Gujarat Glass International Inc.)	USA	100.00%
Piramal Glass Flat river LLC. (Wholly owned Subsidiary of PG USA) (Formerly known as GGL Flat River LLC.)	USA	100.00%
Piramal Glass Williamstown LLC. (Wholly owned Subsidiary of PG USA) (Formerly known as GGL Williamstown LLC)	USA	100.00%
Piramal Glass (UK) Ltd.	UK	100.00%

2. Contingent Liability in respect of:

	As at March 31, 2010 (Rs. in Million)	As at March 31, 2009 (Rs. in Million)
a) Estimated amount of contracts remaining to be executed on Capital account	188.15	53.88
b) Disputed Liability		
- Central Excise authorities	7.06	3.58
- Sales Tax Authorities	2.19	98.90

3. The Company's Rights Issue of 62940500 Equity Shares of Rs 10/- each for cash at a price of Rs 30/- (including share premium of Rs 20/-) per equity share of which :

- i. 62451736 equity shares were allotted on September 19, 2009,
- ii. Offer of 488764 equity shares have been kept in abeyance, of which 481922 equity shares pertain to Overseas Corporate Bodies which are subject to requisite approval of Reserve Bank of India and,
- iii. 6842 equity shares are those for which documentation for establishing title thereto are pending.

The net proceeds from the Rights Issue of the equity share of the Company, after meeting issue expenses of Rs 17.28 million, amounting to Rs 1,856.27 million have been used for repayment of debt of the Company.

4. Debtors, Loans and advances includes:

Rs. 859.54 Mio (previous year Rs. 1392.49 Mio) are due from companies, where Directors of the Company are interested as Director.

5. The operations of the Company and its Subsidiaries viz Piramal Glass Ceylon PLC and Piramal Glass USA INC., relates only to business of manufacturing of containers glass packaging. The other subsidiaries of the Company, viz., Piramal Glass International INC. and Piramal Glass (UK) Ltd, is in the business of marketing of container glass. Accordingly primary segment reporting disclosures for business segments, as envisaged in Accounting Standard 17 on 'Segment Reporting' (AS 17) issued by the The Institute of Chartered Accountants of India, is not applicable.

The operations relating to secondary segment reporting has been confined to within India operations & outside India operations.

Secondary segment reporting:

(Rs. in Million)

Details	Within India		Outside India		Inter – Segment Elimination		Total	
	March 2010	March 2009	March 2010	March 2009	March 2010	March 2009	March 2010	March 2009
Revenues	6,812.71	6,036.47	5,036.17	4,593.02	(589.05)	(332.42)	11,259.83	10,297.07
Carrying amount of Segment Assets	11,375.99	12,094.36	4,749.28	5,804.58	(1,464.03)	(2,027.64)	14,661.24	15,871.30
Additions to Fixed and Intangible Assets	138.99	452.53	97.46	784.45	-	-	236.45	1,236.98

## CONSOLIDATED FINANCIAL STATEMENTS

6. During the year under review there has been a turnaround over the operational activities of Company's wholly owned subsidiary viz. Piramal Glass USA, Inc. and the resultant annual losses have reduced from Rs 353.63 million for the FY 2008-09 to Rs 35.53 million for the FY 2009-10.

Considering the present global opportunities and looking at the emerging market scenario in the field of cosmetic and perfumery markets, the management is hopeful to turn-around the present situation and in its opinion does not require any provision for diminution in the value of investments and/or loans granted to the said Subsidiary Company.

7. As required by Accounting Standard – AS 18 “Related Parties Disclosure” issued by The Institute of Chartered Accountants of India are as follows:

A. List of Related Parties with whom transactions have taken place during the period:

Year ended 31.03.10	Year ended 31.03.09
<b>a) Subsidiary Companies</b>	<b>a) Subsidiary Companies</b>
– Piramal Glass Ceylon Plc.	– Piramal Glass Ceylon Plc.
– Piramal Glass International Inc., USA	– Piramal Glass International Inc., USA
– Piramal Glass (UK) Ltd.	– Piramal Glass (UK) Ltd.
– Piramal Glass – USA, Inc.	– Piramal Glass – USA, Inc.
– Piramal Glass Flat River LLC.	– Piramal Glass Flat River LLC.
– Piramal Glass Williamstown LLC	– Piramal Glass Williamstown LLC
<b>b) Associated Companies</b>	<b>b) Associated Companies</b>
– Piramal Healthcare Ltd.	– Piramal Healthcare Ltd.
– Piramal Enterprises Ltd.	– Piramal Enterprises Ltd.
– Alpex International Ltd.	– Alpex International Ltd.
<b>c) Key Management Personnel</b>	<b>c) Key Management Personnel</b>
– Mr. Ajay Piramal	– Mr. Ajay Piramal
– Dr. (Mrs.) Swati Piramal	– Dr. (Mrs.) Swati Piramal
– Mr. Vijay Shah	– Mr. Vijay Shah
– Mr. Sandeep Arora	– Mr. Niraj Tipre
– Mr. Niraj Tipre	– Mr. Sanjay Tiwari
– Mr. Sanjay Tiwari	

B. Summary of the transactions with related parties is as follows:

(Rs. in Million)

Particulars	Associates		Key Management Personnel		Total	
	Year ended 31-03-10	Year ended 31-03-09	Year ended 31-03-10	Year ended 31-03-09	Year ended 31-03-10	Year ended 31-03-09
Purchase of goods / service / assets	15.33	14.38	—	—	15.33	14.38
Sale of goods	220.24	213.79	—	—	220.24	213.79
Reimbursement of exp. Recd.	1.52	0.49	—	—	1.52	0.49
Reimbursement of exp. Paid	8.48	15.24	—	—	8.48	15.24
Remuneration	—	—	22.64	17.04	22.64	17.04
Corporate Service Charges	41.69	41.84	—	—	41.69	41.84
Outstanding payable	0.08	—	—	—	0.08	—
Outstanding receivable	45.29	38.20	—	—	45.29	38.20

**Note :** The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company and approved by the Board of Directors of the Company.



8. a. In respect of operating leasing arrangement for office premises and motor vehicles, the aggregate lease rentals payable on these leasing arrangements are charged as rent under "other expenses" in schedule – 16.

These leasing arrangements are for a period not exceeding five years and are in most cases renewable by mutual consent on mutually agreeable terms. The minimum lease rentals outstanding in respect of these assets are as follows:

(Rs. in Million)

	As at 31st March 2010	As at 31st March 2009
Total minimum lease payments	73.25	96.05
Lease rentals payable within 1 year	34.33	41.22
Lease rentals payable between 1-5 years	38.92	54.84

- b. In respect of plant and machinery and land taken on finance lease, the same have been accounted at fair market value and proper depreciation for the year under review has been provided. The minimum lease rentals outstanding in respect of these assets are as follows:

(Rs. in Million)

	As at 31st March 2010	As at 31st March 2009
Total minimum lease payments	24.33	30.52
Lease rentals payable within 1 year	3.14	4.35
Lease rentals payable between 1-5 years	12.39	14.04
Lease rentals payable later than 5 years	8.80	12.13

9. As required by Accounting Standard 20 issued by the Institute of Chartered Accountants of India, the reporting in respect of Earning Per Share (EPS) is as follows:

**Profit available to equity shareholders**

(Rs. in Million)

Particulars		Year ended March 31, 2010	Year ended March 31, 2009
Profit/Loss available to equity shareholders	Rs. in Million	44.31	(1025.18)
Weighted average no. of equity share for Basic EPS	Nos.	52716431	23018240
Nominal value of equity shares	Rs.	10	10
Earning Per Share (Basic/Diluted)	Rs.	0.84	(44.54)

Note: The EPS for the year ended 31st March 2010 have been calculated on the basis of weighted Average No of shares derived as per Accounting Standard 20 to reflect the effect of Rights Issue. Accordingly the EPS for the year ended 31st March 2009 have also been restated. The diluted EPS has been calculated without considering the shares in abeyance. (Refer note 3 above)

10. The deferred tax assets & liabilities comprise of tax effect of following timing differences:

(Rs. in Million)

Particulars	As of 31st March 09	As of 31st March 10
<b>Deferred Tax Liability</b>		
Depreciation	588.85	575.11
<b>Total</b>	<b>588.85</b>	<b>575.11</b>
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation	304.64	304.17
Provision for gratuity & leave encashment	2.45	7.45
Provision for Doubtful Debts	19.88	19.88
Disallowance u/s 43B	5.03	2.84
Provision for non-moving inventory	25.16	25.15
MAT Credit u/s 115JB	55.05	86.42
Exchange Loss on fixed assets	80.90	13.89
Deduction U/S 35 DD	3.12	2.11
<b>Total</b>	<b>496.23</b>	<b>461.91</b>
<b>Net Deferred Tax Liability</b>	<b>92.62</b>	<b>113.20</b>

11. Depreciation on fixed assets:

In case of the subsidiaries of the Company, it was not practicable to use uniform accounting policies for depreciation of assets.

Company	Method of Depreciation	Accounting Policy Used
Piramal Glass Ceylon Plc.	Straight Line Method	Building --- 2.5%
		Plant & Machinery --- 5% - 15%
		Office Equipments --- 10%
		Computer Systems --- 25%
		Motor Vehicles --- 15%
		Leasehold assets are written off over the remaining period of the lease.
Piramal Glass - USA, Inc.	Straight Line Method	Building --- 3.34%
		Plant & Machinery --- 16.67% - 33.33%
		Motor Vehicles --- 50%
Piramal Glass Flat River Inc.	Straight Line Method	Building --- 3.34%
		Plant & Machinery --- 16.67% - 33.33%
		Motor Vehicles --- 50%
Piramal Glass Williamstown LLC.	Straight Line Method	Building --- 3.34%
		Plant & Machinery --- 16.67% - 33.33%
		Motor Vehicles --- 50%
Piramal Glass International Inc.	Straight Line Method	Office Equipments --- 3 years
		Furniture --- 5 years
		Leasehold improvements – 62 Months
		Trade Show Booths - 3 - 5 years
Piramal Glass (UK) Limited.	Straight Line Method	Computer Systems --- 33.33%
		Furniture & Fixtures --- 10%

The impact of depreciation due to difference in accounting policy is not material and hence the same is ignored.

12. Figures for the previous year have been regrouped and rearranged wherever necessary so as to make them comparable with the current year figures.

For and on behalf of the Board

**Hitesh J. Desai**  
Partner  
M. No. 37569

**Haribhakti & Co.,**  
Chartered Accountants  
Mumbai, April 23, 2010

**Ajay G. Piramal** Chairman  
**Vinita Bali** Director  
**Dharendra Chadha** Director  
**Shitin Desai** Director  
**Jiten Doshi** Director  
**Bharat Kewalramani** Director

**Dr. (Mrs.) Swati A. Piramal** Director  
**Murari Rajan** Director  
**Vijay Shah** Managing Director  
**Sandeep Arora** Chief Financial Officer  
**Nehal Doshi** Company Secretary

## Plant Locations

### Name of Company

#### Piramal Glass Limited

### Plant Location

ONGC Road  
Tarsadi Village, Kosamba  
Dist. Surat, Pin 394 120.

Gajera Road  
Ucchad Village  
Jambusar, Dist. Bharuch  
Pin 392 150.

### Subsidiary Companies

Piramal Glass Ceylon PLC.

Poruwadanda  
Wagawatte  
Horana, Sri Lanka.

Piramal Glass-USA Inc.

Flat River Glass  
1000 Taylor Avenue  
Park Hills, Missouri  
MO 63601  
USA

PGI Decora/Coated  
918 E. Malaga Road  
Williamstown, NJ 08094  
USA

## Information for Shareholders

### Registered Office

Piramal Tower  
Ganpatrao Kadam Marg  
Lower Parel, Mumbai-400 013. India.  
Website: [www.piramalglass.com](http://www.piramalglass.com)

### Listing of Equity Shares on Stock Exchanges

Bombay Stock Exchange Ltd.  
(Code 532949)

National Stock Exchange of India Ltd.  
(Code PIRGLASS)

Ahmedabad Stock Exchange  
(Code 20219)

### Share Transfer Agents

**Link Intime India Private Limited**  
C-13 Pannalal Silk Mills Compound,  
LBS Marg, Bhandup (West),  
Mumbai - 400 078  
Tel : (022) 2594 6970  
Fax: (022) 2594 6969  
E-mail : [piramal.irc@linkintime.co.in](mailto:piramal.irc@linkintime.co.in)

## Investor Correspondence

### Nehal C. Doshi

Company Secretary

Piramal Glass Limited

Piramal Tower Annexe

Ganpatrao Kadam Marg

Lower Parel, Mumbai - 400 013. India

Tel : (91-22) 3046 7836 • Fax : (91-22) 2490 2363

Email: [complianceofficer.pgl@piramal.com](mailto:complianceofficer.pgl@piramal.com)



Piramal Tower at Mumbai



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