

Century Textiles and Industries Limited

113th Annual Report & Accounts
2009-2010

Textiles

Rayon

Cement

Paper



Growing continually with...
IMPROVEMENT | ACHIEVEMENT | SUCCESS

CHAIRMAN'S STATEMENT



Dear Shareholders,

Due to the worldwide financial crisis resulting in a major contraction in global demand, the Indian economy faced quite a few uncertainties. Business sentiment was weak and growth had started decelerating, threatening the capacity of the economy to sustain and improve on the high levels experienced over several years. Uncertainty on account of the delayed and sub-normal south-west monsoon further aggravated the situation. Due to a number of measures taken by the Government to arrest the slowdown and the earlier than expected recovery which started world wide, the Indian economy shows signs of improvement and it is expected that it will accelerate the trajectory of high growth.

In the background of the above adverse business environment, the performance of our Company is considered reasonably satisfactory. The continuous thrust of the government on improved infrastructure and education, should result in better demand for cement and paper which are the two major businesses of the Company.

I would like to extend my sincere thanks to all the shareholders, customers and staff members who have in no small measure contributed to the above satisfactory performance of the Company.

B. K. Birla
Chairman

BOARD OF DIRECTORS

(As on 03/05/2010)



Shri B. K. Birla, Chairman
Shri Kumar Mangalam Birla
Shri Pradip Kumar Daga
Shri E. B. Desai
Shri Arvind C. Dalal
Shri Amal Ganguli
Shri B. L. Jain, (Whole-time Director)

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Company's Grievance Redressal Division's e-mail id for investors:
investorrelations@centurytext.com

TEAM OF EXECUTIVES

AS ON 03/05/2010

Textiles

Century Textiles Birla Century, Century Yarn and Denim

Shri R.K. Dalmia	Senior President
Shri D.K. Agrawal	President (Corporate Finance) & Secretary
Shri U.C. Garg	Executive President (Purchase & Projects)
Shri R.C. Panwar	Joint President (Marketing)
Shri Sanjay Khimesra	Senior Vice President (Yarn & Denim)
Shri S.K. Somani	Vice President (Finance)

Rayon

Century Rayon, Tyrecord and Chemicals

Shri O.R. Chitlange	President
Shri R. Lalwani	Executive President (Commercial)
Shri S.M. Sanklecha	Joint President (Purchase)
Shri S.K. Mital	Joint President (Engineering Services & Auxiliaries)
Shri H.G. Uttamchandani	Senior Vice President (Rayon & Auxiliaries)
Shri Subodh Dave	Senior Vice President (Personnel & Administration)
Shri Apurva Gupta	Senior Vice President (Rayon & Development)
Shri V.K. Jhingon	Senior Vice President (Tyre Cord & CSY)
Shri Sudhir Luthra	Vice President (Chemicals)
Shri B. Manmohan	Vice President (Finance)
Shri Arun Jhawar	Vice President (Marketing)

Cement

Century, Maihar, Manikgarh and Sonar Bangla Cements

Shri B.L. Jain	Senior President
Shri Kamal Kishore	President (Co-ordination)

Century Cement & Sonar Bangla Cement

Shri Alok Patni	President (Works)
Shri Rakesh Sharma	Executive President (Personnel & Administration)
Shri N.B. Singh	Joint President (Plant)
Shri N.M. Singhvi	Joint President (Commercial)
Shri M.K. Jain	Senior Vice President (Plant)
Shri A.K. Panja	Senior Vice President (Commercial)
Shri Satish Gurtoo	Senior Vice President (Electrical & Instt.)
Shri Surendra Kumar	Vice President (Purchase)
Shri C.S. Vithalkar	Vice President (Mechanical)
Shri Arun Gaur	Vice President (Finance)
Shri A.K. Biswas	Vice President (Project)

Maihar Cement Units I & II Unit I

Shri R.K. Vaishnavi	President (Works)
Shri R.S. Doshi	Executive President (Commercial)
Shri P.M. Intodia	Executive President (Marketing)
Shri M.P. Joshi	Senior Vice President (Electrical & Instt.)
Shri Manoj Gupta	Vice President (Finance)
Shri Ajai Kumar Jain	Vice President (Production)
Shri R. Deshpande	Vice President (Purchase)

Unit II

Shri V.K. Bhandari	President (Commercial)
Shri S.K. Tewari	Joint President (Mines & Projects)
Shri Ashok Maheshwari	Senior Vice President (Commercial)
Shri Arvind Kumar Jain	Senior Vice President (Mechanical)
Shri P.K. Agarwal	Vice President (Purchase)
Shri A.S. Thakur	Vice President (Systems)
Shri H.P. Tiwari	Vice President (Personnel & Administration)

Manikgarh Cement

Shri P.S. Bakshi	President (Works)
Shri S.K. Mandelia	Executive President (Commercial)
Shri A.D. Karwa	Executive President (Finance & Marketing)
Shri Vijay Kumar	Joint President (Plant)
Shri R.K. Udge	Senior Vice President (Mines)
Shri A.K. Jain	Senior Vice President (Mechanical)
Shri O.P. Moondra	Senior Vice President (Instrument)
Shri N.D. Hemke	Vice President (Mechanical)
Shri Kiran Sharma	Vice President (Generation)

Paper

Century Pulp and Paper

Shri D. Tandon	Senior President
Shri A.K. Uppal	Joint President (Marketing)
Shri A.K. Bisarya	Joint President (Works)
Shri S.K. Agarwal	Senior Vice President (Commercial)
Shri K.G. Thomas	Senior Vice President (Marketing)
Shri A.C. Mittal	Senior Vice President (Production)
Shri R.C. Maheshwari	Senior Vice President (Utilities)
Shri R.K. Sharma	Senior Vice President (Engineering)
Shri A.K. Sharma	Vice President (Personnel & Administration)

Salt

Centray Minerals and Chemicals

Shri M.M. Sand	Vice President (Salt Works)
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Auditors

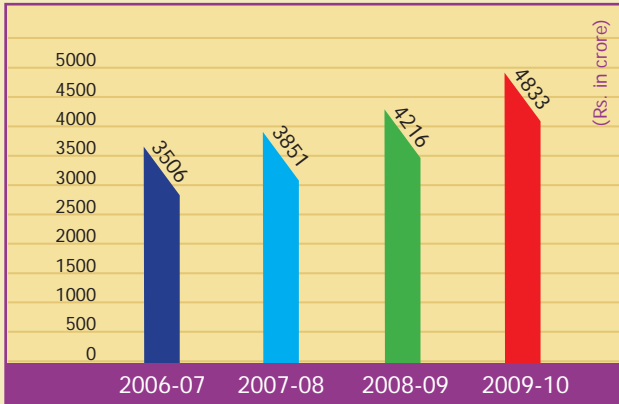
Dalal & Shah, Mumbai

Registered Office

Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai - 400 030

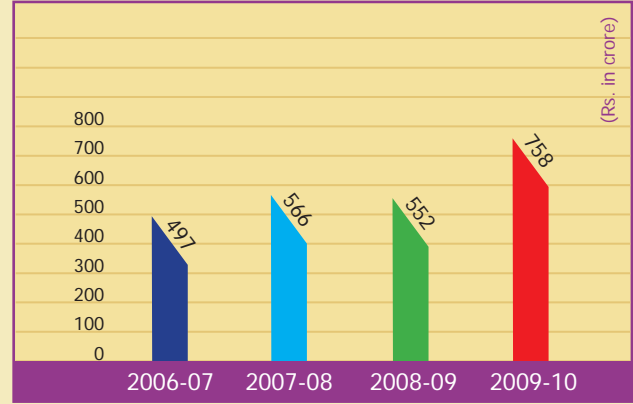
PERFORMANCE HIGHLIGHTS

Gross Sales*

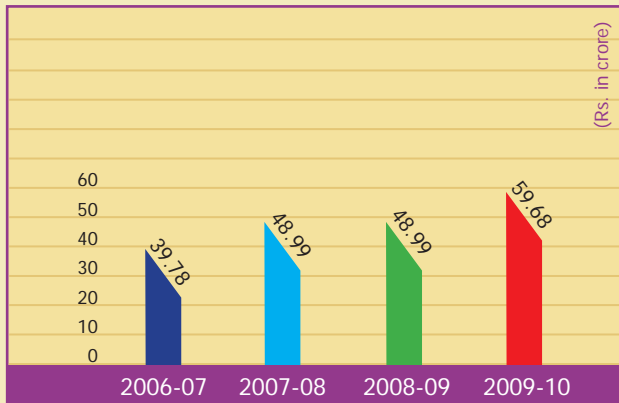


*Gross Sales are net of rebates and returns

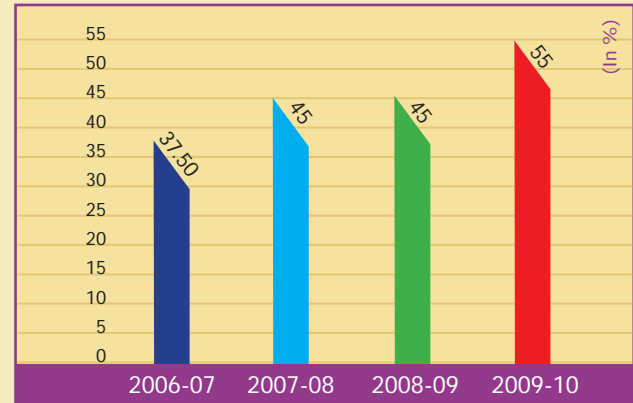
Gross Profit



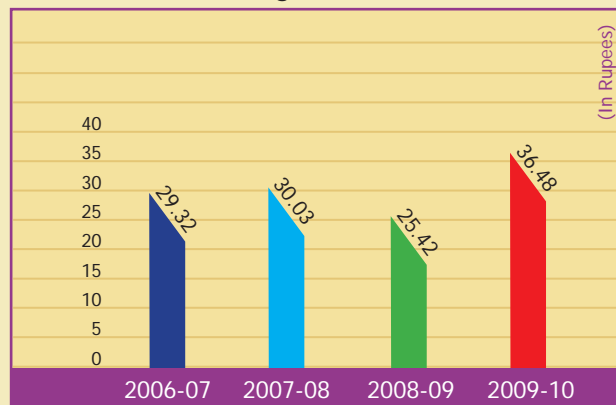
Amount of Dividend (including tax on it)



Rate of Dividend



Earning Per Share**



** Earning per share is including exceptional items

FABRICS AND APPAREL

A green field project viz. "Birla Century" with the state -of- the-art, ultramodern Textile production facility is stepping ahead towards fulfilling customer's need of premium products. It is equipped with over 100,000 spindles with latest compact technology and 300 Airjet looms capable of manufacturing all kind of fabrics like, Drills, Twills, Satins, Dobbies, Structured etc. in bleached, solid dyed, yarn dyed with Innovative finishes like wrinkle free, easy care, anti bacterial etc. through world class automated processing with eco friendly and non toxic dyes and chemicals.

The plant is having captive power plant using gas turbines with a capacity of 30 MW and a Biological Effluent Treatment plant with Zero discharge to recycle waste for keeping the production environment friendly. The plant is equipped with world class mechanical and chemical laboratory to test fabrics as per international norms and has a facility of Pilot sampling for providing quick services for development of samples. It is also equipped with in-house design studio, research and development centre for continuous innovations of designs as per latest international trend.



Birla Century : An Aerial View of the Textile Plant at Dist. Bharuch, Gujarat

Century Rayon is exporting its products all over the world. Tyre yarn is mainly exported to Western Europe and Japan where it is used as a reinforcement material in ultra high performance passenger car tyres. About 85 % of total production is exported to these destinations.

The Rayon filament yarn, which is used for textiles and apparel application, has wide spread market base. Major export markets are North Africa, South & North America and Western Europe. About 15% of total production is exported to above destinations.

Century Rayon was proud recipient of First Award for export performance in the **“LSI Textile Category”** for the year 2007-08 from Directorate of Industries, Govt. of Maharashtra . This award was given in recognition of Century Rayon’s outstanding achievement in exporting Rayon Viscose filament Yarn under Textile category from Maharashtra state.



CEMENT



“Fully integrated HINDITRON XRF XRD Cement Analyser” at Maihar cement Unit.

Company is manufacturing and marketing cement under its premium brand “Birla Gold”. In the era of globalisation where the speed of communication, logistic and transportation are very fast and competition between various brands available is very stiff, the emphasis of Birla Gold is “Quality & Consistency.” A highly qualified quality control team equipped with modern test facilities work round the clock and superimposes itself in every stage of the production process so as to ensure that quality of the rawmaterial and the intermediary product at no stage is compromised towards maintaining a very high standard of quality to our product.

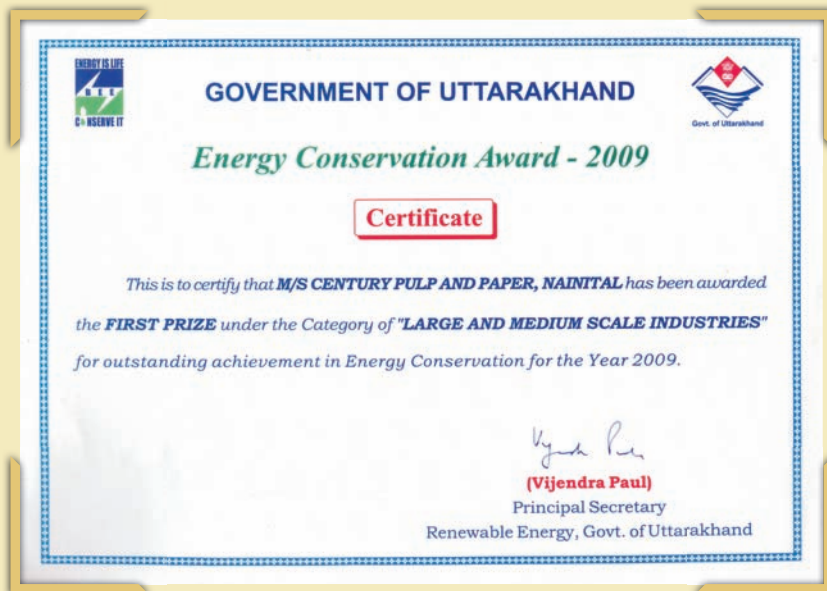
The state of art technology and upgradation of manufacturing process is a continuous activity in our plant which ensures the best quality product with consistency. Company is committed to provide best quality cement to the consumer and in pursuit of this goal, a fully integrated state of art, XRF-XRD cement analyser equipment has been installed at Maihar Cement Unit which measure very quickly free lime and clinker phases to ensure corrective measures for maintaining quality parameters.

“Today “Birla Gold” is a very popular brand because of its quality, consistency and services at par with all other national brands.”



In the World of Paper, we may seem to be yet another player. Over the years, our obsession with quality and value creation have created a niche for ourselves amongst the largest paper producers in the country. We are known for our ability to provide customer delight through a culture that encompasses creation of value and wealth through promotion of quality, environmental and safety concerns.

Excellence at Century continues to be all pervasive. Having been predominantly in the Writing & Printing Segment, the foray into Tissue Paper last year was only a stepping stone to our passion to move into other segments. The new project to manufacture Coated Boards of International Standards will soon be commissioned. This new state-of-the-art board machine will be amongst the best in the world and our products are expected to set new benchmarks for both Indian and International manufacturers of FBB, SBS, Cup-Stock, Liquid Packaging Boards, etc. In near future Century will be amongst the top five paper and paperboard manufacturers in India and our goal to reach the top will soon become a reality.



Certificate received from Government of Uttarakhand - Energy Conservation Award - 2009.

"A total of 94 Energy Conservation Schemes were implemented resulting in energy savings. Few major ones are :

- Installation of Harmonic filters on PCC's feeding nonlinear loads
- Installation of Dentured capacitors on 6.6 KV motors
- Installation of 59 Nos. LED Street lights.
- Installation of VFDs
- RPM reduction by smaller size of pulleys.
- Replacement of inefficient pumps.

Besides this special efforts have been made in burning waste materials like bark, sawdust, DIP sludge in Boilers and substituting coal"



Copier Brands manufactured and marketed by Century Pulp and Paper, Dist. Nainital (Uttarakhand)

NOTICE OF MEETING

REGISTERED OFFICE :
CENTURY BHAVAN, DR. ANNIE BESANT ROAD, WORLI, MUMBAI 400 030

NOTICE is hereby given that the 113th Annual General Meeting of the Shareholders of the Company will be held at Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai 400 025 on Tuesday, the 27th July, 2010 at 3.30 p.m. to transact with or without modifications as may be permissible, the following business :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors of the Company.
2. To declare dividend on Equity Shares for the year ended 31st March, 2010.
3. To appoint a Director in place of Shri Pradip Kumar Daga who retires from office by rotation, but being eligible, offers himself for re-election.
4. To appoint a Director in place of Shri Arvind C. Dalal who retires from office by rotation, but being eligible, offers himself for re-election.
5. To appoint Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.
6. To consider and if thought fit, to pass the following resolution which will be proposed as a Special Resolution :
"RESOLVED that supplemental to the Resolution passed by the Company in Annual General Meeting held on 1st April, 1982 and pursuant to the provisions contained in section 149(2A) of the Companies Act, 1956, approval of the Company be and is hereby once again accorded to the Company recommencing the shipping business as specified in sub-clauses 4(a) to 4(f) of clause III of the Memorandum of Association of the Company."

NOTES FOR MEMBERS' ATTENTION

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- (b) Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956, in respect of Item No. 6 of the Notice set out above, is hereto annexed.
- (c) The Registers of Members and Transfer Books in respect of the Equity Shares of the Company will remain closed from Wednesday, the 14th July, 2010 to Tuesday, the 27th July, 2010 both days inclusive.
- (d) Pursuant to Section 205A of the Companies Act, 1956, all unclaimed/unpaid dividends upto the financial year

ended 31st March, 1995 have been transferred to the General Revenue Account of the Central Government.

Those shareholders who have so far not claimed or collected their dividend for the said period may claim their dividend directly from the Registrar of Companies, Maharashtra, by submitting an application in the prescribed form.

- (e) Members are hereby informed that dividends which remain unclaimed/unencashed over a period of 7 years have to be transferred by the Company to the Investor Education & Protection Fund constituted by the Central Government under Sections 205(A) & 205(C) of the Companies Act, 1956.

The following are the details of dividends paid by the Company and their respective due dates of transfer to such Fund of the Central Government, which remain unpaid.

Date of declaration of dividend	Dividend for the year	Due date of transfer to the Government
5th August, 2003	2002-2003	4th September, 2010
20th July, 2004	2003-2004	18th August, 2011
26th July, 2005	2004-2005	24th August, 2012
12th July, 2006	2005-2006	10th August, 2013
14th March, 2007*	2006-2007	12th April, 2014
23rd July, 2008	2007-2008	21st August, 2015
28th July, 2009	2008-2009	26th August, 2016

* (Interim treated as final)

It may be noted that no claim of the shareholders will be entertained for the unclaimed dividends which have been transferred to the credit of the Investor Education & Protection Fund of the Central Government under the provisions of Section 205(B) of the Companies Act, 1956.

In view of the above, the Shareholders are advised to send all the unencashed dividend warrants to the **Registered Office of the Company** for revalidation and encash them before the due date for transfer to the Central Government.

- (f) Members are requested to send all their documents and communications pertaining to shares to **Link Intime India Pvt. Ltd. (Formerly known as Intime Spectrum Registry Limited), Share Transfer Agent of the Company at their address** at "C-13,

Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078, (Maharashtra) Telephone No. 022 – 2596 3838, Fax No. 022 – 2594 6969 for both physical and demat segments of Equity Shares. Please quote on all such correspondence – “Unit – Century Textiles and Industries Limited.” **For shareholders queries - Telephone No. 022-25946970 Email ID- rnt.helpdesk@linkintime.co.in**

- (g) Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Link Intime India Pvt. Ltd. for their doing the needful.
- (h) Members are requested to notify change in address, if any, immediately to Link Intime India Pvt. Ltd. quoting their folio numbers.
- (i) It is observed that many members have still not surrendered their old Share Certificates for Equity Shares

of Rs.100/- each for exchange with the new Share Certificates for Equity Shares of Rs.10/- each. They are once again requested to surrender the Share Certificates for Equity Shares of Rs.100/- each at the **Registered Office of the Company** so as to enable the Company to do the needful.

- (j) Pursuant to the recommendation of the SEBI Committee on Corporate Governance for reappointment of the retiring Directors, the relevant details of the concerned Directors are given in the Report on Corporate Governance forming part of the Annual Report.

Mumbai,
Dated : 3rd May, 2010

By Order of the Board,
D.K. AGRAWAL
Secretary

ANNEXURE TO THE NOTICE

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

Item No. 6

As the members are aware, the Company was in the past operating a shipping division for more than twenty years and by a resolution passed through postal ballot on 3rd May 2002, the operations of the shipping division were discontinued in or about 2005 and the Company complied with all the required formalities incidental to the closing down of such business.

Considering the present trend in the shipping industry, it has been thought desirable to restart the activities in the shipping business. Section 149(2A) of the Companies Act, 1956, inter alia provides that a Company in existence before the commencement of the Companies (Amendment) Act, 1965 (your Company has been in existence since 1897) has to approve the commencement of any such business by a special resolution passed in that behalf in the General Meeting. As the members should also be aware, the Company had in the past, way back in the year 1982, given their approval to the Company for commencement of this business. However, in view of the subsequent above developments incidental to the closing down of this business in the year 2005, it has been thought desirable to pass a fresh resolution enabling the Company to recommence such shipping activity. It is in these circumstances that the resolution mentioned in item 6 of the Notice is proposed to be passed and is commended for approval, also as a measure of good corporate governance.

None of the directors of the Company is interested in this resolution and those holding shares may be to the extent as any other shareholder of the Company.

Mumbai,
Dated : 3rd May, 2010

By Order of the Board,
D.K. Agrawal
Secretary

DIRECTORS' REPORT

Dear Shareholders,

We have pleasure in presenting the 113th Annual Report of the Company along with the audited statements of Accounts for the year ended 31st March, 2010. A summary of financial results is given below. The overall profitability of the Company has increased satisfactorily as compared to the previous year.

1. SUMMARISED FINANCIAL RESULTS:

	(Rs. in crore)	
	2009-10	2008-09
Profit after interest, VRS payments, gratuity, ex-gratia / compensation etc.	758.00	552.23
<u>Less:</u>		
Depreciation	234.47	205.28
Arrears of Depreciation	-	26.31
Prior Period Adjustments (Net)	0.19	0.71
Provision for taxation (including Fringe Benefit Tax)	222.61	44.14
Deferred Tax Debit/(Credit)	(38.74)	39.25
Net Profit	<u>339.47</u>	<u>315.69</u>
 <u>Add:</u>		
Balance brought forward	<u>178.10</u>	<u>140.55</u>
Available Profit dealt with as under	<u>517.57</u>	<u>377.09</u>
 <u>Transfers & Appropriations:</u>		
Proposed Equity Dividend	51.18	41.87
Corporate Dividend Tax	8.50	7.12
General Reserve	150.00	150.00
Balance carried forward	<u>307.89</u>	<u>178.10</u>
	<u>517.57</u>	<u>377.09</u>

The performance of each business segment of the Company has been comprehensively discussed in the Management Discussion and Analysis Report (forming part of this Directors' Report) based on the reports of the Wholetime Director of the Company and Senior President / President of each of the units of the Company.

2. DIVIDEND:

The Board of Directors has recommended dividend of Rs.5.50 (Rupees five and paise fifty) per share of Rs.10/- each equivalent to 55% (fifty five percent) on the paid up equity share capital of the Company for the year ended 31.03.2010 as against Rs.4.50 (Rupees four and paise fifty) equivalent to 45% (forty five percent) paid in the previous year on the equity shares of Rs.10/- each. The dividend will be paid when declared by the shareholders in accordance with the law. The dividend will be free of tax in the hands of the shareholders. However, the Company will have to pay dividend distribution tax @ 15% plus applicable surcharge and education cess, aggregating to about 16.609% on the dividend amount so distributed.

3. EXPORTS:

The total exports of the Company amounted to Rs.372 crore (Previous year Rs.352 crore) representing about 8 percent of the net sales.

4. EXPANSION & MODERNISATION:

a) Cement

i) Cement Grinding Unit at Sagardighi, West Bengal

The orders have been placed for the main plant and machinery for the grinding unit with a capacity of 1.5 million tpa at Sagardighi, Dist. Murshidabad, West Bengal. The contract for civil construction work has been finalized and work is planned to start from October, 2010. The project activities are progressing on schedule. The grinding unit is expected to be operational by the last quarter of 2011-12. The total outlay on the project is estimated at Rs.425 crore.

ii) Manikgarh Cement expansion – 2.5 Million tonnes capacity per annum and 40 MW Captive Thermal Power Plant

On account of the slowdown both globally and to some extent in India, placing of orders for Manikgarh Cement Expansion was deferred. Now that the economy looks brighter and the forecast is expected to be double digit growth in the relatively near term, orders for all main cement manufacturing equipment and for the captive thermal power plant will be placed before June/July 2010. The total outlay on the project is estimated to be about Rs.1600 crore. The enhanced capacity should be fully on stream by the end of the calendar year 2012.

After upgradation and expansion, the cement manufacturing capacity will stand at 12.5 million tpa by the end of calendar year 2012.

b) Pulp and Paper

Civil work for the Fibreline (Pulp Plant) and Multilayer Packaging Board Project including 43 MW Turbine is in full swing. Main equipments have already been ordered and have started arriving at the site. Erection of the main machinery and recovery plant is in progress. Orders for auxiliary and balancing equipment are being finalized. Capital outlay on the above projects is estimated to be Rs.1660 crore. Completion of the project is scheduled for December, 2010.

c) General

Modernisation and technological upgradation programmes continue at all the units of the Company to maintain competitiveness and achieve better quality. Stringent cost control measures remain in place in all possible areas and are regularly reviewed.

5. LAND DEVELOPMENT AT WORLI, MUMBAI:

Construction of commercial buildings meant for leasing at Worli, Mumbai where Century Mill was earlier situated has commenced on part of the land by awarding the required contracts. Construction of one more office building behind Century Bhavan, Worli, Mumbai has also commenced. Thus, two buildings having constructed area of about eleven lac square feet including parking spaces etc. should be completed within a period of 12 to 15 months. Regarding the dispute with the existing lessor in respect of about 10 acres of leasehold land at Worli, Mumbai, the matter is subjudice.

6. SHIPPING BUSINESS:

Considering the present trend in the shipping industry, it has been decided to restart the shipping business in which the Company has long experience and various formalities required to be complied with are being undertaken.

7. CORPORATE GOVERNANCE:

A separate report on Corporate Governance is enclosed as a part of this Annual Report. A certificate from the Auditors of the Company regarding compliance with Corporate Governance norms stipulated under Clause 49 of the Listing Agreement is annexed to the Report on Corporate Governance.

8. GENERAL – AWARDS, SPORTS & WELFARE ACTIVITIES:

Various Divisions of the Company have received numerous awards for environmental excellence, efficiency in energy, safety provisions etc. Some of the more important awards are:-

a) Rayon Division:

- * Secured First Award for Export Performance in the LSI Textile Category for the year 2007-08 from Directorate of Industries, Government of Maharashtra.

b) Century Cement:

- * First Prize for "Overall Performance", for the limestone mines, from the Directorate General of Mines Safety, Bilaspur Region.
- * First Prize for "Overall Performance", "Reclamation & Rehabilitation" and "Noise, Vibration Control and Aesthetic Beauty" for the limestone mines (Mechanised Mines category) and "Environment Excellence Award" for achieving consistent performance for the last three years in Mine Environment & Mineral Conservation aspects, from Indian Bureau of Mines – Nagpur Region.

c) Maihar Cement and Maihar Cement Unit II :

- * "Narmada Award in Overall Performance" and "Sonbhadra Award in Waste Dump Management", for the limestone mines, from Indian Bureau of Mines, Jabalpur Region.
- * Master Aman Singh, student of Class VIII of our School received the Gold Medal in "All India G.K. and I.Q. Test-2009" conducted by "Knowledge Olympiad Society, Hyderabad".
- * 6 Students for the National Level and 8 students for the State Level have been selected for the Gold Medal in "Maths Talent Search Examination – 2009" held by Putani Vignana Group, Chitradurga, Karnataka. Based on the performance, our school has been recognized as the "Best School" at the National Level for its commitment to spread a scientific attitude among the students and the mathematics teacher of our school, Mrs. Shipra Chatterjee has been awarded a Gold Medal and the certificate of "Hexagon award for Maths Excellence".

d) Manikgarh Cement :

- * First Prize for "Overall Performance" for the limestone mines from the Directorate General of Mines Safety Nagpur Region (I & II).
- * First Prize for "Overall Performance" from the Indian Bureau of Mines, Nagpur Region, (Chhattisgarh & Madhya Pradesh).

e) Pulp and Paper:

- * Awarded 1st prize by the Government of Uttarakhand entitled "State Energy Conservation Award 2009" under the Large & Medium Scale Industries for outstanding achievements in Energy Conservation at Dehradun on 14th December, 2009.
- * The Unit's Quality Circle "Agro" has secured "Excellent" award in the 23rd National Convention on Quality Circles; organized by the Quality Circle Forum of India, Bangaluru – Chapter.
- * Five workmen of our Unit's Quality Circle "Skylark" were awarded "Vishwakarma Rashtriya Puraskar and National Safety awards for the performance year 2007" recognising the performance of workers in promoting productivity, efficiency and safety, by the Government of India, Ministry of Labour & Employment, New Delhi.

9. ENVIRONMENT AND POLLUTION CONTROL:

Century is in compliance with all relevant statutes relating to the environment and pollution control in the area of environment. As a policy, environment impact assessment and qualitative risk analysis are performed for all new and major expansion projects and incorporate all the necessary measures to mitigate environmental impacts due to project implementation. All the hardware – such as effluent treatment plants, air emission abatement units and waste disposal facilities, were maintained and improved further. The above efforts have resulted in significant improvement in water consumption, water recycle and reuse, and reduction of CO₂ and other gaseous emissions, ozone depleting substances and consumption and generation of hazardous waste.

10. DIRECTORS:

Under Article 130 of the Articles of Association of the Company Shri Pradip Kumar Daga and Shri Arvind C. Dalal retire by rotation and being eligible, offer themselves for re-election.

11. AUDITORS:

The retiring Auditors, M/s. Dalal & Shah, Chartered Accountants, are eligible for re-appointment and have expressed their willingness to accept the re-appointment. In terms of Section 224A of the Companies Act, 1956, their re-appointment needs to be approved by the members and their remuneration has to be fixed.

12. AUDITORS' REPORT:

The Auditors' Report to the Shareholders does not contain any reservation, qualification or adverse remark.

13. COST AUDITORS:

Pursuant to the directives of the Central Government under the provisions of Section 233B of the Companies Act, 1956, qualified Cost Auditors have been appointed to conduct cost audits relating to several products manufactured by the Company.

14. DIRECTORS' RESPONSIBILITY STATEMENT:

On the basis of compliance certificates received from the concerned executives of the respective Divisions of the Company and subject to disclosures in the annual accounts, as also on the basis of the discussion with the Statutory Auditors of the Company from time to time, we state:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed and proper explanations provided relating to material departures, if any;
- ii) that the Directors have followed appropriate accounting policies and applied them consistently and made judgements 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 of the Company for that year;
- iii) that the Directors have taken proper and sufficient care to ensure the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, if any;
- iv) that the Directors have prepared the annual accounts on a going concern basis.

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

a) Energy Conservation Awards:

- i) Rayon Division
 - * "Continuous Energy Efficient Company" award from Maharashtra Energy Development Agency (MEDA).
- ii) Cement Divisions
 - Century Cement
 - * In the twelfth F L Smidth Energy Awards for the year 2008-09 for energy conservation in the State of Chhattisgarh and Madhya Pradesh, Century Cement has been awarded First prize for maximum percentage reduction in electrical energy consumption per tonne of cement production.
 - Maihar Cement
 - In the twelfth F L Smidth Energy Awards for the year 2008-09 for energy conservation in the State of Chhattisgarh and Madhya Pradesh, Maihar Cement has been awarded -
 - * First prize for minimum plant heat rate (Kcal/Kwh) with respect to Captive thermal generation.

- * First prize for maximum percentage reduction in electrical energy consumption per tonne of clinker production.
- * First prize for the lowest electrical energy consumption per tonne of cement production amongst modern cement plants using VRM technology.

b) General:

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and outgo, in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed and marked Annexure 'A' and forms part of this Report.

16. PARTICULARS OF EMPLOYEES:

In accordance with the provisions of Section 217(2A) read with Companies (Particulars of Employees) Rules, 1975, the names and other particulars of employees are to be set out in the Directors' report, as an addendum thereto. However, as required by the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and accounts as set out therein, are being sent to all members of the Company excluding the aforesaid information about the employees. Any member, who is interested in obtaining such particulars about employees, may write to the Company Secretary at the Registered Office of the Company, and the same will be forwarded by post.

17. CASH FLOW ANALYSIS:

In conformity with the provisions of clause 32 of the Listing Agreement the Cash Flow Statement for the year ended 31.03.2010 is annexed hereto.

18. APPRECIATION:

The Board places on record its deep appreciation of the devoted services of the loyal workers, executives and other staff of the Company, who have contributed in no small measure to the performance and the Company's continued inherent strength. It also extends grateful thanks to the Central and various State Governments, the investors, the banking circles, financial institutions and district level authorities for their continued support extended to the Company from time to time. Shareholders' appreciation of the managements' efforts expressed at the general meetings of the Company and otherwise, is a great fillip to strive for better performance year after year.

Registered Office:
Century Bhavan,
Dr. Annie Besant Road,
Worli, Mumbai – 400 030

Dated: 3rd May, 2010

On behalf of the Board,
Kumar Mangalam Birla
Director
B. L. Jain
Whole-time Director

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Additional information as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY:

(a) Energy Conservation Measures Taken

Birla Century

- Improvement in configuration of gas in thermo pack boiler.
- Synchronization of two air compressors.

Yarn and Denim

- Replacement of filter pumps.
- Replacement of mercury vapors light to metal halide lights.

Rayon, Tyre Cord & Chemicals Divisions

- Installation of acid absorption crystallizer.
- Installation of screw compressor in place of reciprocating compressor in rayon engine room.
- Installation of micro hydro turbine with induction generator in rayon plant.
- Replacement of conventional nozzles in air washers with heavy duty atomized nozzles in continuous spun yarn air washers.

Cement Divisions

- Installation of MV drives in sepax fan of cement mill No.1 & 2 and circulating fan of cement mill No.3 at Maihar Cement Unit.
- Upgradation of fuzzy logic controller for kiln, coal mill and raw mills circuits at Manikgarh Cement Unit.
- Modification of the existing conventional dust collector into the box type dust collector without exhaust fan for venting of fly ash through steel silos of cement mills at Manikgarh Cement Unit.
- Installation of VVVF drive in various sections at all Cement Units.
- Replacement of conventional lights with LED light fittings at all Cement Units in a phased manner.

Pulp & Paper Division

- Replaced analog drive system to digital drive system in PM/C-1 and PM/C-II.
- Optimized PRDS operation.
- Bagasse surge chest agitator and pump made bypass by providing magnetic trap in feed chest line.
- Long fiber dump chest agitator interlocked with pump.

(b) Additional investments and proposals, if any, being implemented by the Company for reduction of consumption of energy.

- Installation of mist condensers in evaporators and calcinations plant at Century Rayon.
- Combining of two single effects evaporator into double effect evaporator at Century Rayon.
- Installation of vertical roller mill for coal grinding at Maihar Cement Unit.
- Cooler up-gradation at Maihar Cement & Manikgarh Cement Units.
- Preheater up-gradation at Century Cement Unit.

(c) Impact of measures at (a) & (b) for reduction of energy consumption and consequent impact on the cost of production of goods.

- Increase in productivity.
- Reduction in energy consumption.
- Optimum loading of captive water source.

(d) Total energy consumption and energy consumption per unit of production as per Form 'A' of the Annexure in respect of industries specified in the Schedule thereto.

As per Form 'A' attached.

B. TECHNOLOGY ABSORPTION:

(e) Efforts made in Technology Absorption as per Form 'B' given below:

Form 'B'

Research and Development (R & D)

1. Specific areas in which R & D has been carried out by the Company:
 - Increase speed of spinning machines at Century Rayon.
 - Bigger size of coning packages at Century Rayon.
 - Installation of XRF-XRD combined unit for measuring clinker phases and free lime at Maihar Cement Unit.
 - Wood base copier 75 gsm developed and introduced in market under brand name of "Eianza"
 - Recycled fibre base Copier 70 gsm developed and introduced in market under brand name "Century Green".
 - Super white maplitho 90 GSM for "Census 2011" approved by DGS & D developed and manufactured in commercial scale in bagasse street.
 - Absorbent kraft paper from 100 to 180 gsm developed and manufactured in commercial scale in WPP Street.
2. Benefits derived as a result of the above R & D :
 - Improved quality & higher production of rayon yarn.
 - Economy in cost and increased efficiency for plant.
 - Development of new market segment.
3. Future Plan of Action :
 - Development of rayon mono filament yarn.
 - Development of new variety rayon tyre yarn for premium carpet industry.
 - Development of high tenacity yarn in CSY.
 - Continuous improvement in the product quality.
 - Installation of sewage treatment plant at mines of Maihar Cement Unit.
 - Installation of XRF-XRD combined unit for measuring clinker phases and free lime at Century Cement & Manikgarh Cement Units.
 - Conservation of mineral, power, fuel & water.
 - Augmentation and optimization by absorption of fly ash and slag in cement.
4. Expenditure on R & D (Rs. in Crore)

(a) Capital	2.13
(b) Recurring (including contribution)	4.95
(c) Total	7.08
(d) Total R&D expenditure as a percentage of total turnover	0.15

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

Birla Century Division

- In built micro dust collection system in spinning & weaving plant.
- Installation of state of the art industrial effluent treatment & recycling plant (ETRP) based on ultrafiltration reverse-osmosis nenofilter system.

Rayon, Tyre Cord & Chemicals Divisions

- Installation of acid absorption crystallizer to reduce the consumption of steam.
- Higher spinning speeds of spinning machines.

Cement Divisions

- Setting up vacuum based plant for collection of fly ash at Maharashtra State thermal power plants at Chandrapur and Koradi with facilities for loading in sealed bulkers for road transportation to Manikgarh Cement site.
- Conversion of 15 MW FBC boiler ESP into hybrid filter at Maihar Cement Unit.
- Installation of air cooled condenser at captive thermal power plant at all Cement Units for water conservation.

Pulp & Paper Division

- Improvement in evaporation ratio by separating wet and dry pith in power house.
- Veneer chips consumption increased from 15% to 25% to reduce the cost of raw material in WPP.
- QCS scanner of paper machine – 1 (WPP) upgraded for better control.
- Electrical contractor logic replaced by PLC logic on rewinder No.1 at WPP.
- In B-2 thickner wire mesh modified from 40 mesh to 30 mesh to improve dewatering and uniform cooking of pulp.
- Calender nipco control software upgraded with latest technology.
- Depither basket perforation reduced.

2. Benefits derived as a result of above efforts :

Birla Century Division

- Reduction in volume of waste generation.
- Better product quality and working environment.

Rayon Division

- Reduction in Coal /Steam consumption.
- Higher output with reduced energy consumption.

Cement Divisions

- Improved productivity.
- Rich availability of fly ash for pozzolana portland cement production with environment friendly techniques.
- Air pollution abatement.

Pulp & Paper Division

- Improved Productivity

3. Information regarding technology imported during the last 5 years :

- | | |
|---|---|
| i) a) Technology imported during last five years | - Technical know-how agreement signed with Cordenka, GmbH, Germany, for improvement in productivity and quality of tyre yarn. |
| b) Year of import | - 2004 - 05 |
| c) Has technology been fully absorbed. | - Yes |
| d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action. | - N.A. |
| ii) a) Technology imported during last five years | - Simplexes, dye preparation & injection system from (M/s. Fabelta, Belgium). |
| b) Year of import | - 2007 - 08 |
| c) Has technology been fully absorbed. | - Yes |
| d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action. | - N.A. |
| iii) a) Technology imported during last five years | - Flash dearator from M/s. Lenzing, Austria. |
| b) Year of import | - 2007 - 08 |
| c) Has technology been fully absorbed. | - Yes |
| d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action. | - N.A. |
| iv) a) Technology imported during last five years | - Fine grinder homogenizer from M/s. Lenzing, Austria. |
| b) Year of import | - 2008 - 09 |
| c) Has technology been fully absorbed. | - Yes |
| d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action. | - N.A. |

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(f) Activities relating to exports, initiatives taken to increase exports, developments of new export markets for products and services, and export plans.

Exports of textile, tyre yarn and paper remain dull in view of adverse market conditions. We have developed new markets for Viscose Filament Yarn (VFY) and have exported the same to Brazil, Chile and Bolivia. Further, the strengthening of Rupee against almost all the foreign currencies have adversely affected the promotional efforts as the viability of the exports is difficult to achieve in such circumstances. However, in our efforts to develop new export markets for paper, we have successfully exported tissue grade paper to USA and are taking further steps to promote export of tissue paper to U.K., Iran, UAE and South East Asian markets.

Cement/Clinker has been exported to Nepal, for which payment is made in Indian Rupees by the importer.

(g) Total Foreign Exchange used and earned.

The information on Foreign Exchange earnings and outgo is contained in note no.17(a) & 16(b) of Schedule 17 of the accounts.

On behalf of the Board,

Kumar Mangalam Birla

Director

B. L. Jain

Whole-time Director

Mumbai

Dated: 3rd May, 2010

FORM 'A'

Form for disclosure of particulars with respect to conservation of energy.

	Textiles (Birla Century)	Yarn	Denim	Cement	Paper	Rayon & Tyreyarn/ Fabric & Chemicals
A. POWER AND FUEL CONSUMPTION :						
1. Electricity						
(a) Purchased Unit (KWH in lacs)	-	209.89	230.56	1245.34	311.44	873.47
	(-)	(219.66)	(208.48)	(1142.11)	(218.37)	(873.48)
Total Amount (Rs.in Crore)	-	8.24	10.25	65.98	13.08	40.86
	(-)	(8.52)	(8.68)	(58.48)	(8.91)	(35.45)
Rate/Unit (Rs.)	-	3.92	4.45	5.30	4.20	4.68
	(-)	(3.88)	(4.16)	(5.12)	(4.08)	(4.06)
(b) Own Generation						
(i) Through Diesel Generator Unit (KWH in lacs)	-	2.29	131.90	28.59	4.01	389.93
	(-)	(1.66)	(153.97)	(29.52)	(3.68)	(402.82)
Units per Kg./Ltr. of LSHS & Diesel Oil	-	4.20	4.18	3.52	3.59	4.32
	(-)	(4.13)	(4.10)	(3.52)	(3.48)	(4.12)
Cost/Unit (Rs.)	-	6.10	4.94	10.56	9.41	7.38
	(-)	(4.61)	(5.02)	(20.91)	(14.75)	(7.30)
(ii) Through Steam turbine/generator Unit (KWH in lacs)	-	-	-	4812.71	2460.06	443.42
	(-)	(-)	(-)	(4853.82)	(2386.81)	(510.69)
Units per ton of Coal	-	-	-	915.22	848.00	*
	(-)	(-)	(-)	(905.58)	(817.00)	*
Cost/Unit (Rs.)	-	-	-	4.24	1.90	*
	(-)	(-)	(-)	(3.83)	(1.80)	*
(iii) Through Gas Turbine Unit (KWH in lacs)	901.91	-	-	-	-	-
	(315.77)	(-)	(-)	(-)	(-)	(-)
Units per SCM of Gas (KWH per SCM)	3.38	-	-	-	-	-
	(3.30)	(-)	(-)	(-)	(-)	(-)
Cost/Unit(Rs.)	4.69	-	-	-	-	-
	(4.88)	(-)	(-)	(-)	(-)	(-)
	Textiles (Birla Century)	Cotton Yarn	Denim	Cement	Paper	Rayon & Tyreyarn/ Fabric & Chemicals
2. Coal (Grade B,C,D and E)						
Quantity (in lac M. Tons)	-	-	-	14.85	1.59	0.83
	(-)	(-)	(-)	(14.87)	(1.55)	(0.84)
Total Cost (Rs.in Crore)	-	-	-	468.86	45.07	34.78
	(-)	(-)	(-)	(405.17)	(42.29)	(42.60)
Average Rate (Rs. per M.T.)	-	-	-	3158.19	2837.15	4206.57
	(-)	(-)	(-)	(2725.60)	(2728.68)	(5084.61)
3. Furnace Oil / Diesel Oil						
Quantity in M.T. (incl. LSHS & Diesel Oil & per thousand SCM)	-	-	2264.53	3731.82	4001.00	7.20
	(-)	(-)	(2217.88)	(4248.46)	(3653.00)	(-)
Total Cost (Rs. in Crore)	-	-	4.68	10.27	11.09	0.02**
	(-)	(-)	(4.56)	(13.67)	(10.76)	(-)
Average Rate (Rs. per M.T.)	-	-	20657.00	27519.24	27705.26	25012.09
	(-)	(-)	(20585.00)	(32180.30)	(29448.23)	(-)
4. Coal for producer Gas (Grade B, C & E)						
Quantity (M.T. in lacs)	-	-	-	-	0.16	-
	(-)	(-)	(-)	(-)	(0.14)	(-)
Total Cost (Rs. In Crore)	-	-	-	-	4.49	-
	(-)	(-)	(-)	(-)	(3.84)	(-)
Average Rate (Rs. In M.T.)	-	-	-	-	2837.15	-
	(-)	(-)	(-)	(-)	(2728.68)	(-)

	Textiles (Birla Century)	Yarn	Denim	Cement	Paper	Rayon & Tyreyarn/ Fabric & Chemicals
5. LP Gas						
Quantity (M.T.)	-	-	-	-	1107.13	-
Total Cost (Rs. In Crore)	(-)	(-)	(-)	(-)	(206.72)	(-)
	-	-	-	-	4.49	-
Average Rate (Rs. Per M.T.)	(-)	(-)	(-)	(-)	(0.77)	(-)
	-	-	-	-	40540.40	-
	(-)	(-)	(-)	(-)	(37048.25)	(-)

Note:

1 Figures in respect of previous year are given in brackets and have been regrouped/rearranged wherever necessary.

* Incidental to generation of Steam, hence no cost allocable.

** Net of tax

B. CONSUMPTION PER UNIT OF PRODUCTION :

	Production Unit	Standards if any	Current Year	Previous Year	Reasons for variations
1. Electricity (KWH)					
Cotton Fabrics	Per 1000 Sq. Mtrs.	-	2732.00	2147.90	(f)
Cotton Yarn	Per 100 Kgs.	-	537.40	486.73	(c)
Denim Fabrics	Per 1000 Sq. Mtrs.	-	1617.54	1599.18	(a)
Rayon Yarn	M.T.	-	4100.21	4317.56	(b)
CSY (Continuous Spg. Yarn)	M.T.	-	4683.73	5370.23	(b)
Tyre Yarn/Fabric/Fibre	M.T.	-	5564.89	3695.61	(d)
Caustic Soda	M.T.	-	2643.47	2614.29	(a)
Carbon-di-sulphide	M.T.	-	1097.02	1099.71	(a)
Sulphuric Acid	M.T.	-	49.33	49.21	(a)
Cement	M.T.	-	77.06	81.00	(b)
Paper	M.T.	-	1224.00	1241.00	(a)
2. Furnace Oil / Diesel Oil (M.T.)					
Cotton Fabrics	Per 1000 Sq. Mtrs.	-	-	0.107	-
Denim Fabrics	Per 1000 Sq. Mtrs.	-	0.123	0.125	(a)
Rayon Yarn	M.T.	-	-	-	-
CSY (Continuous Spg. Yarn)	M.T.	-	-	-	-
Tyre Yarn/Fibre	M.T.	-	-	-	-
Paper	M.T.	-	0.018	0.017	(a)
Cement	M.T.	-	0.001	0.001	-
3. Coal - B, C, D & E Grades (M.T.)					
Rayon Yarn	M.T.	-	3.707	3.498	(e)
CSY (Continuous Spg. Yarn)	M.T.	-	6.156	7.656	(e)
Tyre Yarn/Fibre	M.T.	-	4.694	3.602	(d)
Cement	M.T.	-	0.118	0.126	(a)
Paper	M.T.	-	0.701	0.737	(b)
4. Coal for Producer Gas (Grade B,C & E) (M.T.)					
Paper	M.T.	-	0.070	0.067	(a)
5. LP Gas (M.T.)					
Paper	M.T.	-	0.005	0.001	(a)

Notes:

(a) Minor variations.

(b) Due to energy conservation.

(c) Due to change in denier/market mix.

(d) Due to low production.

(e) Furnace oil including LSHS and coal are used for steam generation and consumption of energy per unit of production will vary depending upon use of each item of energy. The variations are due to relative use of different sources of energy on various occasions during the year.

(f) Due to processing of Greige fabrics in the current year.

(g) Previous year's figures have been regrouped, wherever necessary.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report covers the operations and financial performance of the Company and forms part of the Directors' Report.

1. OVERALL REVIEW:

During the year under review, the profitability of the Company has increased satisfactorily as compared to the previous year, mainly because of better performance of the Cement Divisions. The Paper Business was under severe pressure due to a substantial increase in the prices of raw materials and reduced demand. The production at the new Textile Unit of the Company, "Birla Century" in District Bharuch of Gujarat has now almost stabilized. However, in the textile segment, which includes rayon yarn, tyre cord etc., the prices of all inputs had gone up which could not be passed on to the end users in view of adverse market conditions prevailing during the major part of the year coupled with low demand. Therefore, the performance of textile segment remained depressed.

The interest cost is likely to increase in future due to higher borrowings for the various expansion programmes planned, which are under implementation, including the expansion of cement manufacturing capacity at Manikgarh Cement, Dist. Chandrapur, Maharashtra and at Sonar Bangla Cement at Sagardighi, Dist. Murshidabad, West Bengal, as also the multilayer packaging board and fibre line (pulp plant) at Century Pulp & Paper, Lalkua in District Nainital, Uttarakhand and land development at Worli, Mumbai. There are indications that interest rates are likely to harden still further.

India has been able to face the global economic downturn better than most other countries in spite of the inadequate and uneven monsoon and resultant slowdown in agriculture. Growth is expected to be better as there are clear signs of an upturn in the economy and with the forecast of a normal monsoon in the current year, the prospects for the economy will be brighter. In this background, higher demand for cement may be expected. The prices of and demand for paper are likely to rule firm owing to the Central Government's sustained thrust on promoting education at all levels. Demand overseas is also looking up and it is expected that the prices of textile products may also improve.

2.1 BUSINESS SEGMENT – TEXTILES

COTTON TEXTILES, YARN AND DENIM:

a) Industry Structure & Development:

Though the global economy seems to be coming out of the crisis, recovery may be unsteady for a while. The continuous improvement and investment in weaving and processing will help to meet the demand of quality textiles, which will give an edge to the Indian textile industry over competitors. Upgrading technology and infrastructure is an ongoing process and, with the added support of Government bodies it should boost the Indian textile further.

b) Opportunities and Threats:

A stronger economy and brighter sentiment holds out optimism for the order flow as a general feeling of buoyancy prevails. Export markets are also looking up especially in the USA. However, the increase in prices of cotton is a matter of concern. Further, competition from neighbouring countries including Vietnam and Bangladesh continue to challenge the industry.

c) Segmental Review and Analysis:

The production at our new textile mill named "Birla Century" in District Bharuch (Gujarat), has almost stabilized, reaching near optimum levels of production and efficiency. The unit manufactures high value cotton products such as elite shirtings, an eye catching range of suitings, fancy & finer fabrics and dress materials, and a wide range of bed linen with innovative finishes and attractive designs. Nevertheless, the performance of this unit remained under pressure due to the high cost of cotton and other inputs. There was no improvement in the market prices of fabrics to absorb the cost increases.

The brand "Cottons by Century" by which the Company's ready to wear products are known is now one of the well-known national brands in India for this segment.

The technical performance of yarn and denim Divisions of the Company has been satisfactory although selling prices were under pressure. The demand for yarn and denim fabric has recently started showing some improvement and prices have also firmed up in the domestic market. There are also prospects of similar strengthening of international demand and consequently, also the prices.

d) Risks and Concerns:

The sharp increase in cotton prices and other input costs have made it very difficult for Indian exporters to compete in the international market. The strengthening of the Rupee and non-availability of skilled workers are also hurdles faced by the exporters including the Company.

e) Outlook:

We are trying to focus on cost cutting strategies, development of new markets and maintaining the quality of our fabrics to satisfy and exceed the expectations of the market and look forward to a better market sentiment for textile fabrics.

Century Rayon – Viscose Filament Yarn (VFY), Continuous Spun Yarn (CSY) and Rayon Tyre Yarn.

a) Industry Structure and Development:

The demand for viscose filament yarn (VFY) and continuous spun yarn (CSY) remained steady during the year. The domestic market is witnessing an influx of coarser denier yarn and embroidery yarn at lower rates from China, affecting the market adversely. Since these products are not covered by anti dumping duty, industry is in the process of preferring an application to the Government of India to control the inflow of these materials and provide a level playing field to domestic manufacturers.

In the recent Union budget, excise duty on rayon yarn has been increased from 8% to 10%, which adversely affects the selling price. The industry feels that besides reduction in excise duty, the Government should also take various steps to make credit cheaper and provide other incentives/subsidy to VFY producers to help sustain their operations.

The world over, due to stringent environment control, rayon manufacturing units are closing their operations, including one having so well-known a name as Enka Elsterberg, Germany. As a result, a substantial production base of VFY is likely to be shifted to Asia, providing more opportunity to producers including the Company.

b) Opportunities and Threats:

The strengthening of the Rupee against the US Dollar and other currencies encourages cheaper imports coming into India. Fiscal support to VFY producers in China continues to make them more competitive, and this adds to the threat of cheaper imports. Further, polyester yarn which is cheaper than VFY continues to be used as a substitute for certain end products.

With the development of highways across India and dedicated corridors between metros, an opportunity may materialize for use of tyres made out of rayon tyre yarn, in which case, the domestic scenario of the tyre yarn industry should change for the better.

c) Segmental Review and Analysis:

Our products i.e. pot spun yarn, continuous spun yarn, rayon tyre yarn and various chemical products are well accepted in the market. Various initiatives taken by the unit for automation have led to better productivity and improved quality of the products which should have a positive impact on the working of the unit.

Offtake of rayon tyre yarn continues to remain under pressure as the demand for tyres in Europe and the U.S.A. has not picked up causing major tyre manufacturing units all over the world to operate at lower than their respective installed capacities.

Newly developed zero twist rayon tyre yarn is well accepted in the market and export of this yarn is expected to rise in due course.

High inventory of rayon tyre yarn continues to remain a major concern and 50% of the production capacity remains suspended from February 2009. We do not expect the situation to improve before the end of the year 2010-11.

Continuous rise in the cost of major inputs and utilities, more particularly rayon grade pulp and sulphur, which constitute a major portion of the cost, may erode the profit margins of the unit.

Salt Works

Production and sale of refined salt have improved compared to the previous year. We foresee better demand for our refined salt in future.

d) Risks & Concerns:

Availability of polyester yarn at a cheaper price and substantial import of VFY at a lower price continue to pose major hurdles to the further growth of the VFY industry. This unit is labour intensive and inflation in employee costs also continues to pose a threat.

Stringent environmental control measures may add to our costs and create hindrances in smooth working as rapid urbanization is taking place in and around the plant, due to which lot of residential colonies are likely to come up in the vicinity.

e) Outlook:

Imposition of anti dumping duty on import of embroidery yarn and coarser denier yarn from China, would pave the way to improve currently depressed prices. A national fibre policy, to be announced by the Government of India soon, is likely to address the concerns of this man-made fibre industry.

Considering all prevalent circumstances, the outlook for the industry is considered a bit optimistic.

2.2 BUSINESS SEGMENT – CEMENT DIVISIONS

a) Industry Structure and Development:

The total installed capacity of the Indian cement Industry, the world's second fastest growing market after China, is about 240 million tonnes. Cement consumption in the country has witnessed compound annual growth of 9.32% in the last five years and in the year under review, a growth of about 10% has been achieved on account of increased construction activities. The working group on the cement industry for the XI Five Year Plan (2007-12) has set a target of cement production at 269 million tonnes and capacity of 298 million tonnes at the end of the plan. The industry's capacity which was 166 million tonnes in the year 2007 has already increased to 240 million tonnes in 2010. Further, to cater to the increased demand expected, a large expansion of capacity has been planned and the industry may see added capacity of about 60 million tonnes in the next couple of years.

b) Opportunities and Threats:

Since the onset of the economic crisis for more than a year, countries around the world continue to witness sluggish economic growth. Various timely stimuli, have enabled the Indian economy to overcome this crisis. Even in these turbulent times India has in 2009 recorded a growth rate of 6.7%, more modest than in recent years but clearly outpacing most major economies around the world. In the current year the economy is expected to grow at about 8.5% and some experts expect this to accelerate to over 9% in 2011 and beyond.

The per capita consumption of cement in India is still very low at about 150 kg compared to the world average of around 275 kg and this portends the tremendous potential for growth.

Demand for cement is likely to remain robust due to increased construction activities on account of the Government's thrust on development and improvement of infrastructure through budgetary allocations, the need for more affordable dwelling units, leading to a revival in the real estate business.

However in the immediate future, the cement industry is likely to face pressures on realization and regional imbalances in demand and supply.

c) Segmental Review and Analysis:

All cement units of the Company have operated at optimum levels. During the year the Company produced 75.83 lac tonnes (previous year - 72.16 lac tonnes). The overall performance of the cement divisions has been noteworthy.

Considerable emphasis is being placed on conservation of energy and protection of the environment by production of blended cement which constitutes about 95% of total cement production.

d) Risks and Concerns:

The availability of coal against linkage is only 60% necessitating procurement of market/e-auction coal at a substantial premium. The prices of major inputs for cement viz: coal, slag, fly ash and petroleum products have started rising and are likely to harden, which should push up manufacturing and distribution costs. High incidence of taxation and government levies are matters of concern for the cement industry.

e) Outlook:

India, having emerged as a fast growing economy, and with the Government and private sector investments in housing, infrastructure and economic development, the long term outlook for the cement industry looks attractive.

2.3 BUSINESS SEGMENT – CENTURY PULP AND PAPER

a) Industry Structure & Development:

India is today among the top paper producing countries. Various domestic paper producers have recently augmented their capacities which have come on stream for commercial production. The main growth of the industry is in quality paper, like duplex board, copier paper, tissue paper etc. However, the fortunes of the paper industry is linked to structural economical factors like improvement in the literacy rate, the Government's initiatives in spreading education and the growth in the print media industry.

The paper industry in India also suffered from general economic malaise and simultaneously faced significant increases in cost of production through input costs of raw materials, chemicals and coal. Now that the economy has stabilised, the paper industry should return to sustained growth.

b) Opportunities and Threats:

With education being made compulsory under the law for children in the age group of 6 to 14 years, and the impetus in the economy, demand for paper should grow. The substantial new capacities referred to earlier, including those in the pipeline, will keep the paper market under some pressure in the short term. Our efforts are directed towards further reduction in costs and increase in efficiency.

c) Segmental Review and Analysis:

The demand for paper was expected to witness a marginal slow down since the beginning of the year under review. Although all varieties of paper were affected by the slow down, the demand for certain varieties, which had a close relationship with industrial production, held up reasonably well.

The prices of bagasse and wood which constitute major raw materials for pulp and other input costs have considerably increased without a sizable appreciation in selling prices. This has adversely affected the performance of this Division for a major part of the year.

With the notebook season having commenced, the writing and printing paper market has shown considerable improvement in demand since January, 2010 and selling prices have also firmed up well. The quality of existing products has been enhanced in tune with changing consumer preferences. Tissue paper has now been well accepted in the market. We expect to get the benefit of this segment in both domestic and international markets. There is continuous thrust on customer service to increase the market share. The Company is focusing on increasing market share in the premium segment as well as branded products.

d) Risks and Concerns:

Smaller mills which enjoy lower cost of production due to advantageous levels of overhead expenses and taxes, have upgraded the quality of their products, and provide tough competition to large units in terms of both quality and price.

Scarcity of quality raw materials at attractive prices is a major concern for the industry.

e) Outlook:

The overall outlook for writing, printing and tissue paper in domestic and export markets appears to be improving.

3. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has proper and adequate systems of internal control, to safeguard all assets against loss from unauthorised use or disposition. These systems also ensure that all transactions are authorised, recorded and reported correctly. Regular internal audits and checks are carried out to provide assurance that adequate systems are in place and that the responsibilities at various levels are discharged effectively. The Management continuously reviews the internal control systems and procedures to obtain comfort regarding orderly and efficient conduct of business. The review includes overseeing adherence to management policies, safeguarding the assets of the Company as well as ensuring the preparation of timely and accurate financial information. The emphasis on internal control prevails across functions and processes, covering the entire gamut of activities including finance, supply chain, sales and distribution, marketing and the like. A strong system of internal audit and effective and comprehensive reviews by the Audit Committee of the Board have strengthened the internal control within the organisation.

4. THE COMPANY'S FINANCIAL PERFORMANCE & ANALYSIS:

Highlights

Particulars	(Rs. in crore)	
	2009-2010	2008-2009
1. Gross Turnover	4833.22	4215.91
2. Net Sales	4452.90	3815.69
3. PBIDT	946.69	691.67
4. Interest	- 100.53	- 103.01
5. Profit before depreciation, VRS, gratuity, exit payments, exgratia/compensation, etc. and taxation	846.16	588.66
6. Depreciation	- 234.47	- 205.28
7. Arrears of Depreciation	-	- 26.31
8. Prior Period Adjustments (Net)	- 0.19	- 0.71
9. Profit before VRS, gratuity, exit payments, exgratia/compensation etc. and taxation	611.50	356.36
10. Voluntary Retirement Scheme (VRS), gratuity, exit payments, exgratia/compensation, etc.	- 89.67	- 91.57
11. Surplus on sale of assets	1.51	55.14
12. Profit before taxation	523.34	319.93
13. Provision for taxation (including Fringe Benefit Tax)	- 222.61	- 44.14
14. Deferred Tax (Debit (-) / Credit)	38.74	- 39.25
15. Net Profit	339.47	236.54

Net Sales

Net Sales of the Company have increased by 17%, during the year under review.

Net Profit

After providing depreciation for the year under review and tax liability, the resultant net profit has increased appreciably as compared to the previous year.

5. HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS:

The total number of employees as on 31.03.2010 was 11326 (11,710 as on 31.03.2009). The Management strongly believes that the strength of your Company is directly proportionate to the strength of its employees in terms of knowledge, experience, analytical and decision making skills. The Company has been implementing various HR initiatives such as recognition, empowerment, personality development, decentralization of delegation of powers etc. to retain talent. A balanced staffing system has been judiciously adopted in the Company under which competent fresh talent has been inducted into the experience pool. The Company gives high importance to personal career growth and motivation of its manpower resources to encourage a productive, participative and collaborative work culture through appropriate interventions. This has helped the Company in building a dedicated team for creating value. Our relationship with the employees continues to remain cordial at all units.

6. HEALTH AND SAFETY MEASURES:

Century maintains requisite safety standards for safety of employees and society at large. The health of the employees and the protection of the environment in and around the areas of all the plants of the Company have been given due care and attention. A clean environment and sustainable development integrated with its business objectives is the focus of the operations of the Company and the projects and activities are planned and designed with environmental protection as an integral part. All employees are obliged to ensure that they fully understand all policies and that they fully comply with the requirements.

7. CAUTIONARY STATEMENT:

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials costs and availability, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts, as well as other factors such as, litigation and industrial relations.

The Company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

CORPORATE GOVERNANCE REPORT

In compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges a report on Corporate Governance is set out below.

I. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :-

The Company operates for the benefit of all its stakeholders, including shareholders, customers, lenders, creditors and the community and conducts its business in a transparent, ethical and fair manner.

II. BOARD OF DIRECTORS

(a) Composition of the Board:

The Board of Directors comprised seven members consisting of six Non-executive Directors who account for more than eighty five percent of the Board's strength as against the minimum requirement of fifty percent as per the listing agreement. The Non-executive Directors are eminent professionals, drawn from amongst persons with experience in business & industry, finance, law & public enterprises. The composition is as under:-

Name of the Directors	Category of Directors	No. of outside Directorships held #		No. of other Board Committee(s) of which he is a member @	No. of Other Board Committee(s) of which he is a Chairman @	No. of Shares held in The Company As at 31.03.2010
		Public	Private			
Shri B.K. Birla – Chairman	Promoter – Non Executive	4	-	-	-	1,31,900
Shri Kumar Mangalam Birla	Promoter – Non Executive	9	14	-	-	Nil
Shri Pradip Kumar Daga	Independent – Non Executive	6	-	1	1	80
Shri E.B. Desai	Independent – Non Executive	7	2	5	1	12,680
Shri Arvind C. Dalal	Independent – Non Executive	2	2	2	-	820
Shri Amal Ganguli	Independent – Non Executive	11	3	9	5	Nil
Shri B.L. Jain	Executive – Whole-time Director	-	1	-	-	500

Excluding Directorships in Foreign Companies and Companies under Section 25 of the Companies Act, 1956.

@ Committee positions only of the Audit Committee and Shareholders' / Investors' Grievance Committee in Public Companies have been considered.

No Director is related to any other Director on the Board in terms of the provisions of the Companies Act, 1956, except for Shri B.K. Birla and Shri Kumar Mangalam Birla who are related to each other. Shri B.K. Birla is the grandfather of Shri Kumar Mangalam Birla.

Memberships of the Directors in various Committees are within the permissible limits of the listing agreement.

(b) Details of sitting fees, commission and remuneration paid/payable to Directors:

Name of the Directors	Remuneration paid/payable for the year 2009-2010 (All figures in Rupees)		
	Commission Payable for the Year	Sitting fees paid during the year*	Total
(i) Shri B.K. Birla	16,66,667	80,000	17,46,667
Shri Kumar Mangalam Birla	16,66,667	1,00,000	17,66,667
Shri Pradip Kumar Daga	16,66,667	1,70,000	18,36,667
Shri E.B. Desai	16,66,667	2,40,000	19,06,667
Shri Arvind C. Dalal	16,66,666	2,40,000	19,06,666
Shri Amal Ganguli	16,66,666	1,30,000	17,96,666
(ii) Shri B.L. Jain (Wholetime Director)			Remuneration**
Salary and allowances			1,50,99,333
Contributions to :			
Provident Fund			3,74,400
Superannuation Fund			4,68,000
Perquisites			1,28,806
Total			1,60,70,539

* Sitting fees for attending meetings of the Board and/or Committee thereof.

** As the employee – wise break up of liability on account of Employee Benefits based on actuarial valuation is not available, the amounts relating to the Whole-time Director is not considered.

Notes :-

- 1) In view of the responsibilities undertaken by the non-executive Directors and in keeping with the best Corporate Governance practices, the Company pays commission to the non-executive Directors as approved by the shareholders by special resolution and subject to a limit fixed by the Board each year, within the overall ceiling of 1% of the net profits under Section 198 of the Companies Act, 1956.
- 2) None of the non-executive Directors has any material financial interest in the Company apart from the remuneration by way of fees and commission received by them. Certain professional services are rendered to the Company by a firm in which a non-executive director is a partner. In the opinion and judgement of the Board, this does not affect the independence of the said director.

(c) Board Meetings and attendance of Directors:

- (i) The members of the Board have been provided with the requisite information mentioned in the listing agreement well before the Board Meetings.
- (ii) Five Meetings of the Board of Directors were held during the year ended 31st March, 2010. These were held on :-
(1) 4th May, 2009 (2) 4th May, 2009 (3) 27th July, 2009
(4) 23rd October, 2009 (5) 27th January, 2010
- (iii) The attendance recorded for each of the Directors at the Board Meetings during the year ended on 31st March, 2010 and of the last Annual General Meeting is as under:-

Directors	No. of Board Meetings attended	Attendance at the last AGM
Shri B.K. Birla	4	No
Shri Kumar Mangalam Birla	5	Yes
Shri Pradip Kumar Daga	5	Yes
Shri E.B. Desai	5	Yes
Shri Arvind C. Dalal	5	Yes
Shri Amal Ganguli	4	Yes
Shri B.L. Jain (Whole-time Director)	5	Yes

(d) Code of Conduct:

The Company has framed a code of conduct for the members of the Board of Directors and Senior Management personnel of the Company. The said code of conduct is available on the website of the Company. The declaration by Shri B.L. Jain, Whole-time Director of the Company regarding compliance by the Board members and Senior Management personnel, with the said code of conduct is given as Annexure I to this report. In addition to this a separate code of conduct for dealing in equity shares and other securities conferring voting rights in the Company is also in place and has been complied with.

III. AUDIT COMMITTEE

- (i) The Audit Committee was constituted by the Board at its meeting held on 27th May, 2000. Member Directors of the Audit Committee are as under :-
(1) Shri E.B. Desai (2) Shri Pradip Kumar Daga
(3) Shri Arvind C. Dalal (4) Shri Amal Ganguli

All the members of the Audit Committee are Non-executive Directors. The Committee has elected Shri E.B. Desai as its Chairman. All the members of Audit Committee are financially literate and one member has accounting and related financial management expertise.

- (ii) The Audit Committee meetings were held on 4th May, 2009, 27th July, 2009, 27th July, 2009, 23rd October, 2009, 27th January, 2010 and 27th January, 2010. The attendance of each Audit Committee member is as under:-

Name of the Audit Committee Members	No. of meetings attended
Shri E.B. Desai	6
Shri Pradip Kumar Daga	6
Shri Arvind C. Dalal	6
Shri Amal Gangul	5

- (iii) At the invitation of the Company, representatives from various divisions of the Company, internal auditors, cost auditors, statutory auditors and President (Corporate Finance) & Secretary, who is acting as Secretary to the Audit Committee, also attended the Audit Committee meetings to respond to queries raised at the Committee meetings.
- (iv) The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Clause 49 of Listing Agreement as well as in Section 292A of the Companies Act, 1956.

IV. SUBSIDIARY COMPANIES

The Company does not have any subsidiary company.

V. DISCLOSURES

- (i) All related party transactions have been entered into in the ordinary course of business and were placed periodically before the audit committee in summary form. There were no material individual transactions with related parties which were not in the normal course of business, required to be placed before the audit committee and that may have potential conflict with the interest of the Company at large. All individual transactions with related parties or others were on an arm's length basis. Related party transactions have been audited by the Statutory Auditors.
- (ii) All Accounting Standards mandatorily required have been followed without exception in preparation of the financial statements.
- (iii) Procedures for assessment of risk and its minimisation have been laid down by the Company and reviewed by the Board. These procedures are periodically reassessed to ensure that executive management controls risks through means of a properly defined framework.
- (iv) No money was raised by the Company through any public issue, rights issue, preferential issue, etc. in the last financial year.
- (v) (a) All pecuniary relationships or transactions of the non-executive directors vis-à-vis the Company have been disclosed in item II (b) of this report.
- (b) The Company has one Whole-time Director on the Board whose appointment and remuneration has been fixed by the Board in terms of a resolution passed by the members. The remuneration paid/payable is mentioned in item II(b) of this report.
- (c) The number of shares held by each director is mentioned in item II(a) of this report.
- (vi) (a) Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of clause 49 of the listing agreement with Stock Exchanges.
- (b) There were no material financial & commercial transactions by Senior Management as defined in Clause 49 of the listing agreement where they have any personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.
- (vii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

VI. SHAREHOLDERS

- (a) The Company has constituted a Share Transfer and Shareholders/Investors Grievance Committee consisting of non-executive directors of which Shri E.B. Desai is the Chairman. The Company Secretary has been designated as the Compliance Officer. During the year ended 31st March, 2010, 63 investor complaints/queries were received and have been resolved. There were no share transfers pending for registration for more than 30 days as on the said date.
- (b) Details of Directors seeking re-appointment at the ensuing Annual General Meeting fixed on 27th July, 2010 are given hereunder :-

Name of Director	Shri Pradip Kumar Daga	Shri Arvind C. Dalal
Date of appointment	04.06.1963	09.05.1986
Expertise in specific Functional areas	Industrialist having rich business Experience	Share, Stock and Finance Broker
List of other Directorships held excluding foreign Companies, Companies under Section 25 of the Companies Act, 1956 and Private Companies	Gobind Sugar Mills Ltd. Deepak Spinners Ltd. Longview Tea Company Ltd. Deepak Gears Ltd. Continental Profiles Ltd. Deepak Industries Ltd.	Borosil Glass Works Ltd. SIL Investment Ltd.
Chairman/Member of the committees of the Board of other Companies in which he/she is a Director @	Audit Committee Govind Sugar Mills Ltd. - Chairman	Audit Committee Borosil Glass Works Ltd. – Member SIL Investment Ltd. – Member

@ Committee positions only of Audit Committee and Shareholders'/Investors' Grievance Committee in Public Companies have been considered.

VII. COMPLIANCE CERTIFICATE

Compliance Certificate for Corporate Governance from Auditors of the Company is given as Annexure – II to this report.

VIII. GENERAL BODY MEETINGS

- (a) The details of Annual General Meetings held in last three years are as under:-

AGM	Day	Date	Time	Venue
110th	Tuesday	24.07.2007	3.30 P.M.	Birla Matushri Sabhagar, Mumbai
111th	Wednesday	23.07.2008	3.30 P.M.	Birla Matushri Sabhagar, Mumbai
112th	Tuesday	28.07.2009	3.30 P.M.	Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, Mumbai

- (b) Whether any special resolutions passed in the previous 3 AGMs.

Yes, details of which are given hereunder :-

Date	Matter
24.07.2007	Re-appointment of Whole-time Director
24.07.2007	Keeping of Register and Index of members and debentureholders etc., at a place other than the Registered Office of the Company.
23.07.2008	Authorising payment of commission to non whole-time Directors of the Company.
23.07.2008	Commencement of business of designers, engineers, builders, contractors of all kinds of buildings and to establish super markets and departmental stores etc.
28.07.2009	Payment of Revised Remuneration to Whole-time Director.
28.07.2009	Re-appointment of Whole-time Director.

(c) Whether any special resolution passed last year through postal ballot and details of voting pattern?

Special Resolutions passed at the last Annual General Meeting of the Company were not put through postal ballot.

(d) Person who conducted the postal ballot exercise ?

Not applicable.

(e) Whether any special resolution is proposed to be conducted through postal ballot ?

Special Resolution to be passed at the ensuing Annual General Meeting of the Company is not proposed to be put through postal ballot. However, for other special resolutions, if any, in the future, the same will be decided at the relevant time.

(f) Procedure for postal ballot ?

The procedure for postal ballot is as per the provisions contained in this behalf in the Companies Act, 1956 and rules made thereunder namely Companies (passing of the resolution by Postal Ballot) Rules, 2001.

IX. MEANS OF COMMUNICATION

(a) Quarterly results:

- | | |
|--|--|
| (i) Which newspapers normally published in | The Economic Times, Mumbai,
Business Standard, Kolkata,
Maharashtra Times, Mumbai. |
| (ii) Any web site, where displayed | www.centurytextind.com |

Whether it also displays official
News releases and presentations
made to Institutional investors/analysts

Official news releases are
displayed on the web site.

(b) Shareholders' grievances/complaints:

Grievance redressal division's E-mail ID for investors	investorrelations@centurytext.com
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X. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting to be held:

Day, Date, time and venue:

Day	:	Tuesday
Date	:	27th July, 2010
Time	:	3.30 P.M.
Venue	:	Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai-400 025.

(b) Financial Year : 2010-2011

First Quarterly Results	:	On or before 14th August, 2010
Second Quarterly Results	:	On or before 14th November, 2010
Third Quarterly Results	:	On or before 14th February, 2011
Audited Yearly Results for the Year ended 31st March, 2011	:	On or before 30th May, 2011

(c) Dates of Book Closure:

14th July, 2010 to 27th July, 2010 (Both days inclusive).

(d) Dividend payment date:

Dividend on Equity Shares when approved will be made payable on or after Friday, the 30th July, 2010 to those Shareholders whose names stand on the Company's Register of Members on 27th July, 2010 in physical form to whom dividend warrants will be posted. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as at the end of the day on Tuesday, the 13th July, 2010 as per the data to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

(e) Listing on Stock Exchanges:

The Equity Shares of the Company are listed at the following Stock Exchanges:-

- | | |
|---|---|
| (i) Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001. | (ii) National Stock Exchange of India Ltd.
“Exchange Plaza”, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051. |
|---|---|

The Global Depository Receipts (GDRs) each representing one equity share of the face value of Rs.10/- are listed at:-

Societe de la
Bourse de, Luxembourg,
Societe Anonyme,
R.C. B6222, B.P. 165,
L-2011, Luxembourg

Note : Listing fees have been paid to the Indian Stock Exchanges for the year 2010-2011. Listing fee to the Societe de la Bourse de Luxembourg for GDRs has been paid for the calendar year 2010.

**(f) Stock/Company/Security/Common Code:
Equity Shares**

Bombay Stock Exchange Ltd.	-	40
Luxembourg Stock Exchange	-	005321026
National Stock Exchange of India Ltd.	-	CENTURYTEX

(g) Market price Data:

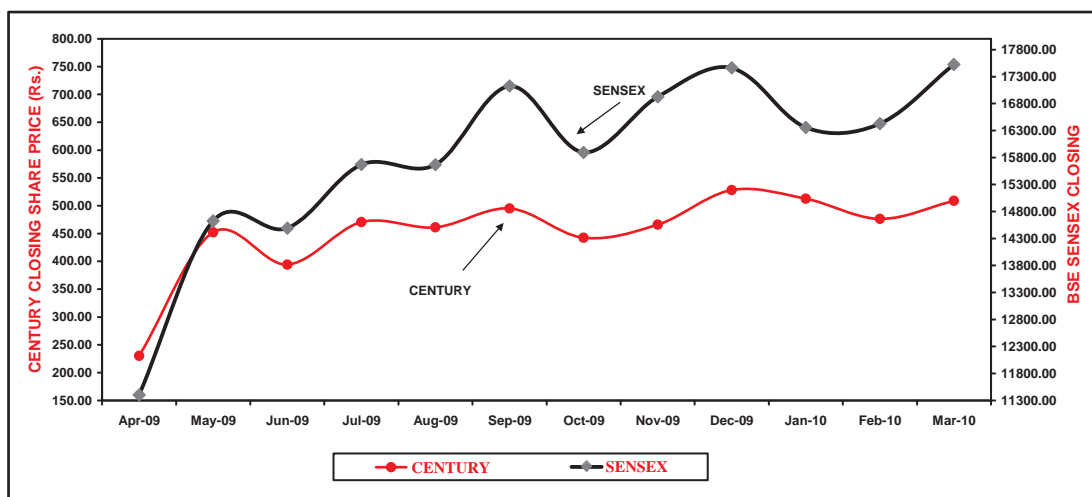
The details of monthly highest and lowest closing quotations of the equity shares of the Company during financial year 2009-2010 are as under :-

(In Rs. Per Share)

Month	Bombay Stock xchange Ltd.		National Stock Exchange of India Ltd.	
	High	Low	High	Low
April, 2009	243.55	207.20	244.40	206.40
May,2009	459.25	244.90	459.00	245.20
June, 2009	478.95	376.85	480.25	377.05
July, 2009	479.95	348.25	480.40	348.15
August, 2009	473.85	405.50	474.30	405.65
September, 2009	504.80	434.60	505.45	433.45
October, 2009	536.55	430.85	537.10	429.75
November, 2009	486.90	411.90	486.45	410.20
December, 2009	531.70	472.85	532.20	472.60
January, 2010	586.15	478.10	587.65	477.55
February, 2010	511.40	454.75	510.85	454.65
March, 2010	522.40	489.65	522.85	490.00

(h) Performance in comparison to broad based indices :

CENTURY VS BSE SENSEX



(i) Registrar and Transfer Agents:

The Company has appointed Link Intime India Pvt. Ltd. (Formerly known as Intime Spectrum Registry Limited) as its Share Transfer Agent for both physical and demat segments of Equity Shares.

The Address, Telephone no., Fax no. of the Share Transfer Agent is :

Link Intime India Pvt. Ltd. Unit – Century Textiles and Industries Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078, (Maharashtra) Telephone No. 022 – 2596 3838, Fax No. 022 – 2594 6969. Please quote on all the correspondence – Unit – Century Textiles and Industries Limited. **For shareholders queries – Telephone No. 022 – 2594 6970 Email ID – rnt.helpdesk@linkintime.co.in**

(j) Share Transfer System:

Share transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. Executives of the Company have been authorised to approve transfers in addition to the Committee.

(k) Distribution of share holding :

The shareholding distribution of equity shares of face value of Rs.10/- each as at 31st March, 2010 is given below:-

Sr. No.	No. of Equity Shares held	No. of Folios	No. of Shares	Percentage of Shareholding
1.	1 to 100	51,625	21,90,742	2.35
2.	101 to 500	16,834	42,96,723	4.62
3.	501 to 1000	3,342	25,92,914	2.79
4.	1001 to 5000	2,922	63,62,789	6.84
5.	5001 to 10000	385	27,95,147	3.00
6.	10001 to 100000	354	96,22,311	10.34
7.	100001 to 500000	57	1,25,05,273	13.44
8.	500001 & above	18	5,26,79,781	56.62
9.	Total	75,537	9,30,45,680	100.00

(l) Share holding pattern as at 31st March, 2010

Sr. No.	Category	No. of Folios	% of Folios	No. of shares held	% of share holding
1.	Promoters	22	0.03	3,75,69,660	40.38
2.	Resident Individuals	72,342	95.77	2,17,23,830	23.35
3.	Private Corporate Bodies	2,039	2.70	97,99,665	10.53
4.	Financial Institutions	5	0.01	32,35,812	3.48
5.	Nationalised Banks, Govt. Insurance Companies and Mutual Funds	108	0.14	1,22,44,112	13.16
6.	FII's	70	0.09	69,22,683	7.44
7.	NRI's and OCB's	949	1.26	12,11,598	1.30
8.	GDR's	2	0.00	3,38,320	0.36
9.	Total	75,537	100.00	9,30,45,680	100.00

(m) Dematerialisation of equity shares:

About 59.66% of total equity share capital is held in dematerialised form with NSDL and CDSL.

(n) Outstanding GDRs:

3,38,320 GDRs were outstanding as at 31st March, 2010. These are traded on the Luxembourg Stock Exchange and represent approximately 0.36% of subscribed and paid up equity share capital of the Company.

(o) Plant (Manufacturing Units):

BIRLA CENTURY

Plot No. 826,
GIDC Industrial Estate,
Jhagadia – 393 110,
Dist. Bharuch (Gujarat)

CENTURY RAYON

Rayon, Tyre Cord & Chemical Plants,
Murbad Road, Kalyan - 421 103, (Maharashtra).

CENRAY MINERALS AND CHEMICALS

Nawa Nagna, Jamnagar - 361 007, (Gujarat).

CENTURY CEMENT

P.O. Baikunth - 493 116, Dist. Raipur, (Chhattisgarh)

MAIHAR CEMENT UNITS I & II

P.O. Sarlanagar - 485 772, Maihar, Dist. Satna, (Madhya Pradesh)

MANIKGARH CEMENT

P.O. Gadchandur - 442 908, Dist. Chandrapur, (Maharashtra)

CENTURY PULP & PAPER

Ghanshyamdham, P.O. Lalkua - 262 402, Dist. Nainital (Uttarakhand)

CENTURY YARN

CENTURY DENIM

Satrati 451 660, Dist. Khargone, (Madhya Pradesh)

(p) Address for correspondence:

Century Textiles and Industries Ltd.
Century Bhavan, Dr. Annie Besant Road,
Worli, Mumbai- 400 030.

(q) Non-Mandatory Requirements

1. The Board
 - (a) An office for the use of the Chairman is made available whenever required.
 - (b) At present there is no policy fixing the tenure of Independent Directors.
2. Remuneration Committee

The Company has one Whole-time Director on the Board whose appointment and remuneration has been fixed by the Board in terms of resolution passed by the members.

In view of this, no Remuneration Committee is constituted.
3. Shareholders' Rights

Half yearly financial results including summary of the significant events in last six months are presently, not being sent to shareholders of the Company.
4. Audit Qualifications

There are no qualifications in the Auditor's report on the financial statements to the Shareholders of the Company.
5. Training of Board Members

There is no formal policy at present for training of the Board members of the Company as the members of the Board are eminent and experienced professional persons.
6. Mechanism for evaluating non-executive board members

There is no formal mechanism existing at present for performance evaluation of non-executive directors.
7. Whistle Blower Policy

The Company has not established any formal whistle blower policy.

(r) CEO/CFO Certification

As required by sub clause V of Clause 49 of the Listing Agreement with the Stock Exchanges, the CEO and CFO have certified to the Board about compliance by the Company with the requirements of the said sub clause for the financial year ended 31st March, 2010.

The above report has been placed before the Board at its meeting held on 03.05.2010 and the same was approved.

ANNEXURE I

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,

Century Textiles and Industries Limited
Century Bhavan,
Dr. Annie Besant Road,
Worli, Mumbai - 400 030.

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Clause 49 of the Listing Agreement with Stock Exchanges to further strengthen corporate governance practices of the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non compliance thereof during the year ended 31st March, 2010.

Mumbai,
3rd May, 2010

B. L. Jain
Whole-time Director

ANNEXURE II

COMPLIANCE CERTIFICATE

To the Members
Century Textiles and Industries Limited
Century Bhavan, Dr. Annie Besant Road,
Worli, Mumbai - 400 030.

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges of India, for the financial year ended 31st March, 2010.

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

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review, and to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said Listing Agreements.

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

For **DALAL & SHAH**
Firm Registration Number : 102021W
Chartered Accountants

Mumbai: 3rd May, 2010

Ashish Dalal
Partner
Membership No: 33596

AUDITORS' REPORT TO THE MEMBERS OF CENTURY TEXTILES AND INDUSTRIES LIMITED

1. We have audited the attached Balance Sheet of CENTURY TEXTILES AND INDUSTRIES LIMITED as at 31st March, 2010, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the 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 Act;
 - (e) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, together with the notes thereon and attached thereto, give in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **DALAL & SHAH**
Firm Registration Number: 102021W
Chartered Accountants

Ashish Dalal
Partner

Membership No.: 33596

Mumbai: 3rd May, 2010

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of the Auditors' Report of even date to the members of **Century Textiles and Industries Limited** on the financial statements for the year ended 31st March, 2010

1. (a) The Company is generally maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
(b) The fixed assets are physically verified by the Management in accordance with a phased verification programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
2. (a) The inventory (excluding stocks with third parties) has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
(b) In our opinion, the procedures of physical verification of inventory followed by the Management are, reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records, were not material.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
(b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, no major weakness has been noticed or reported.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lakh in respect of any party during the year, have been made at prices which are reasonable, having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by Reserve Bank of India and the provisions of Sections 58A and 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records, with a view to determine whether they are accurate or complete.

9. (a) According to the information and explanations given to us, and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of sales-tax, service-tax, customs duty, excise duty and cess as at 31st March, 2010, which have not been deposited on account of disputes, are as follows:

Nature of dues	Amount (Rs. in Crore)	Period to which the amount relates	Forum where the dispute is pending
Custom Duty	0.58	2000-01	High Court
	2.08	2004-05	Tribunal(CESTAT)
	0.42	2000-01 to 2003-04	Departmental Authorities
Excise Duty	5.96	1997-98 to 2001-02	Supreme Court
	0.08	2001-02 to 2006-07	High Court
	24.75	2002-03 to 2008-09	Tribunal
	8.48	1992-93 to 2007-08	Departmental Authorities
Sales Tax, Entry Tax, etc.	50.72	1996-97 to 2009-10	Supreme Court
	2.51	2005-06 to 2009-10	High Court
	21.18	1996-97	Departmental Authorities
Service Tax	0.40	1998-99	Tribunal
	0.27	2004-05 to 2008-09	Departmental Authorities
Cess on Water, Royalty, Energy, etc.	1.08	2001-02 to 2009-10	Supreme Court
	31.62	1985 to 2009-10	High Court
	8.90	1991-92 to 2009-10	Departmental Authorities

There were no disputed amounts due towards Income Tax and Wealth Tax.

10. The Company has no accumulated losses as at 31st March, 2010 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holder, during the year.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name.
14. 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.

15. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were raised.
16. On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, as at the close of the year, short term loans aggregating Rs.603.76 Crore stand utilized for long term investment.
17. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act, during the year.
18. On the basis of documents and records examined by us, the Company has, during the year, issued short term privately placed secured debentures from time to time, aggregating Rs.3,905 Crore (maximum balance outstanding during the year Rs.360 Crore), which have been repaid prior to creation of any security in favour of debentureholders.
19. The Company has not raised any money by way of public issue during the year.
20. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the year, nor have we been informed of such a case by the Management.
21. The other clauses, (iii)(b), (iii)(c), (iii)(d), (iii)(f), (iii)(g) and (xiii) of paragraph 4 of the Order are not applicable in the case of the Company for the year, since, in our opinion, there is no matter which arises to be reported under the aforesaid clauses.

For **DALAL & SHAH**
Firm Registration Number: 102021W
Chartered Accountants

Ashish Dalal
Partner

Membership No.: 33596

Mumbai: 3rd May, 2010

BALANCE SHEET AS AT 31st MARCH, 2010

	Schedule	31.3.2010 (Rs. in Crore)	31.3.2009 (Rs. in Crore)
I. SOURCES OF FUNDS :			
Shareholders' Funds :			
a) Share Capital	1	93.04	93.04
b) Reserves and Surplus	2	<u>1682.16</u>	<u>1402.48</u>
		1775.20	1495.52
Loan Funds :			
a) Secured Loans	3	1761.12	1714.98
b) Unsecured Loans	4	<u>605.67</u>	<u>43.31</u>
		2366.79	1758.29
Deferred Tax Liability (Net) [See Note 18]			
		251.34	290.08
Total :		<u>4393.33</u>	<u>3543.89</u>
II. APPLICATION OF FUNDS :			
Fixed Assets :			
a) Gross Block	5	4674.80	4549.78
b) Less: Depreciation		<u>2190.43</u>	<u>1970.03</u>
c) Net Block		2484.37	2579.75
d) Capital work in progress		<u>1287.38</u>	<u>228.29</u>
		3771.75	2808.04
Investments			
	6	58.43	46.54
Current Assets, Loans and Advances :			
a) Inventories	7	868.51	670.57
b) Sundry Debtors		225.11	150.89
c) Cash and Bank Balances		57.41	66.54
d) Other Current Assets		32.02	33.78
e) Loans and Advances		<u>751.01</u>	<u>672.24</u>
		<u>1934.06</u>	<u>1594.02</u>
Less:			
Current Liabilities and Provisions :			
a) Liabilities	8	824.60	681.02
b) Provisions		<u>552.53</u>	<u>327.74</u>
		<u>1377.13</u>	<u>1008.76</u>
Net Current Assets		556.93	585.26
Miscellaneous Expenditure			
(to the extent not written off or adjusted)	9	6.22	104.05
Total :		<u>4393.33</u>	<u>3543.89</u>
Notes forming part of the Accounts			
	17		

As per our report of even date
For **DALAL AND SHAH**
Firm Registration Number 102021 W
Chartered Accountants

ASHISH DALAL
Partner

Membership No: 33596

Mumbai :
3rd May, 2010

D. K. AGRAWAL
Secretary

Mumbai : 3rd May, 2010

B. L. JAIN
Whole-time Director

Directors
KUMAR MANGALAM BIRLA
PRADIP KUMAR DAGA
E. B. DESAI
ARVIND C. DALAL
AMAL GANGULI

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010

	Schedule	2009-2010 (Rs. in Crore)	2008-2009 (Rs. in Crore)
INCOME :			
Sales	10	4833.22	4215.91
Less : Excise Duty		<u>380.32</u>	<u>400.22</u>
Net Sales		4452.90	3815.69
Other Income	11	<u>94.67</u>	<u>74.97</u>
EXPENDITURE :			
Cost of Materials consumed, Purchases and Manufacturing Expenses	12	2600.48	2327.43
(Increase)/Decrease in Inventories	13	(107.48)	(74.87)
Payments to and Provisions for Employees	14	333.23	304.61
Selling and Other Expenses	15	<u>780.43</u>	<u>647.13</u>
		3606.66	3204.30
Less: Expenditure transferred to capital account		<u>5.78</u>	<u>5.31</u>
Interest and Finance Charges	16	<u>3600.88</u>	<u>3198.99</u>
		<u>100.53</u>	<u>103.01</u>
PROFIT BEFORE DEPRECIATION AND EXCEPTIONAL ITEMS			
		<u>3701.41</u>	<u>3302.00</u>
Depreciation and Amortisation		234.58	588.66
Less : Amount withdrawn from Revaluation Reserve		<u>0.11</u>	<u>205.40</u>
		<u>234.47</u>	<u>0.12</u>
PROFIT BEFORE EXCEPTIONAL ITEMS			
Exceptional Items [See Note 23]		<u>611.69</u>	<u>383.38</u>
PROFIT FOR THE YEAR BEFORE TAXATION			
Add / (Less) : Provision for Taxation :		<u>(88.16)</u>	<u>(36.43)</u>
Current Tax		523.53	346.95
Deferred Tax (See Note 18)		(205.50)	(39.00)
Fringe Benefit Tax		38.74	(39.25)
Wealth Tax		-	(3.30)
PROFIT FOR THE YEAR			
Add / (Less) :		<u>(0.61)</u>	<u>(0.60)</u>
Excess/(Short) Provision for taxation (Net)		356.16	264.80
Prior Period Adjustments (Net) (See Note 22)		(16.50)	(1.24)
Installment of Arrears of Depreciation [See Note 11]		<u>(0.19)</u>	<u>(0.71)</u>
		-	(26.31)
Add : Balance as per last account		<u>339.47</u>	<u>236.54</u>
Balance Available for Appropriation		<u>178.10</u>	<u>140.55</u>
APPROPRIATIONS :			
Proposed Equity Dividend		517.57	377.09
Tax on Proposed Equity Dividend		51.18	41.87
Transferred to General Reserve		8.50	7.12
Balance Carried to Balance Sheet		<u>150.00</u>	<u>150.00</u>
		<u>307.89</u>	<u>178.10</u>
		<u>517.57</u>	<u>377.09</u>
Weighted average number of Equity Shares outstanding during the year		<u>93045680</u>	<u>93045680</u>
Basic and diluted earnings per share of Rs. 10 each (in Rupees)			
- Including Exceptional Items		36.48	25.42
- Excluding Exceptional Items (Net of Tax)		<u>42.83</u>	<u>29.24</u>
Notes forming part of the Accounts	17		

As per our report of even date
For **DALAL AND SHAH**
Firm Registration Number 102021 W
Chartered Accountants

ASHISH DALAL

Partner

Membership No: 33596

Mumbai :
3rd May, 2010

D. K. AGRAWAL

Secretary

Mumbai : 3rd May, 2010

B. L. JAIN

Whole-time Director

Directors

KUMAR MANGALAM BIRLA

PRADIP KUMAR DAGA

E. B. DESAI

ARVIND C. DALAL

AMAL GANGULI

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010

	2009-2010 (Rs. in Crore)	2008-2009 (Rs. in Crore)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
PROFIT FOR THE YEAR BEFORE TAXATION	523.53	346.95
Add / (Less) :		
Depreciation and Amortisation	235.81	206.42
(Surplus) on sale / discardment of Fixed Assets (Net)	(2.64)	(54.09)
Loss on sale of Investment	0.06	-
Interest and Finance Charges (Net)	96.14	97.20
Dividend on Investments	(3.71)	(2.74)
Proportionate amounts written off against Miscellaneous Expenditure	115.83	99.99
Prior Period Adjustments (Net)	(0.27)	(0.71)
	<u>441.22</u>	<u>346.07</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	964.75	693.02
Adjustments for :		
Trade and other receivables	(73.52)	(4.76)
Inventories	(197.94)	(57.69)
Trade Payables	128.16	107.55
	<u>(143.30)</u>	<u>45.10</u>
CASH GENERATED FROM OPERATIONS	821.45	738.12
Add / (Less) :		
Voluntary Retirement Compensation	(15.22)	(16.00)
Direct Taxes Paid	(193.69)	(48.32)
	<u>(208.91)</u>	<u>(64.32)</u>
NET CASH GENERATED FROM OPERATING ACTIVITIES	<u>612.54</u>	<u>673.80</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets (Includes Borrowing Costs Capitalised)	(1,101.28)	(892.33)
Sale of Fixed Assets	9.09	72.37
Interest Received	4.34	6.59
Dividend on Investments	3.71	2.74
Long Term Investments Acquired	(12.20)	(18.84)
Long Term Investments Redeemed	0.25	-
Current Investments Acquired	(1,280.74)	(798.67)
Current Investments Sold	1,280.74	798.67
NET CASH USED IN INVESTING ACTIVITIES	<u>(1,096.09)</u>	<u>(829.47)</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2010 (contd.)

	2009-2010 (Rs. in Crore)	2008-2009 (Rs. in Crore)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Working Capital and Short Term Borrowings	274.26	(37.93)
Repayment of Other Borrowings	(497.20)	(368.64)
Other Loans Taken	831.44	748.08
Interest and Finance Charges paid	(90.18)	(117.89)
Dividend Paid	(41.80)	(41.78)
Tax on Dividend	(7.12)	(7.12)
NET CASH GENERATED FROM FINANCING ACTIVITIES	469.40	174.72
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(14.15)	19.05
CASH AND CASH EQUIVALENTS - Opening Balance	65.69	46.64
CASH AND CASH EQUIVALENTS - Closing Balance	51.54	65.69
Reconciliation to Cash and Bank Balances given in Schedule 7, is as follows :		
Cash and Bank Balances	57.41	66.54
Less: Lien marked deposits and interest accrued thereon	5.87	0.85
Cash and Cash Equivalents - Closing Balance	51.54	65.69

As per our report of even date
For **DALAL AND SHAH**
Firm Registration Number 102021 W
Chartered Accountants

ASHISH DALAL

Partner

Membership No: 33596

Mumbai :
3rd May, 2010

D. K. AGRAWAL

Secretary

Mumbai : 3rd May, 2010

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ARVIND C. DALAL

AMAL GANGULI

SCHEDULES "1" TO "17" ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 ST MARCH, 2010

SCHEDULE "1"	31.3.2010 (Rs. in Crore)	31.3.2009 (Rs. in Crore)
SHARE CAPITAL :		
Authorised :		
14,80,00,000 Equity Shares of Rs. 10 each.	148.00	148.00
1,00,00,000 Redeemable Cumulative Non-Convertible Preference Shares of Rs. 100 each.	100.00	100.00
	<u>248.00</u>	<u>248.00</u>
Issued :		
9,30,61,090 Equity Shares of Rs. 10 each.	93.06	93.06
	<u>93.06</u>	<u>93.06</u>
Subscribed :		
9,30,45,680 Equity Shares of Rs. 10 each, fully paid up [including 8,78,90,120 Equity Shares, issued as fully paid up Bonus Shares by way of capitalisation of Reserves and Securities Premium Account]	93.04	93.04
	<u>93.04</u>	<u>93.04</u>
Total :	<u>93.04</u>	<u>93.04</u>

SCHEDULE "2"

RESERVES AND SURPLUS :		
Capital Reserve Account		
As per last Balance Sheet	-	0.25
Less: Transferred to General Reserve	-	0.25
	<u>-</u>	<u>-</u>
Capital Redemption Reserve Account	100.00	100.00
Revaluation Reserve :		
As per last Balance Sheet	17.05	17.17
Less : Transferred to Profit and Loss Account	0.11	0.12
	<u>16.94</u>	<u>17.05</u>
General Reserve :		
As per last Balance Sheet	1107.33	952.89
Add :		
a) Transferred from Profit and Loss Account	150.00	150.00
b) Transferred from Capital Reserve	-	0.25
c) Exchange Fluctuation Capitalised	-	4.19
	<u>1257.33</u>	<u>1107.33</u>
Less :		
Payment against Fractional Bonus Coupons (Rs 11,923) [Previous year Rs 457]	-	-
	<u>1257.33</u>	<u>1107.33</u>
Balance as per annexed Profit and Loss Account	<u>307.89</u>	<u>178.10</u>
Total :	<u>1682.16</u>	<u>1402.48</u>

SCHEDULE "3"	31.3.2010 (Rs. in Crore)	31.3.2009 (Rs. in Crore)
SECURED LOANS :		
Sales Tax Loan from Madhya Pradesh Audyogik Vikas Nigam (Interest free) [See Note 1 (a)]	0.01	0.09
Term Loans from Banks [See Note 1 (b)] :		
- Rupee Loans	1330.93	1300.96
- Foreign Currency Loans	-	91.60
	1330.93	1392.56
Short Term Rupee Loan from a Bank [See Note 1 (b)]	250.00	150.00
Working Capital Loans from Banks [See Note 1 (c)]	180.18	172.33
Total :	1761.12	1714.98

SCHEDULE "4"

UNSECURED LOANS :		
Fixed Deposits [See Note 4 (a)]	42.14	25.71
Short Term Borrowings :		
- From Banks -		
Under Buyer's Credit Arrangement	413.53	17.60
Rupee Loans	100.00	-
	513.53	17.60
Commercial Paper (Maximum balance outstanding during the year Rs. 95.00 Crore; Previous year Rs. Nil)	50.00	-
Total :	605.67	43.31

SCHEDULE "6"	31.3.2010 (Rs. in Crore)	31.3.2009 (Rs. in Crore)
INVESTMENTS :		
LONG TERM INVESTMENTS (AT COST) :		
TRADE :		
Unquoted :		
Fully Paid :		
2	Equity Shares of Rs. 5,000 each, of Maharashtra Co-operative Floriculture Development Society Ltd. (Rs.10,000); [31.3.2009 (Rs. 10,000)].	
OTHER THAN TRADE :		
Government and Trust Securities :		
Quoted :		
1,66,200	12.32 % Government of India Bonds	1.88
50,000	11.83 % Government of India Bonds	0.56
50,000	10.70 % Government of India Bonds	0.53
75,000	7.95 % Government of India Bonds	0.91
25,000	7.95 % Government of India Bonds	0.30
2,00,000	6.95 % Tamil Nadu State Development Loan	2.07
25,000	11.00 % Andhra Pradesh State Development Loan	-
90,000	8.20% Government of India Bonds (Oil Special Bond 2024)	0.89
	<u>7.14</u>	-
		<u>6.56</u>
Unquoted :		
6 Years National Savings Certificates of the aggregate face value of (Rs.36,000); [31.3.2009 (Rs. 36,000)] [Matured but not encashed (Rs. 8,500); 31.3.2009 (Rs.11,000)][@] [@] Deposited with Government Departments [31.03.2010 (Rs. 36,000); 31.03.2009 (Rs. 36,000)]		
	<u>7.14</u>	<u>6.56</u>
Shares and Other Investments :		
Quoted :		
Fully paid :		
4,538	Equity Shares of Rs. 10 each, of Tata Motors Ltd.	0.01
1,50,000	Equity Shares of Rs. 10 each, of Jayshree Tea and Industries Ltd.	0.19
18,75,000	Equity Shares of Rs. 10 each, of Mangalam Cement Ltd.	3.23
7,60,000	Equity Shares of Rs. 10 each, of Mangalam Timber Products Ltd.	0.76
7,66,887 (2,55,477)	Equity Shares of Rs. 10 each, of Century Enka Ltd.	12.06
21,32,000	Equity Shares of Rs. 10 each, of Kesoram Industries Ltd.	31.60
	<u>47.85</u>	<u>39.28</u>
Carried Over	54.99	45.84

SCHEDULE "6" (Contd.)

	31.3.2010 (Rs. in Crore)	31.3.2009 (Rs. in Crore)
Brought Over	54.99	45.84
Unquoted :		
Fully paid :		
85 Equity Shares of Rs.100 each, of Maharashtra State Financial Corporation (Rs.8,500); [31.3.2009(Rs.8,500)]		
2 Shares of Rs. 50 each, of The Maharashtra State Co-operative Bank Ltd.(Rs. 114); [31.3.2009(Rs.114)]		
5,625 Equity Shares of Rs. 100 each, of Industry House Ltd.	0.04	0.04
12,000 Equity Shares of Rs. 10 each, of Birla Consultants Ltd.	0.01	0.01
4,22,496 Shares of Pesos 10 each, of Indo Phil Textile Mills Inc., Republic of Philippines.	0.04	0.04
2,500 Ordinary Shares of Swiss Francs 100 each, of Birla International Ltd.	0.52	0.52
3,75,000 Equity Shares of Rs. 10 each, of Bander Coal Company Pvt. Ltd.	0.38	-
2,25,000 Equity Shares of Rs. 10 each, of Kesoram Insurance Broking Services Ltd.	0.05	0.05
1,25,000 Equity Shares of Rs. 2 each, of Kesoram Textile Mills Ltd. (alloted without any consideration in terms of the Scheme of Arrangement against holding of 1,25,000 Shares of Rs. 10 each, held in Kesoram Industries Ltd.)	-	-
41,400 Equity Shares of Rs. 10 each, of Vasavadatta Services Ltd.	0.04	0.04
	1.08	0.70
5,00,000 Preferential Warrants of Century Enka Ltd. (25% partly paid)	2.36	-
	3.44	0.70
Total : Long Term Investments	58.43	46.54

Note: All the above Long Term Investments are intended to be held on a long term basis and have been classified accordingly.

Book value / Market value of Investments :

	Book-Value		Market-Value	
	31.3.2010 (Rs. in Crore)	31.3.2009 (Rs. in Crore)	31.3.2010 (Rs. in Crore)	31.3.2009 (Rs. in Crore)
Quoted	54.99	45.84	147.65	50.55
Unquoted	3.44	0.70		
Total :	58.43	46.54		

During the year the Company acquired and sold the following Current Investments :

	Acquisition cost	
	Nos.	(Rs. In Crore)
Dividend Option (Units of Rs. 10 each)		
(i) SBI Mutual Fund	615875964	1031.61
(ii) ICICI Prudential Mutual Fund	76825575	249.13
		1280.74

SCHEDULE "7"	31.3.2010 (Rs. in Crore)	31.3.2009 (Rs. in Crore)
CURRENT ASSETS, LOANS AND ADVANCES :		
a) Inventories :		
(At cost or net realisable value, whichever is lower) :		
Stores, Spares, etc.	210.57	218.03
Stock in trade :		
Raw Materials	269.30	155.66
Materials in process	144.87	112.89
Finished Goods	226.61	139.44
Goods for Trade	<u>10.57</u>	<u>17.52</u>
	651.35	425.51
Goods in transit, at cost to date	<u>6.50</u>	<u>27.03</u>
	868.42	670.57
Discarded Assets at Scrap value	<u>0.09</u>	-
	868.51	670.57
b) Sundry Debtors, Unsecured :		
(i) Outstanding for a period exceeding six months :		
Good	3.22	2.10
Doubtful	3.97	3.98
Less : Provision	<u>3.97</u>	<u>3.98</u>
	-	-
	3.22	2.10
(ii) Other, Good	<u>221.89</u>	<u>148.79</u>
	225.11	150.89
c) Cash and Bank Balances :		
Cash on hand [including cheques on hand Rs. 2.85 Crore (31.3.2009 Rs. 2.12 Crore)]	3.41	2.57
Remittances in Transit	3.60	1.38
Bank Balances with Scheduled Banks :		
In Current Accounts	44.44	61.74
In Margin Money Accounts	0.09	-
In Deposit Accounts	5.77	0.79
Add : Interest accrued thereon	<u>0.10</u>	<u>0.06</u>
	5.87	0.85
	<u>50.40</u>	<u>62.59</u>
	57.41	66.54
d) Other Current Assets :		
Interest accrued on Investments	0.11	0.10
Interest and subsidy receivable	25.44	26.66
Other Receivables	<u>6.47</u>	<u>7.02</u>
	32.02	33.78
e) Loans and Advances, Unsecured, Good, unless otherwise specified :		
Advances recoverable in cash or in kind or for value to be received :		
Good	266.92	392.33
Doubtful	2.92	1.47
Less : Provision	<u>2.92</u>	<u>1.47</u>
	-	-
	266.92	392.33
Balances with Custom, Port Trust, Central Excise, State Governments, etc.	31.14	15.58
Tax paid in Advance	<u>452.95</u>	<u>264.33</u>
	751.01	672.24
Total :	1934.06	1594.02

SCHEDULE "8"	31.3.2010 (Rs. in Crore)	31.3.2009 (Rs. in Crore)
CURRENT LIABILITIES AND PROVISIONS :		
a) Liabilities :		
* Sundry Creditors (See Notes 3 and 4)	807.43	673.32
Overdrawn Bank Balance as per books	1.62	4.06
Interest accrued but not due on loans	<u>15.55</u>	<u>3.64</u>
	824.60	681.02
b) Provisions :		
Taxation	461.55	244.01
Employee Benefits	31.30	34.74
Proposed Equity Dividend	51.18	41.87
Tax on Proposed Equity Dividend	<u>8.50</u>	<u>7.12</u>
	552.53	327.74
Total :	<u>1377.13</u>	<u>1008.76</u>
* Includes Rs.0.90 Crore being commission payable to the Non-Whole time Directors (Previous year Rs. 0.89 Crore).		
Note :		
There is no amount due and outstanding to be credited to Investors Education and Protection Fund as at Balance Sheet date other than cases under litigation among claimants regarding beneficial ownership. (Refer Note 4).		
SCHEDULE "9"		
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted) :		
a) "Front-End Fees" on Borrowings :		
As per last Balance Sheet	6.00	-
Incurred during the year	<u>2.78</u>	<u>6.53</u>
	8.78	6.53
Less : Written off	<u>2.56</u>	<u>0.53</u>
	6.22	6.00
b) Compensation under Voluntary Retirement Scheme and Exit payments :		
As per last Balance Sheet	98.05	181.51
Incurred during the year	<u>15.22</u>	<u>16.00</u>
	113.27	197.51
Less : Written off [Includes Rs. 87.77 Crore (Previous year Rs. 89.10 Crore) written off as an exceptional item]	<u>113.27</u>	<u>99.46</u>
	-	98.05
Total :	<u>6.22</u>	<u>104.05</u>

SCHEDULE "10"	2009-2010 (Rs. in Crore)	2008-2009 (Rs. in Crore)
SALES :		
Sales (See Note 8)	4865.43	4256.69
Less: Rebates	30.45	39.24
Returns	<u>1.76</u>	<u>1.54</u>
	32.21	40.78
Total :	<u>4833.22</u>	<u>4215.91</u>

SCHEDULE "11"

OTHER INCOME :

Dividend (On Investments Other than Trade) :		
From Mutual Funds	0.73	0.67
From Domestic Companies	2.92	2.00
From a Foreign Company	<u>0.06</u>	<u>0.07</u>
	3.71	2.74
Interest Received (Gross, Tax Deducted at Source Rs. 0.69 Crore; Previous year Rs. 0.49 Crore) :		
On Government Securities	0.56	0.57
On Income Tax Refund	0.73	1.97
Others	<u>3.10</u>	<u>3.27</u>
	4.39	5.81
Rent from Properties (Gross, Tax Deducted at Source Rs.1.46 Crore ; Previous year Rs. 2.26 Crore)	10.14	10.48
Lease Rent received under ' Own Your Wagon ' scheme	0.48	0.49
Surplus on sale of Fixed Assets	3.85	0.62
Bad debts previously written off, now recovered	0.16	0.01
Gain on Foreign Currency Fluctuation (Net)	4.70	-
Export Benefits	10.42	8.83
Sale of Scrap	15.74	17.14
Insurance and Other Claims	1.06	1.15
Miscellaneous Income [Gross, Tax Deducted at Source (Rs.10,769) Previous year (Rs. 31,852)]	25.11	15.70
Provisions no longer required	14.91	<u>12.00</u>
Total :	<u>94.67</u>	<u>74.97</u>

SCHEDULE "12"	2009-2010 (Rs in Crore)	2008-2009 (Rs in Crore)
COST OF MATERIALS CONSUMED, PURCHASES AND MANUFACTURING EXPENSES :		
a) Raw Materials Consumed :		
Opening Stock	155.66	207.43
Add : Purchases (Net of Sales) (including cost of raising and transporting Limestone, Shale and Laterite Rs. 106.08 Crore; Previous year Rs 90.80 Crore) [See Note 10 (a)]	<u>1183.59</u>	<u>872.79</u>
	1339.25	1080.22
Less : Closing Stock	<u>269.30</u>	<u>155.66</u>
	1069.95	924.56
b) Purchase of Finished Goods for Trade [See Note 9 (B)]		
	14.73	26.61
c) Manufacturing Expenses :		
Stores and Spare Parts consumed	506.61	509.43
Job Work Charges	5.42	1.70
Power, Fuel and Water	903.76	787.95
Building Repairs	15.77	16.56
Machinery Repairs	59.16	53.20
Floriculture Cultivation Expenses [Refer Note 10 (b)]	1.36	1.27
Other Expenses	<u>23.72</u>	<u>6.15</u>
	1515.80	1376.26
Total :	2600.48	<u>2327.43</u>
SCHEDULE "13"		
(INCREASE)/DECREASE IN INVENTORIES		
Opening Stocks :		
Finished Goods	139.44	113.50
Materials in process	112.89	63.45
Goods for Trade	<u>17.52</u>	<u>19.23</u>
	269.85	196.18
Closing Stocks :		
Finished goods	226.61	139.44
Materials in process	144.87	112.89
Goods for Trade	<u>10.57</u>	<u>17.52</u>
	382.05	269.85
	(112.20)	(73.67)
Add / (Less) : Variation in Excise Duty on Closing and Opening Stock of Finished Goods	4.72	(1.20)
Total :	(107.48)	<u>(74.87)</u>

SCHEDULE "14"	2009-2010 (Rs in Crore)	2008-2009 (Rs in Crore)
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES :		
Salaries, Wages, Bonus, etc.	277.76	248.59
Contribution to Provident and Other Funds	34.57	33.63
Welfare Expenses	19.72	21.80
Provident and Other Fund Expenses	1.18	0.59
Total :	333.23	304.61
SCHEDULE "15"		
SELLING AND OTHER EXPENSES :		
Rent	13.51	17.48
Rates and Taxes	7.57	2.61
Insurance	7.39	8.67
Freight, Forwarding, Octroi, etc.	572.56	443.17
Advertisement and Publicity	7.56	9.65
Miscellaneous Expenses	99.48	97.28
Loss on Foreign Currency Fluctuation (Net)	-	10.57
Advances, Loans and other debit balances, written off	0.61	0.92
Donations	0.21	-
Commission	29.75	24.88
Brokerage, Discount, Incentives, etc.	8.78	16.33
Director's Commission, Fees and Travelling Expenses	1.16	1.10
Bad Debts	0.01	0.83
Loss on sale / discardment of Fixed Assets	2.72	1.67
Loss on sale of Investment	0.06	-
Provision for Doubtful Debts and Advances	1.99	1.08
Proportionate amounts written off against "Miscellaneous Expenditure"	27.07	10.89
Total :	780.43	647.13
SCHEDULE " 16"		
INTEREST AND FINANCE CHARGES :		
Interest :		
Debentures	7.72	13.18
Fixed Loans *	113.23	106.07
Others	16.79	24.29
	137.74	143.54
Other Finance Charges	2.42	1.26
	140.16	144.80
Less :		
Borrowing Costs Capitalised	39.63	41.79
Total :	100.53	103.01
* Net of subsidy Rs. 35.18 Crore (Previous year Rs.35.45 Crore) under the Technology Upgradation Fund Scheme of the Government of India.		

SCHEDULE "17"

NOTES FORMING PART OF THE ACCOUNTS :

1. Secured Loans :

- (a) Sales Tax Interest Free Loan from Madhya Pradesh Audyogik Vikas Nigam is secured by hypothecation and mortgage on the movable and immovable properties of Century Cement at Raipur and Maihar Cement at Maihar, present and future and such charge to remain subsequent to the charges created / to be created by the Company in favour of Rupee/ Foreign Currency Term Loans from Banks. (Due within one year Rs. 0.01 Crore).
- (b) Rupee loans from Banks are secured / to be secured by first pari passu mortgage / hypothecation of all the immovable / movable fixed assets, present and future, of the Company's Birla Century, Cement, Pulp & Paper (excluding leasehold land) and Rayon Divisions and second charge created / to be created in favour of certain term lenders on the current assets of the Company. Loans for the Company's Century Denim Division are also secured by mortgage / hypothecation of all the immovable / movable fixed assets of the Denim Division. Short Term Rupee Loan is secured by way of second and subservient charge on movable current assets of the Company (Due within one year Rs. 394.56 Crore).
- (c) Pre-shipment, Post-shipment, Cash Credits, Working Capital Demand Loans and Export Bills Discounting facilities are secured against the hypothecation of the whole of the Company's Raw Materials, Finished Goods, Materials-in-process, Stores and Spares, present and future Book Debts, Receivables, etc. and second charge created / to be created over movable and immovable fixed assets of Birla Century, Cement, Pulp & Paper (excluding leasehold land) and Rayon Divisions of the Company. Inland Bills discounting facilities from Banks are secured against Railway Receipts, Lorry Receipts, etc.
- (d) The charge by way of hypothecation of Raw Materials, Finished and Semi-finished goods and Stores and Spares in favour of banks, also extends to the guarantees given by the banks on behalf of the Company, aggregating Rs. 149.68 Crore (31.3.2009 Rs. 125.70 Crore).

2. (a) 44 hectares of land were acquired at Manikgarh Cement Division and were subsequently surrendered to the Forest Department, Government of India, pursuant to the provisions of the Forest Conservation Act, 1980. The amount of compensation payable will be accounted for when determined by the Collector.

- (b) In respect of Manikgarh Cement Division, Land measuring 41.20 hectares occupied by the Forest Department and disputed by the Company was adjudicated by the Collector and the Divisional Commissioner (Appeals) in favour of the Company. The Government of Maharashtra on a reference made by the Forest Department directed the Collector for a fresh demarcation of the site boundaries and has also directed the Forest Department to refund the compensation paid by the Company along with interest for the land falling within their boundary. The Revisional Authority has since observed that approx. 17 hectares of land falls within the boundaries of the reserved forest. The Company has filed a writ petition before the Bombay High Court, Nagpur bench against the said order. Adjustments, if any will be made, in the year in which the matter is finally settled.

3. (a) 'Sundry Creditors' in Schedule '8' to the Accounts include (i) Rs.0.20 Crore (31.3.2009 - Rs.0.02 Crore) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME); and (ii) Rs.807.23 Crore (31.3.2009- Rs. 673.30 Crore) due to other creditors.

- (b) No interest is paid / payable during the year to any enterprise registered under the MSME.

- (c) The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSME.

4. (a) Unclaimed Fixed deposits amounting to (Rs.22,500) [31.3.2009 (Rs. 22,500)] and (Rs. 3,150) [31.3.2009 (Rs. 3,150)] being interest accrued and due thereon remain unpaid in view of the internal disputes between the claimants which has been referred to the Court whose decision is awaited.

- (b) Unclaimed Dividends amounting to Rs.0.02 Crore (31.3.2009 Rs. 0.02 Crore) is pending on account of litigation among claimants / Notices from Tax Recovery Officer.

SCHEDULE "17" (Contd.)**NOTES FORMING PART OF THE ACCOUNTS : (Contd.)**

	31.3.2010 (Rs. in Crore)	31.3.2009 <u>(Rs. In Crore)</u>
5. Contingent Liabilities not provided for :		
(a) Guarantees given by the Company's bankers [Guarantees have been given by the Company's bankers in the normal course of business and are not expected to result in any liability on the Company]	1.89	1.89
(b) (i) Claims against the Company not acknowledged as debts in respect of :		
- Custom Duty and Excise Duty	37.89	24.24
- Sales Tax and Entry Tax	35.96	28.78
- Power Charges	23.72	276.41
- Royalty	168.80	143.31
- Others	18.60	36.07
(ii) Claims against members of a "Business Consortium of Companies" in which the Company had an interest not acknowledged as debts. (proportionate)	17.48	17.19
(c) Registration and Road Tax on Dumper of the Cement Division	Amount not determinable	
(d) Disputed tax matters in appeal	2.81	0.46
(e) Liability on account of Jute packaging obligation upto 30th June, 1997 under the Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987 -	Amount not determinable	
Note : Item No.5(b) to 5(e)		
(The Company has taken legal and other steps necessary to protect its position in respect of these claims, which based on legal advice are not sustainable. It is not possible to make any further determination of the liabilities which may arise or the amounts which may be refundable in these respects).		
6. (a) Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	755.83	977.87
(b) Unpaid liability in respect of 5,00,000 preferential warrants of Century Enka Ltd.	7.09	-
(c) Lease rental obligation :		
- not later than one year	7.31	7.11
- later than one year and not later than five years	6.62	8.17
- later than five years	1.91	2.45
(d) Lease rental income :		
- not later than one year	3.73	8.66
- later than one year but not later than five years	11.43	10.55
- later than five years	1.38	1.27

SCHEDULE "17" (Contd.)

NOTES FORMING PART OF THE ACCOUNTS : (Contd.)

7. Capacity, Production, Turnover and Stocks :

(A) Licensed and Installed Capacity and Production :

Class of Goods	Licensed/Registered Capacity		Installed Capacity (c)		Production (a)	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009	2009-2010	2008-2009
Cloth)	31,608,000	31,608,000	25,000,000	25,000,000	16,131,539	51,627
) Mtrs.		Mtrs.	Mtrs.	Mtrs.	Mtrs.	Mtrs.
Made Ups)					370,420	-
) Sets					Sets	Sets
Cotton Yarn/Blended Yarn	25,200	25,200	24,960	24,960	3,992,257	4,540,909
) Spindles		Spindles	Spindles	Spindles	Kgs.	Kgs.
Denim Cloth	21,000,000	21,000,000	21,000,000	21,000,000	14,322,319	14,551,346
) Mtrs.		Mtrs.	Mtrs.	Mtrs.	Mtrs.	Mtrs.
) M.T.		M.T.	M.T.	M.T.	M.T.	M.T.
Viscose Filament Yarn and Viscose Tyre Yarn/Industrial Yarn (b) (i)	30,000	30,000	25,000	25,000		
Rayon Yarn					18,130	17,336
Tyre Yarn and Fabric)					(d) 2,200	(d) 4,527
High Performance) (b)						
Viscose Staple Fibre)					-	-
Sulphuric Acid (i)	71,000	71,000	71,000	71,000	67,504	65,787
Carbon di-sulphide (i)	20,000	20,000	18,000	18,000	16,440	15,192
Caustic Soda (i)	28,426	28,426	20,500	20,500	19,302	20,254
Liquid Chlorine (i)	25,000	25,000	17,500	17,500	15,998	16,950
Hydrochloric Acid	47,241	47,241	19,241	19,241	4,237	3,380
Refined Salt (h)	144,000	100,000	100,000	100,000	73,643	55,135
Salt					91,666	31,707
Cement (e) & (k)	7,800,000	7,800,000	7,800,000	7,800,000	7,583,216	7,215,610
Paper including Paper Board/Straw Board	29,800	29,800	37,250	37,250	(n) 39,229	(n) 39,234
Rayon and/or Paper Grade Pulp (f)	20,000	20,000	31,320	31,320	37,320	36,865
Bagasse based Paper (g)		(g)	84,600	84,600	(o) 85,386	(o) 84,670
Newsprint	20,000	20,000	-	-	-	-
Recycle Based Paper (l)		(l)	75,960	75,960	(p) 88,605	(p) 83,627
Prime Grade Tissue Paper (m)		(m)	36,000	36,000	13,546	2,636
Compressed Hydrogen M ³ (i)	8,000,000	8,000,000	6,200,000	6,200,000	5,513,648	5,991,767
) Nos.		Nos.				
Spinning Machines and other equipments	74	74	(j)	(j)	-	-

SCHEDULE "17" (Contd.)

NOTES FORMING PART OF THE ACCOUNTS : (Contd.)

7. Capacity, Production, Turnover and Stocks : Contd.

(A) Licensed and Installed Capacity and Production : Contd.

Class of Goods	Licensed/Registered Capacity		Installed Capacity (c)		Production (a)	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009	2009-2010	2008-2009
					Nos.	Nos.
Cut Rose Flowers	Not applicable	Not applicable	450,000 Mother Plants equivalent to 7200000 Flowers per annum	375,000 Mother Plants equivalent to 6000000 Flowers per annum	6,131,391 Flowers	4,715,673 Flowers
Carnation Flowers	Not applicable	Not applicable	-	25,000 Mother Plants equivalent to 190000 Flowers per annum	-	26,954 Flowers
Carnation Plants	Not applicable	Not applicable	-	7,500 Mother Plants equivalent to 375000 Plants per annum	-	102,275 Plants
Gerbera Flowers	Not applicable	Not applicable	10,000 Mother Plants equivalent to 360000 Flowers per annum	10,000 Mother Plants equivalent to 360000 Flowers per annum	264,861 Flowers	130,175 Flowers
Rose Plants	Not applicable	Not applicable	325,000 Rose Plants per annum	1,200,000 Rose Plants per annum	278,840 Plants	408,650 Plants

- (a) Including production for internal consumption and regenerated and/or reprocessed production.
- (b) Licensed and Installed capacity includes for High Performance Viscose Staple Fibre and Tyre Yarn Fabric.
- (c) As certified by the Management and being a technical matter accepted by the Auditors as correct.
- (d) Includes Nil for Captive Consumption (2008-2009, 97 M.T.).
- (e) Memorandum / Applications for enhanced capacities are filed with Appropriate Authorities for Century Cement.
- (f) Company holds letter of Intent No. 16(1997) dated 28.1.1997 for enhancement of capacity upto 31,320 M.T.
- (g) For Bagasse based Paper Plant, Company has filed memorandum to manufacture 84600 M.T. of paper with Department of Industrial Development, Ministry of Industry, Government of India.
- (h) Capacity as per registration given by Dy.Salt Commissioner vide its office letter No.18(9) salt/91/1143 dated 19th January, 1999. Revised Capacity vide Dy.Salt Commissioner office letter No. 18(9)Salt/91/Pt.I/150 dated 05.01.2010
- (i) Company has filed memorandum with the Department of Industrial Development, Ministry of Industry for additional capacity Vide letter No. 1839/ SIA/IMO/2003 dated 9th July, 2003, letter No. 1977/SIA/IMO/2003 dated 24th July, 2003 and letter No. 2032/SIA/IMO/2007 dated 17th July, 2007
- (j) Central workshop facilities have been closed.
- (k) Licensed/Registered and Installed capacity increased by 600000 MT w.e.f. 01.01.2008 and 400000 MT w.e.f 01.03.2008.
- (l) For Recycle based Paper Plant, Company has filed memorandum to manufacture 75,960 M.T. of paper with Ministry of Commerce & Industry, Government of India.
- (m) For Prime Grade Tissue Paper Plant, Company has filed memorandum to manufacture 36000 M.T. of paper with Ministry of Commerce & Industry, Government of India.
- (n) Net after Reprocessing / Repulping - Nil MT (2008-2009, 2 MT)
- (o) Net after Reprocessing / Repulping - 49 MT (2008-2009, 100 MT)
- (p) Net after Reprocessing / Repulping - Nil MT (2008-2009, 3031 MT)

SCHEDULE "17" (Contd.)

NOTES FORMING PART OF THE ACCOUNTS : (Contd.)

7. Licensed and Installed Capacity, Production, Turnover and Stocks - Contd.

B) Stocks and Turnover :

Class of Goods	Unit	Opening stock		Closing stock		Turnover (C)		Sundries (a)	
		1.04.2009	1.04.2008	31.03.2010	31.03.2009	2009-2010	2008-2009	2009-2010	2008-2009
		Quantity (Rs. in Crore)	Quantity (Rs. in Crore)	Quantity (Rs. in Crore)	Quantity (Rs. in Crore)	Quantity (Rs. in Crore)	Quantity (Rs. in Crore)	Quantity	Quantity
Goods Manufactured :									
Cloth (@)	Mtrs.	113824	160731	143232	113824	111982	46907	(141390)	-
Cloth - Bria Century - Cloth	Mtrs.	15397	-	3074968	15397	12761816	36230	310152	-
Cloth - Bria Century - Made Ups	Sets	-	-	282538	-	85593	-	2289	-
Cotton Yarn/Blended Yarn	Kgs.	380031	429676	158079	380031	3107	407195	1086088	-
Denim Cloth	Mtrs.	763287	822700	552892	763287	14532714	14610759	-	-
Rayon Yarn	M.T.	689	821	787	689	18028	17467	-	1
Tyre Yarn and Fabric	M.T.	2860	2570	1941	2860	3107	4233	4	4
Sulphuric Acid	M.T.	392	597	471	392	46830	44134	20595	21858
Carbon-di-sulphide	M.T.	40	45	79	40	10457	8743	5944	6454
Caustric Soda	M.T.	111	183	199	111	4603	4806	14611	15520
Liquid Chlorine	M.T.	179	62	92	179	16035	16770	50	63
Hydrochloric Acid	M.T.	194	99	64	194	2872	2091	1495	1194
Refined Salt	M.T.	2955	3162	8091	2955	68228	55335	279	7
Salt	M.T.	1839	2317	14942	1839	-	-	78563	32185
Cement	M.T.	105364	105932	249539	105364	7389994	7169442	49047	7225
Paper (including Paper Board/ Straw Board)	M.T.	1101	303	2901	1101	37422	38428	7	0
Rayon and/or Paper Grade Pulp	M.T.	2047	4966	6168	2047	11363	11483	21836	13025
Bagasse Based Paper	M.T.	4989	565	2013	4989	88358	80243	4	3
Recycle Based Paper	M.T.	3879	4591	1015	3879	91466	84336	3	3
Prime Grade Tissue Paper	M.T.	1407	717	3779	1407	11174	1229	633	-
Compressed Hydrogen	M ³	11749	4969	4016	11749	5516747	5980387	4634	4600
Cut Rose Flowers	Nos.	140135	55835	68990	140135	6085909	4440230	104715	265392
Carnation Flowers	Nos.	-	9086	-	-	-	36040	-	-
Carnation Plants	Nos.	-	110975	-	-	-	12226	-	201024
Gerbera Flowers	Nos.	4781	278	1635	4781	259427	124144	8580	1528
Rose Plants	Nos.	98005	95535	42393	98005	128687	243493	205765	168937
Waste (Rayon)	Nos.	-	0.69	0.23	-	-	-	-	-
By-products		-	0.25	1.11	-	-	-	-	-
Clinker		-	-	-	-	-	-	-	-
Sale Yarn	Kgs.	-	-	-	-	-	-	-	-
Others		-	1.47	1.10	-	-	-	-	-
Goods traded in :									
Garments	Pcs.	538936	532741	345122	538936	605489	720103	(6056)	(2478)
Fabrics	Mtrs.	50761	81130	7299	50761	48046	254100	(670)	183
Cut Rose Flowers	Nos.	-	-	-	-	110822	1665182	1.45	-
Gerbera Flowers	Nos.	-	-	-	-	-	2430	(Rs. 8505)	-
Rose Plants	Nos.	-	-	-	-	-	35489	0.02	-
Refined Salt	M.T.	-	-	-	-	13038	1831	0.49	-
Towels		-	-	43139	-	5535	-	-	-
Others		-	0.14	0.13	-	-	-	-	-
Total :		157.36	133.05	237.41	157.36	4865.43	4256.69		

(a) Sundries include interunit / self consumption, Damages, Loss in transit, Free Samples, Moisture gain, loss due to rain wash, Handling, Cutting and Fire Loss, etc.

(b) Included in Materials in process.

(c) See Note 8

(e) Including Conversions

SCHEDULE "17" (Contd.)**NOTES FORMING PART OF THE ACCOUNTS : (Contd.)**

8. Sales are net of cash discounts Rs.45.11 Crore (2008-2009 Rs. 28.91 Crore).
9. Raw Materials Consumed, Purchase of Finished Goods for Trade and Imported and Indigenous material consumption:

(A) Raw Materials Consumed :

	Unit	2009-2010		2008-2009	
		Quantity	(Rs. in Crore)	Quantity	(Rs. in Crore)
Cotton	Kgs.	18449981	140.92	16927867	109.11
Cotton Yarn	Kgs.	2153607	30.18	1452847	17.11
Wood Pulp	M.T.	6782	51.05	7823	50.80
Salt	M.T.	49514	6.61	75465	8.13
Sulphuric Acid	M.T.	20595	(a)	21857	(a)
Zinc and Zinc Oxide	M.T.	176	1.83	197	1.75
Sulphur	M.T.	37137	18.46	35553	71.54
Charcoal	M.T.	4799	6.51	4462	5.88
Caustic Soda	M.T.	14611	(a) (b) 0.62	15520	(a) (b) 0.58
Carbon - di - Sulphide	M.T.	5943	(a)	6454	(a)
Limestone	M.T.	8011133	129.23	7653873	105.11
Gypsum	M.T.	298142	56.76	300507	57.44
Pozzolana	M.T.	1890108	99.49	1592363	74.65
Slag	M.T.	176379	9.95	256498	12.13
Laterite	M.T.	237413	8.81	253992	6.19
Shale	M.T.	-	-	3342	0.03
Iron Ore	M.T.	14609	1.37	11995	1.64
Eucalyptus Wood	M.T.	223485	116.97	211724	98.42
Bamboo	M.T.	8346	4.65	10272	5.01
Pulp for Paper	M.T.	39025	106.32	19037	68.37
Bagasse	M.T.	358808	117.52	255143	57.00
Poplar	M.T.	-	-	4	(Rs.14752)
Waste Paper	M.T.	107723	162.28	99330	167.65
Others			0.42		6.02
Total :			1,069.95		924.56

(a) Internal Consumption

(b) Octroi Duty on Internal Consumption.

(B) Purchase of Finished Goods for Trade:

	Unit	2009-2010		2008-2009	
		Quantity	(Rs. in Crore)	Quantity	(Rs. in Crore)
Garments	Pcs.	405619	11.17	723820	20.64
Fabrics	Mtrs.	3914	0.17	223914	3.35
Cut Rose Flowers	Nos.	98910	0.03	1739431	0.96
Rose Plants	Nos.	-	-	41739	0.01
Gerbera Flowers	Nos.	-	-	2430	(Rs. 8330)
Refined Salt	M.T.	13038	2.60	1831	0.26
Towels	Pcs	51194	0.16	-	-
Others			0.60		1.39
			14.73		26.61

SCHEDULE "17" (Contd.)

NOTES FORMING PART OF THE ACCOUNTS : (Contd.)

9. (C) Imported and Indigenous Consumption:

	2009-2010		2008-2009	
	(Rs. in Crore)	Percentage	(Rs. in Crore)	Percentage
(a) Raw Materials :				
Imported	242.38	22.65	204.05	22.07
Indigenous	827.57	77.35	720.51	77.93
	<u>1,069.95</u>	<u>100.00</u>	<u>924.56</u>	<u>100.00</u>
(b) Spare Parts				
Imported	34.35	24.12	51.43	26.84
Indigenous	108.04	75.88	140.19	73.16
	<u>142.39</u>	<u>100.00</u>	<u>191.62</u>	<u>100.00</u>

	2009-2010 (Rs. in Crore)	2008-2009 (Rs. in Crore)
10. (a) Expenditure incurred during the year on Cost of raising and transporting Limestone, Shale and Laterite :		
Stores and Spare Parts consumed	10.80	10.22
Power and Fuel	11.82	10.89
Repairs to Plant and Machinery	1.12	1.15
Payments to and Provisions for employees	9.37	9.29
Insurance	0.08	0.06
Royalty and Cess	44.04	35.11
Building Repairs	0.86	0.95
Hire Charges of Mining Equipments	23.85	18.44
Other Expenses	2.80	3.55
	<u>104.74</u>	<u>89.66</u>
Depreciation and Amortisation	1.34	1.14
Total :	<u>106.08</u>	<u>90.80</u>
(b) Floriculture Cultivation Expenses :		
* Stores, Spares and Packing Material Consumed	0.77	0.62
Carnation, Propagation and Cultivation Expenses	0.03	0.02
Gladiolus Bulbs Cultivation Expenses	0.11	-
Capsicum Cultivation Expenses	(Rs.24500)	-
Polyhouse Repairs and Maintenance	0.02	0.12
Salaries, Wages, etc.	0.39	0.47
Contribution to Provident and Other Funds	0.01	0.02
Provident and Other Fund Expenses	(Rs.12512)	(Rs.13,431)
Welfare Expenses	0.03	0.02
Floral Maintenance	(Rs.14,400)	-
	<u>1.36</u>	<u>1.27</u>

* Includes Pesticides, Chemicals, Manures and Fertilizers.

SCHEDULE "17" (Contd.)**NOTES FORMING PART OF THE ACCOUNTS : (Contd.)**

11. The arrears of depreciation for the accounting years 1999-2000 and 2000-2001 in respect of assets of certain divisions have, as a matter of prudence and in accordance with relevant accounting standards, supported by a legal opinion, been charged off over two accounting years viz. 2007-2008 and 2008-2009.
12. The Company has recognised exchange differences arising on long term foreign currency monetary items in line with Accounting Standard 11 inserted vide Notification No. GSR 225E dated 31st March, 2009 as per Companies (Accounting Standards) Amendment Rules, 2009.

Pursuant to the above, the effect of exchange differences on long term foreign currency monetary items, so far as they relate to acquisition of depreciable capital assets, have been adjusted to the cost of such assets and depreciated over their remaining useful lives. Accordingly net exchange gain relating to the financial year 2009-2010 amounting to Rs. 0.73 Crore, has been adjusted to the cost of fixed assets.

There are no long term foreign currency monetary items which require exchange differences to be amortised.

13. Revenue expenditure on Research and Development activities relating to Government recognised in-house Research and Development laboratories incurred and charged out during the year through the natural heads of account, aggregate Rs. 0.48 Crore (2008-2009 Rs. 0.51 Crore). No Capital expenditure on Research and Development has been incurred during the year.

	2009-2010 (Rs. in Crore)	2008-2009 (Rs. in Crore)
14. (a) Managerial Remuneration under Section 198 of the Companies Act, 1956 to the Whole-time Director :		
Salary	1.51	1.08
Contribution to:		
Provident Fund	0.04	0.03
Superannuation Fund	0.05	0.04
Perquisites	0.01	0.02
Total :	<u>1.61</u> *	<u>1.17</u> *
* As the employee-wise break-up of liability on account of Employee Benefits based on actuarial valuation is not available, the amounts relatable to the Whole-time Director are not considered.		
(b) Statement showing the computation of Net Profit in accordance with Section 198(1) of the Companies Act, 1956 :		
Profit before Tax as per Profit and Loss Account	523.53	346.95
Add / (Less) :		
Managerial Remuneration	2.61	2.17
Directors Sitting Fees	0.10	0.06
Surplus on Sale of Fixed Assets as per Section 349	(2.14)	(55.37)
Loss on Sale of Investment	0.06	-
Prior Period Adjustments	(0.19)	(0.71)
Installment of Arrears of Depreciation	-	(26.31)
	<u>523.97</u>	<u>266.79</u>
Commission Payable to Non - whole time Directors @ 1% Restricted to :	5.24	2.67
	<u>1.00</u>	<u>1.00</u>

SCHEDULE "17" (Contd.)

NOTES FORMING PART OF THE ACCOUNTS : (Contd.)

	2009-2010 (Rs. in Crore)	2008-2009 (Rs. in Crore)
15. Auditors' Remuneration :		
(a) Statutory Auditors :		
As Auditors	0.98	0.89
In Other Capacity :		
Tax Audit Fees	0.17	0.17
Certificates and other jobs	0.39	0.20
	0.56	0.37
For Expenses	0.07	0.09
Total :	1.61	1.35
(b) Cost Auditor		
As Auditor	0.04	0.03
For Expenses	(Rs.13,292)	(Rs.15,750)
Total :	0.04	0.03
16. C.I.F. value of Imports and Expenditure in Foreign Currency :		
(a) C.I.F. Value of Imports (Including in Transit) :		
Raw Materials	238.99	155.18
Spare Parts, etc.	29.45	66.57
Capital Goods	601.29	169.76
(b) Expenditure in Foreign Currency : (including expenses capitalised)		
Interest and Finance charges	3.87	11.46
Technical Supervision charges	4.53	13.96
Other Matters	5.04	6.70
17. (a) Earnings in Foreign Currency :		
F.O.B. value of exports	237.40	229.29
Dividend	0.06	0.07
Sale proceeds of assets	3.74	0.04
(b) Total exports during the year :		
Exports in Foreign Currency	247.12	238.30
Exports in Indian Currency	70.72	44.55
	317.84	282.85
Sales to Merchants - For exports	18.19	33.15
Deemed exports	35.60	36.28
	371.63	352.28

SCHEDULE "17" (Contd.)
NOTES FORMING PART OF THE ACCOUNTS : (Contd.)

(Rs.in Crore)

	As at 31.3.2009	Charge/Credit during the year	As at 31.3.2010
18. Deferred Taxation :			
Deferred Tax Liability on account of :			
(i) Depreciation	365.19	(7.64)	357.55
	<u>365.19</u>	<u>(7.64)</u>	<u>357.55</u>
Deferred Tax Asset on account of :			
(i) Deferred Revenue	10.88	15.47	26.35
(ii) Expenses allowable for Tax Purpose when paid	50.01	15.96	65.97
(iii) Earned Leave	9.68	0.71	10.39
(iv) Provision for Doubtful Debts and Advances	3.24	0.26	3.50
(v) Others	1.30	(1.30)	-
	<u>75.11</u>	<u>31.10</u>	<u>106.21</u>
Net Deferred Tax Liability / (Asset) :	<u>290.08</u>	<u>(38.74)</u>	<u>251.34</u>

19. Related Party Information

1 Relationships :

- (a) Where significant influence exists :
- (i) M/s Piani Investment and Industries Corporation Limited.
 - (ii) M/s Kesoram Insurance Broking Services Limited.
 - (iii) M/s Vasavadatta Services Limited.
 - (iv) M/s Industry House Limited
 - (v) M/s Bander Coal Company Private Limited
- (b) Key Management Personnel :
- Shri B.L. Jain (Whole-time Director)
- (c) Other Related Parties :
- (i) Shri B.K. Birla
 - (ii) M/s Kesoram Industries Ltd.
 - (iii) M/s Century Enka Ltd.
 - (iv) M/s Jayshree Tea & Industries Ltd.

- NOTES :
- (i) The parties listed under 1(c) above, are strictly not 'related parties' as per the requirements of AS-18, but are being included herein for making the Financial Statements more transparent.
 - (ii) Related party relationship is as identified by the Company and relied upon by the Auditors.

SCHEDULE "17" (Contd.)**NOTES FORMING PART OF THE ACCOUNTS : (Contd.)****19. Related Party Information (Contd.)****2. Transactions with related parties:**

(Rs. in Crore)

Particulars	Related parties		
	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above
Purchases :			
Goods and Material	- (-)	- (-)	1.28 (0.92)
Sales :			
Goods and Material	- (-)	- (-)	39.53 (54.68)
Subscription to Preferential Warrants	- (-)	- (-)	9.93 (-)
Subscription of Equity Share Capital	0.38 (-)	- (-)	- (-)
Expenses :			
Rent and Other Services	0.41 (0.31)	- (-)	0.39 (0.39)
Directors Fees and Expenses	- (-)	- (-)	0.01 (0.01)
Commission to Director	- (-)	- (-)	0.17 (0.17)
Remuneration	- (-)	1.61 (1.17)	- (-)
Income :			
Rent and Other Services	- (0.11)	- (-)	4.20 (0.58)
Outstandings :			
Payable	0.10 (0.26)	- (-)	0.05 (0.11)
Commission to Director	- (-)	- (-)	0.15 (0.15)
Receivable	- (-)	- (-)	3.79 (4.13)
Deposit Received	- (-)	- (-)	0.04 (0.04)

Note : Previous Year Figures are given in brackets.

SCHEDULE "17" (Contd.)

NOTES FORMING PART OF THE ACCOUNTS : (Contd.)

20. SEGMENT INFORMATION

(Rs. in Crore)

A. Information about Business Segment - Primary

S.No.	Particulars	Textile		Cement		Pulp and Paper		Others		Total	
		2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
1	Segment Revenue										
	Sales	839.20	668.03	2,694.33	2,195.00	947.10	937.92	84.44	115.12	4,565.07	3,916.07
	Less: Inter Segment Revenue	37.91	14.30	7.77	7.52	66.49	78.55	-	0.01	112.17	100.38
	Net Revenue from Operations	801.29	653.73	2,686.56	2,187.48	880.61	859.37	84.44	115.11	4,452.90	3,815.69
2	Result										
	Segment Result	(63.61)	(91.76)	830.81	479.22	(40.27)	78.43	14.95	16.83	741.88	482.72
	Add / (Less) :										
	Inter Segment Profit / (loss)									0.27	(0.70)
	Net Segment Result									742.15	482.02
	Unallocated Corporate Expense (Net of Income)									34.51	28.46
	Operating Profit									707.64	453.56
	Less: Interest (Net)									96.14	97.20
	Total Profit before exceptional Item and Tax									611.50	356.36
	Add / (Less) :										
	Exceptional Items relating to discontinuing operations									(88.16)	(36.43)
	Total Profit / (Loss) before Tax									523.34	319.93
	Add / (Less) :										
	Excess / (Short) Provision for Income Tax									(16.50)	(1.24)
	Provision for Current Tax									(205.50)	(39.00)
	Deferred Tax (Charge) / Credit									38.74	(39.25)
	Fringe Benefit Tax									-	(3.30)
	Provision For Wealth Tax									(0.61)	(0.60)
	Net Profit after tax									339.47	236.54
3	Other Information										
	Segment Assets @	1,500.60	1,493.73	1,001.23	923.60	2,469.77	1,495.63	148.69	59.25	5,120.29	3,972.21
	Add: Unallocated common Assets									650.17	580.44
	Total Assets									5,770.46	4,552.65
	Segment Liabilities @	181.45	179.01	351.14	278.30	169.62	119.78	22.88	12.62	725.09	589.71
	Add: Unallocated Common Liabilities									3,270.17	2,467.42
	Total Liabilities									3,995.26	3,057.13
4	Capital Expenditure during the year (excluding advances)	28.41	270.96	72.32	86.15	1,047.15	343.89	58.10	7.23	1,205.98	708.23
	Add: Unallocated Capital Expenditure									0.02	5.35
										1,206.00	713.58
5	Depreciation and amortisation *	95.08	61.88	68.34	91.72	67.06	73.36	5.20	5.34	235.68	232.30
	Add: Unallocated Depreciation									0.24	0.57
										235.92	232.87
6	Non Cash Expenditure	-	-	-	-	-	-	-	-	-	-
	Add: Unallocated Non Cash Expenditure									115.83	99.99
										115.83	99.99

* Includes charged to Cost of Raising and transporting Limestone, Shale and Laterite and to Capital Account.

@ Including projects under implementation.

SCHEDULE "17" (Contd.)**NOTES FORMING PART OF THE ACCOUNTS : (Contd.)****20. SEGMENT INFORMATION (Contd.)****B. Secondary Segment - Geographical by Customers**

(Rs. in Crore)

S.No.	Particulars	Total 2009-2010	Total 2008-2009
1	Segment Revenue		
	In India	4,135.06	3532.84
	Outside India	317.84	282.85
	Total	4,452.90	3815.69
2	Carrying Cost of Assets by location of Assets		
	In India	5,095.31	3798.42
	Outside India	24.98	173.79
	Total	5,120.29	3972.21
	Unallocated	650.17	580.44
	Total	5,770.46	4552.65
3	Addition to Assets and Intangible Assets		
	In India	1,206.00	708.23
	Outside India	-	-
	Total	1,206.00	708.23
	Unallocated	-	5.35
	Total	1,206.00	713.58

C. Other Disclosures

- Segments have been identified in line with the Accounting Standard, AS-17 "Segment Reporting" (AS-17), taking into account the organisation structure as well as the differing risks and returns.
- Company has disclosed Business Segment as the primary segment.
- Composition of the Business Segment

Name of the Segment	Types of products / services Comprises of :
a. Textiles	Yarn, Cloth and Denim Cloth, Viscose Filament Yarn and Tyre Yarn.
b. Pulp and Paper	Pulp, Writing & Printing paper, Tissue paper, Multilayer packaging Board and Fibre line.
c. Cement	Cement and Clinker.
d. Others	Salt Works, Chemicals, Floriculture and Real Estate.
- Inter segment revenues are recognised at works / factory costs of the transferor unit / division or at Sales Price.
- The Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

SCHEDULE "17" (Contd.)

NOTES FORMING PART OF THE ACCOUNTS : (Contd.)

21. Disclosures of Derivatives

(a) Hedging commitments outstanding :

	(In Million)			
	31.03.2010	31.03.2010	31.03.2010	31.03.2010
	Forward USD	Forward Euro to USD	Forward Euro	Forward CAD
Foreign Currency				
1) Debtors	-	-	1.72	-
	(-)	(-)	(0.99)	(-)
2) Creditors	0.66	-	-	-
	(-)	(-)	(-)	(-)
3) Loan taken	2.70	-	59.16	2.35
	(1.46)	(3.01) (i)	(8.40)	(-)
4) Other payables	0.75	-	0.62	0.03
	(0.01)	(-)	(-)	(-)

(b) The aforesaid derivative contracts have been entered into for hedging purposes.

(c) Uncovered risks :

	(In Million)						
	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010
	USD	GBP	EURO	SEK	CAD	JPY	CHF
Foreign Currency							
1) Debtors	1.97	0.05	0.74	-	-	0.79	-
	(1.41)	(0.05)	(1.17)	(-)	(-)	(1.12)	(-)
2) Creditors	1.30	-	0.28	-	-	-	0.01
	(2.14)	(-)	(0.33)	(-)	(-)	(-)	(-)
3) Loan taken	6.46	-	0.06	-	-	-	-
	(7.27)	(-)	(0.09)	(-)	(-)	(-)	(-)
4) Bank balance							
In EEFC account	* USD 2312	* GBP 1293	* EURO 1292	-	-	-	-
	(* USD 2321)	(* GBP 1293)	(* EURO 1292)	(-)	(-)	(-)	(-)
5) Other receivables	2.21	0.01	4.33	-	-	0.11	* CHF 3780
	(4.96)	-	(18.21)	(0.17)	(1.01)	(0.11)	(-)
6) Other payables	7.17	-	0.32	-	-	-	-
	(4.38)	(-)	(1.28)	(-)	(-)	(-)	(-)

* At Actuals

Note-

- i) USD equivalent to EURO (for which Euro to USD cover has been taken) is shown under uncovered risks
- ii) Previous year figures are given in brackets.

SCHEDULE "17" (Contd.)**NOTES FORMING PART OF THE ACCOUNTS : (Contd.)****22. Prior period adjustments represent :**

	2009-2010 (Rs. in Crore)	2008-2009 (Rs. in Crore)
(a) Depreciation adjustments	0.08	-
(b) Debit relating to earlier years	(0.27)	(0.71)
	(0.19)	(0.71)
23. Exceptional Items :		
(i) Voluntary Retirement Scheme	(87.77)	(89.10)
(ii) Gratuity, exit payments, etc.	(1.90)	(2.47)
(iii) Surplus on Sale of Assets of erstwhile Textile Mill at Worli , Mumbai	1.51	55.14
	(88.16)	(36.43)

24. Sundry Creditors include amounts provided in respect of known contractual risks, litigation cases and pending assessments in respect of taxes, duties and other levies / claims, the actual outflow on which will depend on the outcome of the respective proceedings.

The movement in the above are summarized below:-

(Rs. in Crore)

S No.	Nature of liability	As at 31.03.2009	Amounts provided for during the year	Amounts paid / written back during the year	As at 31.03.2010
1	Water Charges	46.99	5.68	0.24	52.43
2	Octroi Duty	26.53	3.03	0.10	29.46
3	Mandi Samiti Shulk and Interest thereon	15.82	7.03	0.01	22.84
4	Entry Tax / Sales Tax	25.65	21.66	0.98	46.33
5	Excise Duty	7.30	-	-	7.30
6	Lease Tax and Interest thereon	7.34	0.62	0.06	7.90
7	Cess	5.67	3.57	0.01	9.23
8	Reimbursement of Taxes to suppliers, etc	5.34	1.02	0.02	6.34
9	Claims against Lease Rentals	-	5.26	-	5.26
10	Others	2.86	5.26	0.68	7.44
	Total :	143.50	53.13	2.10	194.53

SCHEDULE "17" (Contd.)**NOTES FORMING PART OF THE ACCOUNTS : (Contd.)****25. Disclosures pursuant to Accounting Standard - 15 - "Employee Benefits".**

(a) An amount of Rs. 9.62 Crore (2008-2009 Rs.9.08 Crore) as contribution towards defined contribution plans is recognised as expense in the Profit and Loss Account.

(b) The disclosures in respect of the Defined Benefit Gratuity Plan are given below :

	<u>31.03.2010</u> (Rs. in Crore)	<u>31.03.2009</u> (Rs. in Crore)
(i) Changes in present value of obligations		
Present value of Obligations as at the beginning of the year	114.41	107.67
Interest Cost	7.93	7.49
Current Service Cost	45.75	6.63
Benefits Paid	(17.38)	(15.58)
Actuarial (gain) / loss on obligation	(31.49)	8.20
Present value of Obligations as at the end of the year	119.22	114.41
(ii) Changes in Fair Value of plan assets		
Fair value of plan assets as at the beginning of the year	108.16	107.67
Expected return on Plan Assets	8.71	7.99
Contributions	18.75	7.00
Benefits Paid	(17.38)	(15.58)
Actuarial gain / (loss) on Plan Assets	1.18	1.08
Fair value of plan assets as at the end of the year	119.42	108.16
(iii) Amounts to be recognised in the Balance Sheet and Profit and Loss Account		
Present value of Obligations as at the end of the year	119.22	114.41
Fair Value of Plan Assets as at the end of the year	119.42	108.16
Funded Status	0.20	(6.25)
Net Asset / (Liability) recognised in the Balance Sheet	0.20	(6.25)
(iv) Expense recognised in the Profit and Loss Account		
Current Service Cost	45.75	6.63
Interest Cost	7.93	7.49
Expected return on Plan Assets	(8.71)	(7.99)
Net Actuarial (gain)/loss on Plan Assets for the period	(32.67)	7.12
Expense recognised in the statement of Profit and Loss Account	12.30	13.25
(v) Percentage of major category of plan assets to total plan assets as at the end of the year		
Bank Deposit, etc.	20%	32%
Debt Instruments	80%	68%
(vi) Assumptions :		
Mortality	LIC(1994-96)Ult	LIC(1994-96)Ult
Discount Rate	7.50%	7.50%
Rate of Increase in compensation	2 to 7%	3 to 8%
Rate of return (expected) on plan assets	8.00%	7.50%
Withdrawal Plan	1 to 10%	0.80% to 6%

The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

SCHEDULE "17" (Contd.)**NOTES FORMING PART OF THE ACCOUNTS : (Contd.)**

	2009-2010 (Rs. in Crore)	2008-2009 (Rs. in Crore)
26. Computation of Profit for Earnings per Share:		
Profit for the year after tax	356.16	264.80
Add / (Less):		
Excess / (Short) provision for taxation (Net)	(16.50)	(1.24)
Prior period adjustments (Net)	(0.19)	(0.71)
Installment of Arrears of Depreciation	-	(26.31)
Profit including Exceptional Items	339.47	236.54
Add : Exceptional Items (net of taxes)	59.06	35.53
Profit excluding Exceptional Items	398.53	272.07

27. Figures less than Rs.50,000 have been shown at actuals in brackets, since the figures are rounded off to the nearest lac.
28. Previous year's figures have been regrouped/recast wherever necessary.
29. Significant Accounting Policies followed by the Company are as stated in the Statement annexed to this Schedule as Annexure I.

As per our report of even date

For **DALAL AND SHAH**

Firm Registration Number 102021 W

Chartered Accountants

ASHISH DALAL

Partner

Membership No: 33596

Mumbai :

3rd May, 2010

D. K. AGRAWAL

Secretary

Mumbai : 3rd May, 2010

B. L. JAIN

Whole-time Director

Directors

KUMAR MANGALAM BIRLA

PRADIP KUMAR DAGA

E. B. DESAI

ARVIND C. DALAL

AMAL GANGULI

Statement referred to in Note 29 in Schedule – 17 to the Accounts for the year ended 31st March, 2010.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. BASIS OF ACCOUNTING:

The financial statements are prepared under the historical cost convention on the accrual basis of accounting in accordance with the generally accepted accounting principles, the applicable mandatory Accounting Standards and the relevant provisions of the Companies Act, 1956.

II. USE OF ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known.

III. REVENUE RECOGNITION:

- a) Revenue/Income and Cost/Expenditure are generally accounted for on accrual as they are earned or incurred, except in case of significant uncertainties.
- b) Export Benefits are recognised in the year of export.
- c) Share Issue Expenses are charged, first against available balance in the Securities Premium Account.
- d) Sale of goods is recognized on transfer of significant risks and rewards of ownership which is generally on the despatch of goods. Export Sales are accounted for on the basis of the dates of 'On Board Bill of Lading'.

IV. FIXED ASSETS AND DEPRECIATION / AMORTISATION:

A) FIXED ASSETS:

Fixed Assets are carried at cost of acquisition or construction or at revalued amounts, less accumulated depreciation and amortisation.

B) DEPRECIATION / AMORTISATION:

a) LEASEHOLD LAND:

Cost of Leasehold land is amortised over the lease period.

b) OTHER FIXED ASSETS:

- i) Depreciation on all assets is provided on the 'Straight Line Method' in accordance with the provisions of Section 205 (2) (b) of the Companies Act, 1956.
- ii) Depreciation on Revalued Assets is calculated on their respective book values, at the rates considered applicable by the valuers. The additional charge of depreciation on account of revaluation is withdrawn from the Revaluation Reserve and credited to the Profit and Loss Account.
- iii) Improvements to leased premises are amortised over the period of the lease / charged off on premature termination of lease.
- iv) Depreciation on other assets, except to the extent stated in (a) and [(b) (ii) and (iii)] above, has been provided on the Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.
- v) Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

V. INVESTMENTS:

Investments are classified into Current and Long-term Investments. Current Investments are stated at lower of cost and fair value. Long-term Investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of Long-term Investments.

VI. FOREIGN CURRENCY TRANSLATIONS:

All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place;

Monetary assets and liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss, except to the extent it relates to long term monetary items, is charged to the Profit and Loss Account for the year. Such gain or loss relating to long term monetary items for financing acquisition of depreciable capital assets, is adjusted to the acquisition cost of such asset and depreciated over its remaining useful life;

In respect of forward exchange contracts entered into to hedge foreign currency risks, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange differences arising on such contracts are recognised as income or expense along with the exchange differences on the underlying assets / liabilities. Profit or loss on cancellations / renewals of forward contracts is recognised during the year.

VII. INVENTORY VALUATION:

- a) Raw Materials, Materials in Process, Finished Goods, Goods for Trade and Stores, Spares, etc. are valued at Cost or Net Realisable value, whichever is lower.
- b) Goods in transit are valued at cost to date.
- c) 'Cost' comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to their present location and condition. Cost formulae used is either 'First in First Out', or 'Specific Identification', or the 'Average Cost', as applicable.
- d) Due allowances are made for obsolete inventory based on technical estimates made by the Company.
- e) Interdivisional transfers are valued, either at Works/Factory Costs of the transferor unit/division, plus transport and other charges.

VIII. EMPLOYEE BENEFITS:

- a) **Short term employee benefits** are recognised as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.
- b) **Post employment benefits**
 - i. Defined contribution plans:

Company's contribution to the superannuation scheme, state governed provident fund scheme, etc. are recognised during the year in which the related service is rendered.
 - ii. Defined benefit plans:
 - Gratuity

The present value of the obligation is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Profit and Loss Account. The fair value of the plan assets of the Trust administered by the Company, is reduced from the gross obligation under the defined benefit plan, to recognise the obligation on a net basis;

 - Provident Fund

For certain employees, monthly contributions are made to a Trust administered by the Company. The interest rate payable by the Trust to the beneficiaries is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return on investments of the Trust and the notified interest rate.
- c) Long term compensated absences are provided on the basis of an actuarial valuation
- d) **Termination Benefits**

Termination benefits are amortised over their pay-back period. However, such amortisation shall not be deferred beyond 31st March, 2010.

IX. GOVERNMENT GRANTS:

Grants received against specific fixed assets are adjusted to the cost of the assets. Revenue grants are recognized in the Profit and Loss Account in accordance with the related scheme and in the period in which these are accrued.

X. RESEARCH AND DEVELOPMENT :

Revenue expenditure, including overheads on Research and Development, is charged as an expense through the natural heads of account in the year in which incurred. Expenditure which results in the creation of capital assets is capitalised and depreciation is provided on such assets as applicable.

XI. EXPENDITURE DURING CONSTRUCTION AND EXPENDITURE ON NEW PROJECTS:

In case of new projects and in case of substantial modernisation/expansion at existing units of the Company, expenditure incurred prior to commencement of commercial production is capitalised.

XII. BORROWING COSTS:

Interest and other borrowing costs attributable to qualifying assets, are capitalised. Front End Fees are amortised over the period of the related borrowing but not exceeding the period of five years. Other interest and borrowing costs are charged to revenue.

XIII. PREMISES TAKEN ON LEASE:

For premises taken on lease, lease rentals payable are charged to revenue.

XIV. TAXATION:

Income-tax expense comprises Current tax and Deferred tax charge or credit. Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. The Deferred tax Asset and Deferred tax Liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax Assets on account of other timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of Deferred Tax Assets is reviewed to reassure realisation.

XV. IMPAIRMENT OF ASSETS :

The carrying amounts of assets are reviewed at each Balance Sheet date. If there is any indication of impairment based on internal / external factors, i.e. when the carrying amount of the asset exceeds the recoverable amount, an impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed or reduced if there has been a favourable change in the estimate of the recoverable amount.

XVI. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

Provisions involving a substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the financial statements. Contingent Assets are neither recognised nor disclosed in the financial statements.

**PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956 (AS AMENDED)
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

I. Registration Details:

Registration No. State Code Balance Sheet Date
Date Month Year

II. Capital Raised during the year (Rs. in Crore)

Public Issue Right Issue Bonus Issue Private Placement

III. Position of Mobilisation and Deployment of Funds (Rs. in Crore)

Total Liabilities Total Assets

Sources of Funds:

Paid-Up Capital Reserves & Surplus Secured Loans Unsecured Loans Deferred Tax Liability (Net)

Application of Funds:

Net Fixed Assets: Investments Net Current Assets Misc. Expenditure

Accumulated Losses

IV. Performance of Company (Rs. in Crores)

Turnover (Total Income) Total Expenditure Profit/Loss Before Tax Profit/Loss After Tax

Earning Per Share in Rs. Dividend rate %

V. Generic Names of Three Principal Products/Service of Company(As per monetary terms)

Item Code No.(ITC Code) <input type="text" value="252329"/>	Product Description <input type="text" value="OTHER GREY PORTLAND CEMENT"/>
Item Code No.(ITC Code) <input type="text" value="480200"/>	Product Description <input type="text" value="PAPER"/>
Item Code No.(ITC Code) <input type="text" value="540332"/>	Product Description <input type="text" value="VISCOSE FILAMENT YARN"/>

ATTENDANCE SLIP

Century Textiles and Industries Limited

Registered Office : Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai - 400 030.

PLEASE FILL THIS ATTENDANCE SLIP AND HAND IT OVER AT ENTRANCE OF THE MEETING HALL

DP. Id*	
Client Id*	

Folio No.	
-----------	--

NAME AND ADDRESS OF THE SHAREHOLDER _____

No. of shares held _____

I/We certify that I am/We are the registered shareholder(s) / Proxy for the registered shareholder(s) of the Company.

I/We hereby record my/our presence at the 113th ANNUAL GENERAL MEETING at Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai-400 025 on Tuesday, the 27th July, 2010 at 3.30 P.M.

Signature of the Shareholder(s) 1. _____ 2. _____
3. _____ 4. _____

Signature of the Proxyholder 1. _____

* Applicable for investors holding shares in electronic form.

Century Textiles and Industries Limited

PROXY FORM

Registered Office : Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai - 400 030.

DP. Id*	
Client Id*	

Folio No.	
-----------	--

I/We _____

being a Member/Members of CENTURY TEXTILES AND INDUSTRIES LTD. hereby appoint

_____ of _____

(or failing him) _____ of _____

(or failing him) _____ of _____

as my/our Proxy to attend and vote for me/us and on my/our behalf at the 113th Annual General Meeting of the Company to be held on Tuesday, the 27th July, 2010 at 3.30 p.m. and at any adjournment thereof.

AS WITNESS my hand/our hands this _____ day of _____ 2010

Signature _____

15 Paise
Revenue
Stamp

* Applicable for investors holding shares in electronic form.

Note : The Proxy must be deposited at the Registered Office of the Company at Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai-400 030 not less than 48 hours before the time for holding the Meeting. The proxy need not be a member of the Company.



Cottons by Century



B K BIRLA GROUP OF COMPANIES

The Group Logo - As represented by the 21st Century Atlas

Atlas, the Titan - Collective Strength

Atlas, bearer of the heavens is synonymous with vast, all encompassing strength and is used to symbolise the Group's own collective strength. It reflects the combined qualities of astute and dynamic management while emphasising the Group's tenacity, consistency, reliability and overall leadership.

The Sun - Enlightenment and Growth

The Sun, as a source of infinite energy and inspiration, is used here in conjunction with the Atlas head to represent the vitality and powerful presence of the Group - both in its industrial prowess and its financial, technological and intellectual skills.

The Earth Segments - Diversified Activities

Each of the latitudes around the Titan represent various sections - industrial, agricultural, financial and other activities of the Group. As with the infinite variety of the world, so is the strength of the Group, made up of its diverse activities.

The Globe - Global Vision

The Group's global presence and vision is reflected in the entirety of the Earth's sphere.

The Base - Solid Foundations

The strength of the entire edifice depends upon the strength of the foundation embedded in the bedrock, represented here by the Group Name.

The Symmetry - The Resilience, Versatility, and Stability

Seen in its entirety, each of the elements -Atlas, the Sun, the Earth divisions, the Globe and the Base, together sum up a well conceptualised and balanced conglomerate.

STRONG FOUNDATION • SUSTAINED GROWTH • PROVEN LEADERSHIP

CENTURY TEXTILES AND INDUSTRIES LIMITED

Regd. Office: Century Bhavan, Dr. Annie Besant Road, Worli, Mumbai 400 030
Company's Website: www.centurytextind.com