

BOARD OF DIRECTORS

Mr.J K Agrawal	Managing Director
Mr.A K Dhawan	Director Finance
Dr. G C Agarwal	Director
Dr.Kamlesh Agarwala	Director

Auditors

M/s.Amit Ray & Co.
Chartered Accountants

Bankers

State Bank Of India
Canara Bank
The Hong Kong & Shanghai Banking Coprn. Ltd.,

Registered Office

1. Kanpur Road, Allahabad 211001
Telephone: 0532 2407325
Fax: 0532-2407450
Email: akd@triveniglassltd.com
Website: www.triveniglassltd.com

Secretarial Department

No. 1 Kanpur Road,
Allahabad-211001 (UP)
Telephone: 0532 2407325
Fax: 0532-2407450
Email: akd@triveniglassltd.com
Website: www.triveniglassltd.com

Registrars & Share Transfer Agent

CB Management Services (P) Ltd
P-22, Bondel Road, Kolkata-700 019
Telephone: 033 2280 6692 93 94
Fax: 033 2247 0263
Email: cbmsl@cal2.vsnl.net.in

NOTICE

NOTICE is hereby given that the THIRTY-NINETH ANNUAL GENERAL MEETING of the members of TRIVENI GLASS LIMITED, will be held at HOTEL ALLAHABAD REGENCY, 16, TASHKENT MARG, ALLAHABAD - 211001, on SATURDAY, THE 25th DAY OF SEPTEMBER, 2010, AT 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2010, the Profit & Loss Account for the year ended on that date and Report of the Directors and to receive Report of the Auditors.
2. To appoint a Director in place of Dr. GC Agarwal, who retires by rotation and being eligible , offers himself for re-appointment.

SPECIAL BUSINESS

3. To consider and, if thought fit, to pass with or without modifications , if any, the following as a

Special Resolution:

“RESOLVED that pursuant to Section 224A of the Companies Act, 1956, Messrs Amit Ray & Co., Chartered Accountants, be and are hereby reappointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company”.

4. To consider and , if thought fit, to pass with or without modifications, if any, the following as an

Ordinary Resolution;

“RESOLVED THAT Dr. Kamalesh Narayan Agarwala who was appointed by the Board of Directors as an Additional Director of the company with effect from 31st March, 2010 and who holds office up to the date of this Annual General Meeting of the company in terms of Section 260 of the Companies Act, 1956 and in respect of whom the company has received a notice in writing from a member under section 257 of the Act proposing his candidature for the office of Director of the company , be and is hereby appointed a director of the company, liable to retire by rotation.

PLACE : Allahabad

Date : The 20th August 2010

Registered Office

1, Kanpur Road

Allahabad - 211001

BY Order of the Board

J. K. Agrawal

Managing Director

NOTES:

1. A member entitled to attend and vote at this Annual General Meeting may appoint proxy, who need not be a member of the Company, to attend and vote on a poll on his behalf. Proxies in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before this meeting.
2. Members who wish to obtain any information of the Company or the Accounts may send their queries at least 10 days before the meeting to the Registered Office of the Company at 1, Kanpur Road, Allahabad - 211001.
3. The Share Transfer Books and Register of Members of the Company will remain closed from 18th SEPTEMBER, 2010 to 25TH SEPTEMBER, 2010 (both days inclusive).
4. Consequent upon amendment in Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999 the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer of Unpaid Dividend Account of the Company has since been transferred to the Investor Education and Protection Fund set up by the Government of India and no payment shall be made in respect of any such claim by the Fund.
5. Members who have paid the Allotment money in respect of Shares allotted to them under Public Issue made in September 1994, but have not submitted the original Bank receipted Allotment Letter are requested to submit the same to the Secretarial Department of the Company for obtaining Share Certificate in exchange thereof.
6. The Company's Equity Shares are listed on -
Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
The Company has paid the Annual Listing Fees for the year 2010-2011 to the aforesaid Stock Exchange.
7. Trading in Shares of the Company has been dematerialized by most of the investors. Accordingly the Equity Shares of the Company are available for dematerialization under ISIN INE094C01011 with CDSL & NSDL.

8. Shri.J.K.Agrawal has been re-appointed as Managing Director for a further period of 5 years w.e.f 1st January 2010 as per approval of the Board of Directors on 31st December 2009 and shareholders in Extra-Ordinary General Meeting held on 15th June 2010 at Hotel Allahabad Regency, 16, Tashkant Marg, Allahabad.

Explanatory statement pursuant to section 173(2) of the Companies Act, 1956.

Item no.3.

Since more than 25% of the issue and paid up capital of the Company is held by Financial Institutions and Banks , it is necessary to pass Special resolution under section 224A of the Companies Act, 1956 . Therefore, special resolution has been placed before the forthcoming Annual General Meeting for passing by the members in respect of re-appointment of Statutory Auditor, Messers. Amit Ray & Co., Chartered Accountants ,to hold office from the conclusion of this Annual general meeting until the conclusion of the next Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company. M/s. Amit Ray & Co., the retiring Auditors of the company are eligible for re-appointment.

Item No.4

Dr.Kamlesh Narayan Agarwala, M.Sc. Physics from Allahabad University and having a Doctorate Degree in Bank Management in India from Jabalpur University , has been associated with World Bank for more than four decades. He has held top positions both in national and Transnational Organizations and has wide experience of working in diverse activities. His role as a management consultant with over 30 years of experience in the International banking and corporate finance is widely acclaimed.

The Board explained that his appointment as an independent director will be of great benefit to the company. Therefore, he was appointed as an additional director by the Board in the Board Meeting on 31.03.2010 as non-executive director , whose term will expire at the beginning of the forthcoming Annual General Meeting . The company has received a notice in writing from a member under section 257 of the Act proposing his candidature for the office of Director of the company ,hence the present resolution.

TRIVENI GLASS LIMITED
REPORT OF THE DIRECTORS

TO THE MEMBERS,

The Directors hereby present their 39th Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2010.

During the year under review, the Management had decided to commission the Plant No.4 and the same was ultimately commissioned on 15th August 2009 but due to high oil prices and low yield and poor realization the Plant was found unviable and ultimately it was closed down on 10th October 2009. The management after considering the market conditions and the Company's fund situation ultimately decided to sell off some of its facilities like Meerut and the Allahabad Plants to enable it to repay back the loans of the Institutions and Banks and also settle the dues of workers and other creditors. In this direction the Company was able to finalize the sale of the Meerut unit with M/s.Nipro Glass Corporation, Japan and finally the necessary agreements were entered into and all formalities completed & the unit was sold off to M/s.Nipro Glass Corporation for Rs.2000 lacs which was utilized for payment to the Institutions and Bankers against part of the OTS package sanctioned by them. The company is looking out for a suitable buyer for the Allahabad facilities so that the balance dues of the Institutions, Banks and Other Creditors can be settled once for all and in this process Company's carry forward losses would be written off and the net worth of the Company would eventually become positive. The company would then be a debt free company and would concentrate on running the 2 plants at Rajahmundry and would go in for further expansion there. The operations of the Rajamundry and Meerut were satisfactory during the year but due to closure of the G II plant on account of repairs the turnover suffered at Rajahmundry. The production at Meerut was much lower than the previous year due to technical constraints.

As mentioned earlier the Company has approached BIFR under the provisions of SICA Act and the company has been duly registered as case no.54/2008 on 24.12.2008. Finally the company has been declared 'Sick' vide BIFR order dt.4.3.10. The company is in the process of submitting the Draft Restructuring Proposal before BIFR for their consideration and approval

The salient features of the Company's performance in different areas during the year are given below.

1. FINANCIAL RESULTS :

PARAMETERS:	2010 <i>Rs. In lakhs</i>	Rs. In lakhs	2009 <i>Rs. In lakhs</i>	Rs. In lakhs
Income from Sales & Other Income:		3635.47		3960.38
Increase/(decrease) in Finished good stocks:	(299.84)		(442.27)	
Net Income:	3335.63		3518.11	
PBIDT	1045.71		(499.60)	
Depreciation	148.23		224.36	
Interest	3.75		1129.84	
Net Profit (-) Loss	893.73		(1853.80)	
Cumulative Loss:				
Balance as per last Account	(10402.42)		(8304.34)	
Previous years Adjustment	(233.12)		(68.58)	
Adjustment of Provision of deferred tax	-		(175.70)	
Loss carried to Balance Sheet	9741.77		10402.42	

2. PRODUCTION :

The production figures in the constituent units of the Company are given below :

Figures in lakh sq. mtr. on 2 mm basis

except figured and wired glass which is on 3 mm basis and neutral glass tube is in MT

Product	Location	2010	2009
Float Glass	Allahabad	-	-
Sheet Glass	Allahabad	1.75	-
Reflective Glass	Allahabad	-	-
Figured & Wired Glass	Allahabad	-	-
	Rajahmundry	25.14	25.00
Neutral Glass Tubes	Meerut	2337.94 MT	3015.89 MT

3. MARKETING/ SALES

The volume of sales handled by the Company in different product segments is indicated as below.

Product	Figures in lakhs Sq. Mtr.	
	Quantity Sold	
	2010	2009
Sheet & Float Glass (2mm)	1.75	-
Figures & Wired Glass (3mm)	26.01	25.27
Neutral Glass Tube (MT)	2549.17	3263.66
Reflective Glass (2MM)	-	-
Float Glass (2mm)	-	-

In financial terms, exports during the year amounted to **Rs. Nil** compared to Rs. Nil during the previous year.

4. DIVIDEND :

Your Directors are not in a position to recommend any Dividend for the Financial Year ending March, 2010.

5. CAPITAL EXPENDITURE :

The Company incurred Capital Expenditure of Rs.91.01 lakhs during the year.

6. DEBT RESTRUCTURING :

With the decision taken by the management to sell off the Meerut facilities the company approached the institutions and other consortium bankers for sanctioning OTS proposal to the company in order to settle their dues once for all. The Board is pleased to inform that IDBI (SASF) has already sanctioned a OTS package to the company vide their letter BY SASF (TGL)/3075 Dt.10.2.10 as per which their dues have been settled at Rs.4000 lacs which is payable by 28.2.2011. The company from the sale proceeds of Meerut unit has already paid IDBI (SASF) Rs.1440 lacs and balance will be paid from the sale proceeds of the Allahabad unit. Similarly State Bank of India has in principal approved OTS package vide their letter no.SASF(TGL)/3075 dated 10.2.10 for Rs.1489 lacs out of which Rs.400 lacs has been paid and balance is payable by 31.3.2011. HSBC another consortium bank has also settled their dues for Rs.15 lacs and the same have been paid to them as a result No amount is due to them. We have approached Canara

Bank also with a OTS proposal which as on date is still under their consideration. The Board is confident that with the above restructuring exercise the company's net worth will become positive and the Company would be able to wipe off its accumulated losses in the next 2 years time.

7. AUDITORS' REPORT:

As regards point No. 4 of the Auditors Report of even date, Depreciation for the Float plant has not been provided since September 2006 as the same was under closure. As regards point no. (5) as already an OTS proposal has been submitted by the Company to the Bank and it is under their consideration no interest has been provided during the year as regards point (ix) (a) & (c) of the Annexure to the Auditors Report of even date, the company could not deposit the contributions towards Family Pension and other statutory dues due to paucity of funds due to the Allahabad Plants remaining closed and Rajahmundry unit facing fund crunch. It is proposed to pay all the statutory dues from the sale proceeds of Allahabad unit. As regards the disputed dues company has filed necessary appeals before the competent authorities and the same are pending for judgment.

8. COST REDUCTION & PRODUCTIVITY IMPROVEMENT:

Your Company has in place appropriate systems to monitor costs incurred in different areas of operations. Several initiatives have been taken to further reduce costs at all level of operation especially at the Company's Rajahmundry and Meerut Plants wherein significant savings in Manpower and energy costs have been achieved.

9. HUMAN RESOURCES:

As mentioned earlier the company has ultimately decided to settle the legitimate dues of the Allahabad plant workers to avoid any further alteration with them. The Human Relations at the Company's Rajahmundry and Meerut units remained cordial.

10. DIRECTORS:

Sri GC Agarwal retires by rotation and being eligible, offers himself for reappointment. During the year no Audit Committee Meeting could be held as the minimum requirement of 3 members in the Committee could not be met. The company was able to induct an independent Director

Dr .Kamlesh Narayan Agarwala who has vast experience in the banking sector and company would definitely benefit from his expert knowledge and guidance. The company is making all efforts to induct another independent Director on the Board so that the Audit Committee can be constituted to comply with the requirements of corporate governance .

11. AUDITORS:

The Auditors, Messrs Amit Ray & Co., Chartered Accountants, retire at the forthcoming, Annual General Meeting and being eligible, offer themselves for reappointment.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information pursuant to Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of the Directors) Rules, 1988 is set out in statements hereto and form part of this report.

13. ENVIRONMENT AND SAFETY:

A lot of emphasis is placed on occupational environment health and safety of the employees of the Company. Several steps have been taken to conserve water by recycling it into useful purposes. A much greener environment has been created by using waste water and those plants have been planted which make the environment clean and dust free. The Company recognizes employees' safety and is always inclined to improve on such standards.

14. DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956:

The Directors hereby confirm that:

- (i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to any material departure.
- (ii) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for that period.

(iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) The annual accounts have been prepared on a going concern basis.

15. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Corporate Governance and Management Discussion and Analysis Report are set out as separate Annexure to this Report.

Place: Allahabad

On behalf of the Board

Date: The 20th August 2010

J K Agrawal	Managing Director
Dr. G C Agrawal	Director
A K Dhawan	Director (Finance)

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2010 :

1. CONSERVATION OF ENERGY

- I. Mandrel M/C Motor of 5HP to be replaced by 1.5 low rpm (950 rpm) along with timing belt and timing pulley, with this there will be saving of electricity and also improvement in tolerance of Outer dia. and Wall Thickness.
- II. Installation of Oxygen Gen Set by which there will be consistent availability of good quality of Oxygen resulting into improvement in efficiency of Glazing machines by 5 to 6%. Cost wise also it would be approx 60% of existing cost of Oxygen which is being purchased from market.
- III. Installed injector blower 40 HP for exhaust of flue gases, which gives the better consumption in furnace resulting fuel efficiency and saving 1% oil.
- IV. Stopped using vaporizer (3.5 KWH) of LPG and start taking vapors directly from the LPG bullets together.
- V. Stop continuous running of sand elevator. Due to installation of small storage bin between the conveyor and the elevator reduced the running hrs by 50%, resulted in saving of 1 KWH.
- VI. Cold repair done for RFO oil saving, resulted in saving of oil from 4.2 MT to 3.7 MT i.e. 0.5 MT/Day
- VII. Barrier wall putted during the cold repair further increase the efficiency of furnace and improved the quality.
- VIII. Repaired old PLM energy meter for the plant to control the energy distribution and uses.
- IX. In G-II the gas temp control has been made by improving temperature control of leher, resulting in saving in gas consumption and better glass yield.
- X. After repairing and redesigning of G-II Furnace the gas consumption has reduced substantially.

(A) POWER AND FUEL CONSUMPTION :

1. ELECTRICITY	2010	2009
	Meerut & Rajamundry	
(a) PURCHASED		
UNIT	1264862	1974956
Total Amt. (Rs.)	5596983	7930736
Rate/ Unit (Rs.)	4.42	4.02
Allahabad Total Amount (Rs.)	2593207	
(b) POWER GENERATION (OWN)		
Through Diesel Generator		
UNIT	998287	596644
Unit per Ltr. Of Diesel	2.86	3.20
Cost/ Unit (Rs.)	11.13	10.12
Through Gas Generator		
Unit	-	58540
Unit per Cu.M. of Natural Gas	-	1.19
Cost/ Unit (Rs.)	-	5.23
2. FURNACE OIL/R.F.O.		
Quantity (K.Ltrs.)	1990	1603
Total Amt. (Rs.)	55378870	45689062
Avg. Rate (Rs.)	27828	28502
3. NATURAL GAS		
Quantity (Cu. M.)	3545730	7691659
Total Amt. (Rs.)	17342823	39252362
Avg. Rate (Rs.)	4.89	5.10

B. Consumption per Sq. Mtr. on 2mm basis of Float, Sheet, Figured and Wired Glass & MT Neutral Glass Tube:

Standards if any		2010	2009
Electricity in Units	Rajahmundry	0.33	2.15
	Meerut	387.14	242.87
Furnace Oil / R.F.O (Ltrs)	Meerut	592.6	531.52
	Rajahmundry	0.94	2.02

Figures are not comparable due to closure of the Allahabad operations for the nearly the full year.)

II. TECHNOLOGY ABSORPTION:

Efforts made in technology absorption as per form B of the Annexure to the Rules.

1. Research and Development

- a.) Installation of liquid oxygen bullet in place of oxygen genset, which will give consistent firing and good control of temperature, resulting LPG saving.
- b.) Small mixture machine introduced in the batch for mixing of minor ingredients, which gives the good mixing of batch and better melting and reduction if unmelted stones.
- c.) Introduction of graphite roller in place of asbestos/steel roller, resulted in visual quality of final product.
- d.) Installed final cutting of tube by water spray system, resulted removing of chilling unit and saving of 4 KW and also the consistency of quality of cutting.
- e.) Technology for re-engraving of roller for some designs developed in house leading to saving in fuel cost.
- f.) Developed technology to reuse of old debituse and cost of energy has been reduced.

III. FUTURE PLAN OF ACTION FOR ENERGY CONSERVATION:

1. Updation of reversal system from relay to PLC module.
2. Installation of energy meter in colony to control electricity consumption.
3. Installation of Central AC system in place of window ACs, which are taking more energy.
4. LCD light in the offices and in corridors.

TRIVENI GLASS LIMITED

Expenditure on R & D :

(i) Capital	:	Rs. NIL
(ii) Recurring	:	Rs. NIL
(iii) Total	:	Rs. NIL
(iv) Total R & D expenditure as		
a Percentage of total turnover:		NIL

Foreign exchange earnings and outgo :

Total Foreign Exchange

Used : Rs. 19.89 lakhs Earned : Rs. NIL

Place : Allahabad

On behalf of the Board

Date : The 20th August 2010

J K Agrawal	<i>Managing Director</i>
Dr. G C Agrawal	<i>Director</i>
A K Dhawan	<i>Director (Finance)</i>

Annexure to the Director's Report:**Corporate Governance**

(As required under Clause 49 of the Listing Agreement with Stock Exchange)

Given below is a brief report on the status of compliance of the Code of Corporate Governance :

Board of Directors**Composition and Attendance**

Name of Director	Category	No. of outside Directorship held	No. of Board Held	Meetings Attended	Attended last AGM
J.K. Agrawal	Managing Director	–	6	6	Yes
A.K. Dhawan	Director (Finance)	–	6	6	Yes
Dr. G.C. Agrawal	Director	–	6	6	No

Board Meetings were held during the year and the dates were 30.04.2009, 31.07.2009, 31.08.2009 & 31.12.2009 , 13.01.2010 & 31.03.2010

Committees of the Board**Audit Committee**

The Audit Committee of the Board of Directors was constituted on 29th January, 2004 with Sri Vivek Kumar, Dr. G.C. Agarwal and Sri A.K. Chaudhary as Members of the Committee. The Statutory Auditors, Internal Auditors and Director (Finance) of the Company are permanent invitees to all Audit Committee meetings. With the withdrawal of nomination of Sri Vivek Kumar from the Board by UTI with effect from 09.08.2006 no Audit Committee Meeting could be held thereafter because of number of Members of the Audit Committee fell below the minimum. The Company is in the process of inducting Independent Director on the Board to form the Audit Committee.

Shareholders Committee

The Shareholders Committee of the Board of Director's was constituted on 29th January 2004 with Dr. G.C. Agarwal, Shri A.K. Chowdhary and Shri A.K. Dhawan as members of the Committee. With

TRIVENI GLASS LIMITED

the demise of Shri A.K. Chowdhary in June 2008, Shri J.K. Agarwal was inducted as a member of the Committee . Meetings of the Committee are regularly held and shareholders grievances duly resolved. There were no shareholder complaints pending at the end of the year.

Remuneration Committee

The Remuneration Committee of the Board of Directors was constituted on 29th January, 2004 with Shri Vivek Kumar, Dr. G C Agarwal and Shri A K Chaudhry as Members of the Committee. The Board has also fixed the Terms of Reference of this Committee. No Remuneration Committee meeting was held during the year. With the withdrawal of nomination of Shri Vivek Kumar from the Board, the Remuneration Committee stands dissolved till further Independent Directors are inducted in the Board. Since Dr. Kamallesh Narayan Agarwala has been appointed as additional director in the Board on 31.03.2010, it is likely to induct him as independent director in the Remuneration Committee.

Details of remuneration to Directors :

<u>Name</u>	<u>Position</u>	<u>Sitting Fees</u> <u>Rs. In lakhs</u>	<u>Salary & Perks</u> <u>Rs. In lakhs</u>	<u>Total</u> <u>Rs. In lakhs</u>
Sri. J.K. Agrawal	Managing Director	–	-	-
Sri A.K. Dhawan	Director (Finance)	–	8.37	8.37
Dr. G.C. Agarwal	Director	0.12	–	0.12

Share Transfers

With the leaving of Mr. T.K. Basak, Company Secretary of the Company and the Compliance Officer, the Board authorized Shri A.K. Dhawan, Director Finance to act as the Compliance Officer along with Sri Sankar Ghosh of C B Management Services Pvt. Ltd., Registrar in order to expedite the process of share transfers, transmission etc. of shares. The Committee meets at least once in a fortnight to expedite all matters relating to transfer of shares etc.

Details of Shareholding of Directors as on 31.03.2010 :

Name	Equity share of <u>Rs. 10/- each</u>
J.K. Agrawal	2,52,000
A.K. Dhawan	10,666

Related Party Transactions

No Transaction of sale, purchase or supply of any goods material or services have been entered into by the Company with the promoters , Directors their relatives, etc.,

Details of non-compliance by the Company, penalties imposed by Stock Exchanges, SEBI or any statutory authority on any matter relating to capital markets:

There were no such instances during the year.

Means of Communication:

The quarterly results of the Company were published in Financial Express and also in Amrit Prabhat daily. The Annual Results are posted to all the shareholders of the Company. The Company's website is regularly updated with financial results.

Shareholders' information**Registered Office:**

1, Kanpur Road

Allahabad - 211 001

Telephone - (0532) 2407325

Telefax : - (0532) 2407450

E-mail: akd@triveniglassltd.com

Website: www.triveniglassltd.com

Location of Plants:

Float/Figured/Sheet/Reflective Glass Plants at:

Iradatganj, P.O. Ghoorpur, Dist. Allahabad - 211 003, Uttar Pradesh

Figured/Wired Glass Plants at:

P.O. Kondagudem, Rajahmundry, Dist. West Godavari, Andhra Pradesh.

Neutral Glass Tubes Plant at :

Plot No. 76, Vill. & P.O. Fitkary, Tehsil - Mewana, Dist. Meerut, Uttar Pradesh

TRIVENI GLASS LIMITED

Registrar & Share Transfer Agent:

C B Management Services Pvt. Ltd.
P - 22 Bondel Road
Kolkata - 700 019
Telephone: 033 4011 6711, 4011 6718,
033 2286692 – 93 - 94
Telefax: 033 2287 0263
e-mail: rta@cbmsl.com

Compliance Officer:

A.K. Dhawan
Director - Finance
Triveni Glass Ltd.
1, Kanpur Road,
Allahabad-211001 (UP)
Telephone : 0532 2407325
Telefax : 0532 2407450
e-mail : akd@triveniglassltd.com

Annual General Meeting:

Date: 25th September 2010

Time: 11.00 A.M.

Venue: Hotel Allahabad Regency, Allahabad.

The last Annual General Meeting was held on 29th September, 2009 at Hotel Allahabad Regency, Allahabad. One special business was transacted at the meeting and the resolutions were carried unanimously. All Annual General Meetings of the Company have been held at Hotel Allahabad Regency, Allahabad.

Book Closure: 18th Day of September 2010 to 25th Day of September 2010 (both days inclusive)

Financial Calendar for 2010-11

First Quarterly Result	July, 2010
Second Quarterly Result	October, 2010
Third Quarterly Result	January, 2011
Annual Results	June, 2011
Annual general meeting	September 2011

Listing of Stock Exchanges with code no. etc.

Bombay Stock Exchange Limited, Mumbai

ISIN Number for NSDL and CDSL INE094C01011

The Listing fees for the above Stock Exchange have been paid for the year 2010-11.

High/Low market price of the Company's equity shares traded on the Bombay Stock Exchange Ltd., Mumbai, during the year:

<u>Month</u>	<u>High (Rs.)</u>	<u>Low (Rs.)</u>
April, 2009	6.02	4.20
May, 2009	10.38	5.72
June, 2009	13.14	7.00
July, 2009	10.29	6.02
August, 2009	10.60	8.16
September, 2009	9.24	8.10
October, 2009	9.09	6.76
November, 2009	8.00	6.39
December, 2009	8.54	6.40
January, 2010	16.01	8.96
February, 2010	14.15	9.40
March, 2010	10.60	8.82

Share Transfer System

The Company's Registrar C B Management Services Pvt. Ltd. process the share transfers, transmissions etc. within the stipulated time period. In compliance with the listing guidelines, every six months, the system is audited by a practicing Company Secretary and relevant Certificates are submitted with the Stock Exchanges regularly.

During the year there were no complaints from shareholders regarding non-receipt of dividend/annual report. However complaints regarding non-receipt of share certificates after transfer/transmission was received which were redressed forthwith. The Company endeavors to settle all shareholders complaints within minimum possible time and the average time taken for settlement vary from 7 to 10 days.

Dematerialization of Equity Shares and liquidity

The Company's scrip forms part of the Compulsory Demat segment for all investors effective 8th March, 2001. In order to facilitate the investors to have an easy access to the demat system company has joined with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on 31st March, 2010, 92.73% of the Company's paid - up share capital representing 11702087 equity shares are held in dematerialized form and the balance 7.27% representing 917347 equity shares are in physical form.

Nomination facility

The Company offers facility of nominations in terms amendment in section 109A of the Companies Act, 1956. Members desiring this facility may send their nomination form 2B duly filled to the Register & Share Transfer Agent. The members holding shares in dematerialized form may contact their respective depository participants (DP) for availing the nomination facility.

Pattern of Shareholding as on 31st March, 2010 :

<u>Category</u>	<u>No. of Shares</u>	<u>% of holding</u>
FIs/Banks	3953363	31.33
Insurance Companies	432516	3.43
Mutual Fund & UTI	5716	0.05
FII	500	—
Promoters	941033	7.46
NRI/OCB	215031	1.70
Public	3959089	31.37
Corporate Bodies	3028756	24.00
Clearing Members	83432	0.66
Total	12619436	100.00

Distribution of Shareholding as on 31st March, 2010

Range (No. of Shares)	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
1 - 500	12749	90.16	1378800	10.93
501 - 1000	702	4.96	577476	4.58
1001 - 2000	323	2.28	508885	4.03
2001 - 3000	104	0.74	273163	2.16
3001 - 4000	66	0.47	237999	1.89
4001 - 5000	35	0.25	164387	1.30
5001 - 10000	72	0.51	534996	4.24
10001 & above	89	0.63	8943728	70.87
Total	14140	100.00	12619434	100.00

Address for correspondence :

The shareholders may address their communication to the Registrar and Transfer Agent at their address mentioned above or to the Director Finance, Triveni Glass Limited, No. 1, Kanpur Road, Allahabad -211001. Telephone : 0532-2407325 Fax: 0532-2407450. E-mail : akd@triveniglassltd.com

CEO AND CFO certification

As per Clause 49(V) of the Listing Agreement. with Bombay Stock Exchange, a certificate duly signed by the Managing Director and Director (Finance) in respect of compliance of the conditions and the code of conduct for the financial year ended 31st March, 2010 has been confirmed by them.

Place : Allahabad

On behalf of the Board

Date : The 20th August 2010

J K Agrawal

Managing Director

Dr. G C Agrawal

Director

A K Dhawan

Director (Finance)

CEO/CFO CERTIFICATION

We, J K Agrawal, Managing Director and A K Dhawan, Director (Finance) as required under Clause 49V of the Listing Agreement hereby certify that :-

- (a) We have reviewed Financial Statements and the Cash Flow statements for the year and that to the best of our knowledge and belief :
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors
- (i) significant changes in internal control during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements.
 - (iii) there has been no instances of significant fraud or which we have become aware.

A.K. Dhawan
Director (Finance)

J.K. Agrawal
Managing Director

PLACE : ALLAHABAD

DATE : The 20th August 2010

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MARKETING OVERVIEW

In 2009-10, in Figured Glass, initially IAG was also running with 190 TPD production. But they could not sustain and had to close down in first quarter of the year. Thereafter, there was a production of 500 TPD. In the last quarter, Sumangal Glass (production of 50 TPD) closed for repairs. Gujarat Borosil has started a Figured Glass line to make specialized Figured Glass especially for solar power.

From the second half of the year there has been an increase in demand for indigenous Figured Glass as imports have gone down due to higher costs, and construction industry – on which Figured Glass demand is totally dependent – has also seen an upswing. Demand at the end of the year was approx. 600 TPD. Even after imports, the industry witnessed healthy demand for its products.

STRENGTHS

- Demand for Float Glass is also on an upswing and so is for Figured Glass.
- Difference in price between Float & Figured glass has increased demand for Figured Glass.
- The healthy come-back of the construction industry has also seen a spurt in demand for Figured Glass.

WEAKNESSES

- As such, over the last 4-5 years, Figured Glass demand has decreased and its place has been taken by Float Glass, Reflective Glass, stained glass and other value-added glasses.
- Introduction of new types of Figured Glass by sheet process, frosted glass by acid etching, stained glass etc have eaten into the traditional Figured Glass market.

OPPORTUNITIES

- Increase in demand for Figured Glass as imports have reduced.
- Increase in demand for flat glass in general has increased demand for Figured Glass as well.

- Lower income housing scheme initiated by U.P. Government has seen an increase in demand for Figured Glass for glazing as it works out cheaper.

THREATS

- If international prices drop, imports may again increase.
- Increase in capacity by local competitors – IAG, Saizal Glass, Gujarat Borosil will increase competitiveness in market.
- Prices that have seen a steady increase over the past year, can be under strain with increased capacities.
- Our G-I plant was repaired for limited life span of 3-4 years. We have already spent 1½ years of the same.

OUTLOOK

G-II plant was started in the new financial year. Plant was made ready in 2009-10 with complete cold repair. It can draw over 100 TPD and gives us the opportunity to provide different products in Figured Glass like clear in one plant & coloured in another; 2 mm. Rolled; Wired Glass. It can also make Figured Glass that can be tempered and that will have even more applications. G-I plant is running with over 75 TPD pull. We plan to run one plant on clear Figured and the other on coloured to give our customers a mix at any point of time.

Demand for glass has increased and also for Figured Glass. There is a 10% increase in the total demand.

Internal control system and their adequacy

The Company has adequate system of internal controls to ensure proper safeguarding of the assets. The Company has appointed external firms of Chartered Accountants as Internal Auditors.

Financial performance

During the year the turnover amounted to Rs.3635.47 lakhs compared to Rs.3960.38 lakhs in the previous year. After providing for interest and depreciation amounting to Rs.3.75 lakhs & Rs.148.23

lakhs, the net profit comes to Rs. 893.77 Lakhs against net loss of Rs.1853.80 lakhs of previous year.

Cautionary Statement

Statement in this report of Management Discussion and Analysis describing the Company's estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could difference materially from those expressed or implied. Important factors that would make a difference to the Company's operations include demand-supply conditions, raw materials and other input prices, charges in Government regulations, tax regimes, economic developments within the country and other factors which as litigation and industrial relations.

Place : Allahabad

On behalf of the Board

Date : The 20th August 2010

J K Agrawal *Managing Director*

Dr. G C Agrawal *Director*

A K Dhawan *Director (Finance)*

To,

**The Shareholders of Triveni Glass Ltd.,
Allahabad.**

AUDITORS REPORT

- 1) We have audited the attached Balance Sheet of **Triveni Glass Ltd., Allahabad as at 31.03.2010** and the annexed Profit and Loss Account and also the Cash Flow Statements for the period ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditors Report) Order 2003, issued by the Government of India, in terms of Section 227 (4A) of the Companies Act, 1956 of India and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the annexure hereto a statement on the matters specified in paragraphs 4 & 5 of the said order.
- 4) *Depreciation amounting to Rs. 656.51 lacs has not been provided in accounts for Float Glass Plant. We have been explained that due to the closer of the Float Glass Plant from 16-09-06 onwards depreciation has not been charged in the accounts.*
- 5) *The Company has also not provided interest on loan from Canara Bank amounting to Rs.78.74 lakhs. Thus the profit is overstated by the same amount.*
- 6) Further to our comments in the Annexure referred to in paragraph (3) and (4) above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (ii) In our opinion, proper books of account as required by law have been maintained by the company in the manner so required, so far as appears from our examination of those books.
 - (iii) The Balance Sheet, Profit and Loss Accounts and Cash Flow Statement, dealt with by this report are in agreement with the books of account maintained by the Company.

- (iv) In our opinion, Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956, in so far as they are applicable to the Company
- 7) In our opinion and to the best of our information and according to explanations given to us the said accounts, read together with the Significant Accounting Policies and Notes forming part thereof, gives the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2010, and
- (b) In case of the Profit and Loss Account, of the Profit for the year ended on that date.
- (c) In the case of Cash Flow Statement, the Cash Flows of the Company for the year ended on that date.

Place: Allahabad
Date: 20th Day of August, 2010

**For Amit Ray & Co.,
Chartered Accountants.**

**Abhishek Sharma
(Partner)**

**Membership No.403861
F.R.No – 000483C**

ANNEXURE TO AUDITOR'S REPORT
Referred to in paragraph 3 of our report of even date

- (i) (a) On the basis of available information, the Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is the regular programme of verification which in our opinion is reasonable having regard to the size of the company and of its assets. No discrepancies were noticed on such physical verification. However no verification has been carried out in Allahabad Unit due to disturbances in the Factory.
- (c) According to the information and explanations given to us, furniture & fittings, Non-factory Building and Meerut unit had been sold during the year which are duly accounted for, and such sale does not affect the going concern of the company.
- (ii) (a) As explained to us, inventories have been physically verified by the management at regular intervals. However at Allahabad Unit , all the inventory items had not been physically verified , as the factory remained closed for a considerable period of time.
- (b) In our opinion and according to information and explanations given to us , the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. As explained to us there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
- (iii) (a) On the basis of Information given to us the following party has granted loan to the above Company
- | Name of the Party | Amount (in Rs.) |
|----------------------------------|-----------------|
| Mr.J.K.Agrawal Managing Director | 98.65 lacs |
- (b) According to the information given to us, the loan given to the company by Mr. J. K. Agrawal Managing Director is free of interest and as such is not prejudicial to the interest of the company.
- (c) According to the information and explanations given to us, loan given by the Managing Director, to the company is at Nil rate of interest and there is no installment due in the year 2009-10.
- (d) On the basis of the information given to us there is no overdue amount which is payable by the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for sale of goods. Further, during the course of our audit, we have not observed any major weakness in internal control.

- (v) (a & b) According to the information and explanations given to us, loan that is taken by the Company from Managing Director is entered into a register in pursuance of section 301 of the Companies Act, 1956.
- (vi) The Company has not accepted any deposits from the public during the year and the company is not having any public deposit as on date.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business at Rajamundry, Meerut and Allahabad units. The internal audit of Allahabad was not carried out from July'06 due to disturbance in the factory.
- (viii) The Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- (ix) (a) According to the records of the Company, the undisputed Statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues, wherever applicable, have not been deposited with the appropriate authorities and are outstanding as at 31st March, 2010.

The following undisputed statutory due has not been deposited by the Company:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lac)	Period to which the amount relates
<i>Central Excise Act and Central Excise Rule 2002</i>	<i>Excise Duty Payable</i>	2.64	Old Case
	<i>Service Tax</i>	9.82	2008-2009
	<i>Service Tax</i>	10.08	2008-2010
<i>Income Tax Act, 1961</i>	<i>Income Tax Deducted from Source</i>	6.33	2007-2010
<i>Income Tax Act, 1961</i>	<i>Fringe Benefit Tax</i>	33.44	2008-2009
<i>Provident Fund Act</i>	<i>Provident Fund Trust</i>	67.97	2005-2006
<i>Provident Fund Act</i>	<i>Regional Provident Fund Commissioner</i>	27.57	2005-2006 To 2009-2010
<i>Central & State Sales Tax/ Trade Tax</i>	<i>Sales Tax Uttar Pradesh</i>	14.68	2007-2008 & 2008-2009
<i>Central Excise Act & Rules 2002 State Sales Tax</i>	<i>Central Excise Duty Rajahmundry</i>	14.91	2007-2008
		4.06	1998-1999
		31.72	1999-2000
		83.26	2008-2009
		56.58	2009-2010
	<i>Central Excise Allahabad</i>	69.48	2006-2007 To 2009-2010
	Total	433.46	

(c) *The disputed statutory dues aggregating to Rs.4346.75 Lacs, that have not been deposited on account of matters pending before appropriate authorities are as under:*

SL NO	NAME OF THE STATUTE	NATURE OF THE DUES	FORUM WHERE DISPUTE IS PENDING	AMOUNT (Rs. in Lac)
1.	Central Excise Act and CENVAT Credit Rules, 2004	Central Excise Duty and CENVAT credit	Central Excise Service Tax Appellate Tribunal, New Delhi	726.00
2.	Central Excise Act and CENVAT Credit Rules, 2004	Central Excise Duty and CENVAT credit	Central Excise Service Tax Appellate Tribunal, New Delhi	2096.00
3.	Central Excise Act and CENVAT Credit Rules, 2004	Central Excise Duty and CENVAT credit	Central Excise Service Tax Appellate Tribunal, New Delhi	129.32
4.	Central & State Sales Tax/ Trade Tax	Sales Tax /Trade Tax	Various Sales Tax / Trade Tax Appellate Authorities, Allahabad	16.40
<i>* The Company has deposited an amount of Rs.11.49 Lakhs under protest.</i>				
5.	Central & State Sales Tax/ Trade Tax	Sales Tax /Trade Tax	Supreme Court, New Delhi	90.71
6.	Custom Act, 1962	EPCG Scheme	Asst. Commissioner Customs Visakhapatnam	755.00
	Customs Act, 2004	Advance Licence	DGFT Kanpur	405.00
7		Service Tax	High Court Allahabad	3.74
8	Central Excise & State Sales Tax/Trade Tax	Excise, Service Tax Sales Tax	Rajahmundry Rajahmundry	74.40 19.34 30.84
				4346.75

- (x) The Company is a sick industrial company within the meaning of Clause (O) of subsection (1) of Section 3 of Sick Industrial Companies (Special Provisions) Act, 1985
The accumulated losses of the Company as on 31st March , 2010 exceed fifty percent of the Net worth of the Company.
The Company has not incurred cash loss during the financial year covered by our report. In the immediately proceeding financial year the company has incurred cash loss. However, the total net worth of the company is Negative as on 31st March 2010.

- (xi) *The company has defaulted in repayment of dues to financial institutions which are as follows:*

	<u>AMOUNT DUE (Rs.in Lacs)</u>	<u>Period</u>	<u>Due to</u>
Principal	3676.00	Upto 31st March 2010	IDBI (SASF)
Interest	5606.00		IDBI (SASF)
Principal	1511.00	Upto 31st March 2010	State Bank of India, Lucknow
Interest	703.00		State Bank of India, Lucknow
Principal	508.00	Upto 31st March 2010	Canara Bank, Kolkata
Interest	82.65		Canara Bank, Kolkata

The IDBI has sanctioned an One Time Settlement (OTS) scheme for payment of Rs.4000 lakhs latest by February ,2011. In the event of any failure on the part of the Company IDBI has the right to revoke the OTS. The Company has paid its first installment of Rs.1440 lakhs.

OTS scheme has been sanctioned by SBI for total payment of Rs.1489 lakhs by March, 2011 against which the company has made an initial payment of Rs.400 lakhs. However the final sanction letter is yet to be received from the Bank.

The OTS has been taken place for Rs.17 lakhs against the dues of Rs.78 lakhs with HSBC. The Company has made full payment in March, 2010. The necessary accounting entries have been made.

- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loan and advances on the basis of security by way of pledge of shares, debenture and other securities.
- (xiii) (a to d) In our opinion, the Company is not a chit or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) Order, 2003, are not applicable to the Company.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, debentures and other securities. Therefore, the provisions of clause 4(xiv) of the Companies (Auditors Report) Order, 2003, are not applicable to the Company.

- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or Financial Institutions during the year.
- (xvi) The Company has utilized the Term loan for the purpose for which they were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance sheet of the Company, we are of the opinion that the Company has not utilized any fund raised on short-term basis for long-term investment and vice-versa.
- (xviii) During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained u/s 301 of the Companies Act, 1956.
- (xix) Debentures are converted into secured loan as per OTS Scheme 2005 for which necessary Securities has been created and registered.
- (xx) The Company has not raised any money from public issues during the year.
- (xxi) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Place: Allahabad
Date: 20th Day of August, 2010

For Amit Ray & Co.,
Chartered Accountants

Abhishek Sharma
(Partner)

(Membership No. 403861)
F.R.No. – 000483C

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT (S)

CERTIFICATE

**To,
The Shareholders,**

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

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

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

We state that in respect of investor grievances received during the year ended 31st March 2010, no investor grievances are pending against the company as per the records maintained by the company and presented to the Investor Service Committee.

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

**Place: Allahabad
Date: 20th Day of August, 2010**

**For Amit Ray & Co.,
Chartered Accountants**

Abhishek Sharma
(Partner)

**(Membership No. 403861
F.R.No. – 000483C**

TRIVENI GLASS LIMITED
Balance Sheet as at 31st March ' 2010

	Schedule	2010		2009	
		Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
I Sources of Funds					
1) Shareholders' Funds					
a) Capital	1	1262.88		1,262.88	
b) Reserves and Surplus	2	4625.68		4,625.68	5,888.56
		5888.56	5888.56		
2) Loan Funds					
a) Secured Loans	3	12152.67		14006.31	
b) Unsecured Loans	4	314.73	12467.4	302.62	14308.93
Total			18355.96		20197.49
II Application of Funds					
1) Fixed Assets	5				
a) Gross Block		21610.18		22209.96	
b) Less : Depreciation		13511.77		13778.07	
c) Net Block		8098.41		8431.89	
d) Capital Works-in-progress		203.91	8302.32	234.87	8666.76
2) Investments	6		18.71		18.71
3) Current Assets, Loans & Advances					
a) Inventories	7	375.8		1029.15	
b) Sundry Debtors	8	625.91		1107.74	
c) Cash and Bank Balances	9	77.44		56.03	
d) Loans & Advances	10	1634.89		1496.3	
		2714.04			3689.22
Less : Current Liabilities & Provisions					
a) Liabilities	11(a)	2317.81		2332.1	
b) Provisions	11(b)	103.11		247.52	
Net Current Assets			293.12		1109.6
4) Miscellaneous Expenditure (to the extent not written off or adjusted)	12				
5) Debit Balance of P/L Account			9741.81		10402.42
Total			18355.96		20197.49
Notes on Accounts	17				
Significant Accounting Policies	18				

Signed in terms of our Report of even date

On behalf of the Board

For AMIT RAY & CO.
Chartered Accountants
Abhishek Sharma
(Partner)
Membership No.(403861)

Mr.J K Agrawal Managing Director
Mr.A K Dhawan Director Finance
Dr. G C Agarwal Director

Place : Allahabad

Date : 20th August 2010

Profit & Loss Account for the year ended 31st March '2010

	Schedule	2010		2009	
		Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
Income					
Sales & Other Income	13		3635.47		3960.38
Increase/(Decrease) in Stock of Finished Goods	14		(299.84)		(442.27)
			3335.63		3518.11
Expenditure					
Raw Materials consumed,	15		997.96		996.01
Manufacturing, Selling, Distribution and Administrative expenses	16		2482.37		2306.05
Excise Duty			331.88		458.36
Depreciation			148.23		224.36
Interest :					
On Term Loans			-	567.70	-
Others		3.75	3.75	562.34	1129.84
Amount written off:					
Sundry Debit Balance			83.49		170.62
			4047.68		5285.24
Loss before extra ordinary item			(712.05)		(1767.13)
Liabilities written back (HSBC)			61.00		-
Extra-ordinary items – Sale of Meerut Unit			1604.33		-
Profit/ (Loss) before Provision			953.28		(1767.13)
Provision for Doubtful Advances		35.04			
Provision for bad and doubtful debts		22.04		84.04	
Provision for Fringe Benefit Tax		-		2.63	
Exchange Fluctuations		2.47	59.55	-	86.67
Net Profit/ (Loss)			893.73		(1853.80)
Balance as per last account			(10402.42)		(8304.34)
Adjustment of Provision for Deferred Tax till 31 st March '09			-	(175.70)	
Prior Period Adjustment		(233.12)	(233.12)	(68.58)	(244.28)
Net Loss carried to Balance Sheet			(9741.81)		(10402.42)
Basic Earning/ (Loss) per share (in Rs.) (Refer Note(w) in schedule 17)			7.08		(14.70)
Diluted EPS			7.08		(14.70)
Notes on Accounts	17				
Significant Accounting Policies	18				

Signed in terms of our Report of even date

On behalf of the Board

For AMIT RAY & CO.
Chartered Accountants

Abhishek Sharma

(Partner)

Membership No.(403861)

Mr.J K Agrawal Managing Director

Mr.A K Dhawan Director Finance

Dr. G C Agarwal Director

 Place : Allahabad, 20th August 2010

Schedules Annexed to and Forming Part of the Balance Sheet

	2010		2009	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
SCHEDULE 1				
Share Capital				
Authorized				
1,97,50,000 Equity Shares of Rs. 10/-each		1,975.00		1,975.00
25,000 Preference Shares of Rs. 100/- each to be issued on such terms & conditions as the Company may decide from time to time		25.00		25.00
		2,000.00		2,000.00
Issued, Subscribed and paid up				
1,26,19,434 Equity Shares of Rs. 10/- each		1,261.94		1,261.94
Amount paid up on shares forfeited (10950 shares forfeited during 06-07)		0.94		0.94
		1262.88		1262.88
(Out of the above, 11,73,760 fully paid Equity Shares of Rs.10/- each were allotted on 21.1.93 as Bonus Shares by capitalizing Preference Share Capital Redemption Reserve and General Reserve and 40,00,000 equity shares have been allotted to SASF on 24.06.06 as per restructuring package sanctioned				
SCHEDULE 2				
Reserves & Surplus				
Capital Reserve :				
Opening balance	221.86		146.86	
Add : Additions during the year	-	221.86	75.00	221.86
Share Premium Account	4408.75		4408.75	
Less : Allotment money in arrear	(4.93)	4403.82	(4.93)	4403.82
		4625.68		4625.68
SCHEDULE 3				
Secured Loans				
Term Loan from Stressed Assets Stabilization Fund (SASF) Pursuant to the agreement dated September 30, 2004, IDBI Ltd. have assigned/ transferred to SASF the financial Assistance granted by them to the Company, together With all security and all respective rights in respect thereof.		3676.00		5116.00
Restructured Loan as per sanction letter no. BY/SASF/TGL/ 221 dated 19.04.2005 secured by first charge upon Immovable & movable properties of the Company subject to prior. Charge -				
(i) in favour of UPFC over one 750 KVA Diesel Generating Set.				
(ii) In Favour of Company's Bankers over stock of raw materials semi-finished and finished good, stores not relating to Plant & Machinery and book debts by way of security for working capital and also secured by pledge of shares and personal guarantee of Sri J K Agrawal Managing Director and personal guarantee of Sri N K Agrawal, Ex Director of the Company.				

Schedules Annexed to and Forming Part of the Balance Sheet

	2010		2009	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
Vehicle Loan from ICICI Bank Secured by Hypothecation of Cars financed by ICICI Bank.				
Vehicle Loan	1.83		3.35	
Less : Un-accrued interest	0.19	1.64	2.39	0.97
Cash Credit Accounts with Banks Secured by Hypothecation of whole of the Stock of raw materials, finished goods, stores and packing materials, furnace oil and book Debts and also secured by Second Charge upon the immovable and movable properties of the Company. Float New Colony on Plot no. 347, 351 and 353 at Iradatganj Allahabad has been mortgaged with SBI, MLNREC branch against working capital limits.		2868.32		3282.65
Interest Accrued and Due		5606.71		5606.69
		12152.67		14006.31

Schedules Annexed to and Forming Part of the Balance Sheet

	2010		2009	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
SCHEDULE 4				
Unsecured Loans				
Loan from Directors		98.65		98.65
Short-Term Loan from Companies		216.08		203.97
		314.73		302.62
SCHEDULE 5				
Fixed Assets		8302.32		8666.76
SCHEDULE 6				
1. Investments in Govt or Trust Securities				
31,102 Nos. 6.75% Tax free US-64 Bonds of Rs. 100/- each fully paid up of Unit Trust of India issued on conversion Of Units 64 (P.Y-31,102 Nos. Bonds)		17.69		17.69
National Savings Certificate		1.02		1.02
2. Share / Debentures or Bonds		-		-
3. Investment in Properties		-		-
4. Others		-		-
		18.71		18.71
SCHEDULE 7				
Inventories				
Raw materials		179.85		197.85
Stores & Spare Parts including stock of fuel		171.00		502.59
Raw Materials and Stores-in-transit		-		3.92
Finished Goods		24.95		324.79
		375.80		1029.15
SCHEDULE 8				
Sundry Debtors				
Unsecured				
Not over six months old				
Considered Good		173.56		173.27
Over six months old				
Considered Good				
Considered doubtful		452.35		1018.51
Provision for bad and doubtful debts				(84.04)
		625.91		1107.74
Included in Sundry Debtors Considered Good debit balance due from :				
A firm in which one of the Director and his relatives are partners		28.39		28.39

Schedules Annexed to and Forming Part of the Balance Sheet

	2010		2009	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
SCHEDULE 9				
Cash and Bank Balances				
With Scheduled Banks on Current Account		8.54		7.86
In fixed deposit account with Scheduled Banks including interest accrued		68.9		48.17
Cash in hand		-		-
		77.44		56.03
SCHEDULE 10				
Loans and Advances				
Unsecured and Considered Good Advances recoverable in cash or in kind or for value to be received		55.03		55.03
Secured :		-		-
Considered Good				
Unsecured :				
Considered Good		333.66		250.96
Considered Doubtful		-		-
Balance with Government, Government Under-takings and Public Bodies (Considered Good)		1246.20		1190.31
Deferred Tax assets				
		1634.89		1496.30
SCHEDULE 11				
Liabilities – 11 (a)				
Sundry Creditors – Total outstandings to SSI undertakings		14.75		14.75
Total outstandings dues of creditors other than SSI undertakings		1153.65		1355.61
Statutory dues		901.45		785.05
Other Liabilities		247.96		176.69
		2317.81		2332.10
Provisions – 11 (b)		103.11		247.52
		2420.92		2579.62
SCHEDULE 12				
Miscellaneous Expenditure		-		-

Schedules Forming Part of the Profit and Loss Account

	2010		2009	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
SCHEDULE 13				
Sales and Other Income				
Sales		3327.45		3490.43
Other Income :				
Sound Delivery charges recovered	-		10.46	
Breakage Claim	-		1.39	
Dividend	-		0.37	
Interest	3.86		12.67	
Unclaimed Balance Written Back	254.59		372.89	
Miscellaneous Receipts	2.09		-	
Liabilities no longer required	-		72.17	
Profit on Sale of Fixed Assets	42.95		-	
After Sales Service Charges received	4.53		-	
Processing charges received		308.02		469.95
		3635.47		3960.38
SCHEDULE 14				
Increase/(Decrease) in Stock of Finished Goods				
Closing Stock		24.95		324.79
Less : Opening Stock		324.79		767.06
		(299.84)		(442.27)
SCHEDULE 15				
Raw Materials Consumed				
Opening Stock		197.85		180.22
Add : Purchase		979.96		1013.64
		1177.81		1193.86
Less : Closing Stock		179.85		197.85
		997.96		996.01

Schedules Forming Part of the Profit and Loss Account

	2010		2009	
	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs	Rs. in Lakhs
SCHEDULE 16				
Manufacturing, Selling, Distribution and Administrative Expenses				
Manufacturing & Processing Exp.		74.11		51.74
Power & Fuel		970.79		1001.83
Packing Charges		442.14		368.98
Stores consumed		33.85		36.22
Salaries, Wages and Bonus		209.49		235.41
Contribution to Provident and other Funds		21.52		40.25
Welfare Expenses		14.48		13.17
Insurance		4.79		7.01
Rent		14.46		9.82
Repairs :				
Building	9.02		4.91	
Machinery (Furnace and other machinery)	144.15		36.37	
Others	10.30	163.47	3.26	44.54
Rates & Taxes		14.23		0.92
Selling Expenses :				
Rebates	302.55		306.83	
Freight, Transport charges	16.02		24.10	
Commission to Local and foreign agent	-		0.43	
		318.57		331.36
Managerial Remuneration		8.37		8.51
Miscellaneous Exp.		192.10		156.29
		2482.37		2306.05

SCHEDULE ANNEXED TO FORMING PART OF THE BALANCE SHEET

SCHEDULE - 5

FIXED ASSETS

ITEM	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Original cost & Addition on revaluation of commencement of the year	Additi on during the year	With draws on Sales / Adjust ment	Original Cost and addition on revaluation as on 31.3.2010	Upto 31.03.2009	For the Period written-off on capital account	Withdrawal s on Sales / Disposal /Adj	Upto 31.03.2010	As at 31.03.2010	As at 31.03.2009
LAND (FREE HOLD)	89.08	-	14.00	75.08	-	-	-	-	75.08	89.08
BUILDING	2,962.10	-	110.40	2,851.72	1,116.47	28.72	48.71	1,096.48	1,755.24	1,845.63
PLANT & MACHINERY	18,787.44	88.36	536.60	18,339.20	12,318.99	116.71	346.56	12,089.14	6,250.06	6,468.45
FURNITURE & FITTING	273.25	2.65	21.04	254.86	255.31	1.96	12.04	245.23	9.63	17.94
MOTOR CAR & VEHICLES	98.09	-	8.77	89.32	87.3	0.83	7.22	80.91	8.41	10.79
TOTAL	22,209.96	91.01	690.80	21,610.18	13,778.07	148.22	414.53	13,511.76	8,098.42	8,431.89
PREVIOUS YEAR	22,337.75	9.86	137.70	22209.96	13567.34	224.36	13.63	13778.07		
CAPITAL WORK IN PROGRESS									203.91	234.87
TOTAL									8,302.33	8,666.76

Notes :

1. Factory Land has been revalued by an approved valuer as on 30th June, 1985 and 31st March, 1994 and 1st April 2008 resulted in total increase in the value of land by Rs. 110.99 Lacs has been added to the cost and transferred to Capital Reserve.
2. Capital works in progress includes stock of Building Materials, Machinery parts, Advances to Suppliers less liabilities and expenditure pending allocation.
3. Depreciation has not been provided from 16th Sept. 2006 onwards on Plant & Machinery of Float Glass and Plant 1,2,3 due to non-operation.
4. Meerut Unit Assets & Accumulated Depreciation has been transferred to M/s.Nipro India Glass Ltd to whom the Unit has been sold during the year.

Schedules Forming Part of the Profit and Loss Account**SCHEDULE 17**

Information pursuant to the provisions of paragraph 3,4C and 4D of the Part II of Schedule VI of the Companies Act, 1956

(a) Installed Capacity as on 31.03.2010 and Actual Production (Net of Breakages):

Particulars of Goods	Unit of Quantity	Year	Installed	Actual
Float of Glass	Lakh Sq. Mtr. of 2mm Thickness	2010	146.00	—
-do-	-do-	2009	146.00	—
Sheet Glass	Lakh Sq. Mtr. of 2mm Thickness	2010	16.00	1.75
-do-	-do-	2009	16.00	—
Figured & Wired Glass	Lakh Sq. Mtr. of 3mm Thickness	2010	99.00	25.14
-do-	-do-	2009	99.00	25.00
Neutral Glass Tubes	M.T.	2010	4,600.00	2,337.94
-do-	-do-	2009	4,600.00	3,015.89
Mirror (Conversion)	Lakh Sq. Mtr. of 2mm Thickness	2010	—	—
-do-	-do-	2009	—	—
Reflective Glass	Lakh Sq. Mtr. of 2mm Thickness	2010	—	—
-do-	-do-	2009	—	—
Quantities include Loose Glass				

(b) Particulars in respect of Sales & Stock :

Sales of Goods Manufactured by the Company	Unit of Quantity	Year	Sales		Stock			
			Quantity	Value Rs. in Lakhs	Opening Quantity	Value Rs. in Lakhs	Closing Quantity	Value Rs. in Lakhs
Float Glass	Lakh Sq. Mtr. of 2mm	2010	-	-	-	-	-	-
-do-	Thickness	2009	-	-	1.57	83.27	-	-
Sheet Glass	Lakh Sq. Mtr. of 2mm	2010	1.75	168.86	-	-	-	-
-do-	Thickness	2009	-	-	-	-	-	-
Figured & Wired Glass	Lakh Sq. Mtr. of 2mm	2010	26.01	2115.15	1.11	71.06	0.35	23.00
-do-	Thickness	2009	25.27	2146.71	3.39	339.46	1.11	71.06
Neutral Glass Tubes	M.T.	2010	2549.17	1043.44	503.862	203.64	292.336	21.27
-do-		2009	3263.66	1343.31	715.63	220.88	503.862	203.64
Mirror	Lakh Sq. Mtr. of 2mm	2010	-	-	-	-	-	-
-do-	Thickness	2009	-	-	0.01	0.60	-	-
Reflective Glass	Lakh Sq. Mtr. of 2mm	2010	-	-	-	-	-	-
-do-	Thickness	2009	-	-	-	-	-	-
Oxygen	(By-Product)	2010	-	-	-	-	-	-
-do-		2009	-	-	-	-	-	-

(g) Expenditure in Foreign Currencies during the year :

(i) Traveling Expenses	--	--
(ii) Commission	--	--
(iii) Bank Charges & Others	--	--

(h) Segment Information

(i) Business Segment

(1) Segment Revenue

At the end for the year ended 31st March 2010

(Rs. In Lakhs)

	Flat Glass	N. Glass Tubes	Total
a) External Sales	2592.03	1043.44	3635.47
b) Inter Segment Sales	-	-	-
c) Total Revenue	2592.03	1043.44	3635.47
2) Total Revenue as a segment as a percentage Of Total Revenue of all segments	71.29%	28.71%	100.00%
3. Segment Results [Profit / Loss]	(163.64)	1057.37	-
4. Combined Results of all segments in Profit	-	1057.37	1057.37
5. Combined Results of all segments in Loss	(163.64)	-	(163.64)
6. Segment Result as a percentage of the Greater of the totals arrived at 4 and 5 above in Absolute amount (i.e 1057.37)	15.48%	100.00%	-
7. Segment Assets	10470.51	564.16	11035.07
8. Segment Assets as a percentage of total Assets of all segments	94.89%	5.11%	100.00%

(ii) Geographical Segment

(Rs. In Lakhs)

Statement of Secondary Segment wise Sales & External Receivables

	<u>Out of India Segment</u>	<u>With in India Segment</u>	<u>Total</u>
	-	3635.47	3635.47
Segment Revenue	(-)	(-)	(-)
	-	-	-
Segment Assets	(-)	(-)	(-)
	-	-	-
Capital Expenditure	(-)	(-)	(-)

[Figures in bracket pertain to previous year.]

Segment Reporting as per Accounting Standard AS-17 issued by Institute of Chartered Accountants of India.
Notes :

(i) Business Segments :

The Company has considered "Business Segment" as the Primary Segment for disclosures, which comprises of Flat Glass and Neutral Glass Tube.

(ii) Geographical Segments :

Geographical Segment is the "Secondary Segment" and location of its market i.e. "India" and "Out of India".

(iii) Segment Revenue :

Segment Revenue comprises of Sales and related income that are directly identifiable with the Segment.

(iv) Segment Expenses :

Directly identifiable with the segment are charged to the respective Segment.

(v) All the accounting policies adopted for the Segment reporting are inline with those of the Company.

(vi) Segment Revenue

(a) extraordinary items as defined in AS-5, Net Profit or Loss for the period, prior period items and changes in accounting policies.

(b) Interest or dividend income.

(c) gains on sale of investments or on extinguishment of debt unless the operations of the segment are primarily of financial nature.

Schedules Forming Part of the Profit and Loss Account

(I) Managerial Remuneration :

	2010	2009
	Rs. in Lakhs	Rs. in Lakhs
(i) Salaries	6.24	6.24
(ii) Perquisites in Cash or Kind	1.38	1.52
(iii) Contribution to Provident Fund and other Fund	0.75	0.75
Total	<u>8.37</u>	<u>8.51</u>

(j) Payment to Auditors :

	Rs. in Lakhs	Rs. in Lakhs
(i) Fees to Auditors	0.55	1.43
(ii) For other Services to Auditors	0.30	0.17
(iii) For Traveling Exp. and out of Pocket Exp.	0.26	-
Total	<u>1.11</u>	<u>1.60</u>

(k) Contingent liabilities and receivables :

i) Contingent liabilities :

- (a) The Company received Show-cause cum Demand Notices in routine way regarding non-admissibility of modvat credit due to technical defects in documentation. Most of the defects are curable and are allowed at the first or second stage of hearing. As on 31.03.2010, such show-cause cum demand notices proposing to disallow modvat credit stood at **Rs. 129.32 lakhs** (2009- Rs. 140.05 lakhs).
- (b) The Commissioner Central Excise, Allahabad has created a duty demand of Rs. 20.96 Crores and has imposed equal penalty thereon by an ex-parte order. On our appeal before CESTAT, the CESTAT ordered to deposit 50% duty demanded with penalties. Allahabad High Court slightly modified the order on our writ petition. The company filed SLP before Supreme Court and as per Apex Court Order has made necessary cash pre-deposit. The company has also offered first charge on the assets of the company pari passu with that of IDBI in lieu of Bank Guarantee. In spite of department's reluctance, Central Excise Tribunal has restored the case to its position on the basis of offer made by the company subject to the conditions that the assets of the Company will not be alienated during the pendency of the appeal.

- (c) Sales Tax Department has created a demand of Rs. 107.21 lakhs disputing the rate of tax on Tinted Glass and other sales tax matters, which the Co. has not admitted and filed appeal against above mentioned demands, However, the Hon'ble Court has dismissed our appeal against which we have filed SLP before Hon'ble Supreme Court and the case is likely to come up for hearing soon.
- (d) Modvat credit on capital goods availed during installation of Float Glass plant to the extent of Rs. 7.26 crores was disallowed by Jurisdictional Deputy Commissioner and equal penalty was imposed by wrongly treating Float Glass as a separate and independent unit while the fact is otherwise. Float Glass Plant is an expansion of the then factory and the department itself has endorsed Float Glass Plant in our Central Excise License (Registration Certificate) as expansion. Against, the order of the Commissioner (Appeals), we have filed appeal before CESTAT, New Delhi, which has completely waived pre-deposit of 50% of the required amount. Now the case will be heard and decided on merits in due course.
- (e) EPCG license liability for Rs. 276 lakhs plus interest amounting to Rs.479 lakhs for non-fulfillment of export obligation in time. Our appeal has been dismissed by the Tribunal and thus we have filed appeal before BIFR for stay of recovery of the amount and waiver of interest amount. Besides DGFT has issued show case notices for recovery of Rs.405 lakhs on account of Non-fulfillment of Export obligations against advance licenses we have fulfilled the export obligation against some of the licenses but the documentary evidence being submitted by us is not acceptable to the Department. The company has filed appeal before BIFR vide its Draft Restructuring Proposal for waiving the export obligation and interest thereon.

(ii) Contingent receivables:

- (a) Refund claims of Rs. 340 lakhs (December 2007 – Rs. 340 lakhs) for Allahabad unit and Rs. 27.67 lakhs for Rajahmundry unit were pending before Appellate Authorities. Out of the above refund claim of Rs. 52 lakhs has been received back. We have also received further refund order for Rs. 189 Lacs on account of Allahabad unit subject to furnishing of Bank Guarantee in line with the order passed by Hon'ble Supreme Court in the case of

earlier refund claim of Rs. 52 lacs . We have been pursuing the matter with the Deptt and also of earlier hearing of SLP filed by department before Hon'ble Supreme Court.

- l. Guarantee, Counter Guarantee issued in favour of Bank are Rs.57.68 (2009- Rs. 82.68 lakhs) and in respect of Letter of Credit Rs.52.50 (2009-Rs.Nil) :
- m. Total expenditure incurred on Research & Development during the year was **Rs. Nil** (2009- Rs. Nil)
- n. Depreciation amounting to Rs.653.53 lakhs has not been provided during the year for Float as the Plant was closed during the year.
- o. No Revenue recognition has been postponed during the current year
- p. Taxes on Income:
No provision of Income Tax has been made due to the carried forward losses and unabsorbed depreciation of earlier year.
As per AS-22 deferred tax assets should be recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. AS-22 also describes that where an enterprise has unabsorbed depreciation or carry forward losses under tax laws, deferred tax should be recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will available against which such deferred tax assets can be realized.
Since there is no virtual certainty supported by convincing evidence for any future taxable income, so deferred tax assets has not been recognized during the current year.
- q. As per Accounting Standard - 28 "Impairment of Assets" issued by ICAI, no impairment loss has been considered during the year in respect of the relevance of the Company in view of negligible residual value of assets and their estimated disposal value.
- r. During the year, closing stock of finished products have been valued by including the estimated amount of Excise Duty payable thereon **Rs.4.38 lakhs** as per the ICAI guidelines, however this has no effect on the profit of the Company for the year.
- s. Figures of previous year have been regrouped and rearranged wherever found necessary.
- t. No Borrowing cost has been capitalized during the year

u. The names of SSI Units to whom Rs. 1.00 lakh or more is outstanding for more than 30 days are Varun Industries, Capricon Stypack (I) Pvt Ltd. and Bedi Enterprises. No interest has been provided on these dues as the company has applied to BIFR to be declared as a sick company.

v. "Related Party Disclosures" :

(a) No transaction of sale, purchase or supply of any goods material or services have been entered into by the company with the promoters, Directors their relatives etc.,

(b) Key management personnel - Sri J K Agrawal, Managing Director (Managerial remuneration paid is Rs. Nil), Sri A K Dhawan, Director (Finance) (Managerial remuneration paid is Rs.8.37 lakhs)

w. Earning Per Share :

<u>Particulars</u>	<u>2010</u>	<u>2009</u>
Net Profit / (Loss) (Rs. In Lakhs)	893.73	(1853.80)
No. of Equity Shares	12,619,434	12,619,434
Nominal Value Per Share	10	10
Basic Earning Per Share (In Rs.)	7.08	(14.70)
Diluted Earning Per Share (In Rs.)	7.08	(14.70)

x. Principal amounting to Rs.5695 Lakhs and Interest default was Rs.6457.67 Lakhs during the current year. (Last year Principal default was Rs. 7227 lakhs and Interest default was Rs. 6310 Lakhs)

y. Rs. 138.56 Lakhs towards wages pertaining to workers of PPG Plant is due in view of the judgment delivered by Honorable High Court, Allahabad. However, the Company has filed SLP in the Honorable Supreme Court of India against the said Judgment on 13th May' 08.

z. On 13th January 2010 the Board of Directors announced a plan to dispose of Company Neutral Glass Division situated at Village Fitkari, Mawana Road, Meerut which is also a separate segment as per AS 17 segment reporting. Further the Meerut facility of the Company has not been running properly since the past few years and the management feels it would not be possible to turn it bright and it does not appear in around and thus it is

better to dispose of the unit when the company is getting a good consideration for the same. In the above circumstances the company has been under pressure from the

Institution lender and Banks to repay back their loans and therefore it was decided to sell off this unit of the Company.

As on 31st March 2010 the amount of the asset of the Meerut unit were Rs.564.16 lacs (previous year Rs.718.70 lacs) and its liability was Rs.343.57 lacs (previous year Rs.159.70 lacs). The following statement shows the revenue and expenses of the continuing and discontinuing operations.

	Rs.Lacs					
	Continuing Operations (Flat Glass)		Discontinuing Operations (Neutral Glass Tube)		Total	
	2010	2009	2010	2009	2010	2009
Turn Over	2511.36	2250.86	824.27	1267.25	3335.63	3518.11
Operating Expenses	2871.38	2864.19	1172.55	1291.21	4043.93	4155.40
Pre Tax Profit from Operating Activities	(360.02)	(613.33)	(348.28)	(23.96)	(708.30)	(637.29)
Interest Expense	3.75	1129.84	-	-	3.75	1129.84
Profit / (loss) Before Tax	(363.77)	(1743.17)	(348.28)	(23.96)	(712.05)	(1767.13)
Income Tax	-	-	-	-	-	-
Profit / (loss) from Operating activity after Tax	(363.77)	(1743.17)	(348.28)	(23.96)	(712.05)	(1767.13)

Schedule 18

Accounting Policies :

1. Fixed Assets :

- (a) Fixed Assets are shown at historical cost except for certain land, building and Plant and Machinery, which are shown at revalued amount.
- (b) In respect of projects involving construction, related pre-operation expenses upto commencement of production form part of the value of the assets capitalized.

2. Depreciation :

- (a) Depreciation is charged in the accounts under straight-line method at the rates specified in schedule XIV of the Companies Act, 1956.
- (b) Depreciation on additions to/deductions from Fixed Assets during the year is charged on pro-rata basis from/upto the month in which the asset is available for use/disposal.
- (c) Assets costing upto Rs. 5000/- are fully depreciated in the year of capitalization.

3. Borrowing Cost

Borrowing cost attributable to the Fixed Assets during their construction are capitalized. Other borrowing costs are recognized as an expense in the period in which they are incurred.

4. Inventories :

- (i) Raw material, fuel, packing materials and stores are valued at cost, on weighted average basis or market price whichever is lower.
- (ii) Finished goods are valued at lower of cost or net realizable value.

5. Investment :

Investments are intended for long-term and are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.

6. Retirement benefits :

Retirement benefits are dealt in the following manner :

- (a) Provident funds are accounted on accrual basis with contributions made to recognized fund.
- (b) Gratuity and superannuation liabilities are determined on the basis of actuarial valuations done at the end of the year and accordingly contributions are made to recognized fund set-up for the purpose.
- (c) Leave encashment benefit on retirement is determined on the basis of actuarial valuation and such liability is provided in the accounts.

7. Foreign Exchange transactions :

- (a) Foreign Currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.

- (b) Foreign Currency Loans/Deposits/Liabilities are reported with reference to the rates of exchange ruling at the year end and the difference resulting from such translations as well

as due to payment/ discharge of liabilities in foreign currency related to fixed assets / capital work-in-progress is adjusted in their carrying cost and that related to current assets are recognized as revenue/expenditure during the year.

- (c) Export Sales in Foreign Currency are accounted for at the exchange rate prevailing at the time of realization. Expenditure in Foreign Currency is accounted for at the Exchange Rate prevailing at the time of expenditure.

8. Income recognition

Sale of goods is recognized on dispatches to customers.

Interest is recognized on time proportion basis, dividend is recognized when right to receive payment is established.

Place : Allahabad

Date : The 20th August 2010

Signed in terms of our Report of even date

For **AMIT RAY & CO.**
Chartered Accountants

Abhishek Sharma
(Partner)
(Membership No. 403861)

F.R.No. – 000483C

On behalf of the Board

Mr.J K Agrawal Managing Director
Mr.A K Dhawan Director Finance
Dr. G C Agarwal Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

	(Rs. in Lakhs)	
	For the year ended 31.03.2010	For the year ended 31.03.2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) before tax	(715)	(1767)
Add/(Less) :		
Other Income	11	-
Unclaimed Balance Written back	(61)	-
Provision for Bad & Doubtful Debts	-	84
Sundry Debit balance written off	84	171
Depreciation	148	224
Profit on sale of fixed assets	-	72
		168
interest provided in P & L a/c (net of capitalization)	4	186
Operating profit before working capital changes	(529)	(86)
adjustment for :		
(increase)/Decrease in Inventories	653	450
(increase)/Decrease in loans & advances	(139)	464
(increase)/Decrease in trade & other receivables	482	379
Increase/(Decrease) in trade payables	(159)	(362)
NET CASH FROM OPERATING ACTIVITIES (A)	<u>308</u>	<u>931</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(91)	(10)
Sale of Investments/ fixed assets	1648	152
Net CASH USED IN INVESTING ACTIVITIES (B)	<u>1557</u>	<u>142</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Long Term Borrowings	(1440)	563
Proceeds from Unsecured Loans	12	(55)
Increase in Share Capital	-	-
Proceeds from Cash Credit	(414)	382
Repayment of Other Loan	(2)	-
NET CASH USED IN FINANCING ACTIVITIES ©	<u>(1844)</u>	<u>945</u>
D. Prior Period Paid Out	-	(68)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	21	29
(A) + (B) + (C) + (D)		
Cash and cash equivalents (Opening Balance)	56	27
Cash and cash equivalents (Closing Balance)	77	56

Place : Allahabad

On behalf of the Board

 Date : The 20th August 2010
 Auditors' Certificate

Products Description

F	L	O	A	T	G	L	A	S	S
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Item Code No. (ITC Code)

7	0	0	4	2	0		0	9	
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Products Description

F	I	G	U	R	E	D	&	W	I	R	E	D	G	L	A	S	S				
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Item Code No. (ITC Code)

7	0	0	4	2	0		0	1	
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Products Description

				S	H	E	E	T	G	L	A	S	S
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* includes increase/decrease of finished goods

