Piramal Glass
knowledge action care

Annual Report 2015 - 2016

Piramal Glass Ceylon PLC

Horana Glass Factory

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CORPORATE *Information*

The Board of Directors

Vijay Shah - Chairman
Dr. C.T.S.B Perera
R.M.S. Fernando
Sanjay Tiwari - CEO/ Executive Director
Sandeep Umesh Arora (Resigned on 02.04.2015)
Samit Datta (Appointed on 28.04.2015)

Audit Committee

Vijay Shah - Chairman
Dr. C.T.S.B Perera
R.M.S Fernando

Remuneration Committee

Vijay Shah - Chairman
Dr. C.T.S.B. Perera
R.M.S. Fernando

Related Party Transactions Review Committee

Vijay Shah - Chairman
Dr. C.T.S.B. Perera
R.M.S. Fernando

Senior Management Team

Sanjay Tiwari - CEO/ Executive Director
U.P. Hettige - Vice President (Operations)
Niloni Boteju - Financial Controller
A.K.M Fowzin - Head of Human Resources
Palitha Piyanandana - Head of Supply Chain
Saugato Dutt - GM (Operations)
Thushara Deshapriya - Head of Domestic Marketing
Damitha Dasanayake - Head of Export Marketing
Sanjeewa Mahendra - Head of Quality Assurance

Company Registration Number

PQ 190

Registered Office

148, Maligawa Road, Borupana, Ratmalana
Telephone: +94 112 635 481-83/ +94 117 800 200 -4
Fax:+94 112 635 484
E-mail: pgc.info@piramal.com
Web: www.piramalglassceylon.com

Factory

Wagawatte Road, Poruwadanda, Horana.
Telephone: +94 344 938 965-67/ +94 347 800 200
Fax:+94 342 258 120

Marawila Road, Nattandiya.
Telephone: +94 327 800 200-4
Fax:+94 322 255 193

Auditors

Statutory

Messrs. Ernst & Young
Chartered Accountants
201, De Saram Place
P.O.Box 101,
Colombo 10.

Internal

Messrs. SJMS Associates
Chartered Accountants
No. 11, Castle Lane, Colombo 04.

Bankers

Bank of Ceylon
Citi Bank, N.A
Commercial Bank of Ceylon PLC
DFCC Bank PLC
Hatton National Bank PLC
People's Bank
Standard Chartered Bank
Sampath Bank PLC

Company Secretary

Mrs. Sagarika Jayasundera (Attorney-at-Law)
148, Maligawa Road, Borupana, Ratmalana
Telephone: +94 117 800 200-4 Ext: 604

Registrars

Messrs. P W Corporate Secretarial (Pvt) Ltd
No. 3/17, Kynsey Road, Colombo 08
Telephone: +94 114 897 711/ +94 114 640 360-3
Fax: +94 114 740 588

Legal Advisors

Messrs. FJ&G de Saram
216, De Saram Place, Colombo 10
Telephone: +94 114 718 200

CHAIRMAN'S *Statement*

Dear Shareholders,

Warm greetings to you all!

F16 has been a year of robust performance for Piramal Glass Ceylon.

Our company continues to move forward on its vision of being the preferred partner for Speciality packaging solutions for Domestic and International customers.

Our Company has been able to achieve superlative operating and financial performance. The company has achieved yet another milestone by crossing the six billion mark in total turnover & five billion in domestic turnover. The total turnover was Rs. 6,755 million as against Rs. 5,792 million in the previous year, a growth of 17%. The Profit after tax was Rs. 654 million which is a 49% growth against previous year's figure of Rs. 439 million.

The optimistic demand in the domestic market experienced towards the latter part of last financial year continued to propagate throughout the year. The Domestic market made a substantial impact on the turnover with Rs. 5,332Mn reflecting a growth of 23% over previous year. The food, beverage & liquor segments were the main contributors towards growth during the year.

The export market remained constant for the year under review as our priority was to service the growth in the domestic market. Some mid mass export orders were deferred to make capacity available for the domestic market. Yet amidst these constraints it was motivating to see several new products being designed and launched in the USA & Canadian markets. In the export portfolio USA is now amongst the top 3 exporting locations of PGC.

Inspite of restricted capacities available for exports, PGC has been able to further broaden its geographical horizons with exports being done to India, Australia, USA, UK, Canada, Philippines, Mauritius and Africa. However the company also experienced some quality rejections which is part of the learning process to upgrade the quality standards to international levels.

During the year under review the production volumes remains constant as compared to last year despite the unforeseen interruptions in the production processes due to the ageing furnace, yet the company could service the increased domestic demand by temporarily resorting to imports, even though it is not economically attractive, the prime objective being keeping the domestic customers fully serviced. The Company imported over Rs. 1 Billion worth of glass to keep the domestic customers serviced. In the process the Company has created a latent demand for its future increase in capacity post relining.

The operational achievement were marred by the prohibitively high furnace oil rates which are still at 200% of international level. Due to the myopic view taken by the Government with respect to local Furnace Oil consumers, we continue to pay controlled exorbitant rates inspite of drop in global crude prices rendering us uncompetitive in global markets. We continue to appeal to the government and hope that good sense will prevail soon.

RECOGNITIONS

We would also like to share with you the following Awards & Recognitions achieved by our Company during the course of this year:

1) Award for the Best Exporter of Packaging Material Product Sector for year 2015 at the 19th Presidential Export Award Ceremony organized by Export Development Board (EDB).

2) Gold Award at 23rd National Chamber of Export Awards in Industry sector (Extra Large segment) being organized by National Chamber of Exporters (NCE).

CHAIRMAN'S *Statement*

3) Awarded ISO 9001 – 2015 version. PGC was the 2nd Company in Sri Lanka who was upgraded to this version of quality certification of ISO.

LOOKING AHEAD

Keeping in mind the significant financial achievement of our company the Board of Directors has proposed a final dividend of 35% for the year ended 31st March 2016. This is consistent with our policy of dividend payout ratio of 50%.

As reported in my last annual report we are pleased to announce that, consequent to the completion of the life of the existing furnace, we have embarked on a major expansion project along with relining of the furnace . With this expansion the capacity of glass production would increase from present 250 tonnes per day to 300 tonnes per day. The new furnace would be a dual fired furnace (Furnace oil/ LPG) keeping in mind the current dynamic energy pricing scenario. The bottle forming machines & other down-stream equipment capacity too would be enhanced to facilitate the incremental melting of glass with addition of almost 50% in the capacity of producing specialty colour bottles for liquor & wine.

The project is well on schedule & is currently under civil & mechanical construction with the target completion of the relining by early September 2016 with a total investment of Rs. 3 Billion. The Corporate Project Team from Piramal Glass India will be involved in all stages of project planning and execution in order to deliver state of the art refurbished facilities post relining.

This upgraded facility will help the company to service the present and future increased demand in the domestic segment, and specialty colour bottle in the international market. The new facility will also enable PGC to deliver more innovative designs in different sizes & colours.

As a special initiative the company has launched a social movement urging people to shift to glass. "Believers' in Glass" was launched with the intention to create awareness in the entire country as to why glass is good and to make people use glass in their day to day life, simply because glass is the best choice for a sustainable life style. The movement launched the website www.believersinglass.com.

A website to educate people about glass, which includes interesting news about the history of glass, its evolution, varieties and breath taking art applications of glass. A conversation has been started on social media with a Facebook page www.facebook.com/believersinglass and YouTube channel that features Mr. Glass and animated videos that say "Food loves glass". This social movement is launched in partnership with the PR Agency BBDO Lanka Pvt. Ltd & other regulatory stakeholders.

APPRECIATION

This performance of our company, during the year, could not have been achieved without the untiring efforts, dedication and commitment of all our employees. I take this opportunity to express my gratitude to them. I also thank our valued customers for their unflinching patronage and support.

I also wish to convey my gratitude to the Board of Directors, for their valuable contribution and guidance during the past year. I also appreciate the management team for their valuable contribution during the financial year. I would fail in my duty if I do not thank our shareholders, for the confidence reposed in us.

I particularly like to thank Piramal Glass Corporate Team from India for the help and cooperation extended in managerial and operational aspects at all times to the operations here in Sri Lanka.

I take this opportunity to thank the various departments of the Government of Sri Lanka, Board of Investment, Banks, other institutions and clients that extended assistance to Piramal Glass Ceylon. I thank you for your continued faith in us over the past years. We look forward to your support in the coming years too.

I would like to reiterate that our Company's path to excellence is rooted in our core values of knowledge, action and care which drive us towards creating long term value for all our stakeholders.

Vijay Shah
Chairman
13th April 2016

REPORT ON THE AFFAIRS *of the Company*

TO THE SHAREHOLDERS

The Board of Directors have pleasure in presenting the 61st Annual Report and the Audited Financial Statement of the Company for the year ended 31st March 2016.

REVIEW OF THE YEAR

The Chairman's statement describes in brief of the Company's affairs and the performance during the year and also mentions the events occurring after the reporting date.

PRINCIPAL ACTIVITY

Principal activity of the Company is the manufacturing and sale of Glass Containers.

The Company's ownership of Land and Building are as follows,

		Extent (Acres)	Value (Gross) LKR Mn	Buildings Nos.
Ratmalana	- Freehold Land	0.7	39	02
Nattandiya	- Freehold Land	54	99	05
Horana	- Leasehold Land	31	29.9	08
Nattandiya	- Leasehold Land	09	1.2	05

CURRENCY

All figures appearing in the Financial Statements are in Sri Lanka Rupees and denoted as"LKR"

FINANCIAL RESULTS	2016 LKR 000'	2015 LKR 000'
Revenue	6,755,079	5,791,988
Cost of Sales	(5,258,047)	(4,674,852)
Gross Profit	1,497,032	1,117,136
Other Operating Income	4,670	6,510
Selling and Distribution Expenses	(218,302)	(106,503)
Administrative Expenses	(404,551)	(382,488)
Operating Profit	878,849	634,655
Finance Costs	(74,445)	(126,849)
Finance Income	200	762
Profit before Tax	804,604	508,568
Income Tax Expense	(150,202)	(69,151)
Profit for the Year	654,402	439,417

REPORT ON THE AFFAIRS *of the Company*

SALES HIGHLIGHTS

F 16 was a positive year with an overall turnover of Rs. 6,755Mn depicting a growth of 17% against preceding year turnover of Rs. 5,792Mn.

The Domestic market saw a marked improvement during the year under review. It crossed an annual sale of Rs. 5 Billion with a growth of 23% which was contributed by all segments with Food & Liquor segments taking a lead.

The export market growth was controlled due to capacity constraints. Yet the company launched several new bottles in the USA & Canadian Markets.

The company was compelled to do a Trading sale of approximately Rs. 1 Billion as a temporarily measure to service the domestic customer.

PRODUCTION HIGHLIGHTS

During the year under review there were several unforeseen interruptions in the production processes due to ageing furnace. Yet amidst these constraints over 67,500 Tonnes of glass was produced to service its customers & was also engaged in developing several new products for domestic & international markets.

EMPLOYMENT

	2016	2015
Total employment as at 31st March	415	411

CAPITAL EXPENDITURE AND INVESTMENTS

During the year the Company's cash out flow on Property, Plant and Equipment was to the aggregate value of LKR 391,874,878/- (Year Ended 31 March 2015 LKR 321,639,223/-)
The capital commitments as at the reporting date are disclosed in Note 19.1 to the Financial Statements.

SHARE CAPITAL

The Stated capital as at the end of the year was LKR 1,526,407,485/-, consisting of 950,086,080 number of ordinary shares.

SHARE HOLDINGS

	2016	2015
Registered Shareholders as at 31st March	13,248	13,469

The distribution of shares is indicated in page 59.

EVENTS OCCURRING AFTER THE REPORTING DATE

The events occurring after the reporting date are disclosed in Note 21 to the Financial Statements. No events have taken place since the Reporting date which would require any adjustments or disclosures other than the above.

THE BOARD OF DIRECTORS

Vijay Shah - Chairman
Dr. C. T. S. B. Perera
R. M. S. Fernando

Sanjay Tiwari - CEO / Executive Director

Sandeep Umesh Arora (Resigned on 02.04.2015)

Samit Datta (Appointed on 28.04.2015)

APPOINTMENT OF NEW DIRECTORS

Samit Datta was appointed as a Director on 28.04.2015

REPORT ON THE AFFAIRS *of the Company*

PERSONS WHO CEASED TO BE DIRECTORS

Sandeep Umesh Arora has resigned from the Board on 02.04.2015

DIRECTORS' INTEREST REGISTER

The Directors have made declarations as provided for in section 192 (2) of the Companies Act No. 7 of 2007. The related entries were made in the interest register during the year under review. The related party disclosures are referred to in Note 18.1 to the Financial Statements. The share ownership of directors is indicated below.

DIRECTORS' SHAREHOLDINGS

The Directors' and their spouse's share holdings as at 31st March:

	2016	**2015**
Dr. C. T. S. B. Perera	50,000	50,000
Sanjay Tiwari (Jointly with Spouse)	100,000	-

DIRECTORS' EMOLUMENTS

The remunerations and other benefits made to the Directors during the year are disclosed in Note 18.2

DONATIONS

The donations made by the company during the year are disclosed in Note 4.4.

AUDITORS

The Financial Statements have been audited by Messrs. Ernst & Young, Chartered Accountants of Sri Lanka, who have indicated their willingness to continue in office and a resolution relating to their reappointment, will be proposed at the Annual General Meeting.

Fees paid/ provided as at 31st March	**2016**	**2015**
Audit Fees	LKR 693,000	LKR 660,000
Taxation Services	LKR 360,000	LKR 257,500

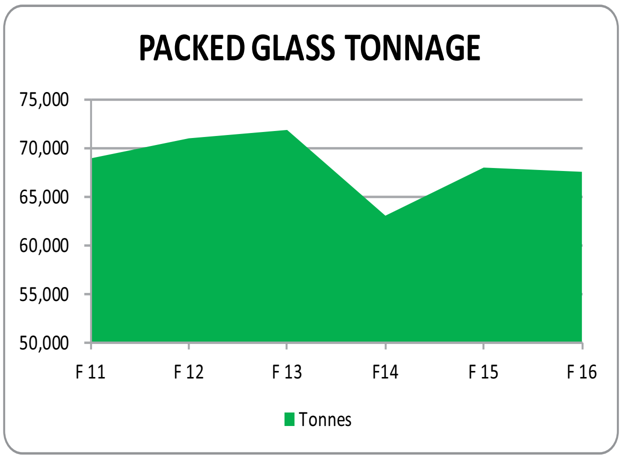
As far as the Directors are aware, the auditors do not have any other relationship with the Company or any of its affiliate company.

Sgd. Sanjay Tiwari CEO / Executive Director	Sgd. C. T. S. B. Perera Director	Sgd. Sagarika Jayasundera Company Secretary

13th April 2016

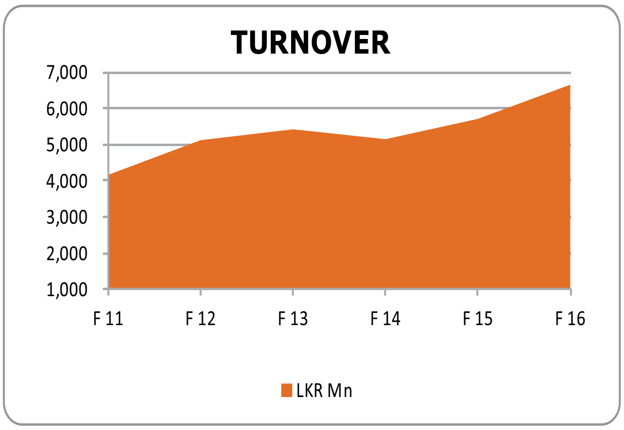
All figures in Tonnes

	F 11	F 12	F 13	F14	F15	F 16
PACKED	68,910	70,968	71,827	63,032	67,966	67,533



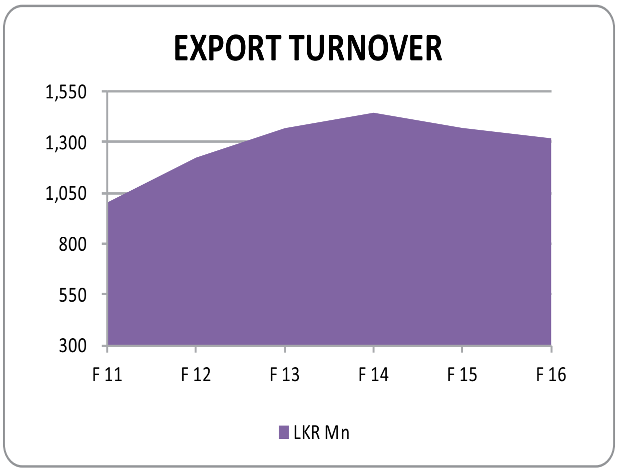
All figures in LKR Mn

	F 11	F 12	F 13	F14	F15	F 16
TURNOVER	4,163	5,120	5,420	5,147	5,708	6,652



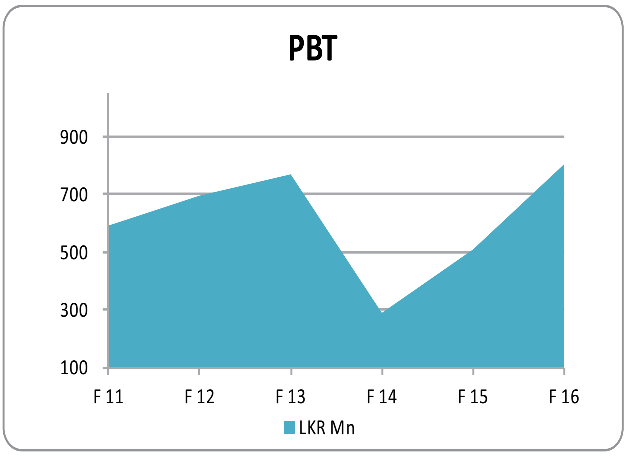
All figures in LKR Mn

	F 11	F 12	F 13	F14	F15	F 16
EXPORT	1,004	1,225	1,370	1,446	1,371	1,320



All figures in LKR Mn

	F 11	F 12	F 13	F14	F15	F16
PBT	592	696	770	289	509	805



BOARD OF DIRECTORS

VIJAY SHAH
Chairman
Non Executive, Independent Director

Appointed to the Board in the year 1999. Took over as Chairman of Piramal Glass Ceylon PLC (formerly known as Ceylon Glass Company Ltd) since 2002. Joined Piramal Group in 1988. In September 1992 he took over as Managing Director of Piramal Glass Ltd. Since August 1999, Mr. Shah was assigned responsibility as Executive Director and Chief Operating Officer of Piramal Healthcare Limited (earlier Known as Nocholas Piramal India Limited). He was a senior Associate at Management Structure & Systems (Pvt) Ltd - Management Consultancy organization from 1982 to 1987. Mr. Shah has been instrumental in several mergers & acquisitions and consequent integration globally in the Piramal Group. He is a Director in Piramal Glass UK Ltd, Piramal Glass - USA Inc, Allergen India Limited etc.

He has resigned from the post of Managing Director of Piramal Glass Limited, India with effect from 31st December 2011 and will continue to be a member of the Board of Directors, as a Non-Executive Director. With effect from 1st January 2012, once again he has been appointed as Executive Director & Chief Operating Officer for Piramal Healthcare Limited (Presently known as Piramal Enterprises Limited) with overall responsibility of Pharma Solutions and Pharmaceutical Care Business.

He holds Bachelor's Degree in Commerce, Rank holder and member of "The Institute of Chartered Accountants of India" (May 1981). He has also done a Management Education Program from IIM Ahmedabad in 1987 and the Advance Management Program (AMP) from the Harvard Business School Boston, USA in 1997.

C. T. S. B. PERERA
Non Executive, Independent Director

Appointed to the Board of Piramal Glass Ceylon PLC (formerly known as Ceylon Glass Company Ltd) in 2003. Dr Perera has served as the Managing Director of Ceylon Glass Company Ltd from July 1995 to March 2002. He served as the first Chairman of SME Bank, Additional Director General of Board of Investment, Sri Lanka and former Chairman of Industrial Development Board and former deputy chairman of Public Utilities Commision. Presently serves as a Director of Kelani Cables PLC and Director on Board of several reputed Companies.

He holds a PhD-CNAA- North Staffordshire UK, BSc (Hons) CNAA - North Staffodshire UK, BSc University of Ceylon and Fellow of the Institute of Metal, Materials & Mining (UK).

SANJAY TIWARI
CEO/ Executive Director
Executive, Non Independent Director

Appointed to the Board of Piramal Glass Ceylon PLC (formerly known as Ceylon Glass Company Ltd) in December 2005 as CEO and Executive Director. Since 1st June 2013, Mr. Tiwari has been designated as the Chief Operating Officer In Piramal Glass Limited, India to oversee the operations of the Plants in Vadodara, Gujarat, India, in addition to existing responsibilities. Joined Piramal Group in June 2004 as Vice President - Finance & Commercial, heading Accounts, Finance, IT, Logistics and Supply Chain of Piramal Glass Ltd till Nov 2005. Before joining the Piramal Group worked with Zydus Cadila Healthcare Ltd and Torrent Group as CFO and General Manager Commercial for 12 years. Diversified experience in various positions in different Industries - Textile, Colour Chemicals, Cables, Pharmaceuticals, Bulk Drugs and Glass.

Mr. Tiwari, an alumini of London Business School, holds a Bachelors Degree in Commerce from India and is a fellow member of the Institute of Chartered Accountants of India. He has done Advance Financial Management & General Management from the Indian Institute of Management, Ahmedabad, India, and is qualified in Executive Management from the University of Michigan, USA and Senior Executive Management from London Business School, UK.

R. M. S. FERNANDO

Non Executive, Independent Director

Appointed to the Board of Piramal Glass Ceylon PLC (Formerly known as Ceylon Glass Company Ltd) on 8th October 2007.

Mr. Fernando has worked at the DFCC Bank for 10 years and joined the National Development Bank in 1989 and was the CEO of the National Development Bank from 1989-2001. He also served as the Secretary to the Ministry of Investment Promotions, Industrial Policy, and Constitutional Affairs during 2002-2004. Mr. Fernando has been an international consultant and advisor to the World Bank and the Asian Development Bank.

He is a fellow of the Chartered Institute of Bankers, United Kingdom, Companion of the Chartered Institute of Management in UK and a fellow of the Chartered Institute of Management Accountants in UK. He holds an honours degree in Law from the University of Colombo and is also an Attorney - at - Law. He is at present the Chairman of the Urban Development Authority, Sri Lanka.

SANDEEP ARORA

Non Executive, Non Independent Director

Appointed to the Board of Piramal Glass Ceylon PLC (formerly known as Ceylon Glass Company Ltd) on 07th October 2009. He has appointed as President Finance and Accounts in Piramal Enterprises Limited with effect from 1st July 2014. Mr. Sandeep holds a Bachelor Degree in Commerce and is a Member of “The Institute of Chartered Accountants of India”. He was the CFO of Piramal Glass Ltd heading the Finance and Accounts functions for the Piramal Glass group business. He was earlier with Piramal Healthcare Ltd. He has over 20 years of experience in multiple industries like Industrial Yarn, Cosmetics, Food and Healthcare with Indian and Multinational Companies based in India. He has resigned from the board on 2nd April 2015.

SAMIT DATTA

Non Executive, Non Independent Director

Appointed to the Board of Piramal Glass Ceylon PLC (Formerly known as Ceylon Glass Company Ltd) on 28th April 2015.

Mr. Samit Datta is working with Piramal Glass Limited since December 2005 and is currently the Head of Global Supply Chain Management and IT for the Piramal Group.

He has worked in various capacities handling Strategic Planning, Corporate Logistics, Global Supply Chain Management & IT . He has over 20 years experience in diverse industries including Automobile, Garment, IT & Packaging .

He is holding BE (Hons) in Mechanical Engineering from NIT, Durgapur, India and a MBA in Manufacturing Management from SP Jain Institute of Management & Research, Mumbai, India.

CORPORATE GOVERNANCE *Compliance Table*
(Colombo Stock Exchange Circular No. 02/2009 and New Listing Rules)

Rule No.	Subject	Applicable Requirement	Compliance Status	Details
7.10.1	Non-Executive Directors	At least two non-executive directors or; at least one third of the total number of directors whichever is higher should be Non-Executive Directors.	Compliant	Four out of Five Directors are Non-Executive Directors.
7.10.2 (a)	Independent Directors	Two or one third of Non-Executive Directors, whichever is higher should be independent.	Compliant	Three of the Four Non-Executive Directors are independent.
7.10.2 (b)	Independent Directors	Each Non-Executive Director should submit a declaration of independence / non-independence in the prescribed format.	Compliant	Non-Executive Directors have submitted the declarations.
7.10.3 (a)	Disclosure relating to Directors	Names of independent Directors should be disclosed in the Annual Report.	Compliant	Please refer page 14 in the Annual Report.
7.10.3 (c)	Disclosure relating to Directors	A brief resume of each Director should be included in the Annual Report including the area of Expertise.	Compliant	Please refer page 9-10 in the Annual Report.
7.10.5	Remuneration Committee	A listed company shall have a Remuneration Committee.	Compliant	Names of the members of the Remuneration Committee are available in page 02.
7.10.5 (a)	Composition of Remuneration Committee	Shall comprise of Non-Executive Directors a majority of whom can be independent.	Compliant	Remuneration Committee consists of three Non-Executive Directors of which three are independent.
7.10.5 (b)	Functions of Remuneration Committee	The Remuneration Committee shall recommend the remuneration of Chief Executive Officer and Executive Directors.	Compliant	Please refer the Remuneration Committee Report on page 14.
7.10.5 (c)	Disclosure in the Annual Report relating to Remuneration Committee	The Annual Report should set out;		
		a) Names of Directors comprising the Remuneration Committee.	Compliant	Please refer page 02.
		b) Statement of Remuneration Policy.	Compliant	Please refer the Remuneration Committee Report on page 14 for a brief statement of policy.
		c) Aggregate remuneration paid to Executive & Non-Executive Directors.	Compliant	Please refer page 55
7.10.6	Audit Committee	The Company shall have an Audit Committee.	Compliant	Names of the members of the Audit Committee is available on page 02.
7.10.6 (a)	Composition of Audit Committee	Shall comprise of Non-Executive Directors a majority of whom can be independent.	Compliant	Audit Committee consists of three Non-Executive Directors of which three are independent.
		Chief Executive Officer and the Chief Financial Officer should attend Audit Committee Meetings.	Compliant	CEO/Executive Director and the Financial Controller attend by invitation.
		The Chairman of the Audit Committee or one member should be a member of a professional accounting body.	Compliant	Chairman of the Audit Committee and one member are members of a professional accounting body.
7.10.6 (b)	Audit Committee Functions	Should be as outlined in the Section 7.10.6(b) of the Listing Rules.	Compliant	Please refer page 14.
7.10.6 (c)	Disclosure in the Annual Report relating to Audit Committee	a) Names of the Directors comprising the Audit Committee.	Compliant	Please refer page 02.
		b) The Audit Committee shall make a determination of the independence of the Auditors and disclose the impacts for such determination.	Compliant	Please refer Audit Committee Report on page 14.
		c) The Annual Report shall contain a Report of the Audit Committee setting out the manner of Compliance of the functions.	Compliant	Please refer Audit Committee Report on page 14.

CORPORATE GOVERNANCE *Compliance Table (Contd....)*

Rule No.	Subject	Application Requirement	Compliance Status	Details
9.2.1	Related Party Transactions Review Committee	A Listed Company shall have a Related Party Transactions Review Committee with effect from 01.01.2016	Compliant	Names of the members of the RPT Review Committee are available in page 02.
9.2.2	Composition of Related Party Transactions Review Committee	Shall comprise a combination of non-executive directors and independent non-executive directors. The composition of the Committee may also include executive directors at the option of the Listed Entity.	Compliant	RPT Review Committee consists of three independent Non-Executive directors.
		One Independent non-executive director shall be appointed as Chairman of the Committee.	Compliant	The Chairman of the RPT Review Committee is an Independent non-executive director.
9.2.4	Functions of Related Party Transactions Review Committee	Should be as outlined in the sections 9.2.4 of the Listing Rules	Compliant	Please refer page 15
9.3.2	Disclosure in the Annual Report relating to Related Party Transactions Review Committee	a) Names of the Directors comprising the Related Party Transactions Review Committee	Compliant	Please refer page 02.
		b) A Statement to the effect that the Committee has reviewed the Related Party Transactions during the financial year and has communicated the comments/ observations to the Board of Directors.	Compliant	Please refer page 15.
		c) The Policies and procedures adopted by the Committee for reviewing the Related Party Transactions.	Compliant	Please refer page 15.
		d) The number of times the Committee has met during the Financial Year.	Compliant	Please refer page 15.
		e) A declaration by the Board of Directors in the Annual Report as an affirmative statement of the Compliance with these Rules pertaining to Related Party Transactions or negative statement in the event the Entity has not entered into any Related Party Transaction/ s.	Compliant	Please refer page 17

Recurrent Related Party Transactions

Name of the Related Party	Relationship	Nature of the Transaction	Aggregate value of RPT entered into during the Financial Year	Aggregate value of RPT as a % of Net Revenue/ Income	Terms & Conditions of the RPT
			LKR		
Piramal Glass Limited.	Parent Company	Purchase of Bottles	834,890,077	12.4%	Note 1
		Purchase of Moulds	4,326,052	0.1%	
		Purchase of Refractory	22,046,459	0.3%	
		Sale of Bottles	128,030	0.0%	
		Technical Fees	139,832,819	2.1%	Note 2
Piramal Glass - USA, Inc.	Other Related Group Company	Sale of Bottles	94,221,087	1.4%	Note 1

Note 1 - At terms equivalent to those that prevail in arm's length transactions.
Note 2 - As per the agreement entered into between the two companies. Refer Audited Financial statement Note 4.4.

CORPORATE GOVERNANCE

ATTENDANCE OF DIRECTORS AT MEETING

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS

The Board of the Company met five (5) times during the financial year 2015 - 16 , on the following dates:

(1) 28th April, 2015 (2) 30th June, 2015 (3) 17th July, 2015 (4) 28th October, 2015
(5) 22nd January, 2016

The attendance of the Directors at the Board Meetings and the last Annual General Meeting held on 30th June, 2015 were as under:

Name of Director	Board Meetings		AGM
	Held during their tenure	Attended	
Vijay Shah - Chairman	5	5	✓
C.T.S.B.Perera	5	5	✓
Sanjay Tiwari - CEO	5	5	✓
R.M.S.Fernando	5	4	✓
Samit Datta	5	5	✓

ATTENDANCE OF DIRECTORS AT AUDIT REMUNERATION COMMITTEE MEETINGS

During the financial year 2015-16, four (04) Audit Committee Meetings were held on the following dates:

(1) 28th April, 2015 (2) 17th July, 2015 (3) 28th October, 2015 (4) 22nd January, 2016

The constitution of the Committee and the attendance of each member of the Committee is given below:

Name of the Director	Designation	Category	Audit Committee Meeting	
			Held during their tenure	Attended
(1) Vijay Shah	Chairman	Non - Executive Director	4	4
(2) C.T.S.B.Perera	Member	Independent Director	4	4
(3) R.M.S.Fernando	Member	Independent Director	4	3

The Company Secretary is the Secretary to the Committee.

ATTENDANCE OF DIRECTORS AT REMUNERATION COMMITTEE MEETINGS

The Remuneration Committee met on 28th April, 2015 for the financial year 2015 - 16.

The constitution of the committee and the attendance of each member of the committee is given below;

Name of the Director	Designation	Category	Remuneration Committee Meeting	
			Held during their tenure	Attended
(1) Vijay Shah	Chairman	Non - Executive Director	1	1
(2) C.T.S.B.Perera	Member	Independent Director	1	1
(3) R.M.S.Fernando	Member	Independent Director	1	1

CORPORATE GOVERNANCE

REMUNERATION COMMITTEE REPORT

A Listed Company shall have a Remuneration Committee in conformity with the following requirements.

This committee shall comprise of a minimum of two independent non-executive directors (in instances where a company has only two directors on its Board); or Non-executive directors, a majority of whom shall be independent, whichever shall be higher. One non-executive director shall be appointed as Chairman of the Committee by the Board of Directors.

The Remuneration Committee is a sub-committee of the Board and the Company's Remuneration Committee consists of three non-executive directors of which three are independent Directors.

The Remuneration Committee shall recommend the remuneration payable to the Executive Directors and Chief Executive Officer of the listed company and/or equivalent position thereof, to the board of the listed company, which will make the final determination upon consideration of such recommendations.

The Committee has acted within the parameters set by its terms of reference.

The CEO/Executive Director attends the Committee meetings by invitation. However, he does not participate in any discussion pertaining to his remuneration.

The remuneration packages linked to the individual performances are aligned with the Company's long-term strategy.

The Term "remuneration" shall make reference to cash and all non-cash benefits whatsoever received in consideration of employment with the listed company (excluding statutory entitlements such as Employees Provident Fund and Employees Trust Fund).

The aggregate remuneration paid to Executive and Non Executive Directors are disclosed in page 55. The members of the Remuneration Committee are disclosed in page 02.

Sgd. Vijay Shah
Chairman

13th April 2016

INDEPENDENT DIRECTORS

The Independent directors are Dr.C.T.S.B. Perera, Mr.R.M.S.Fernando and Mr. Vijay Shah. The board is of the opinion that Dr.C.T.S.B. Perera is an independent director, notwithstanding the fact that he has been a director of the Company continuously for a period exceeding nine years. It has been so determined taking to account the experience, qualifications and the industry experience he posses.

AUDIT COMMITTEE REPORT

A Listed Company shall have an Audit Committee. The Audit Committee is established for the purpose of assisting the Board in fulfilling their oversight responsibilities regarding the integrity of the Financial Statements, risk management, internal control and compliance with legal & regulatory requirements, assessment of the independence and performance of the external auditors and internal audit function, make recommendations to the board pertaining to appointment, re-appointment and removal of external auditors and to approve the remuneration and terms of engagement of the external auditors.

The Audit Committee is formally constituted as a Sub-Committee of the Main Board, to which it is accountable.

Audit committee shall comprise of a minimum of two independent non-executive directors (in instances where a company has only two directors on its Board); or Non-executive directors, a majority of whom shall be independent, whichever shall be higher. One non-executive director shall be appointed as Chairman of the Committee by the Board of Directors.

The Company's Audit Committee consists of three non-executive independent Directors. The members of the Audit Committee are disclosed in page 02.

Meetings of Audit Committee

Four meetings were held during the year ended 31st March 2016. The Internal Auditors attended all these meetings.

Internal Auditors

The internal audit function is outsourced to Messrs. SJMS Associates, a firm of Chartered Accountants. Internal Auditors directly submitted their findings to Audit Committee quarterly and their reports are made available to External Auditors.

External Auditors

The Audit committee reviews the independence and objectivity of the external auditors and conducts a formal review of effectiveness of the external audit process. The committee reviewed the non audit services and its impact on the independence of the external auditors. The Audit Committee has recommended to the Board of Directors that Messers Ernst & Young to be continued as the auditors for the financial year ending 31st March 2017.

Audit Committee Performance

The Annual Performance of Audit Committee was evaluated by other members of the Board of Directors and was deemed to be satisfactory.

Conclusion

The Audit Committee is satisfied that the effectiveness of the organizational structure of the Company and of the implementation of the Company's accounting policies and operational controls provide reasonable assurance that the affairs of the Company are managed in accordance with Company's policies and that Company's assets are properly accounted for and adequately safeguarded.

CORPORATE GOVERNANCE

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT

A Listed Company shall have an Related Party Transactions Review Committee on a mandatory basis with effect from 01st January 2016.The Rules relevant to RPT Review Committee are stated under 9.2 of the CSE Listing Rules.

The RPT Review Committee is established for the purpose of reviewing transfer of resources, services or obligations between related parties regardless of whether a price is charged.

According to the section 9.3.2 of the Listing Rules the Listed Entity has to disclose the Related Party Transactions in the Annual Report in the case of Non– recurrent Related Party Transactions, if aggregate value of the non-recurrent Related Party Transactions exceeds 10% of the Equity or 5% of the Total Assets, whichever is lower. In the case of Recurrent Related Party Transactions, if the aggregate value of the recurrent Related Party Transactions exceeds 10% of the gross revenue /income (or equivalent term in the Income Statement and in the Case of group entity consolidated revenue) as per the Latest Audited Financial Statements the Listed Entity must disclose the aggregate value of the Related party Transactions entered into with the same Related Party. The formats are given in the Listing Rules.

The company has not entered into any Non-recurrent Related Party Transactions during the Financial year 2015-16. All the Recurrent Related Party Transactions entered by the company are disclosed in page 12 in the Annual Report.

The RPT Review Committee is a sub Committee of the Board and the Company's RPT Review Committee shall comprise of a combination of non-executive directors and independent non-executive directors. The composition of the committee may also include executive directors as the option of the List Entity. One independent non-executive director shall be appointed as Chairman of the committee.

The Company's RPT Review Committee consists of three non-executive independent directors .The members of the RPT Review Committee are disclosed in page 02.

Meeting of the RPT Review Committee

The RPT Review Committee shall meet at least once a calendar quarter. Since the RPT Review Committee of the company has formed in January 2016 it has held one meeting for the quarter ended 31st March 2016.

The RPT Review Committee has reviewed the Related Party Transactions during the financial year and has communicated the comments/ observations to the Board of Directors. The policies and Procedures adopted by the committee for reviewing the Related Party Transactions are set out as per the section 09 of the new Listing Rules.

Sgd. Vijay Shah
Chairman

13th April 2016

MATERIAL *foreseeable Risk Factors*

(As per Rule No 7.6 (VI) of the Listing Rules of the CSE)

Risks are the uncertain events, which could have an adverse effect on the achievement of the organization's operational and financial objectives. Risk Management is the practice of managing the resources of the operation in such way to maintain an acceptable level of risk. The Board of Directors of the Company places special emphasis on the management of business risk, providing assurance that sound system of control are in place in order to manage and mitigate the potential impact of such risks.

Piramal Glass Ceylon PLC, being in the Glass Manufacturing industry is exposed to a multitude of risks.

Operational Risk

The Company has designed and implemented a sound system of internal control to prevent operational risks that may arise in day to day activities. The quality and effectiveness of such systems are subject to regular review by the Management and updated with appropriate changes where necessary to suit the changing business environment. Regular internal audits are carried out to ensure that these systems and procedures are being adhered to.

Credit Risk

Credit risk is the potential financial loss arising from the Company's debtors defaulting or failing to pay for goods purchased from the Company within the agreed period. During the year Company was able to manage the Credit Risk whilst capitalizing the good long term relationship built up with the customers.

Liquidity Risk

Liquidity refers to the ability of the Company to meet financial obligations as they become due without affecting the normal operation. During the year under review Company has successfully met its all financial obligations without affecting its day to day operation.

Interest Rate Risk

The exposure to interest rate risk is managed successfully by negotiating better rates by offering sound security and making repayment of loans on time.

Legal Risk

Legal risk arises from legal consequences of a transaction or any other legal implications which may result in unexpected losses to the Company. The Company has placed special emphasis on this and has set up of obtaining outside Experts'/ consultants' opinion regularly.

Reputation Risk

In today's environment, reputation has become an organization's most valuable asset. The Company has recognized the need of maintaining good reputation and in order to protect itself ensure the compliance with all legal and statutory requirements and maintain high standard of ethics and increasing transparency.

Material Issues Pertaining to Employees and Industrial Relations Pertaining to the Entity (As per Rule No 7.6 (vii) of the Listing Rules of CSE)

There were no material issues pertaining to employees and industrial relations pertaining to the company that occurred during the year under review which needs to be disclosed.

DIRECTORS' *Responsibilities for the Preparation of Financial Statements*

The responsibilities of the Directors, in relation to the Financial Statements of Piramal Glass Ceylon PLC are set out in this Statement. The Auditors' Report sets out the respective responsibilities of the Directors and the External Auditors relating to the Financial Statements and this statement provides additional information. The responsibilities of the Auditors, in relation to the Financial Statements, are set out in the Auditors' Report on page 20 & 21 of the Annual Report. The external auditors M/s Ernst & Young, appointed in accordance with the resolution passed at the last Annual General Meeting, were provided with every opportunity to undertake whatever inspections they consider appropriate to enable them to form their opinion on the financial statements.

The directors are required by relevant statutory provisions to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the company for that period. The Financial Statement for the year 2015/2016 prepared and presented in this Annual report have been prepared based on new Sri Lanka Accounting Standards (SLFRS) which came to effect from 01st January 2012, are in agreement with the underlying books of account and are in conformity with the requirements of the Sri Lanka Accounting Standards, Companies Act No. 7 of 2007, Sri Lanka Accounting and Auditing Standards Act No. 15 of 2000 and the New Listing Rules of the Colombo Stock Exchange. The responsibility of the Directors, in relation to the Financial Statements, is set out in the following statement.

Under section 151 (1) of the Companies Act No. 7 of 2007, the Directors of the Company have responsibilities for ensuring that the Company keeps proper books of account of all the transactions and prepares financial statements that give a true and fair view of the state of affairs of the Company and the profit or loss or income and expenditure for the accounting period ending on that balance sheet date. The Directors consider that these Financial Statements have been prepared using appropriate accounting policies, applied consistently, and supported by reasonable and prudent judgments and estimates and is in compliance with applicable Sri Lanka Accounting Standards and provide the information required by the Companies Act, as relevant. Any change to accounting policies and reasons for such change, is disclosed in the "Notes to the Financial Statements".

The Directors are responsible for keeping proper accounting records, and to take reasonable steps as far as practicable to ensure the accuracy and reliability of accounting records, to enable the preparation of financial statements. The Directors have general responsibilities to take reasonable steps to safeguard the assets of the Company and in this regard to give proper consideration to the establishment of appropriate internal control systems with a view of preventing and detecting fraud and other irregularities.

In discharging this responsibility the Directors have instituted a system of internal controls and a system for monitoring its effectiveness. The system of controls provide reasonable and not absolute assurance of safeguarding of Company's assets, maintenance of proper accounting records and the reliability of financial information.

The Board is fully committed to ensure the existence of an effective system of internal control and risk management within the Company and continuously reviews and evaluates the adequacy of and integrity of the systems.

The Directors confirm that the best of their knowledge, all statutory payments relating to employees and Government and other Statutory bodies that were due in respect of the company have been paid where relevant or provided for.

The Directors further confirm that the company is compliance with the Listing Rules Pertaining to Related Party Translations as mentioned in section 9.3.2 of the New Listing Rules. The company has not entered into any Non-recurrent Related Party Transactions during the Financial year 2015-16. All the Recurrent Related Party Transactions entered by the company are disclosed in page 12 in the Annual Report.

The Directors believe, after reviewing the financial position and the cash flow of the Company, that the Company has adequate resources to continue in operation for the foreseeable future and therefore, these Financial Statements are prepared on a going concern basis.

The Directors are of the view that they have discharged the responsibilities as set out in this statement.

By order of the Board

SAGARIKA JAYASUNDERA
Company Secretary
Piramal Glass Ceylon PLC

13th April 2016

Press conference & Launch of "Believers In Glass"

Our Achievements

Best Exporter of Packaging Material
19^{th} Presidential Export Award Ceremony

Gold Award in Industry sector - Extra Large segment
23^{rd} National Chamber of Export Awards

BOI Horana Region Cricket Champions

LAUGFS Cricket Tournament Champions

Building a better working world

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NDeS/TAVG/AD

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF PIRAMAL GLASS CEYLON PLC

We have audited the accompanying financial statements of Piramal Glass Ceylon PLC, ("the Company"), which comprise the statement of financial position as at 31 March 2016, and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and, cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (set out on pages 22 to 57).

Board's Responsibility for the Financial Statements

The Board of Directors ("Board") is responsible for the preparation of these financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards and for such internal control as Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Sri Lanka Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 March 2016, and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

(Contd...)

Building a better working world

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we state the following:

a) The basis of opinion, scope and limitations of the audit are as stated above;

b) In our opinion:

- we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company, and
- the financial statements of the Company comply with the requirements of section 151 of the Companies Act No. 07 of 2007.

Ernst & Young

13 April 2016

Colombo

STATEMENT *of Profit or Loss for the Year ended 31 March, 2016*

	Notes	2016 LKR	2015 LKR
Revenue	3.1	6,755,078,595	5,791,987,624
Cost of Sales		(5,258,046,568)	(4,674,851,809)
Gross Profit		1,497,032,027	1,117,135,815
Other Operating Income	4.1	4,670,292	6,510,256
Selling and Distribution Expenses		(218,302,336)	(106,502,947)
Administrative Expenses		(404,550,753)	(382,488,253)
Operating Profit		878,849,230	634,654,871
Finance Costs	4.3	(74,445,269)	(126,849,414)
Finance Income	4.2	200,007	761,827
Profit before Tax	4.4	804,603,968	508,567,284
Income Tax Expense	5.1	(150,202,406)	(69,151,029)
Profit for the Year		654,401,562	439,416,255
Earnings Per Share - Basic/Diluted	6	0.69	0.46
Dividend Per Share	6	0.23	0.38

The accounting policies and notes on pages 27 through 57 form an integral part of the financial statements.

STATEMENT *of Other Comprehensive Income for the Year ended 31 March, 2016*

	Notes	2016 LKR	2015 LKR
Profit for the Year		654,401,562	439,416,255
Other Comprehensive Income			
Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods:			
Gain/(Loss) on Available for Sale Financial Assets	4.5	(2,437,927)	2,264,819
Income Tax Effect	5.2	-	-
Net Other Comprehensive Income/(Loss) to be Reclassified to Profit or Loss in Subsequent Periods		(2,437,927)	2,264,819
Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods:			
Actuarial (Gains)/Losses on Defined Benefit Plans	4.5	9,857,508	(4,895,087)
Income Tax Effect	5.2	(1,774,351)	979,017
Net Other Comprehensive Income/(Loss) not to be Reclassified to Profit or Loss in Subsequent Periods		8,083,157	(3,916,070)
Other Comprehensive Income/(Loss) for the Year Net of Tax		5,645,230	(1,651,251)
Total Comprehensive Income for the Year Net of Tax		660,046,791	437,765,005

The accounting policies and notes on pages 27 through 57 form an integral part of the financial statements.

STATEMENT *of Financial Position as at 31 March, 2016*

ASSETS	Notes	2016 LKR	2015 LKR
Non-Current Assets			
Property, Plant and Equipment	7	3,691,667,200	3,561,401,698
Leasehold Properties	8	25,010,768	26,333,804
Available for Sale Investments	9.1	5,016,502	7,454,429
Other Receivables	11	3,359,219	-
		3,725,053,689	3,595,189,931
Current Assets			
Inventories	10	1,444,064,052	1,433,135,167
Trade and Other Receivables	11	1,319,355,353	1,260,178,832
Prepayments		6,296,565	8,249,380
Income Tax Recoverable		-	41,177,420
Cash and Short Term Deposits	12	161,304,982	127,804,428
		2,931,020,952	2,870,545,227
Total Assets		6,656,074,641	6,465,735,158
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	13	1,526,407,485	1,526,407,485
Reserves	14	130,641,460	134,604,387
Retained Earnings		2,410,444,853	1,964,954,934
Total Equity		4,067,493,799	3,625,966,806
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	9.2	471,576,306	176,149,050
Deferred Tax Liabilities	5.4	149,252,176	111,999,922
Employee Benefit Liability	15	121,031,795	129,648,619
		741,860,277	417,797,591
Current Liabilities			
Trade and Other Payables	16	1,354,755,785	869,878,813
Income Tax Payable		59,288,912	-
Dividends Payable	17	36,258,652	32,462,858
Interest Bearing Loans and Borrowings	9.2	396,417,216	1,519,629,090
		1,846,720,565	2,421,970,761
Total Equity and Liabilities		6,656,074,641	6,465,735,158

These financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

………………………………

Niloni Boteju
Financial Controller

The Board of Directors is responsible for the preparation and presentation of these financial statements. Signed for and on behalf of the Board by:

…………………………….. ……………………………..

Sanjay Tiwari
CEO/Executive Director

C.T.S.B. Perera
Director

The accounting policies and notes on pages 27 through 57 form an integral part of the financial statements.

13 April 2016
Colombo

STATEMENT *of Changes in Equity for the year ended 31 March, 2016*

	Stated Capital	Revaluation Reserves	Retained Earnings	Available for Sale Reserve	Total
	LKR	LKR	LKR	LKR	LKR
As at 01 April 2014	1,526,407,485	130,038,179	1,887,860,596	4,928,251	3,549,234,512
Profit for the Year	-	-	439,416,255	-	439,416,255
Revaluation Impact Eliminated on Disposal of Property, Plant and Equipment	-	(2,626,862)	2,626,862	-	-
Other Comprehensive Income	-	-	(3,916,070)	2,264,819	(1,651,251)
Total Comprehensive Income	-	(2,626,862)	438,127,047	2,264,819	437,765,004
Dividends Paid	-	-	(361,032,710)	-	(361,032,710)
As at 31 March 2015	1,526,407,485	127,411,317	1,964,954,933	7,193,070	3,625,966,806
Profit for the Year	-	-	654,401,562	-	654,401,562
Revaluation Impact Eliminated on Disposal of Property, Plant and Equipment	-	(1,525,000)	1,525,000	-	-
Other Comprehensive Income	-	-	8,083,157	(2,437,927)	5,645,230
Total Comprehensive Income	-	(1,525,000)	664,009,718	(2,437,927)	660,046,791
Dividends Paid	-	-	(218,519,798)	-	(218,519,798)
As at 31 March 2016	1,526,407,485	125,886,317	2,410,444,853	4,755,143	4,067,493,799

The accounting policies and notes on pages 27 through 57 form an integral part of the financial statements.

STATEMENT *of Cash Flows for the year ended 31 March, 2016*

	Notes	2016 LKR	2015 LKR
Cash Flow from Operating Activities			
Net Profit before Tax		804,603,968	508,567,284
Non-cash Adjustment to Reconcile Profit before Tax to Net Cash Flows:			
Depreciation of Property, Plant and Equipment	7.2	460,658,121	434,912,633
Amortization of Leasehold Property	8	1,323,036	1,323,036
Amortization of Intangible Assets		-	3,148,641
Exchange Difference Adjustment		22,065,490	8,095,497
Provision for Employee Benefit Liability	15.1	20,265,618	18,873,909
Other Operating Income	4.1	(4,445,478)	(6,510,256)
Finance Costs	4.3	74,445,269	126,849,414
Finance Income	4.2	(200,007)	(761,827)
Loss on Sale of Property, Plant and Equipment		(992,488)	997,252
Operating Profit before Working Capital Changes		1,377,723,531	1,095,495,584
Working Capital Adjustments:			
(Increase) / Decrease in Inventories		(10,928,885)	156,322,001
(Increase) / Decrease in Trade and Other Receivables and Prepayments		(14,813,425)	(157,639,354)
Increase / (Decrease) in Trade and Other Payables		228,997,738	(177,170,669)
Cash Generated from Operations		1,580,978,959	917,007,561
Employee Benefit Liability Costs Paid	15.1	(19,024,934)	(9,365,653)
Interest Paid	4.3	(74,445,269)	(126,849,414)
Net Cash Flow Generated from Operating Activities		1,487,508,756	780,792,494
Cash Flows from Investing Activities			
Acquisition of Property, Plant and Equipment	7	(391,874,878)	(321,639,223)
Proceeds from Sale of Property, Plant and Equipment		2,387,387	2,540,420
Sundry Income	4.1	4,131,320	6,316,125
Dividends Received		314,158	194,131
Loans & Advances Granted to Company Officers during the Year		(8,530,000)	(3,385,000)
Repayment of Staff Loans by Company Officers during the Year		3,937,920	6,673,337
Net Cash Flow Generated from/(Used in) Investing Activities		(389,634,093)	(309,300,210)
Cash Flows from Financing Activities			
Proceeds from Interest Bearing Loans and Borrowings		5,419,987,190	8,912,369,350
Dividends Paid		(214,724,005)	(351,911,586)
Repayment of Bank Loans		(6,270,446,890)	(9,023,472,405)
Finance Income	4.2	200,007	761,827
Net Cash Flow Used in Financing Activities		(1,064,983,697)	(462,252,815)
Net Increase/(Decrease) in Cash and Cash Equivalents		32,890,962	9,239,469
Net Foreign Exchange Difference		(515,495)	(176,677)
Cash and Cash Equivalent at the Beginning of the Year	12	107,132,774	98,069,982
Cash and Cash Equivalent at the End of the Year	12	139,508,241	107,132,774

The accounting policies and notes on pages 27 through 57 form an integral part of the financial statements.

NOTES *to the Financial Statement Year ended 31 March, 2016*

1. CORPORATE INFORMATION

1.1 General

Piramal Glass Ceylon PLC ("Company") is a public limited liability Company incorporated and domiciled in Sri Lanka and listed in the Colombo Stock Exchange. The registered office of the Company and principle place of business is located at No. 148, Maligawa Road, Borupana, Ratmalana and the production facility is located in Horana.

1.2 Principal Activities and Nature of Operations

During the year, the principal activity of the Company was the manufacturing and sale of glass bottles.

1.3 Parent Entity and Ultimate Parent Entity

The Company's parent undertaking is Piramal Glass Limited, which is incorporated in India.

1.4 Directors' Responsibility Statement

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

1.5 Date of Authorization for Issue

The financial statements of Piramal Glass Ceylon PLC for the year ended 31 March 2016 were authorized for issue in accordance with a resolution of the Board of Directors on 13 April 2016.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Sri Lanka Accounting Standards comprising of SLFRS and LKAS (hereafter referred as "SLFRS"), as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).

2.1.1 Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for available-for-sale financial assets that have been measured at fair value.

The financial statements are presented in Sri Lanka Rupees.

2.1.2 Statement of Compliance

The preparation and presentation of these financial statements are in compliance with the Companies Act No. 07 of 2007.

2.2 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

2.2.1 Significant Judgments in Applying the Accounting Policies

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which has the most significant effect on the amounts recognized in the financial statements.

Classification of Property

The Company determines whether a property is classified as investment property or an owner occupied property.

Investment property comprises land and buildings which are not occupied substantially for use by, or in the operations of the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and for capital appreciation.

The Company determines whether a property qualifies as investment property by considering whether the property generates cash flows largely independently of the other assets held by the entity. Owner occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process.

NOTES *to the Financial Statements Year ended 31 March, 2016*

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions can be sold separately (or leased out separately under a finance lease), the Company accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as an investment property. The Company considers each property separately in making its judgment.

2.2.2 Significant Accounting Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation of uncertainty at the reporting date, that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below. The respective carrying amounts of assets and liabilities are given in related notes to the financial statements.

(a) Employee Benefit Liability

The cost as well as the present value of defined benefit plans - gratuity is determined using Actuarial Valuations. The Actuarial Valuation involves making assumptions about discount rates, future salary increases and other important related data. Due to the long term nature of employee benefits, such estimates are subject to significant uncertainty. Further details of assumptions together with an analysis of their sensitivity as carried out by the management in relation to the above key assumptions and the results of the sensitivity analysis are given in Note 15.2 and 15.3.

(b) Transfer Pricing Regulation

The Company is subject to income taxes and other taxes including transfer pricing regulations. Prevailing uncertainties with respects to the interpretation of respective transfer pricing regulations necessitated using management judgment to determine the impact of transfer pricing regulations. Accordingly, critical judgments and estimates were used in applying the regulations in aspects including but not limited to identifying associated undertakings, estimation of the respective arm's length prices and selection of appropriate pricing mechanism. The current tax charge is subject to such judgments. Differences between estimated income tax charge and actual payable may arise as a result of management's interpretation and application of transfer pricing regulation.

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies applied by the Company in preparing its financial statements.

2.3.1 Foreign Currency Translation

The Company's financial statements are presented in Sri Lanka Rupees, which is the Company's functional and presentation currency.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.3.2 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue and associated costs incurred or to be incurred can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and sales taxes. The following specific recognition criteria are used for the purpose of recognition of revenue.

a) Sale of Goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods; with the Company not retaining neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

b) Interest Income

Interest Income is recognized as the interest accrued unless collectability is in doubt. Interest income is included in finance income in the income statement.

c) Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

d) Others

Other income is recognized on an accrual basis.

Net gains and losses on the disposal of property, plant & equipment have been accounted for in the income statement, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses. On disposal of revalued property, plant and equipment before the date of transition to SLFRS, amount remaining in revaluation reserve relating to that asset is transferred directly to retained earnings.

Gains and losses arising from incidental activities to main revenue generating activities and those arising from a group of similar transactions which are not material, are aggregated, reported and presented on a net basis.

2.3.3 Taxation

Current Income Tax

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act.

Pursuant to agreement dated 19 July 2006 entered into with Board of Investment, the imposition, payment and recovery of income tax shall not apply for a period of 5 years from 10 December 2007. This exemption expired on 9 December 2012.

After the said tax exemption period, the Company would become liable for income tax at the rate of 10% for a period of 2 years and at the rate of 20% thereafter.

With the commencement of the tax exemption period, the Company was liable to pay income tax on the taxable income derived from other sources excluding from manufacturing operations.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except, when the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilised, except, when

NOTES *to the Financial Statements Year ended 31 March, 2016*

the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales Tax

Revenues, expenses and assets are recognized net of the amount of sales tax, except, where the sales tax incurred on a purchase of assets or service is not recoverable from the taxation authorities, in which case, the sales tax is recognized as a part of the cost of the asset or part of the expense items, as applicable and receivable and payable that are stated with the amount of sales tax included. The net amount of sales tax recoverable from or payable to the taxation authorities is included as a part of receivables or payables in the statement of financial position.

2.3.4 Property, Plant and Equipment

Property, plant and equipment is stated at cost, excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing parts of the property, plant and equipment when that cost is incurred, if the recognition criteria are met.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognized.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

2.3.5 Leasehold Property

Prepaid lease rentals paid to acquire land use rights are amortized over the lease term in accordance with the pattern of benefits derived from the use of such property. Leasehold property is tested for impairment annually and the carrying amount of such property is reduced to its recoverable amount where applicable.

The impairment loss if any is immediately recognized in the income statement.

2.3.6 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a Lessee

Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are reflected in finance costs in the income statement.

Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

Operating lease payments are recognized as an expense in the income statement on a straight line basis over the lease term.

2.3.7 Borrowing Costs

Borrowing costs are recognized as an expense in the year 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 that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of that asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The interest capitalized is calculated using Company's weighted average cost of borrowing after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amounts capitalized is the gross interest incurred on those borrowings less any investment income arising on their temporary investments. Interest is capitalized from the commencement of the development work until the date of practical completion. The capitalization of finance costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalized on the purchase cost of a site of property acquired specifically for development, but only where activities necessary to prepare the asset for redevelopments are in progress.

2.3.8 Investment Properties

Investment properties are measured initially and subsequently at cost. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and exclude the costs of day to day servicing of an investment property.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Any gains or losses on the retirement or disposal of an investment property are recognized in the income statement in the event of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property or inventories, the cost of property for subsequent accounting is its cost at the date of change in use. If the property occupied by the Company as an owner occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

2.3.9 Intangible Assets

Computer Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful life of 8 years. Costs associated with maintaining computer software programs are recognized as an expense when incurred.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the income statement in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or infinite.

Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

NOTES *to the Financial Statements Year ended 31 March, 2016*

The amortization expense on intangible assets with finite lives is recognized in the income statement in the expense category consistent with the function of the intangible assets. Intangible assets with infinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

2.3.10 Financial Instruments - Initial Recognition and Subsequent Measurement

2.3.10.1 Financial Assets

Initial Recognition and Measurement

Financial assets within the scope of LKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognized initially at fair value plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include trade and other receivables, loans and other receivables and quoted equity instruments.

Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as described below:

a) Financial Assets at Fair Value through Profit or Loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by LKAS 39. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through profit and loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

The Company has not designated any financial assets upon initial recognition as at fair value through profit or loss.

b) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate method (EIR), less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the income statement. The losses arising from impairment are recognized in the income statement in selling and distribution expenses.

c) Held-to-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Company has the positive intention and ability to hold them to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the income statement. The losses arising from impairment are recognized in the income statement in finance costs.

The Company did not have any held-to-maturity investments during the years ended 31 March 2015 and 31 March 2016.

d) Available-for-Sale Financial Investments

Available-for-sale financial investments include equity and debt securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealized gains or losses recognized as other comprehensive income in the available-for-sale reserve until the investment is derecognized, at which time the cumulative gain or loss is recognized in other operating income, or determined to be impaired, at which time the cumulative loss is reclassified to the income statement in finance costs and removed from the available-for-sale reserve.

Interest income on available-for-sale debt securities is calculated using the effective interest method and is recognized in profit or loss.

The Company evaluates its available-for-sale financial assets to determine whether the ability and intention to sell them in the near term is still appropriate. When the Company is unable to trade these financial assets due to inactive markets and management's intention to do so significantly changes in the foreseeable future, the Company may elect to reclassify these financial assets in rare circumstances. Reclassification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the Company has the intention and ability to hold these assets for the foreseeable future or until maturity. Reclassification to the held-to-maturity category is permitted only when the entity has the ability and intention to hold the financial asset accordingly.

For a financial asset reclassified out of the available-for-sale category, any previous gain or loss on that asset that has been recognized in equity is amortized to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortized cost and the expected cash flows is also amortized over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the income statement.

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired,
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognized to the extent of the Company's continuing involvement in it.

In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

NOTES *to the Financial Statements Year ended 31 March, 2016*

2.3.10.2 Impairment of Financial Assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

a) Financial Assets Carried at Amortised Cost

For financial assets carried at amortized cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows are discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income in the income statement. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in the income statement.

b) Available-for-Sale Financial Investments

For available-for-sale financial investments, the Company assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the income statement - is removed from other comprehensive income and recognized in the income statement. Impairment losses on equity investments are not reversed through the income statement; increases in their fair value after impairments are recognized directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortized cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortized cost and the current fair value, less any impairment loss on that investment previously recognized in the income statement.

Future interest income continues to be accrued based on the reduced carrying amount of the asset, using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in the income statement, the impairment loss is reversed through the income statement.

2.3.10.3 Financial Liabilities

Initial Recognition and Measurement

Financial liabilities within the scope of LKAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, carried at amortized cost. This includes directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, bank overdrafts and loans and borrowings.

Subsequent Measurement

The measurement of financial liabilities depends on their classification as follows:

a) Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held-for-trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by LKAS 39. Separated embedded derivatives are also classified as held-for-trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held-for-trading are recognized in the income statement.

The Company has not designated any financial liabilities upon initial recognition as at fair value through profit or loss.

b) Loans and Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that is an integral part of the EIR. The EIR amortization is included in finance costs in the income statement.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the income statement.

2.3.10.4 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset with the net amount reported in the statement of financial position only if there is a current enforceable legal right to offset the recognized amounts and intent to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

2.3.10.5 Fair Value of Financial Instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

NOTES *to the Financial Statements Year ended 31 March, 2016*

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include:

- Using recent arm's length market transactions;
- Reference to the current fair value of another instrument that is substantially the same;
- A discounted cash flow analysis or other valuation models.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 9.6

2.3.11 Inventories

Inventories are valued at the lower of cost and net realizable value, after making due allowances for obsolete and slow moving items. Net realizable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

The cost incurred in bringing inventories to its present location and conditions are accounted using the following cost formulae:-

Raw Materials	At actual cost on weighted average basis
Finished Goods & Work-in-Progress	At the cost of direct materials, direct labour and an appropriate proportion of fixed and variable production overheads based on normal operating capacity.
Consumables & Spares	At actual cost on weighted average basis
Goods in Transit	At actual cost

2.3.12 Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Company bases its impairment calculations on detailed budgets and forecasts which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecasts are generally covering a period of three years for longer periods, a long term growth rate is calculated and applied to project future cash flows after the third year.

Impairment losses of continuing operations are recognized in the income statement in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognized in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years such reversal is recognized in the income statement unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

2.3.13 Cash and Short Term Deposits

Cash and short term deposits are defined as cash in hand, demand deposits and short term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of cash flow statement, cash and short term deposits consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents.

2.3.14 Dividend Distributions

The Company recognizes a liability to make cash or non-cash distributions to owners of equity when the distribution is authorized and is no longer at the discretion of the Company. A corresponding amount is recognized directly in equity.

2.3.15 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation and a reliable estimate can be made of the amount of the obligation.

2.3.16 Employee Benefit Liability

a) Defined Benefit Plan - Gratuity

The Company measures the present value of the promised retirement benefits of gratuity which is a defined benefit plan with the advice of an actuary every financial year using Projected Unit Credit Method. Actuarial gains and losses are recognized in other comprehensive income (OCI) in the period in which it arises. The liability is not funded.

b) Defined Contribution Plans - Employees' Provident Fund & Employees' Trust Fund

All employees who are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions are covered by relevant contribution funds in line with respective statutes and regulations. The Company contributes 12% and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively.

c) Lump-sum Payments to Employees

Provision has been made in the financial statements for lump-sum allowances payable to employees by the collective agreement decided by the management.

2.4 EFFECT OF SRI LANKA ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Certain new accounting standards and amendments / improvements to existing standards have been published, that are not mandatory for 31 March 2016 reporting periods. None of those have been early adopted by the Company.

SLFRS 9 Financial Instruments

SLFRS 9 replaces the existing guidance in LKAS 39 Financial Instruments: Recognition and Measurement. SLFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from LKAS 39.

SLFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

NOTES *to the Financial Statements Year ended 31 March, 2016*

SLFRS 15 Revenue from Contracts with Customers

SLFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including LKAS 18 Revenue, LKAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

SLFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

Pending the completion of the detailed impact analysis, possible Impact from SLFRS 9 and SLFRS 15 is not reasonably estimable as of the reporting date.

The following amendments and improvements are not expected to have a significant impact on the Company's financial statements.

• Clarification of Acceptable Methods of Depreciation and Amortization (Amendments to LKAS 16 and LKAS 38).

• Annual Improvements to SLFRSs 2012–2014 Cycle – various standards.

• Disclosure Initiative (Amendments to LKAS 1).

NOTES *to the Financial Statements Year ended 31 March, 2016*

3. SEGMENT INFORMATION

For management purposes, the Company is organized into business units based on its customer location and has two reportable segments, namely, local sales and export sales.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. However, financing (including finance costs and finance income) and income taxes are managed on a Company basis and are not allocated to operating segments.

3.1 Revenue

	2016 LKR	2015 LKR
Net Revenue	6,652,207,676	5,707,819,813
Add : NBT on Sales	102,870,919	84,167,811
Gross Revenue	6,755,078,595	5,791,987,624

3.2 Sale of Goods

Local Sales		
- In House Production	4,282,117,812	4,098,260,904
- Trading	1,050,018,907	238,823,057
Total Local Sales	5,332,136,719	4,337,083,961
Export Sales	1,320,070,957	1,370,735,852
	6,652,207,676	5,707,819,813

4. OTHER INCOME/EXPENSES

4.1 Other Operating Income

	2016 LKR	2015 LKR
Income from Investments - Quoted	314,158	194,131
Write Back of Unclaimed Dividends	224,814	-
Sundry Income	4,131,320	6,316,125
	4,670,292	6,510,256

4.2 Finance Income

Interest Income	45,911	147,397
Interest Income on Loans Given to Company Officers	154,096	614,430
	200,007	761,827

4.3 Finance Costs

Interest Expense on Overdrafts	2,813,257	3,624,729
Interest Expense on Short Term Borrowings	60,110,024	108,438,463
Interest Expense on Long Term Borrowings	11,521,988	14,786,222
	74,445,269	126,849,414

NOTES *to the Financial Statements Year ended 31 March, 2016*

4. OTHER INCOME/EXPENSES *(Contd...)*

4.4 Profit Before Tax

	2016 LKR	2015 LKR
Stated after Charging/(Crediting)		
Included in Cost of Sales		
Depreciation of Property, Plant & Equipment	459,395,569	432,708,848
Personnel Costs including the following;		
- Employee Benefit Plan Costs - Gratuity	16,711,479	18,237,858
- Defined Contribution Plan Costs - EPF & ETF	27,434,650	24,828,334
Included in Administration Expenses		
Directors' Fees and Emoluments	75,384,823	63,979,238
Audit Fees - Charge for the Year	693,000	660,000
Technical Fee*	139,832,819	139,955,400
Depreciation of Property, Plant & Equipment	1,262,554	2,203,787
Amortization of Intangible Assets	-	3,148,641
Personnel Costs including the following;		
- Employee Benefit Plan Costs - Gratuity	3,554,139	636,051
- Defined Contribution Plan Costs - EPF & ETF	3,288,638	2,995,576
Loss/(Profit) on Sale of Property, Plant and Equipment	(992,488)	997,252
Donations	704,993	925,446
Exchange (Gain)/Loss	9,299,492	2,350,524
Included in Selling and Distribution Costs		
Advertising Costs	8,143,421	4,921,366
Provision for Impairments - Trade Receivables	144,855,945	20,551,175

*Technical Fee represents the amount payable to Piramal Glass Limited - India for the technical advises and assistance provided during the period as per the agreement entered into between the two companies. As per the agreement, if the Company achieved positive Profit before Royalty Fee, Interest, Depreciation and Tax, the amount payable is 2.5% of the Net Sales Value of the locally manufactured products.

4.5 Components of Other Comprehensive Income

	2016 LKR	2015 LKR
Employee Benefit Liability		
Actuarial (Gains)/Losses on Defined Benefit Plans	9,857,508	(4,895,087)
Available for Sale Financial Assets:		
Gains/(Losses) arising during the Year	(2,437,927)	2,264,819
	7,419,581	(2,630,268)

NOTES *to the Financial Statements Year ended 31 March, 2016*

5. INCOME TAX

The major components of income tax expense for the Years ended 31 March 2016 and 31 March 2015 are:

5.1 Statement of Profit & Loss

	2016 LKR	2015 LKR
Current income tax:		
Current Tax Expense on Ordinary Activities for the Year	115,384,623	3,947,901
Current Tax Expense on Other Income and Trading Profit for the Year	-	-
Under/(Over) Provision of Current Taxes in respect of Prior Year	(660,119)	-
Deferred tax:		
Deferred Taxation Charge/(Reversal)	35,477,902	65,203,128
Income Tax Expense Reported in the Statement of Profit or Loss	150,202,406	69,151,029

5.2 Statement of Other Comprehensive Income

Gain/(Loss) on Available for Sale Financial Assets	-	-
Actuarial Gains/(Losses) on Defined Benefit Plans	1,774,351	(979,017)
Income Tax Charged Directly to Other Comprehensive Income	1,774,351	(979,017)

Pursuant to agreement dated 19 July 2006 entered into with Board of Investment, the imposition, payment and recovery of income tax shall not apply for a period of 5 years from 09 December 2007. This exemption has expired on 09 December 2012.

After the said exemption period, the Company would become liable for income tax at the rate of 10% for a period of 2 years and at the rate of 20% thereafter.

With the commencement of the tax exemption period, the Company was liable to pay income tax on the taxable income derived from other sources excluding from manufacturing operations.

5.3 A Reconciliation between Tax Expense and the Product of Accounting Profit Multiplied by the Statutory Tax Rates for the Years Ended 31 March 2016 and 31 March 2015 are as follows:

	2016 LKR	2015 LKR
Accounting Profit before Income Tax	804,603,968	508,567,284
Aggregate Disallowed Items	633,396,738	628,506,463
Aggregate Allowable Expenses	(487,075,904)	(1,033,588,909)
Trading Profit and Other Sources of Income	(76,546,794)	(72,832,667)
Profits and Income Exempt from Tax	(45,911)	(147,397)
Liable Profit	874,332,097	30,504,774
Trading Profit and Other Sources of Income	76,546,794	72,832,667
Total Statutory Income	950,878,891	103,337,441
Less : Qualifying Payments and Other Allowable Deductions	(291,546,530)	(71,767,259)
Total Taxable Income	659,332,361	31,570,183
Taxable Profits Liable @ 10%	-	21,530,535
Taxable Profits Liable @ 12%	206,023,120	-
Taxable Profits Liable @ 20%	453,309,242	8,974,239
Taxable Other Sources of Income Liable @ 28%	-	-
Statutory Tax Rate - Business Profit on Manufactured & Exports	12%	10%
- Business Profit on Manufactured & Locally Sold	20%	20%
- Trading Profit and other sources of Income	28%	28%
Current Income Tax Expense	115,384,623	3,947,901

NOTES *to the Financial Statements Year ended 31 March, 2016*

5.4 Deferred Tax

Deferred income taxes are calculated on all temporary differences under the liability method and are measured using the effective tax rate of 18% . The movement on the deferred tax account is as follows:

	2016	2015
Reconciliation of Net Deferred Tax Liability	**LKR**	**LKR**
Balance as at the Beginning of the Year	111,999,923	47,775,812
Charged / (Released) to Statement of Profit or Loss	35,477,902	65,203,128
Income Tax Effect Relating to Components of Other Comprehensive Income	1,774,351	(979,017)
Balance as at the End of the Year	149,252,176	111,999,923

5.5 Deferred Tax Assets , Liabilities and Deferred Income Tax relate to the following:

	Statement of Financial Position		Statement of Profit or Loss and Statement of Other Comprehensive Income	
	2016	**2015**	**2016**	**2015**
	LKR	**LKR**	**LKR**	**LKR**
Deferred Tax Liability				
Property, Plant and Equipment	201,441,081	160,946,783	40,494,297	62,291,920
	201,441,080	160,946,783	40,494,297	62,291,920
Deferred Tax Assets				
Employee Benefit Liability	(22,269,850)	(25,929,724)	3,659,874	(2,880,669)
Provision for Impairment - Trade Receivables	(29,919,055)	(6,788,892)	(23,130,163)	(2,447,444)
Unabsorbed Tax Losses	-	(16,228,245)	16,228,245	7,260,304
	(52,188,905)	(48,946,861)	(3,242,044)	1,932,191
Deferred Income Tax (Income) / Expense reported in the Statement of Profit or Loss			35,477,901	65,203,128
Deferred Income Tax (Income) / Expense reported in the Statement of Other Comprehensive Income			1,774,351	(979,017)
Net Deferred Tax Liability reported in the Statement of Financial Position	149,252,176	111,999,922		

NOTES *to the Financial Statements Year ended 31 March, 2016*

6. EARNINGS PER SHARE

Basic/Diluted Earnings Per Share is calculated by dividing the net profit/loss for the period attributable to equity holders by the weighted average number of ordinary shares outstanding during the period. The weighted average number of ordinary shares outstanding during the period and the previous period are adjusted for events that have changed the number of ordinary shares outstanding, without a corresponding change in the resources such as a bonus issue.

The following reflects the income and share data used in the Basic/Diluted Earnings Per Share computations:

	2016	2015
	LKR	LKR
Amount Used as the Numerator:		
Net Earnings Attributable to Equity Shareholders	654,401,562	439,416,255
Number of Ordinary Shares Used as the Denominator:	**Number**	**Number**
Weighted Average Number of Ordinary Shares in Issue	950,086,080	950,086,080

7. PROPERTY, PLANT AND EQUIPMENT

7.1

	Balance as at 01.04.2015	Additions/ Transfers In During the Year	Disposals/ Transfers Out During the Year	Balance as at 31.03.2016
At Cost	LKR	LKR	LKR	LKR
Freehold Land	132,870,000	-	-	132,870,000
Buildings	1,689,950,074	38,719,805	-	1,728,669,880
Plant and Machinery	2,621,104,549	114,448,200	-	2,735,552,750
Electrical Power Installation	777,396,909	37,265,168	(253,074)	814,409,003
Furnace	823,978,527	45,760,632	-	869,739,159
Motor Vehicles	21,468,046	336,000	(3,962,500)	17,841,546
Tools and Implements	25,658,218	496,310	-	26,154,527
Office Equipments	121,787,136	7,344,327	-	129,131,463
Gas Station	21,116,708	-	-	21,116,708
Moulds and Neckring Equipment	704,556,143	90,959,756	-	795,515,900
	6,939,886,311	335,330,198	(4,215,574)	7,271,000,935
In the Course of Construction				
Capital Work-in-Progress	93,235,189	501,358,764	(244,370,442)	350,223,511
	93,235,189	501,358,764	(244,370,442)	350,223,511
Total Gross Carrying Amount	7,033,121,501	836,688,962	(248,586,016)	7,621,224,447

7.2 **Depreciation**

	Balance as at 01.04.2015	Charge for the Year	Disposals/ Transfers for the year	Balance as at 31.03.2016
At Cost	LKR	LKR	LKR	LKR
Buildings	281,864,390	42,717,465	-	324,581,855
Plant and Machinery	1,554,056,428	179,034,637	-	1,733,091,065
Electrical Power Installation	329,622,382	38,894,787	(96,679)	368,420,490
Furnace	662,655,566	123,855,859	-	786,511,425
Motor Vehicles	10,504,318	2,699,422	(2,723,997)	10,479,743
Tools and Implements	11,687,323	2,091,474	-	13,778,798
Office Equipment	95,145,794	11,906,558	-	107,052,352
Gas Station	5,840,144	527,918	-	6,368,062
Moulds and Neckring Equipment	520,343,456	58,930,002	-	579,273,458
	3,471,719,802	460,658,121	(2,820,676)	3,929,557,248
Total Depreciation	3,471,719,802	460,658,121	(2,820,676)	3,929,557,248

NOTES *to the Financial Statements Year ended 31 March, 2016*

7. PROPERTY, PLANT AND EQUIPMENT *(Contd...)*

7.3 Net Book Values

At Cost	**2016 LKR**	**2015 LKR**
Freehold Land	132,870,000	132,870,000
Buildings	1,404,088,025	1,408,085,684
Plant and Machinery	1,002,461,685	1,067,048,121
Electrical Power Installation	445,988,514	447,774,527
Furnace	83,227,734	161,322,961
Motor Vehicles	7,361,803	10,963,728
Tools and Implements	12,375,730	13,970,895
Office Equipment	22,079,110	26,641,342
Gas Station	14,748,646	15,276,564
Moulds and Neckring Equipment	216,242,441	184,212,687
	3,341,443,688	3,468,166,509
In the Course of Construction		
Capital Work-in-Progress	350,223,511	93,235,189
Total Carrying Amount of Property, Plant and Equipment	3,691,667,200	3,561,401,698

7.4 The Rates of Depreciation is Estimated as follows;

		2016	2015
Buildings		2.5% on cost	2.5% on cost
Plant and Machinery		5.6% & 7.5% on cost	5.6% & 7.5% on cost
Electrical Power Installation		4% & 5% on cost	4% & 5% on cost
Furnace	- Steel	7.5% on cost	7.5% on cost
	- Refractory	12.5% on cost	12.5% on cost
Motor Vehicles		7.7% & 15% on cost	7.7% & 15% on cost
Tools and Implements		10% on cost	10% on cost
Office Equipment		10%, 12.5% & 25% on cost	10%, 12.5% & 25% on cost
Gas Station		2.5% on cost	2.5% on cost
Moulds and Neckring Equipment		Based on usage for production	Based on usage for production

7.5 Property, Plant and Equipment includes fully depreciated assets having a gross carrying amount of Rs 1,024,106,652/- (As at 31 March 2015 LKR 361,273,600/-).

7.6 INTANGIBLE ASSETS

	2016 LKR	**2015 LKR**
Cost		
Balance at the Beginning of the Year	25,189,128	25,189,128
Additions during the Year	-	-
Balance at the End of the Year	25,189,128	25,189,128
Amortization and Impairment		
Balance at the Beginning of the Year	25,189,128	22,040,487
Additions during the Year	-	3,148,641
Balance at the End of the Year	25,189,128	25,189,128
Net Book Value	-	-

NOTES *to the Financial Statements Year ended 31 March, 2016*

8. LEASEHOLD PROPERTIES

	2016 LKR	2015 LKR
Balance at the Beginning of the Year	26,333,804	27,656,840
Amortization during the Year	(1,323,036)	(1,323,036)
Balance at the End of the Year	25,010,768	26,333,804

9. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES

9.1 Available for Sale Investments

	2016		2015	
	No. of Shares	LKR	No. of Shares	LKR
Quoted Equity Shares	36,064	5,016,502	36,064	7,454,429
Total	36,064	5,016,502	36,064	7,454,429

9.2 Interest Bearing Loans and Borrowings

	2016 LKR	2015 LKR
Syndicated Project Loan (9.3)	-	29,985,286
Long Term Loan (9.4)	526,196,781	201,313,200
Short Term Loans (9.5)	320,000,000	1,443,808,000
Bank Overdrafts (12.2)	21,796,741	20,671,654
	867,993,522	1,695,778,140
Total Current	396,417,216	1,519,629,090
Total Non-Current	471,576,306	176,149,050
	867,993,522	1,695,778,140

9.3 Syndicated Project Loan

	DFCC Bank PLC LKR	Total LKR
As at 01 April 2015	29,985,286	29,985,286
New Loans Obtained	-	-
Repayments	(29,985,286)	(29,985,286)
As at 31 March 2016	-	-

Nature of Facility	Syndicated Loan in LKR
Interest Rate	AWDR + 3%
Repayment Terms	72 equivalent installments effect from January 2010.
Maturity	July 2015

NOTES *to the Financial Statements Year ended 31 March, 2016*

9. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES *(contd...)*

9.4 Long Term Loan

(a) Standard Chartered Bank

	Standard Chartered Bank	Total
	LKR	LKR
As at 01 April 2015	201,313,200	201,313,200
New Loans Obtained	-	-
Repayments	(13,643,794)	(13,643,794)
Exchange Differences	17,157,375	17,157,375
As at 31 March 2016	204,826,781	204,826,781

Maturity	Interest Rate	Repayment Terms	Outstanding balance as at 31 March 2016	
			USD	LKR
September 2019	3 Months LIBOR + 3.875% p.a. reprised quarterly	16 installments USD 94,375/- each to be paid quarterly, from December 2015	1,415,625	204,826,781
			1,415,625	204,826,781

Security - Primary mortgage over land, building and machinery at Pahala Walahapitiya Village, Nattandiya for USD 1,650,000/-.

(b) Commercial Bank of Ceylon PLC

Term Loan Facility - 500 Mn	Commercial Bank of Ceylon PLC	Total
	LKR	LKR
As at 01 April 2015	-	-
New Loans Obtained	50,000,000	50,000,000
Repayments	-	-
As at 31 March 2016	50,000,000	50,000,000

Interest Rate	AWPLR + 0.5%
Repayment Terms	8 equal quarterly installments of LKR 62,500,000/- each followed by the grace period of 2 years from the first drawdown.
Tenor	04 Years
Security	New furnace plant, machinery & equipment together with land & building at Wagawatta Industrial Park, Horana.

9. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES *(contd...)*

Term Loan Facility - 1,000 Mn	Commercial Bank of Ceylon PLC	Total
	LKR	LKR
As at 01 April 2015	-	-
New Loans Obtained	271,370,000	271,370,000
Repayments	-	-
As at 31 March 2016	271,370,000	271,370,000

Interest Rate	AWPLR + 0.5%
Repayment Terms	59 equal monthly installments of LKR 16,750,000/- each and a Final Installment of LKR 11,750,000/- followed by the grace period of 1 1/2 years from the first drawdown.
Tenor	06 1/2 Years (including grace period)
Security	New furnace plant, machinery & equipment together with land & building at Wagawatta Industrial Park, Horana.

9.5 Short Term Loans

Short Term Loans	People's Bank	Commercial Bank of Ceylon PLC	Citibank N.A.	Standard Chartered Bank	DFCC Bank PLC	Total
	LKR	LKR	LKR	LKR	LKR	LKR
As at 01 April 2015	-	579,000,000	456,500,000	90,000,000	318,308,000	1,443,808,000
New Loans Obtained	330,000,000	611,617,190	1,680,000,000	1,527,000,000	950,000,000	5,098,617,190
Repayments	(330,000,000)	(1,192,473,310)	(1,816,500,000)	(1,617,000,000)	(1,270,844,500)	(6,226,817,810)
Exchange Differences	-	1,856,120	-	-	2,536,500	4,392,620
As at 31 March 2016	-	-	320,000,000	-	-	320,000,000

NOTES *to the Financial Statements Year ended 31 March, 2016*

9. OTHER FINANCIAL ASSETS AND FINANCIAL LIABILITIES *(Contd...)*

9.6 Fair Values

Set out below is a comparison of the carrying amounts and fair values of the Company's financial instruments by classes, that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

		Carrying Amount		Fair Value	
		2016	2015	2016	2015
	Notes	LKR	LKR	LKR	LKR
Financial Assets					
Trade and Other Receivables	B	1,322,714,572	1,260,178,832	1,322,714,572	1,260,178,832
Cash and Short Term Deposits	B	161,304,982	127,804,428	161,304,982	127,804,428
Total		1,484,019,554	1,387,983,260	1,484,019,554	1,387,983,260
Financial Liabilities					
Interest Bearing Loans and Borrowings (Non-Current)	A	471,576,306	176,149,050	471,576,306	176,149,050
Trade and Other Payables	B	1,354,755,785	869,878,813	1,354,755,785	869,878,813
Interest Bearing Loans and Borrowings	B	396,417,216	1,519,629,090	396,417,216	1,519,629,090
Total		**2,222,749,307**	**2,565,656,953**	**2,222,749,307**	**2,565,656,953**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

A Long-term variable-rate receivables/ borrowings are evaluated by the Company based on parameters such as interest rates, risk characteristics of the financed project etc. As at 31 March 2016, the carrying amounts of such borrowings are not materially different from their calculated fair values.

B Cash and short-term deposits, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

9.7 Fair Value Hierarchy

For all financial instruments where fair values are determined by referring to externally quoted prices or observable pricing inputs to models, independent price determination or validation is obtained. In an active market, direct observation of a trade price may not be possible. In these circumstances, the Company uses alternative market information to validate the financial instrument's fair value, with greater weight given to information that is considered to be more relevant and reliable.

Fair value are determined according to the following hierarchy.

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Other valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Valuation techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

NOTES *to the Financial Statements Year ended 31 March, 2016*

As at 31 March 2016, the Company held the following financial instruments carried at fair value on the Statement of Financial Position.

Assets Measured at Fair Value	**2016**	**Level 1**	**Level 2**	**Level 3**
	LKR	**LKR**	**LKR**	**LKR**
Available for Sale Financial Assets				
Quoted Equity Shares	5,016,502	5,016,502	-	-
	5,016,502	5,016,502	-	-

During the reporting Year ending 31 March 2016, there were no transfers between Level 1 and Level 2 fair value measurements.

10. INVENTORIES

	2016	**2015**
	LKR	**LKR**
Raw Materials	340,607,302	403,321,790
Work in Progress	34,870,195	4,006,660
Finished Goods	590,778,507	616,910,875
Consumables and Spares	429,622,537	411,820,837
Stock in Transit	52,997,838	1,887,331
Less: Obsolete and Slow Moving Inventory	(4,812,327)	(4,812,327)
	1,444,064,052	1,433,135,167

11. TRADE AND OTHER RECEIVABLES

		2016	**2015**
		LKR	**LKR**
Trade Receivables	- Related Party (11.1)	31,096,391	4,881,965
	- Others	1,280,404,056	1,259,789,020
Less : Provision for Impairments		(162,603,557)	(33,944,462)
		1,148,896,890	1,230,726,524
Advances and Other Receivables		165,950,927	26,177,633
Loans to Company Officers		7,866,755	3,274,675
		1,322,714,572	1,260,178,832
Total Current		1,319,355,353	1,260,178,832
Total Non - Current		3,359,219	-
		1,322,714,572	1,260,178,832

Trade receivables are non-interest bearing and are generally on terms up to 45 days for domestic customers and exports customers are generally on terms up to 120 days depending on the circumstances.

NOTES *to the Financial Statements Year ended 31 March, 2016*

11.1 Trade Receivables includes amounts due from related parties as follows.

	Relationship		
Piramal Glass - USA, Inc.	Other Related Company	30,691,810	4,881,965
Piramal Glass Limited	Parent Company	404,581	-
		31,096,391	4,881,965

As at 31 March 2016 and 31 March 2015, the ageing analysis of trade receivables, is as follows:

			Past Due and Impaired			
	Total	Neither Past Due nor Impaired	< 60 Days	61-120 Days	121-180 Days	> 180 Days
	LKR Mn	LKR Mn	LKR Mn	LKR Mn	LKR Mn	LKR Mn
As at 31 March 2016	1,312	950	93	40	9	220
As at 31 March 2015	1,265	802	290	51	62	61

12. CASH AND SHORT TERM DEPOSITS

		2016 LKR	2015 LKR
12.1	**Favorable Cash and Cash Equivalent Balances**		
	Cash at Bank and on Hand	161,304,982	127,804,428
		161,304,982	127,804,428
12.2	**Unfavourable Cash and Cash Equivalent Balances**		
	Bank Overdraft (9.2)	(21,796,741)	(20,671,654)
	Cash and Cash Equivalents for the Purpose of Cash Flow Statement	139,508,241	107,132,774

13. STATED CAPITAL

		2016 Number	2015 Number	2016 LKR	2015 LKR
13.1	Ordinary Shares	950,086,080	950,086,080	1,526,407,485	1,526,407,485

13.2 Rights, Preference and Restrictions of Classes of Capital

The holders of ordinary shares confer their right to receive dividends as declared from time to time and are entitled to one vote per share at a meeting of the Company. All shares rank equally with regard to the Company's residual assets.

14. OTHER RESERVES

	2016 LKR	2015 LKR
Revaluation Reserve (14.1)	125,886,317	127,411,317
Available for Sale Reserve	4,755,143	7,193,070
	130,641,460	134,604,387

14.1 Revaluation reserve consists of net surplus resulting from the revaluation of property, plant and equipment before the date of transition to SLFRS.

NOTES *to the Financial Statements Year ended 31 March, 2016*

15. EMPLOYEE BENEFIT LIABILITY

	2016	2015
	LKR	LKR
15.1 Defined Benefit Obligation		
Changes in the present value of the defined benefit obligation are as follows:		
Balance at the Beginning of the Year	129,648,619	115,245,276
Interest Cost	13,483,456	12,676,980
Current Service Cost	6,782,162	6,196,929
Actuarial (Gains) / Losses on Obligation	(9,857,508)	4,895,087
Benefits Paid during the Year	(19,024,934)	(9,365,653)
Balance at the End of the Year	121,031,795	129,648,619

15.2 Messrs K. A. Pandit, Actuaries, carried out an actuarial valuation of the defined benefit plan - gratuity as of 31 March 2016. Appropriate and compatible assumptions were used in determining the cost of retirement benefits. The principal assumptions used as at 31 March 2016 and 31 March 2015 are as follows:

	2016	2015
Method of actuarial valuation:	Projected Unit Credit method	Projected Unit Credit method
Discount rate:	12.0%	10.4%
Future salary increases:	8.5% + salary scales	8.5% + salary scales
Retirement age:	55 Years	55 Years
Attrition Rate:	2%	2%
Mortality table:	A1967-70 Mortality Table for Assured Lives	A1967-70 Mortality Table for Assured Lives

15.3 Sensitivity of Assumptions Employed in Actuarial Valuation

The following table demonstrates the sensitivity to a reasonable possible change in the key assumptions employed with all other variables held constant in the employment benefit liability measurement, in respect of the year 2016.

The sensitivity of the statement of financial position is the effect of the assumed changes in discount rate and salary increment rate on the profit or loss and employment benefit obligation for the year is as follows.

A one percentage point change in the assumed rate of increase in salary escalation rate would have the following effects:

	Increase	Decrease
	LKR	LKR
2016		
Effect on the defined benefit obligation	6,620,416	(6,036,779)

A one percentage point change in the assumed discount rate would have the following effects:

	Increase	Decrease
	LKR	LKR
2016		
Effect on the defined benefit obligation	(5,806,600)	6,464,280

NOTES *to the Financial Statements Year ended 31 March, 2016*

15. EMPLOYEE BENEFIT LIABILITY *(Contd...)*

15.4 Changes in the Defined Benefit Obligation

The following table demonstrates the changes in the defined benefit obligation.

2016		Amounts Charged to Profit or Loss				Remeasurement Gains/(Losses) in Other Comprehensive Income					
	01 April 2015	Service Cost	Interest Cost	Sub Total included in Profit or Loss	Benefits Paid	Actuarial Changes arising from Changes in Demographic Assumptions	Actuarial Changes arising from Changes in Financial Assumptions	Experience Adjustments	Subtotal Included in OCI	Contributions by the Employer	31 March 2016
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Defined Benefit Obligation	129,648,619	6,782,162	13,483,456	20,265,618	(19,024,934)	-	(10,703,933)	846,425	(9,857,508)	-	121,031,795
Benefit Liability	129,648,619	6,782,162	13,483,456	20,265,618	(19,024,934)	-	(10,703,933)	846,425	(9,857,508)	-	121,031,795

2015		Amounts Charged to Profit or Loss				Remeasurement Gains/(Losses) in Other Comprehensive Income					
	01 April 2014	Service Cost	Interest Cost	Sub Total included in Profit or Loss	Benefits Paid	Actuarial Changes arising from Changes in Demographic Assumptions	Actuarial Changes arising from Changes in Financial Assumptions	Experience Adjustments	Subtotal Included in OCI	Contributions by the Employer	31 March 2015
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Defined Benefit Obligation	115,245,276	6,196,929	12,676,980	18,873,909	(9,365,653)	-	4,195,996	699,091	4,895,087	-	129,648,619
Benefit Liability	115,245,276	6,196,929	12,676,980	18,873,909	(9,365,653)	-	4,195,996	699,091	4,895,087	-	129,648,619

NOTES *to the Financial Statements Year ended 31 March, 2016*

15. EMPLOYEE BENEFIT LIABILITY *(Contd...)*

15.5 The average duration of the retirement benefit obligation at the end of the reporting period is 14 years. The expected maturity analysis of undiscounted retirement obligation is as follows:

	2016 LKR	2015 LKR
Within the Next 12 Months	15,099,100	21,931,079
Between 1 and 6 Years	71,378,663	66,263,881
Between 6 and 10 Years	101,293,841	103,879,204
Total Expected Payments	187,771,604	192,074,164

16. TRADE AND OTHER PAYABLES

		2016 LKR	2015 LKR
Trade Payable	- Related Party (16.1)	343,286,091	40,805,727
	- Others	628,819,244	305,538,509
Other Payables	- Related Party (16.2)	66,856,306	223,216,637
Sundry Creditors including Accrued Expenses		315,794,143	300,317,940
		1,354,755,785	869,878,813

Trade payables are non-interest bearing and are normally settled on 30-60 day terms.

16.1 Trade Payables to Related Party	**Relationship**		
Piramal Glass Limited	Parent Company	343,286,091	40,805,727
		343,286,091	40,805,727

16.2 Other Payables - Related Party	**Relationship**		
Piramal Glass Limited	Parent Company	66,856,306	223,216,637
		66,856,306	223,216,637

17. DIVIDENDS PAYABLE

	2016 LKR	2015 LKR
Unclaimed Dividends	36,258,652	32,462,858
	36,258,652	32,462,858

NOTES *to the Financial Statements Year ended 31 March, 2016*

18. RELATED PARTY DISCLOSURES

During the Year the Company has entered into transactions with the following Related Parties. The material transactions have been disclosed below.

18.1 Transaction with Group Companies

Name of Company	**Relationship**
Piramal Glass Limited	Parent Company

	2016	**2015**
	LKR	**LKR**
Nature of Transactions		
Purchasing of Bottles	781,892,239	141,942,153
Purchasing of Bottles - In Transit	52,997,838	1,887,331
Purchasing of Moulds	4,326,052	9,157,530
Purchasing of Refractory	22,046,459	-
Technical Fees	139,832,819	139,955,400

The amounts payable to the above related party as at 31 March 2016 and 31 March 2015 are disclosed in Notes 16.1 and 16.2.

Name of Transaction

Sale of Bottles

		2016	**2015**
		LKR	**LKR**
Related party	**Relationship**		
Piramal Glass - USA, Inc.	Other Related Company	94,221,087	4,278,653
Piramal Glass Limited	Parent Company	128,030	-

The amounts receivable from the above related party as at 31 March 2016 and 31 March 2015 are disclosed in Note 11.1.

The sales to and purchases from related parties are made at terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free. The amounts payable and receivable to the above related parties as at 31 March 2016 and 31 March 2015 are disclosed in Notes 11.1, 16.1 and 16.2.

NOTES *to the Financial Statements Year ended 31 March, 2016*

18. RELATED PARTY DISCLOSURES *(Contd…)*

18.2 Transactions with Directors/Key Management Personnel *

	2016	2015
	LKR	LKR
Short term Employee Benefits	75,384,823	63,979,238
Post - Employment Benefits	-	-
Other Long term Benefits	-	-
Termination Benefits	-	-
Share Based Payments	-	-
Total Compensation paid to Key Management Personnel	75,384,823	63,979,238

* Key Management personnel include the Board of Directors and the Chief Executive Officer of the Company.

19. COMMITMENTS AND CONTINGENCIES

19.1 Capital Expenditure Commitments

The Company has commitments for acquisition of property, plant and equipment incidental to the ordinary course of business as at 31 March 2016 are as follows:

	2016	2015
	LKR Mn	LKR Mn
Contracted but not Provided	1,421	-
Authorized by the Borad, but not Contracted for	1,363	-
	2,784	-

The Company's furnace which was built in 2007 is due for refurbishment and relining during the financial year 2016/17. The relining together with enhancement of capacity up to 300 Ton per day (TPD) and several technological improvements to the existing machinery is scheduled to be carried at an investment of LKR 3 Bn.

19.2 Contingent Liabilities

There are no significant contingent liabilities as at the reporting date.

20. ASSETS PLEDGED

The Carrying value of property, plant and equipment pledged by the Company as security for facilities obtained from banks is as follows.

Nature of Assets	Nature of Liability	Carrying Value of Assets Pledged	
		2016	2015
		LKR Mn	LKR Mn
Immovable Properties	First/Secondary Mortgage for Loans and Borrowings	2,859	2,934
		2,859	2,934

21. EVENTS OCCURRING AFTER THE REPORTING DATE

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the financial statements, except the Board of Directors of the Company has proposed the first and final dividend of LKR 0.35 per share for the financial year ended 31 March 2016.

NOTES *to the Financial Statements Year ended 31 March, 2016*

22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

22.1 Introduction

Risk is inherent in Company's business activities, but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The Board of Directors of the Company places special consideration on the management of such risks. The Company is mainly exposed to;

a. Market risk
b. Commodity price risk
c. Interest rate risk
d.. Exchange rate risk
e. Liquidity risk
f. Equity price risk
g. Credit risk

22.1.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, available-for-sale investments and derivative financial instruments.

Financial risk management is carried out by Piramal Glass Ceylon Finance Division under policies approved by the Board which set out the principles and procedures with respect to risk tolerance, delegated authority levels, internal controls, management of foreign currency, interest rate and counterparty credit exposures and the reporting of exposures.

The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the entity's financial performance.

22.1.2 Commodity Price Risk

The Entity is affected by the availability & price of certain commodities. The main impact for Piramal Glass Ceylon PLC is through energy & Imported Raw Material. The imported Raw material price risk is mitigated through long term agreements & central purchasing done by Piramal Group Procurement division. The energy cost consists of LPG, Furnace oil & Electricity.

In managing the commodity price risk part of the cost increases are passed on to the customer through the annual price increases.

22.1.3 Interest Rate Risk

Interest rate risk is the risk that the entity's financial position will be adversely affected by movements in floating interest. All of the entity's interests are linked to variable rates.

The entity exposure to interest rate risk is minimized by maintaining an appropriate mix between Rupee borrowings & Dollar borrowing. The fluctuating rate variance of Rupee borrowing is minimized by the LIBOR linked Dollar borrowing whilst the Exchange exposure of the Dollar loan is minimized by the Rupee loan.

The sensitivity of the income statement is the effect of the assumed changes in interest rate on the profit or loss for the year is as follows.

	2016	
Increase/(Decrease) in Interest Rate	**Effect on Statement of Profit or Loss**	**Effect on Statement of Financial Position**
	LKR	**LKR**
1%	(11,206,831)	(11,206,831)
- 1%	11,206,831	11,206,831

NOTES *to the Financial Statements Year ended 31 March, 2016*

22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Contd...)*

22.1.4 Exchange Rate Risk

Exchange risk arises out of the commercial transactions that the entity enters into outside Sri Lanka. The major part of the foreign transactions is dealt with US Dollars The company has a natural hedging by way of its operational transactions as the inflow of foreign currency thru export sale off sets the import cost and the US dollar loan premium and interest.

The sensitivity of the income statement and statement of financial position is the effect of the assumed changes in exchange rate on the profit or loss and long term foreign currency borrowings for the year is as follows.

Increase/(Decrease) in Exchange Rate	2016	
	Effect on Statement of Profit or Loss	Effect on Statement of Financial Position
	LKR	LKR
1%	(92,995)	(92,995)
- 1%	92,995	92,995

22.1.5 Liquidity Risk

Liquidity risk arises from the financial liabilities of the entity and the entity's subsequent ability to meet their obligation to repay their financial liabilities as and when they fall due.

Liquidity risk management involves maintaining available funding and ensuring the entity has access to an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, Piramal Glass Finance aims to maintain flexibility within the funding structure through the use of bank overdrafts, Short Term loans, Letter of Credit & Guarantees.

Entity manages this risk via maintaining an undrawn committed liquidity at any given moment that can be drawn upon at short notice to meet any unforeseen circumstance.

The Company also regularly performs a comprehensive analysis of all cash inflows and outflows that relate to financial assets and liabilities.

Below table illustrates the maturity periods of liabilities in due.

Type of Loan	1 - 6 Months	6 - 12 Months	1 - 5 Years	Total
	LKR	LKR	LKR	LKR
Long Term Loan (USD)	27,310,238	27,310,238	150,206,306	204,826,781
Long Term Loan (LKR)	-	-	321,370,000	321,370,000
Short Term Loans	320,000,000	-	-	320,000,000
	347,310,238	27,310,238	471,576,306	846,196,781

22.1.6 Equity Price Risk

The key objectives of the entity when managing capital is to safeguard its ability to continue as a going concern and maintain optimal returns to shareholders and benefits for other stakeholders.

During the past years the management has tried its best to maintain a steady percentage of pay-out as its dividend.

22.1.7 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables).

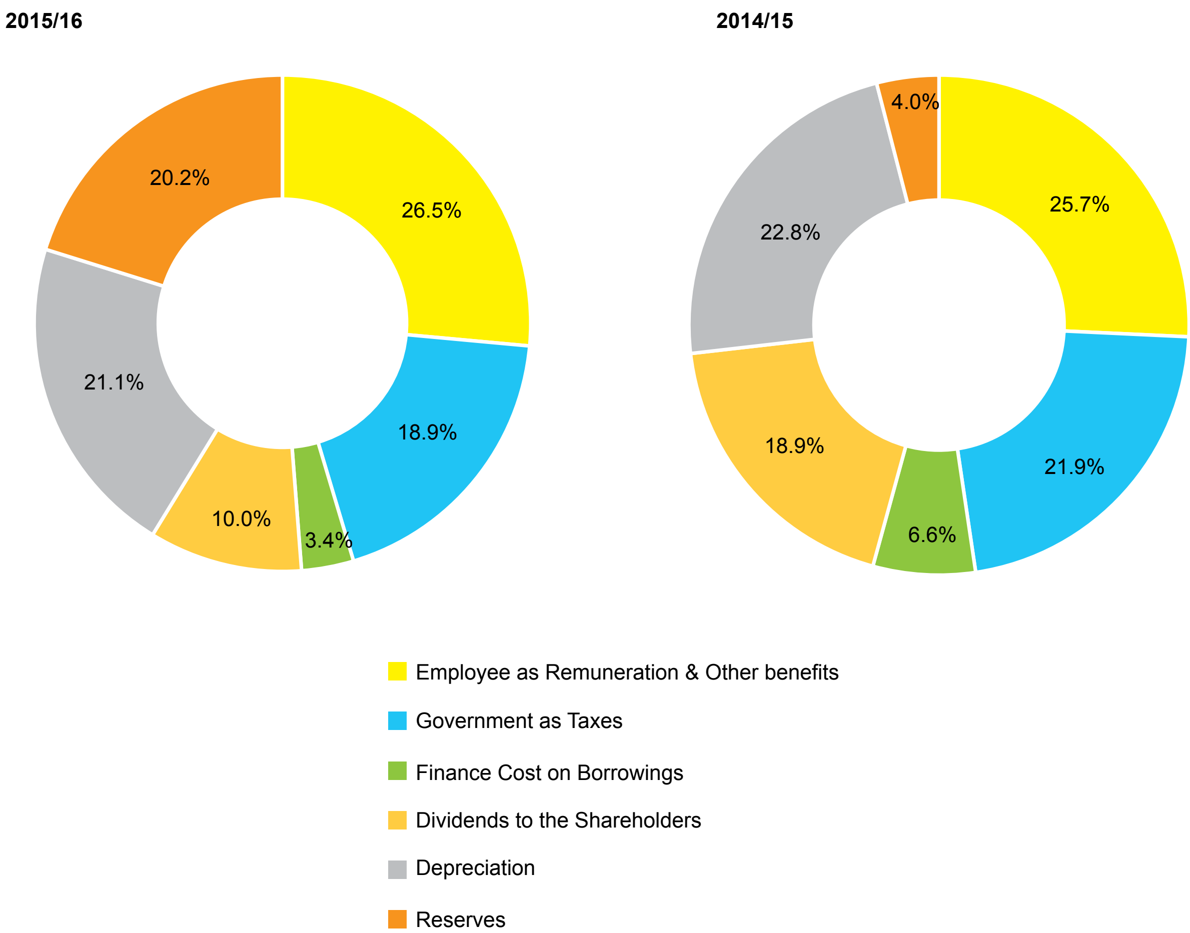
The Company minimizes is credit risk towards its customers by having agreements with customers and having high level scrutiny before converting a cash customer to a credit customer. Also the company adheres to the policy of obtaining guarantees from new customers as the requirement may seem fit.

22.2 Capital Management

The Company monitors the adequacy of capital structure of the company. In determining the capital structure, the Board of Directors is concern about the controlling interest of the Parent, Piramal Glass Limited - India. The objective of the Company is to maintain a balance between access to funds and flexibility through borrowed funds (syndicated loans, long term loans, short term loans and bank overdrafts) rather than using equity funding. Access to source of funds is sufficiently available and financing for operational purposes has already been secured.

STATEMENT *of Value Added*

	2015/16		2014/15	
	LKR Mn	%	LKR Mn	%
Gross Revenue	7,359		6,316	
Less : Cost of Material/ Service Provided	(5,171)		(4,408)	
Value Addition	**2,188**		**1,908**	
Employees as Remuneration & Other benefits	579	26.5%	491	25.7%
Government as Taxes	414	18.9%	418	21.9%
Providers of Capital				
Finance Cost on Borrowings	74	3.4%	126	6.6%
Dividends to the Shareholders	219	10.0%	361	18.9%
Retained in the Business as				
Depreciation	461	21.1%	435	22.8%
Reserves	442	20.2%	77	4.0%
	2,188	**100.0%**	**1,908**	**100.0%**



SHAREHOLDER'S *and Investor Information*

1 STOCK EXCHANGE LISTING

Issued Ordinary Shares of Piramal Glass Ceylon PLC are listed with Colombo Stock Exchange of Sri lanka.

2 MAJOR SHAREHOLDERS AS AT 31 MARCH

		2016		2015	
	Name of Shareholder	**No. of Shares**	**%**	**No. of Shares**	**%**
1	Piramal Glass Limited	536,331,880	56.45	536,331,880	56.45
2	Employees Provident Fund	90,317,140	9.51	90,317,140	9.51
3	Citi Bank New York S/A Norges Bank Account 2	25,500,000	2.68	-	-
4	Citi Bank NY S/A Forward International Dividend Fund	17,918,874	1.89	17,918,874	1.89
5	Mr. G Dangampola and Mrs.N P Dangampola	10,289,155	1.08	10,289,155	1.08
6	Mr. S D R Arudpragasam	9,430,000	0.99	6,550,000	0.69
7	Mr. N Perera	8,350,000	0.88	4,097,869	0.43
8	DFCC Bank PLC A/c 1	7,500,000	0.79	7,500,000	0.79
9	MES Bangkok Glass Industry Company Limited	6,280,000	0.66	6,280,000	0.66
10	People's Bank	5,900,066	0.62	-	-
11	Mr. H M Udeshi	5,550,000	0.58	5,500,000	0.58
12	Ms. O D Gunewardene	5,184,454	0.55	-	-
13	Alpex Marine (Pvt) Ltd	5,000,000	0.53	5,000,000	0.53
14	Mr. M K Chandrasiri	5,000,000	0.53	5,000,000	0.53
15	Mr. E Joseph and Mr. A J Tissera	3,801,500	0.40	-	-
16	Employees Trust Fund Board	3,780,256	0.40	3,780,256	0.40
17	Mr. A J Tissera	3,700,000	0.39	3,700,000	0.39
18	Bank of Ceylon No. 1 A/c	3,288,600	0.35	3,288,600	0.35
19	Mrs. M T Moosajee	3,220,000	0.34	-	-
20	Mr. U P Pushparaj	3,215,000	0.33	3,215,000	0.34
	Deutsche Bank AG AS Trustee To Astrue Alpha Fund	-	-	8,061,127	0.85
	AIA Insurance Lanka PLC A/c No.07	-	-	7,562,808	0.80
	Citi Bank NY S/A Forward Select EM Dividend Fund	-	-	4,925,624	0.52
	Mr. S C De Zoysa	-	-	3,500,000	0.37
	Dr. T Senthilverl	-	-	3,175,001	0.33
	Sub Total	759,556,925	79.95	735,993,334	77.47
	Others	190,529,155	20.05	214,092,746	22.53
	Grand Total	**950,086,080**	**100.00**	**950,086,080**	**100.00**

3 SHAREHOLDING AS AT 31ST MARCH

From	To	No. of Holders 2016	No. of Holders 2015	No. of Shares 2016	No. of Shares 2015	% 2016	% 2015
1	1,000	2,952	2,946	1,389,029	1,407,068	0.15	0.15
1,001	10,000	8,579	8,772	26,137,941	26,774,940	2.75	2.82
10,001	100,000	1,403	1,413	47,432,069	47,231,254	5.00	4.97
100,001	1,000,000	265	281	67,390,142	76,302,201	7.10	8.03
Over 1,000,000		49	57	807,736,899	798,370,617	85.00	84.03
		13,248	**13,469**	**950,086,080**	**950,086,080**	**100.00**	**100.00**

Categories of Shareholders	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
Local Individuals	12,911	13,155	199,119,621	203,073,325	20.95	21.37
Local Institutions	254	228	155,309,922	172,165,698	16.35	18.13
Foreign Individuals	75	79	3,983,715	5,698,643	0.42	0.60
Foreign Institutions	8	7	591,672,822	569,148,414	62.28	59.90
	13,248	**13,469**	**950,086,080**	**950,086,080**	**100.00**	**100.00**
Percentage of Shares held by the public	43.54%	43.54%				

SHAREHOLDER'S *and Investor Information*

4 SHARE PRICE

Market price per share for the year	2015/16		2014/15	
Highest Price	LKR 7.10	24-08-2015	LKR 6.50	29-01-2015
Lowest Price	LKR 4.70	09-03-2016	LKR 3.30	07-04-2014
Closing Price	LKR 5.10		LKR 5.70	

5 SHARE TRADING

	2015/16	2014/15
Number of Shares Traded During the year	140,673,154	387,912,983
Value of Shares Traded during the year - LKR	876,216,591	1,853,658,268
Number of Transaction during the year	9,653	24,694

6 MARKET CAPITALIZATION

As at 31st March - LKR Mn.	4,845	5,415

TEN *Year Financial Review*

31st March	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
TRADING RESULTS	**LKR '000**	**LKR '000**	**LKR '000**	**LKR '000**	**LKR '000**	**LKR '000**	**LKR '000**	**LKR '000** (Restated)	**LKR '000**	**LKR '000**
Revenue (Gross)	1,857,186	2,014,128	2,936,155	3,518,763	4,163,266	5,197,424	5,500,908	5,220,116	5,791,988	6,755,079
Profit/(Loss) before Tax	184,082	49,174	(261,250)	(61,092)	591,953	694,990	767,307	289,346	508,567	804,604
Tax Expenses/(Reversal)	80,076	14,031	(314)	-	13,279	9,678	45,750	6,089	69,151	150,202
Profit/(Loss) after Tax	104,006	35,142	(260,935)	(61,092)	578,674	685,312	721,557	283,257	439,416	654,402
SHARE CAPITAL & RESERVES										
Share Capital	554,217	-	-	-	-	-	-	-	-	-
Share Premium	220,039	-	-	-	-	-	-	-	-	-
Stated Capital	-	1,526,407	1,526,407	1,526,407	1,526,407	1,526,407	1,526,407	1,526,407	1,526,407	1,526,407
Other Reserves	338,949	933,730	749,651	688,558	1,318,396	1,719,644	2,102,657	2,022,827	2,099,559	2,541,086
Shareholders' Funds	1,113,205	2,460,137	2,276,058	2,214,965	2,844,803	3,246,051	3,629,064	3,549,234	3,625,966	4,067,493
ASSETS LESS LIABILITIES										
Current Assets	1,188,304	1,462,651	1,747,296	1,824,274	1,808,489	2,220,006	3,006,918	2,879,152	2,870,545	2,931,021
Current Liabilities	(636,205)	(1,947,622)	(2,786,489)	(2,706,548)	(2,044,461)	(2,344,684)	(2,845,007)	(2,851,629)	(2,421,971)	(1,846,721)
Net Current Assets/ (Liabilities)	552,099	(484,971)	(1,039,193)	(882,274)	(235,972)	(124,678)	161,911	27,523	448,574	1,084,300
Non Current Assets	1,194,012	4,888,629	5,279,281	4,977,112	4,890,448	4,634,140	4,103,714	3,714,718	3,595,190	3,725,054
Total Assets Less Current Liabilities	1,746,111	4,403,658	4,240,088	4,094,838	4,654,476	4,509,461	4,265,625	3,742,241	4,043,764	4,809,354
Non Current Liabilities	(632,906)	(1,943,521)	(1,964,031)	(1,879,873)	(1,809,674)	(1,263,410)	(636,560)	(193,006)	(417,798)	(741,860)
Net Assets	1,113,205	2,460,137	2,276,057	2,214,965	2,844,803	3,246,051	3,629,064	3,549,235	3,625,967	4,067,494
Ratios & Other information										
Earnings Per Share (LKR)	0.17	0.05	(0.27)	(0.06)	0.61	0.72	0.76	0.30	0.46	0.69
Dividend Per Share (LKR)	0.03	0.15	0.02	-	-	0.30	0.36	0.38	0.38	0.23
Dividend Payout ratio (%)	80	54	-	-	50	50	50	127	50	51
Market value per share (LKR)	2.50	2.00	1.30	2.20	11.10	6.10	6.10	3.40	5.70	5.10
Price Earning Ratio (times covered)	14.71	40.00	(4.81)	(36.66)	18.20	8.47	8.03	11.33	12.39	7.39
Interest Cover	8.06	1.22	0.60	0.89	2.93	4.09	3.81	2.40	4.46	9.79
Current Ratio (times covered)	1.87	0.75	0.63	0.67	0.88	0.95	1.06	1.01	1.19	1.59
Liquidity Ratio (times covered)	1.29	0.51	0.35	0.40	0.49	0.46	0.51	0.45	0.59	0.81
Gearing Ratio	0.41	0.96	1.25	1.18	0.75	0.54	0.31	0.10	0.06	0.13
Net Asset per share (LKR)	2.01	2.59	2.40	2.33	2.99	3.40	3.82	3.74	3.82	4.28

Note : Ten years financial information and ratios have been restated/recalculated for the year ended 31st of March 2011 and 2012 as per the revised SLFRS financial statements.

GLOSSARY *of Financial Terminology*

Earnings/ (Loss) Per share	:	Net Profit After Taxation/ Number of Shares
Dividend Per share	:	Dividends paid during the year/ Number of Shares
Dividend Payout Ratio	:	Declared or Proposed Dividend for the year/ Profit after tax for the year
Price Earning Ratio	:	Market Value as at year end/ Earning Per Share
Interest Cover	:	Profit Before Interest/ Interest
Current Ratio	:	Current Asset/ Current Liabilities
Liquidity Ratio	:	(Current Asset - Stocks)/ Current Liabilities
Gearing Ratio	:	Total Long Term Loans/ Shareholders' Fund
Net Asset per share	:	Shareholders' Funds/ Number of Shares

Piramal Glass Factory Locations

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Wagawatte Road,
Poruwadanda, Horana.
Telephone: +94 344 938 965-67
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Fax: +94 342 258 120

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Fax: +94 322 255 193

India
Piramal Glass Ltd, ONGC Road.,
Tarsadi Village,
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