



## Press Release

### **PIRAMAL GLASS CEYLON MAINTAINS ITS PROFITS WITH PAT AT 149 Mn in Q1 FY 13 as against 141 Mn in Q1 FY 12**

- Manufacturing and business process efficiencies grew by over 3%, surpassing the 85% barrier
- Company to maintain its profitability in par with the similar period of last year
- Company is exploring newer markets for exports to maintain the growth and profitability

**Colombo, 6<sup>th</sup> August 2012:** Piramal Glass Ceylon PLC (PGC) has announced its 1<sup>st</sup> Quarter profits for the Financial year 2012-13. The company has been able to maintain its profitability in line with the corresponding quarter of the previous year FY 2011-12 amidst the adverse conditions it had to face during the period under review.

The company registered a growth of 15% in its Total Revenue of Rs 1274 million. This increase was possible mainly due to the export growth of 27% as compared to the same quarter of the previous year. Liquor and the pharmaceutical sectors showed a dip during this quarter.

The Gross profits remained at 28% of Turnover despite the value growth of Rs 168 million in the topline. The Profit before tax fell from 13% to 12% during Q1 of FY13 compared to Q1 of FY12.

The profit during the Quarter was mainly impacted by the high energy prices and the Exchange losses incurred on the Long Term US Dollar Loan. The energy cost during the quarter grew by 41% with Furnace oil taking the lead with a price increase of almost 80%. The loss due to rupee depreciation against US dollars for Rs 41 million is booked under administrative costs as we mark to market (revalue) the Forex loans at the end of every quarter.

Due to the internal thrust on manufacturing and business process excellence, we saw a significant improvement during this period. **The efficiencies grew by over 3%,**

**surpassing the 85% barrier which is considered a great milestone in the glass industry whilst the production tonnage improved by over 6% during the Quarter as against the same Quarter last year.** Also the company has been successful in controlling the overheads during the quarter under review. This helped the **company to maintain its profitability in par with the similar period of last year.**

With the outlook not showing a very positive scenario the company is heading forward with a positive note expecting the external factors to take a positive turn during the balance three quarters of the year. Also **company is exploring newer markets for exports to maintain the growth and profitability.**

Piramal Glass Ceylon has achieved Level II of Manufacturing excellence in the PY for its operations at Horana and are already geared to cross Level III in the current Financial Year. During the period under review PGC has attained SET Level II for its service functions namely Supply Chain, Marketing and Finance.

Piramal Glass Ceylon (Formerly Ceylon Glass Company) is the only Glass Bottle Manufacturing plant in Sri Lanka. It had the opportunity of coming under the Umbrella of Piramal Group in 1999. Presently Located in Horana, it has been in existence for over 55 years. The company originally at Rathmalana was relocated at Horana in 2007 as a BOI venture under the auspices of "300 factory programme of Mahinda Chintana".

PGC at its 250 Tonne Capacity Manufacturing Facility has the capability to offer glass containers in different shapes and colours for multiple industries such as Food, Liquor, Pharmaceutical, Agro chemical & Soft drinks.

The Piramal Group led by Ajay G. Piramal is one of India's foremost business conglomerates. Driven by the core values of Knowledge Action Care, the Piramal Group has a formidable presence in healthcare, drug discovery & research, glass, real estate and financial services. The Piramal Group also pursues sustained community activities in healthcare, education, emergency medical services, and heritage restoration.