

CENTURY TEXTILES AND INDUSTRIES LIMITED

111TH ANNUAL REPORT & ACCOUNTS 2007-08



WITH THE PRECISION OF AN ARROW
AND A HEART FOR NATION BUILDING

CHAIRMAN'S STATEMENT



Fuelling growth at all levels-Individual, Enterprise and National.

Dear Shareholders,

We are witnessing hectic times in economic activity and growth in prosperity. The cautious yet optimistic tone of the last budget has paved the way for the economy to soar higher and higher in the years to follow. The continued thrust on agriculture, education and infrastructure, are the overall flavour of the budget which can be truly termed as a catalyst for the growth of diversified enterprises such as ours. The accentuated emphasis on improved infrastructure and education will result in increased demands for cement and paper which are the two major businesses of the Company. Consequently, we foresee an exciting path of steady success ahead for the Company. An increase in the investments in textile machinery and the Central Government's support also signal a positive mood for the Textiles industry.

Century has already carved out its presence in the chronicles of nation building. Indeed, it is a privilege that, as history is being created today, we are a

prominent part of it. While we have successfully made positive changes and adapted to the changing business environment to keep our Company at the forefront in all respects, our uncompromising focus on quality, which is a way of life at Century, will continue to give us competitive advantage.

As we present our numbers for yet another successful year, our tradition to serve our stakeholders should continue.

I'd like to extend my gratitude towards all our shareholders, customers and the staff for their support in shaping the success of Century Textiles and Industries Limited.

B. K. Birla
Chairman

BOARD OF DIRECTORS (AS ON 05-05-2008)

WITH THE PRECISION OF AN ARROW
AND A HEART FOR NATION BUILDING

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 05.05.2008

TEXTILES



CENTURY TEXTILES, YARN AND DENIM

Shri R. K. Dalmia	Senior President
Shri D. K. Agrawal	President
	(Corporate Finance) & Secretary
Shri I. C. Surana	Executive President (Finance)
Shri U. C. Garg	Executive President (Purchase & Projects)
Shri P. M. Nevatia	Joint President (Works)
Shri R. C. Panwar	Senior Vice President (Marketing)
Shri S. R. Makharia	Vice President (Production)
Shri S. K. Somani	Vice President (Finance)
Shri Sanjay Khimesra	Vice President (Yarn & Denim)

RAYON



CENTURY RAYON, TYRECORD AND CHEMICALS

Shri O. R. Chitlange	President
Shri R. Lalwani	Executive President (Commercial)
Shri H. G. Uttamchandani	Senior Vice President (Rayon & Auxiliaries)
Shri S. M. Sanklecha	Senior Vice President (Purchase)
Shri R. K. Tandon	Senior Vice President
	(Personnel & Administration)
Shri S. K. Mital	Senior Vice President
	(Engineering Services)
Shri Subodh Dave	Vice President (Rayon)
Shri Anil Sancheti	Vice President (Tyrecord and CSY)
Shri Sudhir A. Luthra	Vice President (Chemicals)
Shri B. Manmohan	Vice President (Finance)

CEMENT



CENTURY, MAIHAR, MANIKGARH AND SONAR BANGLA CEMENTS

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

CENTURY CEMENT & SONAR BANGLA CEMENT

Shri M. C. Gupta	Executive President (Works)
Shri Alok Patni	Joint President (Plant)
Shri S. K. Sultania	Joint President (Marketing)
Shri N. M. Singhvi	Senior Vice President (Finance)
Shri M. K. Jain	Vice President (Mechanical)

Shri Surendra Kumar	Vice President (Purchase)
Shri Kiran Sharma	Vice President (Generation)
Shri Satish Gurtoo	Vice President (Electrical)
Shri Giriraj Bhattar	Vice President (Finance)

MAIHAR CEMENT UNITS I & II

Unit I

Shri R. K. Vaishnavi	Executive President (Plant)
Shri R. S. Doshi	Executive President (Commercial)
Shri P. M. Intodia	Joint President (Marketing)
Shri Vijay Kumar	Sr. Vice President (Process & Quality Control)
Shri A. K. Panja	Vice President (Marketing)
Shri A. H. Singhania	Vice President (Mechanical)
Shri M. P. Joshi	Vice President (Electrical)

Unit II

Shri V. K. Bhandari	Executive President (Commercial)
Shri Rakesh Sharma	Joint President (P & A)
Shri B. M. Singh	Joint President (Projects)
Shri G. S. Pandey	Senior Vice President (Marketing)
Shri S. K. Tewari	Senior Vice President (Mines)
Shri Arvind Kumar Jain	Vice President (Mechanical)
Shri O. P. Moondra	Vice President (Instrument)

MANIKGARH CEMENT

Shri P. S. Bakshi	Executive President (Plant)
Shri N. B. Singh	Joint President (Plant)
Shri S. K. Mandelia	Joint President (Commercial)
Shri A. D. Karwa	Joint President (Finance & Marketing)
Shri R. K. Udge	Senior Vice President (Mines)
Shri S. M. Jain	Senior Vice President (Electrical)
Shri A. K. Jain	Vice President (Mechanical)
Shri N. D. Hemke	Vice President (Mechanical)

PAPER



CENTURY PULP AND PAPER

Shri R. L. Lakhota	Senior President
Shri Dilip Chandarana	Senior Vice President (Technical)
Shri R. K. Sharma	Senior Vice President
	(Electrical & Instrumentation)
Shri R. C. Maheshwari	Senior Vice President (Utilities)
Shri B. C. Sharma	Vice President (Personnel & Administration)

SALT



CENRAY MINERALS AND CHEMICALS

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

Dalal & Shah, Mumbai

REGISTERED OFFICE

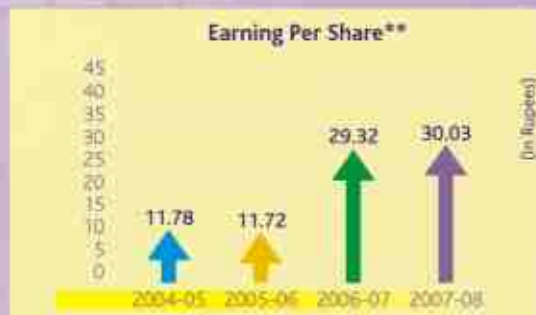
Century Bhavan, Dr. Annie Besant Road
Worli, Mumbai - 400 030



PERFORMANCE HIGHLIGHTS



* Gross Sales are net of rebates and returns



** Earning per share is including exceptional items

At Century, we grow each day and our performance results substantiate our progress. This growth aids us in generating superior shareholder value. Furthermore, we ensure our consistent progress through the optimum utilisation of our resources. This claim is reflected in the Company's results for the financial year ended 31st March 2008.

A brief overview of the bygone fiscal vis-à-vis the previous year is as under:

- The Gross Sales has increased to Rs. 3851 crore, from Rs. 3506 crore.
- Gross Profit after interest and exceptional items, has increased to Rs. 566 crore from Rs. 497 crore.
- Amount of Dividend (including tax on it) has increased to Rs. 48.99 crore from Rs. 39.78 crore.
- Dividend has grown to 45% from 37.5% per share.
- Earning per share, including exceptional items has increased to Rs. 30.03 from Rs. 29.32.

**MARCHING
AHEAD**

WITH THE PRECISION OF AN ARROW AND A HEART FOR NATION BUILDING

In our quest towards excellence, we have not forgotten our responsibility towards the conservation of energy. Our sincere efforts in this direction have not only been acknowledged, but also rewarded.

Today, India is gleaming the to emerge as a first world country. the wool enterprise with offerings economic growth, we are indeed creation of history. Our array of products Imperatives that aid the country's development. While on one hand we produce cement, a palpable nation building rudiment, we also manufacture paper and textiles, the relative intangibles. Today, our cotton apparels cater to the growing consumerism that has fed the Indian economic flywheel. As a medium of knowledge dissemination, our paper is a product that reinforces our standing as an economic-growth-triggering entity. In our quest towards excellence, we have not forgotten our responsibility towards the conservation of energy. Our sincere efforts in this direction have not only been acknowledged, but also rewarded.

With a diverse yet comprehensive basket of products, we are an irrefutable part of the very spirit of nation-building! Truly, we are charting an upward course, with a heart for serving the nation.





FABRICS AND APPAREL

Meeting a vital need at an Individual Level

Launched about five years ago, our brand 'Cottons by Century' is already gaining popularity and consequently, has created a distinct space for itself in the marketplace.

Today, it successfully offers a wide range of products from personal grooming to shirtings, trousers, T-Shirts and informal clothing. The brand also encompasses accessories such as ties, socks, belts as well as handkerchiefs. We are continuously enhancing our facilities to deliver superior quality products. The commencement of operations at our new textile mill 'Birla Century', located at Bharuch in Gujarat, is expected to augment our product range as well as quality. This development demands a capital expenditure of Rs. 725 crore and is slated to commence operations by June 2008. Additionally, our new products in the Super Fine range are expected to provide a boost to our 'Ready-to-Wear' brand.

Our success in the cotton textile arena is attributed to our legacy of understanding and meeting customer needs for over a hundred years.



The Company's readymade garments provide a host of contemporary designs, weaves and vivid colours. Today, we have indeed reached the zenith of the cotton textile industry, with our exquisite range of readymade garments meant for men as well as women.

Making a Mark with Contemporary Offerings

Our foresight and hard work, coupled with calculated investments in the Denim segment, has earned us an apt sobriquet - 'trend-setters'.

Our internationally renowned state-of-the-art Denim plant is a confluence of sophisticated technology and world-class industrial design. We are one of the few manufactures to deploy the use of foam and wet finishing technologies. Our computerised auto dozing and speed control dyeing plants process consistent shades of indigo, blacks and various colours. Consequently, we offer a wide range of innovative finishes. With this finesse, it is not surprising that we have set new standards in the industry. Our in-house development - 'Rapid Wash Denims' - offers a wide range of customer choice in a cost-effective and eco-optimised manner. At Century, user comfort is of prime importance. This explains the use of non toxic dyes and chemicals for all our products. As a result, we are the preferred supplier of Denim Fabrics to local and international manufacturers.

We continuously upgrade our facilities to consequently broaden our product portfolio. Our new range of products, comprising Ring Denim, Lycra Denim, Poly Denim, Over-dyed Denim, Fancy Denim and Black Denim, has opened doors to opportunities presented by the increasing consumerism in the country. Additionally, our capability of producing a small lot size has already placed us way ahead of our competitors.



We have a best-in-class range of Denim fabrics in various weights ranging from 4.5 to 15.5 oz./sq. yards in Ring Yarn as well as Open End Yarn. Furthermore, our range of Chino, Slub, Multi Count, Rain, Cross hatch, Dobby, Structured, Over dyed, Lycra, Polyester, Linen and basic Denims is par excellence.



RAYON

Augmenting our Credibility with Legendary Products

As one of the oldest manufacturers of Viscose Filament Yarn (VFY) in India, we have an enviable credibility associated with our name.

Our VFY reigns the market as a preferred raw material for several prestigious end users. Having received ISO:14001 and OHSAS 18001: 1999 certification, our manufacturing facilities are better equipped to offer superior quality. We have undertaken initiatives to develop new products Zero Twist and Super III, new qualities of Rayon Tyre yarn for which trials are already under progress. It is heartening to mention that the Synthetic and Rayon Textiles Export Promotion Council (SRTEPC) has conferred export award to Century Rayon for best export performance in Tyre yarn / Cord / Fabrics for the year 2006-07.

Being fully aware of the critical power situation in the country, energy conservation occupies a prominent position in our endeavour to improve our standards. Century Rayon is a recipient of the State Level Award for Excellence in Energy Conservation and Management in the textile sector for the year 2006 from Maharashtra Energy Development Agency.



Today, we have emerged as one of the largest producers of rayon filament yarn in India, with an estimated annual production of 25000 tons of textile and tyre yarn. We offer a wide range of textile yarns in Pot Spun and Continuous Spun variety. Additionally, we also provide speciality yarns such as Flat Yarn, Micro Yarn, Colour Yarn, Dull Yarn and so on, in deniers ranging from 40 to 1500 (44 to 1660 Dtex).

Cementing the Nation

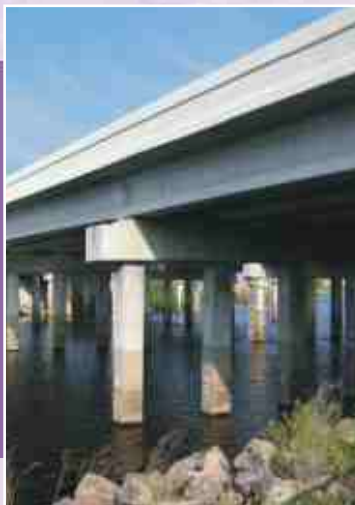
At Century, our dictum is to continuously evolve and excel at what we do best – build the nation. Consequently, it is not surprising that cement, an indispensable rudiment of nation building, finds a place in our basket of offerings.

Today, the growth of the Indian economy is making waves across the globe. However, the atmosphere in the country is far from revelry. The decision makers are faced with the challenge of sustaining the growth pace, amidst the dilapidated infrastructure. As a result, the overhaul of the country's infrastructure is on the anvil. In the backdrop of such a scenario, the cement industry is taking giant steps along its growth path.

We are advantageously perched to benefit from the roaring domestic cement sector. Our cement brands have emerged successful through the rigours of qualitative testing, over the years, to create an indelible, distinct mark in the industry. The trust associated with our name is a greater recommendation than any words of reference. Through continuous capacity enhancement, we are primed

to meet the rising industry demands. We have already increased our production capacity to 7.8 million tonnes per annum with effect from 1st March, 2008. We also have plans to further augment our capacity to 11.8 million tonnes per annum in due course of time. Going forward, our thrust on cement as a major business of the company is slated to continue.

Our Century Cement Division is proud recipient of prestigious national award for energy efficiency in Indian Cement Industry for best improvement in energy performance in manufacture of blended cements during the year 2005-06, instituted by the National Council for Cement and Building materials.



Much as our other products, our premier brand 'Birla Gold' is one of the most trusted cement brands in the country. Birla Gold Brand is a specially developed composite cement, produced by intergrinding high quality clinker with high quality pozzolana/slag and gypsum in a suitable proportion that results in high fineness and better strength properties. This unique product has multiple uses from building Water tanks, Road, Bridges, Dams, Sea Walls, Turbine Blocks to Residential or multiple storied constructions.





PAPER

The Intangible Foundation

For us, the term 'nation building' stretches beyond its literal sense, to capture the finer, less palpable aspects of it. This belief mirrors in our Paper business.

At Century, we continuously brace ourselves to meet the country's mounting paper requirements. Leveraging on our experience in serving the market, we have already widened our range of offerings to include recycled Copier paper as well as other speciality products. Our impending foray into the Tissue paper segment is aimed at extending our expertise into this niche area. Our foresight has permitted us to set up premium manufacturing facilities in northern India, a region that was, so far, deprived of any such set-up. We are setting-up a Multilayer Packaging Board Plant, with a capacity of 500 tonnes per day. This development, requiring a total capital outlay of about Rs. 775 crore, is expected to be operational by December 2009. Additionally, we are planning to set up a Paper Grade Pulp Plant (Fibreline) to produce superior quality wood pulp. The plant demands a capital outlay of Rs. 495

crore and is anticipated to commence operations by December 2009.

We were honoured with 'Excellent Energy Efficient Unit', a National Award for Excellence in Energy Management 2007, by Confederation of Indian Industry, held at Hyderabad during 12th and 13th September, 2007.

With irrepressible demand fuelling our growth, we are far from resting on our laurels. We are making substantial investments to create sustainable shareholder value in the foreseeable future.



With the finest varieties of writing and printing papers, we have a distinct presence in the marketplace. Leveraging on our experience and understanding, we also manufacture raw material for viscose filament yarn/staple fiber and also paper grade pulp.

NOTICE OF MEETING

Continuously exceeding shareholder expectations brings pride to any enterprise, particularly one that has existed for over a century. The core functional objective of our being is to deliver superior shareholder value. With experience and knowledge to aid us, we infallibly meet our goals. Our relationship with our stakeholders reaches new heights year after year, inspiring us to display an impressive performance.

Our Inspiration



NOTICE OF MEETING

REGISTERED OFFICE :

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

NOTICE is hereby given that the 111th Annual General Meeting of the Shareholders of the Company will be held at Birla Matushri Sabhagar, 19, Marine Lines, Mumbai 400 020 on Wednesday, the 23rd July, 2008 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, 2008 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, 2008.
3. To appoint a Director in place of Shri E. B. Desai who retires from office by rotation, but being eligible, offers himself for re-election.
4. To appoint a Director in place of Shri Amal Ganguli 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 pursuant to the provisions of Sections 198, 309 and other applicable provisions, if any, of the Companies Act, 1956, and subject to all other approvals, if any, necessary, the consent of the Company be and is hereby accorded to the payment of, in addition to the sitting fees for attending the meetings of the Board or Committees thereof and reimbursement of expenses, in accordance with the relevant provisions of the Articles of Association of the Company and the statutory regulations for the time being in force, to the Directors of the Company who are neither in whole-time employment of the Company nor Managing / Whole-time Director of the Company, a commission at a rate not exceeding one percent of the net profits of the Company in each year, calculated in accordance with relevant provisions of the said Act, subject however to such ceiling if any, per annum as the Board may, from time to time fix in that behalf and the same to be divided amongst them in such manner as the Board may, from time to time, determine.

RESOLVED FURTHER THAT this Resolution shall be effective for a period of five years from 1st April, 2008 to 31st March, 2013."

7. To consider and, if thought fit, to pass the following resolution which will be proposed as a Special Resolution;

"RESOLVED that as already authorised by the Company in general meeting as per resolutions passed at its meetings held on 14th June, 1972 and 23rd February, 1968, pursuant to the provisions contained in Section 149(2A) of the Companies Act, 1956, approval be and is hereby once again accorded to the commencement of business of designers, engineers, builders, contractors of all kinds of buildings etc. and to establish super markets and departmental stores etc. as specified in sub-clauses 4(g) and 5(g) respectively 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 Nos. 6 and 7 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 9th July, 2008 to Wednesday, the 23rd July, 2008 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
10 th July, 2001	2000-2001	8 th August, 2008
4 th July, 2002	2001-2002	2 nd August, 2009
5 th August, 2003	2002-2003	4 th September, 2010
20 th July, 2004	2003-2004	18 th August, 2011
26 th July, 2005	2004-2005	24 th August, 2012
12 th July, 2006	2005-2006	10 th August, 2013
14 th March, 2007*	2006-2007	12 th April, 2014

*(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 **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."

- 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 Intime Spectrum Registry Limited for their doing the needful.
- h) Members are requested to notify change in address, if any, immediately to Intime Spectrum Registry Limited 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: 5th May, 2008

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

The Company had obtained approval of shareholders earlier by way of Special Resolution for payment of remuneration to the Non-Whole-time Directors of the Company by way of payment of commission on net profits. As per the provisions of section 309(7) of the Companies Act, 1956 that approval expired on 31st March, 2008 and fresh approval of the shareholders is required for continuance of the payment of commission to the Non-Whole-time Directors of the Company commencing from the financial year 1st April, 2008 onwards as mentioned in the resolution.

The payment of commission to Non-whole-time Directors will be subject to the limits thereof set out in the relevant provisions of section 309 of the Companies Act, 1956 being at a rate not exceeding 1% of the net profits of the Company calculated in accordance with the relevant provisions of the Act in a financial year and further subject to such ceiling, if any, per annum as the Board may from time to time fix in this behalf and the same to be divided amongst them in such manner as they may from time to time, determine. In terms of the provisions of the aforesaid section 309, such remuneration is effective for a period of five years as stated in the resolution.

The Board accordingly commends the Special Resolution for your acceptance.

The Non-Whole-time Directors of your Company may be deemed to be concerned or interested in this resolution.

Item No.7

As the members are aware, the Textile unit at Worli, Mumbai, known as 'Century Mills', has now closed down after necessary permission from the State Government was obtained. To increase the shareholders' value it has been decided to develop the available Mill Land at Worli, Mumbai for commercial purposes to the maximum permissible extent. The members had in the past already given approvals to the Company for commencing this business under section 149(2A) of the Companies Act, 1956, but that was many years ago. However, by way of abundant caution and also as a measure of good corporate governance, it is proposed to once again obtain the shareholders' approval in this connection. The resolution is accordingly commended for your acceptance.

None of the Directors of the Company is interested in the Resolution, except to the extent as every other shareholder thereof.

Mumbai,
Dated: 5th May, 2008

By Order of the Board,

D.K. AGRAWAL

Secretary



DIRECTORS' REPORT

At Century, the thirst for more is insatiable. We continue to deliver more be it quality, shareholder value or service to the nation. This eternal yearning to excel has made way for Brand Century to occupy a perpetual, distinct position in the history of India Inc.

Aiming for Growth





DIRECTORS' REPORT

Dear Shareholders,

We take pleasure in presenting the 111th Annual Report of the Company along with the audited statements of Accounts for the year ended 31st March, 2008. The summarised financial results are given below. The overall profitability of the Company has increased in comparison to the previous year after charging all expenses, interest, payments made under the Voluntary Retirement Scheme (VRS) and provision for ex-gratia / compensation, as required under the relevant Accounting Standard.

1. SUMMARISED FINANCIAL RESULTS:

(Rs. in crore)

	2007-08	2006-07
Profit after interest, VRS payments, gratuity, ex-gratia / compensation etc.	566.31	497.23
<u>Less:</u>		
Depreciation	168.58	135.19
Arrears of Depreciation	26.85	8.99
Prior Period Adjustments (Net)	0.81	0.51
Provision for taxation (including Fringe Benefit Tax)	98.24	97.79
Deferred Tax Debit/(Credit)	(7.60)	(18.06)
Net Profit	286.88	224.42
	279.43	272.81
<u>Add:</u>		
Balance brought forward	110.11	77.08
Available Profit dealt with as under	389.54	349.89
<u>Transfers & Appropriations:</u>		
Interim Dividend paid	-	34.89
Proposed Equity Dividend	41.87	-
Corporate Dividend Tax	7.12	4.89
General Reserve	200.00	200.00
Balance carried forward	140.55	110.11
	389.54	349.89

The performance of each business segment of the Company is comprehensively covered in the Management Discussion and Analysis Report based on the reports of the Wholtime Director of the Company and President of each of the units of the Company and forms part of this Directors' Report.

2. DIVIDEND:

The Board of Directors has recommended dividend @ 45% (forty five percent) on the paid up equity share capital of the Company, for the year ended 31.03.2008 as against 37.50% (Thirty seven and a half percent) paid in the previous year by way of interim dividend on equity shares of Rs.10/- each which was treated as final dividend for the year 2006-07. 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 17% on the dividend amount.

3. EXPORTS:

The total exports of the Company amounted to Rs.292 crore (Previous year Rs.315 crore) which represents about 8 percent of the net sales.

4. EXPANSION & MODERNISATION:

a) Textiles

The project work for setting up a new Textile Mill as a separate Division of the Company named as "Birla Century", at GIDC Industrial Estate, Jhagadia, Dist. Bharuch in the State of Gujarat, is at an advanced stage and is expected to be commissioned by about June, 2008 as scheduled. The mill is slated to house about three hundred looms and one lac spindles for a manufacturing capacity of about twenty five million metres of fabrics per annum. The plant will also be equipped with a gas based captive power plant of 30 MW.

b) Cement

Modification and upgradation work at all Cement units is complete and the cement manufacturing capacity has increased to 7.80 million tonnes per annum, with effect from 1st March, 2008. Subsequent to our report in the previous year, our proposal for cement capacity expansion is modified to expand the cement manufacturing capacity from 7.80 million tonnes per annum to 11.80 million tonnes per annum. This is expected to be achieved by setting up a new clinker line of the capacity of 2.50 million tonnes and an equivalent cement grinding facility, adjacent to the existing plant of Manikgarh Cement at Gadchandur, Maharashtra, along with a captive Thermal Power Plant of 40 MW and as planned earlier, the 1.50 million tonnes per annum cement grinding unit at Sagardighi in Dist. Murshidabad, West Bengal. The revised total outlay for the aforesaid expansion is estimated to be about Rs.1800 crore.

Environment clearance from Ministry of Environment and Forests, New Delhi, has been received for expansion of Cement Manufacturing Capacity at Gadchandur, Maharashtra. The clearance for Forest Land admeasuring 7.06 hectare for pipe/belt conveyor system is yet to be received from Ministry of Environment and Forests, New Delhi.

We intend to place orders for major equipments for expansion at Gadchandur, Maharashtra after getting clearance for forest land.

As regards setting up a grinding unit at Sagardighi, District Murshidabad, West Bengal, we have taken possession of 159 acres of requisite land. The Environment Clearance for the Grinding Unit is expected shortly from the Pollution Control Board, West Bengal.

We plan to place orders for major equipments for the Grinding Unit at Sagardighi, West Bengal after getting the environment clearance as mentioned above.

The expansion is expected to be operational within 3 years from the placement of orders for the Plant and Machinery.

c) Pulp and Paper

Prime Grade Tissue Paper Plant

Orders for major machineries have been placed. Civil construction of buildings for plant and godowns is in progress. The project is running on schedule and is expected to be operational by about November, 2008. Total cost of the project is expected to be around Rs.175 crore.

Multi-layer Packaging Board Plant

To diversify further and to cater to the growing Packaging Paper Board demand, it has been decided to set up a 500 tonnes per day Multi-layer Packaging Board Plant and a 40 MW Power generation plant with an estimated investment of about Rs.775 crore. The Board Plant is proposed to be installed adjacent to the existing Pulp and Paper Plant at Lalkua, Dist. Nainital, Uttarakhand and is expected to be operational by December, 2009. Quotations for the main Plant and Machinery have been received and are under process.

Fibre Line (Pulp Plant)

It has been decided to install a state-of-the-art, eco-friendly Fibre Line to produce best quality wood pulp, with a capacity of 450 tonnes per day and a Chemical Recovery boiler of 1,200 tonnes per day to meet the requirements of pulp for the Paper Board Plant. The Fibre Line will also help in the enhancement of paper production in the existing plants at Lalkua, Dist. Nainital, Uttarakhand. The estimated investment for this expansion is Rs. 495 crore and the plant is expected to be operational by December, 2009. We have already received quotations for the main plant and machinery and these proposals are currently being reviewed.

d) General

Modernisation and technological upgradation programmes, as necessary, are ongoing in all the units of the Company to maintain competitiveness and achieve better quality. Stringent cost control measures continue to be implemented in all possible areas.

5. LAND DEVELOPMENT AT WORLI, MUMBAI

In view of the closure of Century Mill after necessary permission from the State Government was obtained, we have decided to develop the available mill land at Worli, Mumbai for commercial purposes. To obtain the optimum benefit, we intend to use the land for the purpose of Hospitality services, Information Technology, Information Technology Enabled Services and other commercial purposes, subject to various permissions and approvals, which will be obtained in due course. The construction work can commence only after all permissions and approvals are in place.



6. 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 in Clause 49 of the Listing Agreement is annexed to the report on Corporate Governance.

7. 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 such important awards are mentioned hereunder :

a) Century Rayon

- Gold Trophy for best export performance for the year 2006-07 in the category of Tyre Yarn/Cord / fabrics received from The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC).

b) Century Cement

- National Award instituted by National Council for Cement and Building Materials for "Best Environmental Excellence" in limestone mines for the years 2005-06 and 2006-07.
- First prize for "Overall Performance (Mechanised Mines)", "Top Soil Management" and "Noise Vibration Control and Aesthetic Beauty" for its limestone mines during the Mines Environment and Mineral Conservation Week 2007-08 held under the guidance of Indian Bureau of Mines, Nagpur Region.
- First prize for "Standard of Working" and "Publicity & Propaganda" during the Annual Safety Week celebrations for the year 2007, held under the guidance of Directorate General of Mines Safety, Bilaspur Region.

c) Maihar Cement

- First prize in Fire Safety Provision and Organisation for its limestone mines, during the 25th Metalliferous Mines Safety Week, 2007 of Jabalpur Region.
- Sonbhadra Award in "Publicity Propaganda" and First prize for "Overall Performance", "Water Quality Management" and "Waste Dump Management" for its Limestone mines during Mines Environment and Mineral Conservation Week in the year 2007-08, held under guidance of Indian Bureau of Mines, Jabalpur Region.
- National Safety Award for outstanding performance in Industrial Safety during the performance year 2005 in achieving "Based on accident free year".
- Three students (scouts) from our School have been selected for President's Award and 10 students (4 Scouts & 6 Guides) have been selected for Governor's Award during the academic session 2007-08.

d) Manikgarh Cement

- First prize in the "Noise Vibration & Aesthetic Beauty", "Reclamation and Rehabilitation" and "Overall Performance" for its Limestone Mines, during the Mines Environment and Mineral Conservation Week 2007-08, Nagpur region (Madhya Pradesh and Maharashtra), held at BALCO, Korba (Chhattisgarh State) in December, 2007.
- Prize for excellence in Process category at the National Convention held at Kolkata for case study in "Optimisation of kiln coal firing" to Manikgarh Quality Circle Group.
- Prize for excellence in Electrical category for case study in "Excess power consumption in auxillaries group of Cement Mills", Instrument category for case study in "Power Saving in CT screw group in Raw mill areas", Ropeway category for case study in "To eliminate jamming of main belt conveyor discharge chute", Packing Plant category for case study in "Frequent bag jamming in conveying system in Packer machines", Mines category for their case study in "Easy arrangement of battery lifting and shifting to and from dumpers" at the Chapter level convention at Nagpur to Manikgarh Cement Quality Circle Group.

e) Pulp and Paper

- 'Excellent Energy Efficient Unit', with a National Award for Excellence in Energy Management 2007, by Confederation of Indian Industry, held at Hyderabad during 12-13th September, 2007.
- Excellent Award in the 21st National Convention on Quality Circles organised by Quality Circle Forum of India, Kolkata Chapter, at Kolkata, during the 27th and 30th December 2007, for case study presentation by Unit's Quality Circle "SURYA".
- 'Certificate of Appreciation for Excellent Performance' in the 18th Convention on Quality Circles organised by Quality Circle Forum of India, Kanpur Chapter, at Kanpur during 6th and 7th October, 2007.

8. ENVIRONMENT AND POLLUTION CONTROL:

All the units of the Company have taken adequate measures to ensure pollution free operations. The Company's units continue to make vigorous efforts for attaining high environmental standards not merely to comply with statutory regulations but as a means of ensuring optimum utilisation of resources. It is our intrinsic belief that sustainable progress will only accrue to organisations with social responsibility and care for the environment. We shall continue to strive for work practice that seeks to improve on existing standards.

Top priority continues to be given to preservation of environment by all the units of the Company. To combat pollution and strengthen the area ecology, considerable emphasis is given to plantation of fragrant and shady trees. All manufacturing facilities possess the required environmental clearance from the respective Pollution Control Boards and comply with the relevant legislation.

9. DIRECTORS:

Under Article 130 of the Articles of Association of the Company Shri E.B. Desai and Shri Amal Ganguli retire by rotation and being eligible, offer themselves for re-election.

10. AUDITORS:

The retiring Auditors, M/s. Dalal & Shah, Chartered Accountants, are eligible for re-appointment and have expressed their willingness to accept 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.

11. AUDITORS' REPORT:

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

12. 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.

13. 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 selected 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 or loss of the Company for that period;
- 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.



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

a) Energy Conservation Awards for Rayon Division

Century Rayon has bagged State Level Award for excellence in Energy Conservation & Management 2006.

b) Cement Divisions

Century Cement has received National Award in the Indian Cement Industry in the year 2005-06 for best improvement in energy performance in the manufacture of blended cement and for second best improvement in electrical energy performance.

In the tenth F L Smidth Energy Awards 2007 for energy conservation, Maihar Cement Unit No. 2 has bagged the first prize for the lowest electrical energy consumption Kwh per tonne of cement production amongst modern cement plants using VRM technology, situated in the state of Madhya Pradesh and Chhattisgarh.

In the tenth F L Smidth Energy Awards 2007 in the state of Madhya Pradesh and Chhattisgarh for energy conservation, Century Cement was honoured with the first prize for "Minimum Plant Heat Rate (Kcal/Kwh) with respect to Captive Thermal Generation for the year 2006-2007.

c) 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.

15. PARTICULARS OF EMPLOYEES:

Details of remuneration paid to employees, as required by Section 217(2A) of the Companies Act, 1956, are set out in a separate statement attached hereto and marked Annexure 'B' and forms part of this Report.

16. CASH FLOW ANALYSIS:

In conformity with the provisions of clause 32 of the Listing Agreement the Cash Flow Statement for the year ended 31.03.2008 is annexed hereto.

17. APPRECIATION:

The Company 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 inherent strength. It also extends grateful thanks to 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.

On behalf of the Board,

B.K. Birla

Chairman

Dated: 5th May, 2008

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

Rayon, Tyre Cord & Chemicals Divisions

- Installation of VFDs on Spin bath pumps.
- Installation of solar water heating system in canteen and guest house.

Cement Divisions

- Modification of pre-heater cyclones at Maihar Cement Unit No.2
- Installation of Distributed Control System for cement mills of Maihar Cement Unit No.2.
- Installation of SPRS for raw mill circulating fan, pyro fan and kiln string fan of Maihar Cement Unit No.2
- Modification of raw mills by installation of high efficiency classifier at Maihar Cement and Manikgarh Cement units.
- Installation of SPRS for pre-heater fan and high efficiency fan for grate cooler at Manikgarh Cement Unit.
- Installation of VVVF drive at various section of cement plant and captive Thermal Power Plant at all cement units.

Pulp & Paper Division

- 2500 KVAR new capacitor added in circuit to maintain plant power factor.
- 5 Nos High tension power capacitor added in circuit to reduce the losses.
- 3 No control circuit modified to avoid idle running of equipment.
- 3 Nos site low voltage system optimized.
- VFD provided in Primary Screen (Thick Stock Screening) feed pump to control the pulp flow to machine chest.
- Deflaker motor interlocking done with broke tower pump.
- Installation of DOCC mud filter to increase dryness of lime mud cake.

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

- Centralization of Viscose Ripening Room is in progress. Continuous viscose filters shall be installed in 2nd stage filtration.
- Installation of energy efficient motors on Coning machines.
- Close circuiting of one cement mill at Manikgarh cement Unit.
- Installation of SPRS and 2800 KW motor for pre-heater fan at Manikgarh Cement Unit.
- Installation of high efficiency classifier for sepol separator for polycom at Manikgarh Cement Unit.
- Use of variable frequency drives wherever requirement varies.
- Natural ventilator in machine house and 16 MW Turbine .

(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 sources.

(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:
 - Installation of hybrid filters for kilns and cement mills of Maihar Cement Unit.
 - Increase in production of blended cement by increased use of Fly Ash and Slag.
 - Economic approach to rain water harvesting and water table recharging at Maihar Cement Unit.
 - Sewage treatment plant at Maihar Cement and Manikgarh Cement Units.
 - Provision of level and temperature controlling system for Y-axis water cooling tank for saving of power and water at Manikgarh Cement Unit.
 - Enzyme de-inking of waste paper established.
 - Imitation Parchment paper commercial trial taken.
 - Development of Newsprint on PM-IV.
 - Optimization of Pulping and bleaching condition for New hardwood species Graviileia Robusta.
 - Effect of acidity on Strength Properties of Paper Grade pulp.
 - Development of Rayon Grade Pulp from Bagasse.
2. Benefits derived as a result of the above R & D:
 - Improvement in the quality of manufactured products.
 - Economy in cost and increased efficiency for plant.
 - Conservation of mineral, power, fuel and water.
 - Pollution free environment in and around factory, mines, colony and nearby areas.
 - Development of new market segment.
3. Future Plan of Action:
 - Installation of hybrid filter for kiln at Manikgarh Cement Unit.
 - Continuous improvement in the product quality.
 - Conservation of mineral, power, fuel and water.
 - Pollution free environment in and around Factory, Mines, Colony and nearby areas.
 - Augmentation and optimization by absorption of fly ash and slag in cement.
 - Development of specialty papers.
 - Cost reduction of paper chemicals.
4. Expenditure on R & D: (Rs. in Crore)

(a) Capital	9.02
(b) Recurring (including contribution)	4.51
(c) Total	13.53
(d) Total R&D expenditure as a percentage of total turnover	0.35

Technology absorption, adaptation and Innovation

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

Rayon, Tyre Cord & Chemicals Divisions

- Flash deareator and simplexes of lenzing design have been installed in Rayon Plant.
- Dye preparation, injection and shade matching system procured from M/s Fabelta, Belgium, installed in Rayon Plant for improving quality of dope dyed yarn.

Cement Divisions

- Installation of hybrid filter for kilns and cement mills at Maihar Cement Unit, first of it's kind in India.
- Modification of pre-heater cyclone and calciner carried out at Maihar Cement Unit No.2 and Manikgarh Cement Units.
- Coriolis feeding system for fly ash to cement mills at Maihar Cement Unit No.1 & 2.
- Installation of Ambient air quality monitoring equipment at Manikgarh Cement Unit.
- Installation of fuzzy logic system for optimum operation of raw mills, coal mill, kiln, cooler and cement mills at Manikgarh Cement Unit.

- Installation of particle size distribution analyser at Manikgarh Cement Unit.
- Loss in weight system for coal feeding in kilns at Century Cement Unit.

Pulp & Paper Division

- New Polar Machine installed for A-4 size paper cutting.
- Sand and Pith filter's rpm reduced from 7 rpm to 5 rpm resulting in less wear and tear of equipment, reduction in TSS and improved cleaning of wire cloth at Bagasse washing plant.
- Installation of Additional Brown Stock washer NO.4 in Bagasse Pulp Mill under progress to control the soda loss and better washing of pulp.
- Vineer chips washing plant installed resulting in improved quality of pulp in WPP.

2. Benefits derived as result of above efforts :

Rayon, Tyre Cord & Chemicals Divisions

- Improvement in quality and productivity.

Cement Divisions

- Improved productivity and cost reduction.
- Air pollution abatement.

Pulp and Paper Division

- Reduction in wastage.
- Improvement in quality of pulp & paper.

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

- | | |
|---|---|
| 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 | - 2005 |
| 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. |

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.

Export of Viscose Filament Yarn remained steady, during 2007-08. Efforts were made to improve unit price realization. Special focus was given to increase exports of Dyed yarns to Europe which yielded good results.

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

Considering enhanced production and additional capacities of Pulp & Paper, we have given more thrust on export front and in this process explored new overseas markets namely Ivory Coast, Benin, Tunisia, Madagascar, Dgibouti in Africa and Guatemala in South America. We are also trying to penetrate developed markets of Europe and negotiations are on with several buyers. Quality of our products has received tremendous response which has resulted in repeat orders.

(g) Total Foreign Exchange used and earned.

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

Mumbai

Dated: 5th May, 2008

On behalf of the Board,

B.K. Birla

Chairman



FORM 'A'

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

	Textiles	Yarn	Denim	Cement	Paper	Rayon & Tyre yarn / Fabric & Chemicals
A. POWER AND FUEL CONSUMPTION						
1. Electricity						
a) Purchased Unit (KWH in lacs)	- (538.90)	208.91 (202.18)	26.58 (-)	1229.21 (1097.61)	154.33 (81.83)	753.06 (809.73)
Total Amount (Rs.in Crore)	- (22.04)	8.24 (7.94)	1.11 (-)	59.94 (52.84)	5.12 (2.64)	29.68 (30.26)
Rate/Unit (Rs.)	- (4.09)	3.95 (3.93)	4.18 (-)	4.88 (4.81)	3.32 (3.23)	3.94 (3.74)
b) Own Generation						
i) Through Diesel Generator Unit (KWH in lacs)	- (-)	4.00 (15.17)	366.92 (399.80)	91.45 (68.82)	37.09 (8.35)	591.25 (520.00)
Units per Kg./Ltr. of LSHS & Diesel Oil	- (-)	4.03 (4.05)	4.25 (4.30)	3.57 (3.61)	3.57 (3.37)	4.47 (4.42)
Cost/Unit (Rs.)	- (-)	4.42 (4.72)	4.51 (3.99)	10.96 (11.93)	8.71 (9.08)	5.41 (4.63)
ii) Through Steam turbine/generator Unit (KWH in lacs)	- (-)	- (-)	- (-)	4502.58 (4314.72)	2411.51 (1799.19)	506.69 (492.67)
Units per ton of Coal	- (-)	- (-)	- (-)	893.13 (882.07)	1002.00 (1075.00)	* *
Cost/Unit (Rs.)	- (-)	- (-)	- (-)	3.38 (3.03)	1.25 (1.03)	* *
	Textiles	Cotton Yarn	Denim	Cement	Paper	Rayon & Tyre yarn / Fabric & Chemicals
2. Coal (Grade B,C,D and E)						
Quantity (in lac M. Tons)	- (-)	- (-)	- (-)	9.29 (8.87)	1.19 (1.11)	0.84 (0.77)
Total Cost (Rs.in Crore)	- (-)	- (-)	- (-)	210.00 (180.54)	25.95 (21.40)	31.73 (28.32)
Average Rate (Rs. per M.T.)	- (-)	- (-)	- (-)	2259.72 (2034.64)	2186.19 (1919.92)	3772.35 (3693.27)
3. Furnace Oil & Piped Natural Gas						
Quantity in M.T. (incl. LSHS & Diesel Oil & per thousand SCM)	- (5299.01)	- (-)	1546.15 (1385.31)	5036.42 (6437.20)	3443.00 (3997.00)	72.38 (3036.69)
Total Amount (Rs. in Crore)	- (5.30)	- (-)	2.95 (2.32)	11.62 (13.73)	8.16 (8.59)	0.13** (5.82)
Average Rate (Rs. in M.T.)	- (9995.23)	- (-)	19050.00 (16750.00)	23076.93 (21328.10)	23698.00 (21499.23)	18119.48 (19173.09)
4. Coal for producer Gas (Grade B, C & E)						
Quantity (MT in lacs)	- (-)	- (-)	- (-)	- (-)	0.11 (0.14)	- (-)
Total Cost (Rs. In Crore)	- (-)	- (-)	- (-)	- (-)	2.45 (2.68)	- (-)
Average Rate (Rs. In MT)	- (-)	- (-)	- (-)	- (-)	2186.22 (1919.92)	- (-)

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

** Net of tax.

Notes:

- Figures in respect of Textiles for the current year are nil due to closure of Textile Mill at Mumbai.
- Figures in respect of previous year are given in brackets and have been regrouped/rearranged wherever necessary.

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.	-	-	1085.05	(d)
Cotton Yarn	Per 100 Kgs.	-	-	285.59	(d)
Cotton Yarn (M.P.)	Per 100 Kgs.	-	426.64	427.42	(b)
Denim Fabrics	Per 1000 Sq. Mtrs.	-	1615.17	1435.83	(e)
Rayon Yarn	M.T.	-	4261.57	4138.10	(e)
CSY (Continuous Spg. Yarn)	M.T.	-	6119.67	4815.40	(e)
Tyre Yarn/Fabric/Fibre	M.T.	-	3280.66	3561.96	(e)
Caustic Soda	M.T.	-	2617.00	2625.50	(a)
Carbon-di-sulphide	M.T.	-	1081.19	1049.37	(a)
Sulphuric Acid	M.T.	-	48.43	50.27	(a)
Cement	M.T.	-	82.82	79.22	(a)
Paper	M.T.	-	1253.00	1384.00	(f)
2. Furnace Oil (M.T.) & Piped Natural Gas					
Cotton Fabrics	Per 1000 Sq. Mtrs.	-	-	0.107	(d)
Denim Fabrics	Per 1000 Sq. Mtrs.	-	0.116	0.099	(e)
Rayon Yarn	M.T.	-	0.003	0.116	(c)
CSY (Continuous Spg. Yarn)	M.T.	-	0.007	0.215	(c)
Tyre Yarn/Fibre	M.T.	-	0.003	0.135	(c)
Paper	M.T.	-	0.017	0.029	(f)
Cement	M.T.	-	0.001	0.001	-
3. Coal - B, C, D & E Grades (M.T.)					
Rayon Yarn	M.T.	-	3.410	2.927	(c)
CSY (Continuous Spg. Yarn)	M.T.	-	7.658	5.434	(c)
Tyre Yarn/Fibre	M.T.	-	3.210	3.397	(c)
Cement	M.T.	-	0.130	0.126	(a)
Paper	M.T.	-	0.572	0.817	(f)
4. Coal for Producer Gas (Grade B,C & E) (M.T.)					
Paper	M.T.	-	0.054	0.102	(f)

Notes:

- Minor variations.
- Due to energy conservation.
- Furnace oil including LSHS and Coal are used for steam generation & 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.
- Due to closure of Textile Mill at Mumbai
- Due to change in denier/market mix
- Due to commissioning of new Recycle based Paper Machine where the consumption is low. Previous year's figures have been regrouped, wherever necessary.



ANNEXURE 'B' TO THE DIRECTORS' REPORT

Information under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and forming part of the Directors' Report for the year ended 31st March, 2008

(a) Age (b) Qualification (c) Designation & Nature of Duties (d) Commencement of Employment (e) Experience (years) (f) Remuneration Gross/Net Rs. (g) Particulars of last employment, Last Post, Employer, (No. of years).

1. SHRI ABHIJIT M. BHATWADEKAR* (a) 37 (b) B.Text (c) GENERAL MANAGER (SPINNING) (d) 19/02/2008 (e) 16 (f) 287972 / 286473 (g) SR. GENERAL MANAGER (SPINNING), WELSPUN INDIA LTD. (3)
2. SHRI AJOYKUMAR * (a) 52 (b) B.Sc. LLB, MBA (c) VICE PRESIDENT (PERSONNEL) (d) 17/05/2001 (e) 27 (f) 680803 / 466168 (g) DY. GENERAL MANAGER (P&A), M/S. MINERAL EXPLORATION CORP. LTD., NAGPUR (3-3/12)
3. SHRI ALY MORENO H.* (a) 54 (b) M.Phil. Colour Chemistry, PGD, Textile Industries B&A, B.Sc., Textile Technology (University of Leeds, England) (c) CHIEF OPERATING OFFICER (d) 01/01/2008 (e) 35 (f) 1885915 / 1205904 (g) MANAGING DIRECTOR, MEGAPLAST SA de CV, MEXICO (1)
4. SHRI ANIL KUMAR LODHA* (a) 54 (b) B.Com., C.A. (c) VICE PRESIDENT (MARKETING) (d) 26/12/1992 (e) 26 (f) 1693844 / 1291348 (g) CHIEF COMMERCIAL MANAGER, M/S.ADITYA CHEMICALS LTD., NEW DELHI (12)
5. SHRI B.L. JAIN (a) 71 (b) B.Com., F.C.A. (c) SENIOR PRESIDENT AND WHOLE TIME DIRECTOR (d) 01/02/1962 (e) 48 (f) 10058840 / 6109378 (g) SENIOR AUDIT ASSISTANT, S.B. BILLIMORIA & CO. (2)
6. SHRI B.P. JAIN (a) 66 (b) B.E. (Mech) (c) EXECUTIVE PRESIDENT (PLANT) (d) 09/07/1974 (e) 43 (f) 2688623 / 1027578 (g) PLANT ENGINEER, M/S. JAIPUR UDYOG LTD. (9)
7. SHRI DIPENDRA MAHESHWARI* (a) 29 (b) B.Com., C.A. (c) SENIOR MANAGER (ACCOUNTS) (d) 12/11/2002 (e) 5 (f) 249855 / 204365 (g) -
8. SHRIG.K. AGRAWAL* (a) 59 (b) B.Com. (c) DY. GENERAL MANAGER (STORES) (d) 28/09/1972 (e) 35 (f) 1643108 / 1119154 (g) -
9. SHRI KAMAL KISHORE (a) 68 (b) B.Sc. Dip. (Social Work) (c) EXECUTIVE PRESIDENT (CO-ORDINATION) (d) 13/01/1979 (e) 47-6/12 (f) 2728558 / 1065430 (g) PERSONNEL MANAGER, SAIL (UNIT - BHILAI STEEL PLANT) (18-6/12)
10. SHRI M.C. MEHTA* (a) 63 (b) B.Sc. Engg. (Mech.) (c) PRESIDENT (d) 08/03/1995 (e) 39 (f) 3906864 / 1822668 (g) CHIEF EXECUTIVE, MILTON EXPORTS (6/12)
11. SHRI N.L. VEGAD* (a) 58 (b) M.Sc. (c) DY. MANAGER (QC) (d) 21/09/1999 (e) 34 (f) 224265 / 151736 (g) ASST. MANAGER (QC), SANGHI INDUSTRIES LTD. (CEMENT DIVISION) (2-6/12)
12. SHRI NORMAN GREY* (a) 61 (b) ONC / HNC TEXTILES (c) HEAD DYEING & FINISHING, RESEARCH & DEVELOPMENT (d) 21/01/2008 (e) 24 (f) 1025191 / 649393 (g) SELF EMPLOYED CONSULTANCY (1-6/12)
13. SHRI O.R. CHITLANGE (a) 51 (b) B.Com., F.C.A. (c) PRESIDENT (d) 01/03/1984 (e) 29 (f) 2487754 / 995544 (g) SENIOR VICE PRESIDENT (FINANCE), G.A. GROUP OF INDUSTRIES (1-6/12)
14. SHRI P.C. JAIN* (a) 58 (b) B.Com. (c) SENIOR MANAGER (ADMN.) (d) 28/04/1980 (e) 32 (f) 1266877 / 1026479 (g) MANAGER, SHAKTI SIZING PLANT, UJJAIN (5)
15. SHRI R.A. DUBEY* (a) 56 (b) M.Com. Dip. BM (c) MANAGER (STORES) (d) 05/09/1975 (e) 35 (f) 1165047 / 984266 (g) ACCOUNTS DEPTT., M/S. DAILY NAV BHARAT, RAIPUR (2-9/12)
16. SHRIR.J. SAHOO* (a) 58 (b) M.Com., M.A. (c) MANAGER (COMMERCIAL) (d) 11/04/1973 (e) 34 (f) 304011 / 203219 (g) -
17. SHRI R.K. DALMIA (a) 54 (b) B.COM. F.C.A. C TEX FTI (c) PRESIDENT (d) 01/09/1985 (e) 30 (f) 9244960 / 5251544 (g) SENIOR EXECUTIVE, GRASIM INDUSTRIES LTD. (4-8/12)
18. SHRI S.S. SHARMA* (a) 61 (b) B.Com.(H) LLB, FCA (c) EXECUTIVE PRESIDENT (COORDINATION) (d) 08/04/1999 (e) 37 (f) 1287413 / 820591 (g) MANAGING DIRECTOR, M/S. CONSOLIDATED PETROTECH IND. LTD. (3)
19. SHRI V.K. CHOUBEY* (a) 46 (b) B.E. (Civil) (c) DY. GENERAL MANAGER (CIVIL) (d) 16/11/1998 (e) 25 (f) 437272 / 378729 (g) Own Business (16-3/12)

NOTES:

1. Remuneration received includes Salary, Co's contribution to Provident Fund and Superannuation Fund, House Rent Allowance / House up-keepment Allowance / Rent paid, City Compensatory Allowance, Entertainment Allowance wherever applicable, Rateable value in case of Company's flat, Insurance Premium, Medical Expenses and Leave Travel Assistance, Monetary value of perquisites calculated in accordance with the provisions of Income Tax Act, 1961 and Rules thereunder. Net remuneration represents net amount received after deduction of Taxes, contribution to Provident (including VPF) and Superannuation Funds and Reimbursements.
2. Other terms and conditions : one month/three months/six months notice on either side.
3. The name of an employee who was in the Company's employment for a part of the financial year and whose remuneration excluding compensation paid on voluntary retirement was not less than Rs.2,00,000/- per month has been included and his name is marked*.
4. None of the above employees is a relative of any Director of the Company.

On behalf of the Board,

Mumbai

Dated: 5th May, 2008

B. K. Birla

Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

As pioneers, we lead the industry with our whole selves products as well as business practices; quality as well as manufacturing processes. Efficient business management lies in the deeply ingrained roots of Century. This excellence in management continues to infuse renewed vigour in our veins to encounter the future, complete with its challenges and opportunities.



Business Management An Art we Excel At



This report embraces 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 in comparison to the previous year, mainly driven by better performance of the Cement and Pulp & Paper Divisions. In spite of adverse market conditions, the performance of Rayon Division is considered to be satisfactory. "Century Mill" the Textile unit of the Company at Worli, Mumbai has now closed.

Interest burden is likely to increase in future due to various expansion programmes at hand including the setting up of the new Textile Mill, 'Birla Century'; expansion of cement manufacturing capacity and setting up of the new Tissue Paper plant, Multi layer Packaging plant and Fibre line (Pulp plant), as also due to the continuing higher interest rates.

Although economic growth may be moderate in the short term, the macro economic fundamentals are sound and the outlook for the Indian economy remains bright. Demand growth for cement is expected due to major infrastructure development projects as well as construction of residential units. The prices and demand for paper are likely to rule firm owing to the Central Government's sustained thrust on promoting education at all levels. Furthermore, by producing finer denier yarn used for high value fabric, the demand for Viscose Filament Yarn (VFY) is expected to improve.

2.1 BUSINESS SEGMENT- TEXTILES

Cotton Textiles, Yarn and Denim

a) Industry Structure & Development:

Belying high expectations after the removal of quotas from January, 2005, textile exports have suddenly slumped during the current fiscal year (2007-2008). This is attributed to demand recession in USA and Europe. The appreciation of the Indian Rupee in the last few years and particularly during the last year, has also adversely affected exports. However, the silver lining is the steady rise in investments for modernization, technological upgradation, new projects etc. in the textile sector and the support of the Central Government by continuing budgetary allocations to the Textile Upgradation Fund.

b) Opportunities and Threats:

The Central Government has encouraged Schemes for Integrated Textile Park (SITP) and modernisation of the Textile Industry through its Technology Upgradation Fund (TUF). These steps are expected to provide good opportunities for the Textile sector in future. However, there is a continuing pressure on exports due to rupee appreciating against the US Dollar, high borrowing costs and the high cost of power and freight.

c) Segmental Review and Analysis:

The Textile unit of the Company at Worli, Mumbai has closed down with effect from 12th January, 2008 pursuant to the State Government's approval for closure of the mill under the applicable provisions of the Industrial Disputes Act, 1947. Out of the remaining 275 workers, 82 have challenged the decision and the matter is pending before the Industrial Tribunal at Mumbai.

Our new Textile Mill named 'Birla Century', which is a greenfield project in the Bharuch District of Gujarat, is expected to be operational by June, 2008. With an established name in the export and domestic markets, we foresee no difficulty in promoting the export of the Company's textile fabrics as well as the sales in the domestic market. Moreover, we expect to offer a high value product range in different varieties of shirtings, suitings and finer fabrics as well as bed linen.

The sale of textile products under the brand 'Cottons by Century' is gradually increasing and the garments are well accepted. The introduction of 'Ready to Wear' products for women has also received an encouraging response. Post June, 2008, our new textile mill will produce a greater range of fabrics in fine and superfine counts. Consequently, the 'Ready to Wear' products under the brand 'Cottons by Century' will offer a wider choice of high quality formal and casual wears, with improved colour combinations in different styles.

Considering the growing numbers of the youth and their increasing purchasing power, we are in the process of introducing two new products targeting this segment of consumers. These products comprise "UVA": a men's casual wear offering to the youth and "d'nims by Century": a denim bottom wear range in the latest fashions and styles.

Domestic and export markets for cotton yarn and denim remained depressed due to demand recession. As a result, selling prices also came under severe pressure. Although the technical performance of both the plants remained satisfactory, the financial performance suffered a set-back due to adverse market conditions. We are making every effort to improve the performance of this business segment by introducing different varieties in denim with appealing technical compositions.

d) Risks and Concerns:

The falling exports of the textile fabrics due to the appreciation of rupee against the US Dollar and reduced demand in the USA and Europe are matters of concern. This challenge is aggravated by the excellent performance of low cost Asian competitors such as China, Bangladesh, Cambodia, Vietnam leading to their increased market share.

The lack of availability of cotton at reasonable prices has also troubled the Indian Textile industry. Export of cotton from India is causing a shortage of cotton in the country resulting in higher prices. In view of crop shortages in the world, the increasing prices of cotton cause a bit of worry.

e) Outlook:

By adopting active and systematic forward cover to protect earnings from currency fluctuations, controlling cost, exploiting untapped markets and moving up the value chain, we expect the textile segment to improve in the coming years.

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

a) Industry Structure and Development:

As this industry is capital intensive and demands compliance with stringent environmental regulations as well as a large manpower, no new capacities are on the horizon.

Capacity utilization by the industry was also relatively low due to stagnant demand.

Substitution of VFY by Polyester Yarn in a few cases and cheaper prices of Polyester Yarn continue to affect the off-take as well as the prices of VFY.

b) Opportunities and Threats:

The levy of Anti-Dumping Duty on imports from China should have reduced imports of VFY but this has been offset by the appreciation of the rupee. Anti-Dumping Review Application has been filed by the Industry to overcome the problem of cheaper imports of the competitors' goods.

At the same time, the industry is focusing on production of finer Denier yarn, which has found ready acceptance in the market.

During the year under review, the Government has announced a reduction in import duty of VFY, without providing any corresponding concessions to the domestic producers. Proposed withdrawal of 1% additional duty on Polyester Yarn will further widen the gap between the prices of Polyester and VFY.

c) Segmental Review and Analysis:

It is heartening to note that the yarn produced by the Company is fetching some premium in the market as the Company is compliant with ISO 14001 and OHSAS 18001:1999 standards.

The year under review has witnessed a substantial increase in the cost of major raw materials such as, Wood Pulp and Sulphur. Due to a sluggish market, the industry could not fetch higher prices to take care of the increased cost. Additionally, high inflation rate has led to higher Dearness Allowance, thus increasing the overall labour costs.



Penetration of High Tenacity Polyester yarn, reduced off-take in high speed passenger car tyres and cheaper prices being offered by competitors have reduced overall off-take of Rayon Tyre yarn, thus increasing inventory levels.

We have undertaken initiatives to develop Zero Twist and Super III, new qualities of Rayon Tyre yarn, for which trials are currently under progress.

Selling prices of Carbon-di-Sulphide (CS₂) and Sulphuric Acid have witnessed a rising trend, which is expected to offset the increased cost of inputs in their manufacture.

d) Risks and Concerns:

The continuous increase in labour costs remain a matter of concern. The costs of our main raw-materials continue to rise posing another challenge. These can only be countered by higher efficiency and steady improvements in productivity which remain areas of focus for us.

Lower prices of imported yarn and availability of Polyester yarn at a low price adversely affect the demand and selling prices of VFY. The strengthening of the rupee results in imported yarn being cheaper.

There is a likelihood of CS₂ being imported because of high domestic prices. This would affect our market share adversely.

e) Outlook:

Outlook for Viscose Filament Yarn is expected to remain satisfactory in view of:

- a) A low stock level maintained by the industry currently.
- b) Making inroads into newer segments by producing yarn of finer Deniers, used in the production of high value fabric.
- c) VFY having the natural advantage of feel and lustre compared to synthetic yarn.

The Tyre Yarn Export market is expected to remain depressed due to lower demand and higher production costs.

2.2 BUSINESS SEGMENT-CEMENT DIVISIONS

a) Industry Structure and Development:

The Indian Cement Industry is the second largest producer in the world, next to China with an installed capacity of 188.97 million tonnes per annum (tpa). During 2007-08, the cement production in the country stood at 168.31 million tonnes, as against 155.66 million tonnes in the previous year, witnessing a growth of 8.13%. To meet the increase in demand, the producers are relying on higher levels of blending. As a result, the share of blended cement production to total cement production has increased to about 75% during the year 2007-08, up from 69% in the Previous year. The industry exported 3.65 million tonnes of cement and 2.37 million tonnes of clinker, during the year 2007-08 as against export of 5.89 million tonnes and 3.11 million tonnes, respectively, during the previous year. The decline in export was due to a surge in domestic demand. The Working Group on the cement industry for the 11th Plan estimated that at the end of the Plan, the demand for cement is expected to reach 269 million tonnes. This requires a capacity of around 300 million tonnes. Consequently, the Indian Cement industry is in the process of augmenting capacity through expansion/green field projects of about 100 million tonnes over the next three to four years. The industry has adopted state-of-the-art technology and today, it meets international product quality standards.

b) Opportunities and Threats:

India is one of the six fastest growing economies of the world. More robust infrastructure is required to support the sustained economic development of the country. Construction is the second largest economic activity in India, next only to agriculture. The urban housing shortage at the end of the 10th Plan was estimated at about 24.7 million units.

Today, the housing sector is booming due to rising income levels, growing urbanisation as well as liberal housing finance and tax benefits. Consequently, high levels of product offtake by the housing sector are expected to drive increased cement consumption. Several mega projects in regions such as, Delhi, Mumbai, North-South and East-West road corridors; Golden Quadrilateral corridors; modernisation of airports in Delhi, Mumbai and other cities; infrastructure for the ensuing Commonwealth Games 2010 as well as several rail corridors are at various stages of development and implementation. These will certainly boost cement demand in the coming years. India's per capita consumption of cement of about 115 kgs per year lags the global average of over 250 kgs and China's consumption of more than 450 kgs. Considering these statistics, there is room for growth in the Indian cement industry. However, the slow down in the US economy is likely to have an impact all over the world, including India. Although the Indian Government's thrust for the speedy development of infrastructure may mitigate its impact. India is already receiving cement consignments from neighbouring countries such as Pakistan. These imports are of relatively small quantities and are not expected to have much impact on supply.

c) Segmental Review and Analysis:

All cement units of the Company have operated at optimum levels. During the year, the Company produced 68.98 lac tonnes, against 67.49 lac tonnes in the previous year. After modification and upgradation of plants, the Company's cement manufacturing capacity has increased from 6.8 million tpa to 7.8 million tpa. In order to conserve limestone reserves, considerable emphasis is being placed on the production of environment-friendly blended cement which constitutes about 95% of the total cement production of our Company compared to the industry average of about 75% in India. In spite of higher input costs, particularly power and fuel, raw material, freight and forwarding charges, the performance of the Cement Division is satisfactory, mainly due to improved realisation and efficient logistics.

d) Risks and Concerns:

Surging inflation, increasing costs of land and construction and costlier housing loans may affect the growth in the housing sector and infrastructure development, reducing demand for cement. Coal availability is also becoming critical. The industry is able to get about 60% of its requirements of coal through Fuel Supply Agreements between the coal companies and cement manufacturers. For the rest of its requirements, the industry is dependent on the open market and imports. The procurement cost of coal in the open market is considerably higher.

Restricted carrying capacity of trucks, increases in power tariffs and high taxes, duties and cess are matters of concern for the cement industry.

e) Outlook:

Although economic growth may moderate in the short term, the macro economic fundamentals are sound and the outlook for the Indian economy remains rosy. Major infrastructure development projects as well as the construction of dwelling units are expected to continue to support robust growth in cement demand. Significant capacity expansions are under implementation by several manufacturers and are expected to enable the industry to meet the increased needs of the country for cement.

2.3 BUSINESS SEGMENT-CENTURY PULP AND PAPER

a) Industry Structure & Development:

The Indian paper industry is highly fragmented with numerous small players. The industry is witnessing a healthy demand and its financial performance has also improved. Most players are augmenting capacities, which are expected to come on stream over the next two to three years. Additionally, the paper industry in India is also witnessing a gradual change in consumer preference, which is shifting from lower to higher quality paper. Producers are adding capacities in higher value segments-especially Coated Paper, Copier Paper and Duplex Boards. With steady demand for paper in India and a surging requirement for higher quality paper, foreign players are exporting to India in a major way. Some foreign players have even undertaken feasibility studies for setting up greenfield capacities in India. Alternatively, there may be foreign tie-ups with Indian manufacturers who have a strong marketing network.



b) Opportunities and Threats:

The domestic paper industry's prospects appear positive for the coming years. Due to favourable Government policies such as a thrust on education, a growing economy, increasing urbanisation and preference for the print media, demand for paper in India can only increase. In the recent Union Budget, the Finance Minister announced an allocation of Rs.34,400 crore for education. Out of this total outlay, Rs.13,100 crore will go for the programmes of Sarva Shiksha Abhiyan, which certainly favours the indigenous paper industry. The per capita consumption of paper in India may go upto 9 kg in the coming years, up from the current 7.5 kg. Rising disposable incomes, a proliferation of malls and a greater innovation in packaging are also expected to drive the offtake of industrial and packaging paper.

The principal threat faced by a large number of Indian paper manufacturers is the dearth of good quality raw material at globally competitive rates. Indigenous raw material is priced higher than Indonesian and Malaysian equivalents. High power tariffs and endemic and widespread power shortages are other impediments to the growth of this energy-sensitive industry.

c) Segmental Review and Analysis:

Introduction of new varieties and improvements in the quality of existing products are ongoing process. The Company interacts regularly with customers to assess their needs for products and services to enhance market share across premium as well as branded segments.

We are focusing on the development of new product ranges such as Recycled Copier Paper and other varieties of speciality papers. We are at an advanced stage of entering into the Tissue Paper segment. The project is progressing on schedule and production is expected to commence by November, 2008.

The packaging segment of Folding Box/Solid Bleached Sulphate Board is growing due to an upbeat environment across industries such as, Pharmaceuticals, Cigarettes, Hosiery, Food and Liquid Packaging, Toys, Breweries and others. Consequently, the Company has initiated the setting up of a 500 tpd Board Mill to manufacture premium products. This facility will cater to the requirements of northern India, where adequate manufacturing capacity does not exist. As a result of favourable State Government initiatives, several packaging units are being set up in Himachal Pradesh and Uttarakhand.

d) Risk and Concerns:

Diversion of Raw Material for other purposes continues to remain a concern. We have undertaken several steps to use substitute raw materials such as veneer chips and rice or wheat straw as a counter measure. The rising cost of conventional raw materials such as wood, bagasse and waste paper also puts pressure on the performance. Macro economic factors such as economic slowdown, sluggish demand or unforeseen political or social instability would affect the performance of the industry as a whole and consequently, our business in this line of manufacture.

e) Outlook:

Due to favourable economic factors, which are directly linked to the demand for paper, the industry outlook appears to be positive.

3. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

We have proper and adequate systems of internal controls, 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 the responsibilities at various levels are discharged effectively and that adequate systems are in place. 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 so on. 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

(Rs. in crore)

Particulars	2007-2008	2006-2007
1. Gross Turnover	3850.64	3506.31
2. Net Sales	3442.61	3140.16
3. PBIDT	749.42	699.12
4. Interest	- 89.18	- 59.52
5. Profit before depreciation, VRS, gratuity, exit payments, exgratia/compensation, etc. and taxation	660.24	639.60
6. Depreciation	- 168.58	- 135.19
7. Arrears of Depreciation	- 26.85	- 8.99
8. Prior Period Adjustments (Net)	- 0.81	- 0.51
9. Profit before VRS, gratuity, exit payments exgratia/compensation etc. and taxation	464.00	494.91
10. Voluntary Retirement Scheme (VRS), gratuity, exit payments, exgratia/compensation, etc.	- 93.93	- 142.37
11. Profit before taxation	370.07	352.54
12. Provision for taxation (including Fringe Benefit Tax)	- 98.24	- 97.79
13. Deferred Tax	7.60	18.06
14. Net Profit	279.43	272.81

Net Sales

Net Sales of the Company have increased by 10%, during the year under review.

Arrears of Depreciation

The Company hitherto charged off arrears of depreciation with respect to fixed assets of its three Divisions-Maihar Cement Unit II, Century Pulp & Paper and Century Denim - for the accounting years 1999-2000 and 2000-2001 over the remaining useful life of the respective assets. The balance of such arrears of depreciation remaining to be charged off as at 31st March, 2007 aggregated to Rs.53.23 crore, Which would have taken more than 10 years If continued to be charged off on this basis. As a matter of prudence and in accordance with the relevant accounting standards, supported by a legal opinion, the Company has decided to charge the arrears of depreciation over two accounting years - 2007-2008 and 2008-2009. As a result of this change, the charge for arrears of depreciation for the year is higher by Rs.18.02 crore and the profit before tax for the year is lower by the same amount.

Net Profit

After providing depreciation for the year under review and arrears of depreciation and tax liability, the resultant net profit was higher as compared to the previous year.

5. HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS:

The total number of employees as on 31.03.2008 was 12,016 (12,601 as on 31.03.2007). Human capital is one of the key elements of sustainable competitive advantage and shareholder value creation. Our human resources philosophy is to establish a strong performance as well as competence-driven culture, with a greater sense of accountability and responsibility. We believe that the quality of employees is the key to our success. We are continuously working to create and nurture an organisation that is highly motivated, result-oriented and adaptable to the changing business environment. In our multi-business context, employees are exposed to various training programmes to help them upgrade their professional and inter-personal skills.

We give high importance to growth and motivation of our manpower resources. We continue to empower and provide a stimulating professional environment to our employees to excel in their respective functional disciplines. Our relationship with the employees continues to remain cordial at all units.



6. HEALTH AND SAFETY MEASURES:

As a conscientious and caring employer, the Company actively pursues safety and health measures continuously. We believe in the good health of our employees. Modern occupational health and medical services are accessible to all employees through well-equipped occupational health centres at all manufacturing units. We are committed to conducting business with a strong environmental conscience, focusing on sustainable development, safe work places and enrichment of the quality of life of employees, customers as well as the community.

Systems, procedures and practices are in place at all operating units and installations to take care of safety, occupational health and environment hazards. Existing facilities are periodically upgraded to maintain excellence.

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.

Ethical business conduct is an imperative Century unvaryingly abides by, day after day. Truthfulness and transparency form the robust pillars that support our growth and concurrently, add to our credibility. Today, our Corporate Governance practice is one of the best in the industry.

The Century Doctrine





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

Century believes that good Corporate Governance means giving what is due to each of its stakeholders including shareholders, employees, customers, government, lenders and society at large. It includes transparency, accountability, fairness and integrity at all levels and provides the framework for better performance and a greater ability to compete successfully in a globalised business environment and create and enhance shareholder value.

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 31.03.2008
		Public	Private			
Shri B.K. Birla - Chairman	Promoter - Non Executive	4	-	-	-	2400
Shri Kumar Mangalam Birla	Promoter - Non Executive	10	12	-	-	Nil
Shri Pradip Kumar Daga	Independent - Non Executive	5	-	2	1	80
Shri E.B. Desai	Independent - Non Executive	8	2	11	5	11,180
Shri Arvind C. Dalal	Independent - Non Executive *	3	2	2	-	820
Shri Amal Ganguli	Independent - Non Executive	9	3	11	5	Nil
Shri B.L. Jain	Executive - Wholtime Director	-	-	-	-	500

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

* Independent with effect from 03.05.2008.

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.

All the directors who are on various Committees are within the permissible limits of the listing agreement. The directors have intimated from time to time their membership in the various Committees in other Companies.

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

Name of the Directors	Remuneration paid/payable for the year 2007-2008 (All figures in Rupees)		
	Commission Payable for the Year	Sitting fees paid during the year*	Total
i) Shri B.K. Birla	13,33,333	40,000	13,73,333
Shri Kumar Mangalam Birla	13,33,333	50,000	13,83,333
Shri Pradip Kumar Daga	13,33,333	1,00,000	14,33,333
Shri E.B. Desai	13,33,333	1,50,000	14,83,333
Shri Arvind C. Dalal	13,33,334	1,50,000	14,83,334
Shri Amal Ganguli	13,33,334	1,10,000	14,43,334
ii) Shri B.L. Jain (Wholtime Director)			Remuneration**
Salary and allowances			93,46,667
Contributions to : Provident Fund			2,51,600
Superannuation Fund			3,06,000
Perquisites			1,54,573
Total			1,00,58,840

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

** As the employee wise break up of liability on account of Retirement Schemes 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 and the same were dealt with appropriately.
- ii) Five Meetings of the Board of Directors were held during the year ended 31st March, 2008. These were held on :-
 (1) 3rd May, 2007 (2) 3rd May, 2007 (3) 23rd July, 2007
 (4) 25th October, 2007 (5) 25th January, 2008
- iii) The attendance recorded for each of the Directors at the Board Meetings during the year ended on 31st March, 2008 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	4	Yes
Shri E.B. Desai	5	Yes
Shri Arvind C. Dalal	5	Yes
Shri Amal Ganguli	5	Yes
Shri B.L. Jain (Wholetime 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 having voting rights of the company is also in place.

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 Arvind C. Dalal
 (3) Shri Pradip Kumar Daga (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 3rd May, 2007, 23rd July, 2007, 23rd July, 2007, 25th October, 2007, 24th January, 2008 and 25th January, 2008. 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 Arvind C. Dalal	6
Shri Pradip Kumar Daga	5
Shri Amal Ganguli	6

- (iii) At the invitation of the Company, representatives from various divisions of the Company, internal auditors, cost auditors, statutory auditors and Executive 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) Risk assessment and its minimisation procedures 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 public issue, rights issue, preferential issues, etc. in the last financial year and hence provisions contained in this behalf in Clause 49 of the listing agreement are not applicable.
- v)
 - a) All pecuniary relationship 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 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 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, 2008, 76 investor complaints/queries were received and as at 31st March, 2008 there were no complaints/queries pending reply. 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 23rd July, 2008 are given hereunder:

Name of Director	Shri E.B. Desai	Shri Amal Ganguli
Date of appointment	05.05.1970	31.07.2004
Expertise in specific Functional areas	Solicitor	Eminent Chartered Accountant having vast experience in Finance
List of other Directorships held Excluding foreign Companies, Companies under Section 25 of the Companies Act, 1956 and Private Companies	Hercules Hoists Ltd. Hindalco Industries Ltd. ICICI Prudential Trust Ltd. Kennametal India Ltd. Panasonic Battery India Company Ltd. Reliance Infratel Ltd. Supreme Industries Ltd. Uni Abex Alloy Products Ltd.	Hughes Communications India Ltd. Aricent Technologies (Holdings)Ltd. Tube Investments of India Ltd. HCL Technologies Ltd. New Delhi Television Ltd. Tata Communications Ltd. AVTEC Ltd. ICRA Ltd. Maruti Suzuki India Ltd.
Chairman/Member of the committees of the Board of other Companies in which he/she is a Director	<p>Audit Committee</p> <p>Kennametal India Ltd. Member</p> <p>Hercules Hoists Ltd. Member</p> <p>Hindalco Industries Ltd. Member</p> <p>Panasonic Battery India Co.Ltd. Chairman</p> <p>ICICI Prudential Trust Ltd. Chairman</p> <p>Shareholders'/Investors' Grievances Committee</p> <p>Kennametal India Ltd. Chairman</p> <p>Hindalco Industries Ltd. Member</p> <p>Reliance Infratel Ltd. Member</p> <p>Remuneration Committee</p> <p>Kennametal India Ltd. Chairman</p> <p>Reliance Infratel Ltd. Member</p> <p>Shares and/or Warrants Allotment Committee</p> <p>Supreme Industries Ltd. Chairman</p>	<p>Audit Committee</p> <p>Aricent Technologies (Holdings)Ltd. Chairman</p> <p>Hughes Communicaitons India Ltd. Chairman</p> <p>Tube Investments of India Ltd. Member</p> <p>HCL Technologies Ltd. Member</p> <p>New Delhi Television Ltd. Chairman</p> <p>Tata Communications Ltd. Chairman</p> <p>ICRA Ltd. Member</p> <p>Maruti Suzuki India Ltd. Chairman</p> <p>AIG Trustee Company (India) Pvt. Ltd. Member</p> <p>Remuneration Committee</p> <p>Tube Investments of India Ltd. Member</p> <p>New Delhi Television Ltd. Member</p>

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
108th	Tuesday	26.07.2005	3.30 P.M.	Birla Matushri Sabhagar, Mumbai
109th	Wednesday	12.07.2006	3.30 P.M.	Birla Matushri Sabhagar, Mumbai
110th	Tuesday	24.07.2007	3.30 P.M.	Birla Matushri Sabhagar, Mumbai



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

Yes, details of which are given here under :-

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.

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 Resolutions to be passed at the ensuing Annual General Meeting of the Company are 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

X. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting to be held:

Day, Date, time and venue:

Day	:	Wednesday
Date	:	23rd July, 2008
Time	:	3.30 P.M.
Venue	:	Birla Matushri Sabhagar, 19, Marine Lines, Mumbai-400020.

b) Financial Year : 2008-2009

First Quarterly Results	:	Before end of July, 2008
Second Quarterly Results	:	Before end of October, 2008
Third Quarterly Results	:	Before end of January, 2009
Audited Yearly Results for the Year ended 31st March, 2009	:	Before end of June, 2009

c) Dates of Book Closure:

9th July, 2008 to 23rd July, 2008 (Both days inclusive).

d) Dividend payment date:

Dividend on Equity Shares when sanctioned will be made payable on or after Monday, the 28th July, 2008 to those Shareholders in physical form whose names stand on the Company's Register of Members on Wednesday, the 23rd July, 2008 and 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 position as at the end of the day on Tuesday, the 8th July, 2008 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.
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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 2008-2009. Listing fee to the Societe de la Bourse de Luxembourg for GDRs has been paid for the calendar year 2008.

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

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

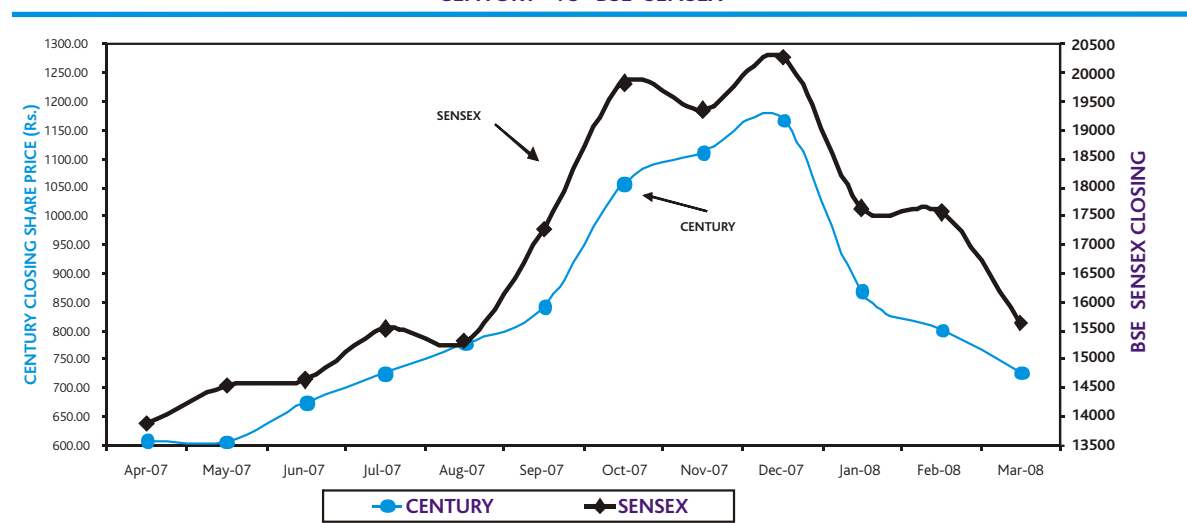
g) Market price Data:

The details of monthly highest and lowest closing quotations of the equity shares of the Company during financial year 2007-2008 are as under :

Month	Bombay Stock Exchange Ltd.		National Stock Exchange of India Ltd.	
	High	Low	High	Low
April, 2007	615.95	503.55	617.70	503.35
May, 2007	647.20	566.40	647.55	566.00
June, 2007	676.90	579.70	677.55	579.95
July, 2007	760.50	666.95	760.20	666.35
August, 2007	790.15	681.80	790.15	681.85
September, 2007	854.65	774.95	855.10	775.15
October, 2007	1057.50	857.95	1056.20	857.85
November, 2007	1141.55	1002.30	1142.55	1002.00
December, 2007	1175.40	1073.00	1173.15	1073.85
January, 2008	1246.10	826.45	1247.35	821.10
February, 2008	946.10	769.05	947.15	773.20
March, 2008	792.90	653.15	796.80	651.35

h) Performance in comparison to broad based indices:

CENTURY Vs BSE SENSEX





i) Registrar and Transfer Agents:

The Company has appointed Intime Spectrum Registry Limited as its Share Transfer Agent for both physical and demat segments of Equity Shares with effect from 1st September, 2006, in place of its earlier Share Transfer Agent viz. MCS Ltd.

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

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, 2008 is given below:

Sr. No.	No. of Equity Shares held	No. of Folios	No. of Shares	Percentage of Shareholding
1.	1 to 100	42,663	18,67,741	2.01
2.	101 to 500	15,437	39,57,058	4.25
3.	501 to 1000	3,162	24,55,135	2.64
4.	1001 to 5000	2,800	60,23,086	6.47
5.	5001 to 10000	359	25,53,822	2.75
6.	10001 to 100000	310	85,51,614	9.19
7.	100001 to 500000	59	1,39,37,244	14.98
8.	500001 & above	21	5,36,99,980	57.71
9.	Total	64,811	9,30,45,680	100.00

l) Share holding pattern as at 31st March, 2008

Sr. No.	Category	No. of Folios	% of Folios	No. of shares Held	% of share holding
1.	Promoters	26	0.04	3,72,89,550	40.08
2.	Resident Individuals	62,017	95.69	1,91,21,168	20.54
3.	Private Corporate Bodies	1,858	2.87	1,11,57,680	11.99
4.	Financial Institutions	5	0.01	24,35,812	2.62
5.	Nationalised Banks, Govt. Insurance Companies and Mutual Funds	124	0.19	1,32,58,968	14.25
6.	FII's	60	0.09	82,14,846	8.83
7.	NRIs and OCBs	719	1.11	9,93,916	1.07
8.	GDRs	2	0.00	5,73,740	0.62
9.	Total	64,811	100.00	9,30,45,680	100.00

m) Dematerialisation of equity shares:

About 57.21% of total equity share capital is held in dematerialised form with NSDL and CDSL.

n) Outstanding GDRs:

The outstanding GDRs as at 31st March, 2008 that are being traded on the Luxembourg Stock Exchange are 5,73,740 which are approximately 0.62% of subscribed and paid up equity share capital of the Company.

o) Plant (Manufacturing Units):

TEXTILE MILL (CENTURY MILL)

(Closed pursuant to order of Govt. of Maharashtra under the applicable provisions of Industrial Disputes Act, 1947)
Pandurang Budhkar Marg, Worli,
Mumbai - 400 030, (Maharashtra).

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, (Chhatisgarh)

MAIHAR CEMENT UNITS I & II

P.O. Sarlanagar - 485 772

Maihar, Dist. Satna, (M.P)

MANIKGARH CEMENT

P.O. Gadchandur - 442 908

Dist. Chandrapur, (Maharashtra)

CENTURY PULP & PAPER

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

CENTURY YARN

CENTURY DENIM

Satrati 451 660, Dist. Khargone, (M.P)

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.

The above report has been placed before the Board at its meeting held on 5.5.2008 and the same was approved.



ANNEXURE I

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,

Century Textile 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, 2008.

Mumbai
5th May, 2008

B. L. Jain
Whole-time Director

ANNEXURE II

COMPLIANCE CERTIFICATE

To the Members
Century Textile 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, 2008.

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.

Mumbai: 5th May, 2008

For and on behalf of
DALAL & SHAH
Chartered Accountants

ASHISH DALAL
Partner
Membership No.: 33596

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the attached Balance Sheet of CENTURY TEXTILES AND INDUSTRIES LIMITED, as at 31st March, 2008, the annexed Profit and Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with the Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from any material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 and the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the annexure referred to above, we report that:
 - i) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - ii) In our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of the books of the Company;
 - iii) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company;
 - iv) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - v) Based on the representations made by the Directors and taken on record by the Board of Directors of the Company and the information and explanations given to us, none of the Directors is, as at 31st March, 2008, prima-facie disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - vi) Without qualifying our opinion, we draw attention to Note No.12 in Schedule 17 to the Accounts, relating to revision in accounting policies;
 - vii) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008;
 - b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For and on behalf of
DALAL & SHAH
Chartered Accountants

Ashish Dalal
Partner
Membership No: 33596

Mumbai : 5th May, 2008



ANNEXURE TO THE AUDITORS' REPORT

ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2008 OF CENTURY TEXTILES AND INDUSTRIES LIMITED

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

- i. (a) The Company has generally maintained proper records showing particulars, including quantitative details and situation of its fixed assets;
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification-programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. According to the information and explanations given to us, discrepancies noticed on physical verification have been adjusted in the books of account;
- (c) The disposal of the fixed assets by the Company during the year, and also the cessation of its Textile operations at Worli, Mumbai, have not affected its going concern;
- ii. (a) As explained to us, inventories have been physically verified during the year by the management, except for inventories lying with outside parties, which have, however, been confirmed by them. The intervals at which the inventories have been verified are, in our opinion, reasonable in relation to the size of the Company and the nature of its business;
- (b) The procedures explained to us, which are followed by the management for physical verification of inventories, are, in our opinion, 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 of the Company, we are of the opinion that, the Company is maintaining proper records of its inventory. Discrepancies noticed on physical verification as compared to book records, which were not material, have been properly dealt with in the books of account;
- iii. (a) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956;
- (b) According to the information and explanations given to us, the Company has not taken any loan, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956;
- iv. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of goods and services. During the course of our audit, we have not come across any major weaknesses in internal control system;
- v. (a) On the basis of the audit procedures performed by us, and according to the information, explanations and representations given to us, we are of the opinion that, the transactions in which directors were interested, and which were required to be entered in the register maintained under Section 301 of the Companies Act, 1956, have been so entered;
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 exceeding the value of Rupees five lac in respect of any party during the year have been made at prices which are reasonable having regard to market prices prevailing at that time;
- vi. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A of the Companies Act, and its Rules, and also the directives of Reserve Bank of India. Since the Company has not defaulted in repayments of deposits, compliance of Section 58AA or obtaining any order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, does not arise;

- vii. On the basis of the internal audit reports broadly reviewed by us, we are of the opinion that, the coverage of internal audit functions carried out by firms of Chartered Accountants appointed by the management, is commensurate with the size of the Company and the nature of its business;
- viii. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of the Company's products to which the said rules are made applicable, and are of the opinion that, prima-facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate;
- ix. (a) According to the records of the Company, it has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities;
- (b) On the basis of our examination of the documents and records, the disputed statutory dues, which have not been deposited with the appropriate authorities, are as under:

Nature of the Dues	Rs. in Crore	Forum where dispute is pending
Customs Duty	0.58 0.34	High Court Departmental Authorities
Excise Duty	0.08 11.54 4.87	High Court Tribunal Departmental Authorities
Sales Tax, Entry Tax, etc.	15.13 11.54 0.36 5.23	Supreme Court High Court Tribunal Departmental Authorities
Service Tax	0.01 0.48	Tribunal Departmental Authorities
Cess on Water, Royalty, Energy, etc.	17.28 0.16	High Court Departmental Authorities

There were no disputed amounts due towards Income tax and Wealth tax;

- x. The Company, neither has accumulated losses at the end of the financial year nor has incurred cash losses, both, in the financial year under report and in the immediately preceding financial year;
- xi. On the basis of the records examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders;
- xii. As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities;
- xiii. In respect of shares, securities, debentures or other investments dealt in or traded by the Company, proper records are maintained in respect of transactions and contracts, and timely entries have been made therein. All the investments are held by the Company in its own name;
- xiv. According to the information and explanations given to us, and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institution;



- xv. On the basis of the records examined by us, and relying on the information compiled by the Company for co-relating the funds raised to the end use of term loans, we have to state that, the Company has, prima-facie, applied the term loans for the purposes for which they were obtained;
- xvi. According to the information and explanations given to us and on an overall examination of the financial statements of the Company and after placing reliance on the reasonable assumptions made by the Company for classification of usage of funds, we are of the opinion that, prima-facie, as at the close of the year, short term funds amounting to Rs.30.15 Crore stand utilised for long term purposes;
- xvii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956;
- xviii. On the basis of the records and documents examined by us, the Company has, during the year, issued short term privately placed secured debentures from time to time, aggregating Rs.2,955 Crore (maximum balance outstanding during the year Rs.250 Crore), which have been repaid prior to creation of any security in favour of the debentureholders;
- xix. The Company has not raised any money by public issue, during the year;
- xx. According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud on or by the Company, has been noticed or reported by the Company during the year.

Looking to the nature of activities being carried on, at present, by the Company and also considering the nature of the matters referred to in the various clauses of the Companies (Auditor's Report) Order, 2003, and the Companies (Auditor's Report) (Amendment) Order, 2004, clauses (iii)(b), (iii)(c), (iii)(d), (iii)(f), (iii)(g) and (xiii) of paragraph 4 of the aforesaid Order, are, in our opinion, not applicable to the Company.

For and on behalf of
DALAL & SHAH
Chartered Accountants

Ashish Dalal
Partner
Membership No: 33596

Mumbai: 5th May, 2008

BALANCE SHEET AS AT 31st MARCH, 2008

	Schedule		31.3.2008 (Rs. in Crore)	31.3.2007 (Rs. in Crore)
I. SOURCES OF FUNDS:				
Shareholders' Funds:				
a) Share Capital	1	93.04		93.04
b) Reserves and Surplus	2	<u>1210.86</u>	1303.90	<u>980.56</u> 1073.60
Loan Funds:				
a) Secured Loans	3	1341.39		929.87
b) Unsecured Loans	4	<u>75.39</u>		<u>370.51</u> 1300.38
Deferred Tax Liability (Net) [See Note 18]			1416.78 250.83	258.43
Total:			<u>2971.51</u>	<u>2632.41</u>
II. APPLICATION OF FUNDS:				
Fixed Assets:				
a) Gross Block	5	3694.86		3523.54
b) Less: Depreciation		<u>1980.58</u>		<u>1797.06</u>
c) Net Block		1714.28		1726.48
d) Capital work in progress		<u>627.14</u>	2341.42	<u>123.30</u> 1849.78
Investments			27.70	15.94
Current Assets, Loans and Advances:				
a) Inventories	7	612.88		474.37
b) Sundry Debtors		164.91		196.90
c) Cash and Bank Balances		47.46		139.19
d) Other Current Assets		14.51		6.03
e) Loans and Advances		<u>441.08</u>		<u>319.46</u>
		<u>1280.84</u>		<u>1135.95</u>
Less:				
Current Liabilities and Provisions:				
a) Liabilities	8	581.84		412.85
b) Provisions		<u>278.12</u>		<u>176.17</u>
		<u>859.96</u>		<u>589.02</u>
Net Current Assets			420.88	546.93
Miscellaneous Expenditure				
(to the extent not written off or adjusted)	9		181.51	219.76
Total :			<u>2971.51</u>	<u>2632.41</u>
Notes forming part of the Accounts			17	

As per our report of even date
For and on behalf of
DALAL & SHAH
Chartered Accountants

ASHISH DALAL
Partner

Mumbai:
5th May, 2008

D.K. AGRAWAL
Secretary

B.L. JAIN
Whole-time Director

B.K. BIRLA, Chairman

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



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2008

Schedule	2007-2008 (Rs. in Crore)	2006-2007 (Rs. in Crore)
INCOME:		
Sales	3850.64	3506.31
Less: Excise Duty	408.03	366.15
Net Sales	3442.61	3140.16
Other Income	70.13	74.64
	<u>3512.74</u>	<u>3214.80</u>
EXPENDITURE:		
Cost of Materials consumed, Purchases and Manufacturing expenses	12 1976.34	1722.29
(Increase)/Decrease in Inventories	13 (19.07)	5.98
Payments to and provisions for Employees	14 276.73	300.25
Selling and Other Expenses	15 538.06	489.93
	2772.06	2518.45
Less: Expenditure transferred to capital account	8.74	2.77
	<u>2763.32</u>	<u>2515.68</u>
Interest and Finance charges	16 89.18	59.52
	<u>2852.50</u>	<u>2575.20</u>
PROFIT BEFORE DEPRECIATION AND EXCEPTIONAL ITEMS	660.24	639.60
Depreciation	168.72	135.63
Less : Amount withdrawn from Revaluation Reserve	0.14	0.44
	<u>168.58</u>	<u>135.19</u>
PROFIT BEFORE EXCEPTIONAL ITEMS		
- From Continuing Operations	520.60	549.42
- From Discontinuing Operations [See Note 23(b)]	(28.94)	(45.01)
	<u>491.66</u>	<u>504.41</u>
Exceptional Items relating to Discontinuing Operations [See Note 23 (c)]	(93.93)	(142.37)
PROFIT FOR THE YEAR BEFORE TAXATION	397.73	362.04
Add / (Less) : Provision for Taxation * :		
Current Tax	(99.00)	(95.00)
Deferred Tax (See Note 18)	7.60	18.06
Fringe Benefit Tax	(2.35)	(2.50)
Wealth Tax	(0.55)	(0.35)
* (Provision for Tax is net of Rs.9.84 Crore tax shield (Previous year Rs. 15.15 Crore) due to losses from ordinary activities of discontinuing operations)		
PROFIT FOR THE YEAR	303.43	282.25
Add / (Less):		
Excess Provision for taxation(Net)	3.66	0.06
Prior Period Adjustments(Net) (See Note 22)	(0.81)	(0.51)
Installment of Arrears of Depreciation [See Note 12(a)]	(26.85)	(8.99)
	<u>279.43</u>	<u>272.81</u>
Add : Balance as per last account	110.11	77.08
Balance Available for Appropriation	<u>389.54</u>	<u>349.89</u>
APPROPRIATIONS:		
Interim Equity Dividend	-	34.89
Tax on Interim Equity Dividend	-	4.89
Proposed Equity Dividend	41.87	-
Tax on Proposed Equity Dividend	7.12	-
Transferred to General Reserve	200.00	200.00
Balance Carried to Balance Sheet	<u>140.55</u>	<u>110.11</u>
	<u>389.54</u>	<u>349.89</u>
Weighted average number of Equity Shares outstanding during the year	93045680	93045680
Basic and diluted earnings per share of Rs. 10 each (in Rupees)		
- Including Exceptional Items	30.03	29.32
- Excluding Exceptional Items (Net of Tax)	36.69	39.47
Notes forming part of the Accounts	17	

As per our report of even date
For and on behalf of
DALAL & SHAH
Chartered Accountants

ASHISH DALAL
Partner

Mumbai:
5th May, 2008

D.K. AGRAWAL
Secretary

B.L. JAIN
Whole-time Director

B.K. BIRLA, Chairman

Directors
KUMAR MANGALAM BIRLA
P.K. DAGA
E.B. DESAI
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, 2008

SCHEDULE "1"		31.3.2008 (Rs. in Crore)	31.3.2007 (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
		248.00	248.00
Issued:			
9,30,61,090	Equity Shares of Rs. 10 each.	93.06	93.06
		93.06	93.06
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
Total:		93.04	93.04

SCHEDULE "2"

RESERVES AND SURPLUS:			
Capital Reserve Account		0.25	0.25
Capital Redemption Reserve Account		100.00	100.00
Revaluation Reserve:			
As per last Balance Sheet	17.31		21.31
Less : Adjustment on account of sale / disposal / reversal of revalued fixed assets	-		3.56
Transferred to Profit and Loss Account	<u>0.14</u>		<u>0.44</u>
	<u>0.14</u>		<u>4.00</u>
		17.17	17.31
General Reserve:			
As per last Balance Sheet	752.89		558.01
Add: Transferred from Profit and Loss Account	<u>200.00</u>		<u>200.00</u>
	<u>952.89</u>		<u>758.01</u>
Less:			
a) Payment against Fractional Bonus Coupons (Rs. 6,141) [Previous year (Rs 13,875)]			
b) Defined Benefit Plans [Previous Year Rs. 2.61 Crore (Net of Tax)]	<u>-</u>		<u>5.12</u>
		952.89	752.89
Balance as per annexed Profit and Loss Account		140.55	110.11
Total:		1210.86	980.56



SCHEDULE "3"		31.3.2008 (Rs. in Crore)	31.3.2007 (Rs. in Crore)
SECURED LOANS:			
Sales Tax Loan from Madhya Pradesh Audyogik Vikas Nigam (Interest free) [See Note 1 (a)]		0.23	0.36
Term Loans from Banks [See Note 1 (b)]:			
- Rupee Loans	850.89		621.73
- Foreign Currency Loans	144.47		139.13
		995.36	760.86
Short Term Rupee Loan from Banks [See Note 1 (b)]		200.00	50.00
Term Loan from Bank of Maharashtra		-	0.26
Working Capital Loans from Banks [See Note 1 (c)]		145.80	118.39
Total:		1341.39	929.87

SCHEDULE "4"

UNSECURED LOANS:			
Fixed Deposits [See Note 5 (a)]		22.53	32.00
Short Term Borrowings:			
- From Banks -			
Under Buyer's Credit Arrangement	35.24		12.00
Rupee Loans	-		150.00
		35.24	162.00
Other Borrowings from Banks		-	175.00
Sales Tax Deferment Loan		-	1.51
Deferred Payment Liability		17.62	-
Total:		75.39	370.51

SCHEDULE "5" FIXED ASSETS :

(Rs. in Crore)

DESCRIPTION OF ASSETS		GROSS BLOCK AT COST OR BOOK VALUE				DEPRECIATION				NET BLOCK		
		As at 31.03.2007	Additions/ Adjustments	Deductions/ Adjustments	As at 31.03.2008	Upto 31.03.2007	For the year	Arrears of Depreciation	Deductions/ Adjustment	Upto 31.03.2008	As at 31.03.2008	As at 31.03.2007
A. ASSETS												
Land :												
Textile Mills :-												
Freehold and Leasehold	9.99	-	-	9.99	-	-	-	-	-	-	9.99	9.99
Land Others:-												
Freehold (a)	17.37	0.08	-	17.45	-	-	-	-	-	-	17.45	17.37
Leasehold	12.39	28.31	-	39.85	-	-	-	-	-	-	39.85	12.39
Buildings (b), (c) and (d)	268.63	14.29	0.85	282.71	71.45	8.80	1.77	(0.35)	82.37	200.34	197.18	
Improvement to Leased Premises	7.43	2.99	0.14	10.28	0.83	4.79	-	0.06	5.56	4.72	6.60	
Water Pipe Lines and Tanks	11.05	9.23	(Rs.10,350)	20.28	6.42	0.78	0.05	(Rs.9,832)	7.25	13.03	4.63	
Plant and Machinery	2,956.28	119.47	15.66	3,060.09	1,587.90	130.85	24.08	11.09	1,731.74	1,328.35	1,368.38	
Floral Plantation	2.35	0.18	0.32	2.21	1.13	0.39	0.21	0.32	1.20	1.01	1.22	
Railway Siding and Locomotives	22.08	5.16	-	27.24	14.02	0.78	0.21	-	15.01	12.23	8.06	
Ropeway	4.06	-	-	4.06	3.85	-	-	-	3.85	0.21	0.21	
Reservoir and Pans etc.	0.09	0.18	-	0.27	0.09	0.18	-	-	0.27	-	-	
Electric Installation (d)	97.35	5.29	0.02	102.62	49.88	4.01	0.67	0.03	54.53	48.09	47.47	
Air-conditioning Plant	1.97	-	-	1.97	1.71	0.19	-	-	1.90	0.07	0.26	
Furniture, Fixtures, Equipments etc.	36.69	3.73	1.29	39.13	21.90	3.27	0.07	1.17	24.07	15.06	14.79	
Air-craft	4.92	-	-	4.92	3.35	0.28	-	-	3.63	1.29	1.57	
Vehicles	8.84	1.61	0.71	9.74	4.55	0.66	(Rs.3,415)	0.47	4.74	5.00	4.29	
Sub Total :	3,461.49	190.52	19.20	3,632.81	1,767.08	154.98	26.85	12.79	1,936.12	1,696.69	1,694.41	
Assets Given on Lease:												
Railway Wagons (e)	62.05	-	-	62.05	29.98	(g) 14.48	-	-	44.46	17.59	32.07	
Total :	3,523.54	190.52	19.20	3,694.86	1,797.06	169.46	(g) 26.85	(f)12.79	1,980.58	1,714.28	1,726.48	
Previous Year's Total :	3,067.49	(h) 487.02	30.97	3,523.54	1,672.89	136.30	8.99	21.12	1,797.06	1,726.48		
B. CAPITAL WORK IN PROGRESS												
Less : Impairment in book value												
										699.73	195.89	
										72.59	72.59	
										627.14	123.30	

FIXED ASSETS NOTES :

- Includes Rs. 0.63 Crore (Previous year Rs. 0.55 Crore) for which sale and conveyance deeds and other transfer formalities are yet to be executed. Stamp duty and other incidental expenses will be capitalised on execution of the same.
- Includes premises on ownership basis Rs.3.61 Crore (Previous year Rs. 3.61 Crore), leasehold premises Rs.0.01Crore (Previous year Rs. 0.01 Crore) and cost of shares in co-operative societies (Rs.750 /-)[Previous year (Rs.750/-)].
- Includes cost of premises Rs. 3.93 Crore (Previous year Rs. 3.93 Crore) in possession of the Company for which sale and conveyance deed and other transfer formalities are yet to be executed. Stamp duty and other incidental expenses will be capitalised on execution of the same.
- Includes the cost of an electric sub-station and other related assets taken by the Company from Madhya Pradesh Electricity Board aggregating Rs. 0.95 Crore (Previous year Rs. 0.95 Crore) for which conveyance deed is yet to be executed [Electrical installation Rs. 0.63 Crore (Previous year Rs. 0.63 Crore); Building Rs.0.32 Crore (Previous year Rs. 0.32 Crore)].
- Wagons acquired under "Own Your Wagon" scheme have been given on lease to railways.
- Net of Rs. 0.31 Crore short depreciation provided [Previous year Excess depreciation written back Rs. 0.22 Crore].
- See Note 12(a).
- Additions to Plant and Machinery is net of Rs. Nil (Previous year Rs.2.04 Crore) being Capital Subsidy received.
- Break-up of depreciation for the year:-

1. In Profit and Loss Account		2006-2007 (Rs. in Crore)
2. Capitalised		135.63
3. Through Cost of raising and transporting Limestone, Shale and Laterite		0.67
[See Note 11(a)] in Schedule 17		136.30
1. In Profit and Loss Account		
2. Capitalised	0.01	
3. Through Cost of raising and transporting Limestone, Shale and Laterite	0.73	
[See Note 11(a)] in Schedule 17	169.46	



SCHEDULE "6"				31.3.2008 (Rs. in Crore)	31.3.2007 (Rs. in Crore)
INVESTMENTS:					
A. 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); [31.3.2007 (Rs. 10,000)].				
OTHER THAN TRADE:					
Government and Trust Securities:					
Quoted:					
1,66,200	12.32 % Government of India Bonds	1.88		1.88	
50,000	11.83 % Government of India Bonds	0.56		0.56	
50,000	10.70 % Government of India Bonds	0.53		0.53	
75,000	7.95 % Government of India Bonds	0.91		0.91	
25,000	7.95 % Government of India Bonds	0.30		0.30	
2,00,000	6.95 % Tamil Nadu State Development Loan	2.07		2.07	
25,000	11.00 % Andhra Pradesh State Development Loan	0.31		0.31	
		6.56		6.56	
Unquoted :					
6 Years National Savings Certificates of the aggregate face value of (Rs.25,000); [31.3.2007 (Rs. 21,000)] @					
[@] Deposited with Government Departments [31.03.2008 (Rs.14,000); 31.03.2007 (Rs. 10,000)]				6.56	6.56
Shares and Other Investments:					
Quoted:					
Fully paid:					
4,538	Equity Shares of Rs. 10 each, of Tata Motors Ltd.	0.01		0.01	
1,50,000	Equity Shares of Rs. 10 each, of Jayshree Tea and Industries Ltd .	0.19		0.19	
18,75,000	Equity Shares of Rs. 10 each, of Mangalam Cement Ltd.	3.23		3.23	
7,60,000	Equity Shares of Rs. 10 each, of Mangalam Timber Products Ltd.	0.76		0.76	
1,36,250	Equity Shares of Rs. 10 each, of Century Enka Ltd.	2.73		2.73	
7,32,000	Equity Shares of Rs. 10 each, of Kesoram Industries Ltd .	13.52		1.76	
(4,82,000)		20.44		8.68	
Unquoted:					
Fully paid:					
85	Equity Shares of Rs.100 each, of Maharashtra State Financial Corporation (Rs.8,500); [31.3.2007(Rs.8,500)]				
2	Shares of Rs. 50 each, of The Maharashtra State Co-operative Bank Ltd.(Rs. 114); [31.3.2007(Rs.114)]				
5,625	Equity Shares of Rs. 100 each, of Industry House Ltd.	0.04		0.04	
	Carried Forward	0.04		0.04	
	Carried Over	27.00		15.24	

SCHEDULE "6" (Contd.)			31.3.2008 (Rs. in Crore)	31.3.2007 (Rs. in Crore)
	Brought Over		27.00	15.24
	Brought Forward	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
2,25,000	Equity Shares of Rs. 10 each, of Kesoram Insurance Broking Services Ltd. (Formerly known as Kesoram Insurance Management Ltd.)	0.05		0.05
1,25,000	Equity Shares of Rs. 2 each, of Kesoram Textile Mills Ltd. (allotted 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
			0.70	0.70
	Total: Long Term Investments		27.70	15.94
B. CURRENT INVESTMENTS (AT LOWER OF COST OR FAIR VALUE)				
OTHER THAN TRADE:				
Unquoted:				
	Total: Current Investments		-	-
	Total: Investments		27.70	15.94

Note: All the above Long Term Investments have been so classified by the Company, in view of its intention to hold the same on long term basis.

During the year the Company acquired and sold the following investments :

	Nos.	Acquisition Cost (Rs. in Crore)
Dividend Option (Units of Rs. 10 each)		
(i) Birla Cash Plus - Institutional Premium	87,828,733.970	88.00
(ii) SBI Mutual Fund	1,123,519,163.220	1,228.00
(iii) ICICI Prudential Long Term Plan - Weekly Dividend	9,593,778.181	10.06
		1,326.06
Fixed Maturity Plan - Dividend Option (Units of Rs. 10 each)		
(i) Birla FTP - Quarterly Series 12	25,000,000.000	25.00
(ii) SBI Debt Fund Series - 180 Days	25,000,000.000	25.00
(iii) Tata Fixed Horizon Fund Series - 10 Scheme D - IP	25,000,000.000	25.00
(iv) SBI Debt Fund Series - 60 Days	15,000,000.000	15.00
(v) TATA Dynamic Bond Fund - Option A	19,425,585.439	20.00
(vi) SBI Debt Fund Series - 180 Days - II	15,000,000.000	15.00
(vii) SBI Debt Fund Series - 180 Days	25,000,000.000	25.00
(viii) Birla FTP - Quarterly Series 15	20,000,000.000	20.00
(ix) SBI Debt Fund Series - 90 Days	25,000,000.000	25.00
(x) ICICI Prudential Interval Fund Monthly Plan II	9,928,810.429	10.00
		205.00
Book-Value		Market-Value
	31.3.2008 (Rs. in Crore)	31.3.2007 (Rs. in Crore)
Quoted	27.00	15.24
Unquoted	0.70	0.70
Total:	27.70	15.94
	31.3.2008 (Rs. in Crore)	31.3.2007 (Rs. in Crore)
	65.29	53.35



SCHEDULE "7"		31.3.2008 (Rs. in Crore)	31.3.2007 (Rs. in Crore)
CURRENT ASSETS , LOANS AND ADVANCES:			
a) Inventories:			
Stores, Spares, etc., at cost less amounts written off	184.22		157.72
Stock in trade, at cost or net realisable value, whichever is lower:			
Raw Materials	207.43		128.16
Materials in process	63.45		64.54
Construction and other Work in Progress	-		0.09
Finished Goods	113.50		93.52
Goods for Trade	19.23		19.16
	403.61		305.47
Goods in transit, at cost to date	25.05		11.18
		612.88	474.37
b) Sundry Debtors, Unsecured:			
(i) Outstanding for a period exceeding six months :			
Good	5.16		7.93
Doubtful	3.68		4.27
Less : Provision	3.68		4.27
	5.16		7.93
(ii) Other, Good	159.75		188.97
Doubtful	-		0.49
Less : Provision	-		0.49
	159.75		188.97
		164.91	196.90
c) Cash and Bank Balances:			
Cash on hand [including cheques on hand Rs.0.79 Crore (31.3.2007 Rs. 95.60 Crore)]	1.79		97.01
Remittances in Transit	0.34		0.45
Bank Balances with Scheduled Banks:			
In Current Accounts	44.51		39.93
In Margin Money Account	0.01		-
In Deposit Accounts	0.78		1.77
Add : Interest accrued thereon	0.03		0.03
	0.81		1.80
	45.33		41.73
		47.46	139.19
d) Other Current Assets:			
Interest accrued on Investments	0.10		0.10
Interest and subsidy receivable	7.22		1.02
Other Receivables	7.19		4.91
		14.51	6.03
e) Loans and Advances, Unsecured, Good, unless otherwise specified:			
Advances recoverable in cash or in kind or for value to be received:			
Good	219.94		158.18
Doubtful	1.40		1.50
Less : Provision	1.40		1.50
	219.94		158.18
Balances with Customs, Port Trust, Central Excise, State Governments, etc.	3.89		1.83
Tax paid in Advance	217.25		159.45
		441.08	319.46
Total:		1280.84	1135.95

SCHEDULE "8"	31.3.2008 (Rs. in Crore)	31.3.2007 (Rs. in Crore)
CURRENT LIABILITIES AND PROVISIONS:		
a) Liabilities:		
* Sundry Creditors [See Note 4, 5 (a), (b) and 25]	574.99	406.09
Overdrawn Bank Balance as per books	1.47	2.31
Interest accrued but not due on loans	5.38	4.45
	581.84	412.85
b) Provisions:		
Taxation	201.11	155.17
Earned Leave	28.02	21.00
Proposed Equity Dividend	41.87	-
Tax on Proposed Equity Dividend	7.12	-
	278.12	176.17
Total:	859.96	589.02
* Includes Rs. 0.71 Crore being commission payable to the Non-Whole time Directors (Previous year Rs. 0.58 Crore).		

SCHEDULE " 9 "

MISCELLANEOUS EXPENDITURE

(to the extent not written off or adjusted):

Compensation under Voluntary Retirement Scheme and Exit payments:		
As per last Balance Sheet	219.76	22.96
Incurred during the year	54.35	274.15
	274.11	297.11
Less: Written off [Includes Rs. 89.98 Crore (Previous year Rs. 75.05 Crore) written off as an exceptional item]	92.60	77.35
	181.51	219.76
Total:	181.51	219.76

SCHEDULE "10"	2007-2008 (Rs. in Crore)	2006-2007 (Rs. in Crore)
SALES:		
Sales (See Note 9)	3895.33	3524.19
Less: Rebates	32.01	15.88
Returns	12.68	2.00
	44.69	17.88
Total:	3850.64	3506.31



SCHEDULE "11"	2007-2008 (Rs. in Crore)	2006-2007 (Rs. in Crore)
OTHER INCOME:		
Dividend (On Investments Other than Trade):		
From Mutual Funds	6.59	0.89
From Domestic Companies	1.45	1.54
From a Foreign Company	0.06	0.07
	8.10	2.50
Rent from Properties (Gross, Tax Deducted at Source Rs. 1.73 Crore ; 2006-2007 Rs. 1.09 Crore)	9.33	7.54
Lease Rent received under ' Own Your Wagon ' scheme	0.54	5.74
Surplus on sale of Fixed Assets	0.86	4.54
Bad debts previously written off, now recovered	0.29	0.04
Gain on Foreign Currency Fluctuation (Net)	2.43	0.99
Export Benefits	7.44	8.57
Sale of Scrap	19.35	15.08
Insurance and Other Claims	1.34	3.38
Miscellaneous Income [Gross, Tax Deducted at Source (Rs.20,959) 2006-2007 (Rs. 26,880)]	11.87	14.82
Provisions no longer required	8.58	11.44
Total:	70.13	74.64

SCHEDULE "12"

COST OF MATERIALS CONSUMED, PURCHASES AND MANUFACTURING EXPENSES:

a) Raw Materials Consumed:		
Opening Stock	128.16	171.03
Add : Purchases (Net of Sales) (including cost of raising and transporting Limestone, Shale and Laterite Rs. 77.77 Crore ; 2006-2007 Rs 71.53 Crore) [See Note 11 (a)]	863.25	606.70
	991.41	777.73
Less : Closing Stock	207.43	128.16
	783.98	649.57
b) Purchase of Finished Goods for Trade [See Note 10 (B)]	31.88	37.79
c) Manufacturing Expenses:		
Stores and Spare Parts consumed	457.16	397.53
Job Work Charges	2.15	3.24
Power, Fuel and Water	630.76	575.33
Building Repairs	14.56	13.52
Machinery Repairs (excluding stores and spare parts consumed)	49.57	40.63
Floriculture Cultivation Expenses [Refer Note 11 (b)]	1.33	1.40
Other Expenses	4.95	3.28
	1160.48	1034.93
Total:	1976.34	1722.29

SCHEDULE "13"		2007-2008 (Rs. in Crore)	2006-2007 (Rs. in Crore)
(INCREASE)/DECREASE IN INVENTORIES			
Opening Stocks:			
Finished Goods	93.52		109.18
Materials in process	64.54		65.31
Construction and other Work in Progress	0.09		0.12
Trial Run Products	-		1.72
Goods for Trade	19.16		6.69
		177.31	183.02
Closing Stocks:			
Finished goods	113.50		93.52
Materials in process	63.45		64.54
Construction and other Work in Progress	-		0.09
Trial Run Products	-		-
Goods for Trade	19.23		19.16
		196.18	177.31
		(18.87)	5.71
Add / (Less): Variation in Excise Duty on Closing and Opening Stock of Finished Goods		(0.20)	0.27
Total:		(19.07)	5.98

SCHEDULE "14"

PAYMENTS TO AND PROVISIONS FOR EMPLOYEES:			
Salaries, Wages, Bonus, etc	227.32		248.86
Contribution to Provident and Other Funds	28.83		28.29
Welfare Expenses	20.01		22.47
Provident and Other Fund Expenses	0.57		0.63
Total:	276.73		300.25



SCHEDULE "15"	2007-2008 (Rs. in Crore)	2006-2007 (Rs. in Crore)
SELLING AND OTHER EXPENSES:		
Rent	14.44	9.29
Rates and Taxes	2.63	2.35
Insurance	9.26	10.37
Freight, Forwarding, Octroi, etc.	338.36	337.02
Advertisement and Publicity	12.97	10.80
Miscellaneous Expenses	93.22	81.46
Advances, Loans and other debit balances, written off	0.78	3.99
Donations	2.50	0.06
Commission	21.15	15.63
Brokerage, Discount, Incentives, etc.	14.16	8.98
Directors' Fees and Travelling Expenses	0.09	0.12
Bad Debts	0.33	0.30
Loss on sale / discardment of Fixed Assets	3.74	4.54
Provision for Doubtful Debts and Advances	0.29	2.70
Provision in respect of Duties, Taxes etc.	21.50	-
Amount written off against Leasehold Land	0.02	0.02
Proportionate amounts written off against "Miscellaneous Expenditure"	2.62	2.30
Total:	538.06	489.93

SCHEDULE " 16"

INTEREST AND FINANCE CHARGES:		
Interest:		
Debentures	6.83	8.63
Fixed Loans *	76.79	49.29
Others	15.53	19.15
	99.15	77.07
Less:		
Interest Received (Gross, Tax Deducted at Source Rs. 0.40 Crore; 2006-2007 Rs. 0.78 Crore):		
On Government Securities	0.57	0.56
On Income Tax Refund	-	0.06
Others	3.11	4.37
	3.68	4.99
	95.47	72.08
Other Finance Charges	1.60	6.21
	97.07	78.29
Less:		
Borrowing Costs Capitalised	7.89	18.77
Total:	89.18	59.52

* Net of subsidy Rs. 14.19 Crore (Previous year Rs.7.20 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.0.14 Crore).
 - (b) Rupee/Foreign Currency 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 Textile, Cement, Pulp & Paper (excluding leasehold land) and Rayon Divisions of the Company 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 and proposed Textile Mill at Jhagadia, Gujarat are also secured by mortgage / hypothecation of all the immovable / movable fixed assets of the respective Divisions. (Due within one year Rs.365.86 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, Stock-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 Textile, 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.78.51 Crore (31.3.2007 Rs. 60.98 Crore).
2. In respect of vacant and other lands held by the Company, a statement under Section 6 of the Urban land (Ceiling & Regulation) Act, 1976, has been filed with the concerned Competent Authority by the Company and necessary applications for exemption with respective State Governments have also been made. The said Act has since been repealed. Any adjustments required consequent to the disposal of the applications, will be made at the relevant time.
3. (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.
- (c) 1.7720 hectares of Adivasi land acquired during the year 2006-2007 by Manikgarh Cement Division for Rs. 0.18 Crore is, subject to the payment of amount to the Government of Maharashtra as Nazrana, which will be accounted for when determined by such Government.
4. (a) 'Sundry Creditors' in Schedule '8' to the Accounts include (i) Rs.Nil due to creditors registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME); and (ii) Rs.574.99 Crore due to other creditors.
- (b) No interest is paid / payable during the year to Micro, Small and Medium Enterprises.
- (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.
5. (a) Unclaimed Fixed deposits amounting to (Rs. 22,500) and (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 .



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

- (b) Unclaimed Dividends amounting to Rs.0.02 Crore (31.3.2007 Rs. 0.01 Crore) is pending on account of litigation among claimants / Notices from Tax Recovery Officer.

	31.3.2008 (Rs. in Crore)	31.3.2007 (Rs. in Crore)
6. Contingent Liabilities not provided for in respect of:		
(a) Gurantees given by 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)	9.81	8.40
(b) (i) Claims against the company not acknowledged as debts in respect of:		
- Custom Duty and Excise Duty	8.07	35.20
- Sales Tax and Entry Tax	25.87	22.43
- Power Charges	184.97	120.28
- Royalty	121.88	102.57
- Others	24.49	18.44
(ii) Claims not acknowledged as debts jointly with other members of "Business Consortium of Companies" in which the Company had an interest (proportionate)	17.19	17.25
(c) Registration and Road Tax on Dumper of Cement Division Amount not determinable at present		
(d) Disputed tax matters in appeal [Paid thereagainst Rs. Nil;(31.3.2007 Rs. Nil)]	2.31	6.15
(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 at present		
Note : Item No.6(b) to 6(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).		
7. (a) Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	281.59	72.95
(b) Lease rental obligation:		
- not later than one year	11.21	8.09
- later than one year but not later than five years	11.60	11.65
- later than five years	4.19	2.03
(c) Lease rental income:		
- not later than one year	4.19	4.11
- later than one year but not later than five years	5.41	5.21
- later than five years	1.77	2.27

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

8. Capacity, Production, Turnover and Stocks:

(A) Licensed and Installed Capacity and Production:

Class of Goods	Licensed/Registered Capacity		Installed Capacity (c)		Production (a)	
	31.3.2008	31.3.2007	31.3.2008	31.3.2007	2007-2008	2006-2007
Cloth [See Note 23 (a)]	- Looms	3042 Looms	- Looms	1824 Looms	- Mtrs.	31695460 Mtrs.
Cotton Yarn [See Note 23 (a)]	- Spindles	146564 Spindles	- Spindles	133272 Spindles	- Kgs.	28003 Kgs.
Cotton Yarn/Blended Yarn	25200 Spindles	25200 Spindles	24960 Spindles	24960 Spindles	4992519 Kgs.	5087675 Kgs.
Denim Cloth	21000000 Mtrs.	21000000 Mtrs.	21000000 Mtrs.	21000000 Mtrs.	15567532 Mtrs.	17534361 Mtrs.
	M.T.	M.T.	M.T.	M.T.	M.T.	M.T.
Viscose Filament Yarn and Viscose Tyre Yarn/Industrial Yarn (b) (i)	30000	23200 1800	25000	25000		
Rayon Yarn					17215	18432
Tyre Yarn and Fabric)))) High Performance) Viscose Staple Fibre)	(b)				(d) 5955	(d) 5274
					-	-
Sulphuric Acid (i)	71000	58000 13000	71000	71000	68398	64981
Carbon di-sulphide (i)	20000	10500 5500	18000	18000	16788	16900
Caustic Soda	28426	28426	20500	20000	20486	20410
Liquid Chlorine (i)	25000	10500 6500	17500	17000	17139	17300
Hydrochloric Acid	47241	47241	19241	19241	3569	3296
Refined Salt (h)	100000	100000	100000	100000	69564	97274
Salt					68115	97941
Cement (e) & (k)	7800000	6800000	7800000	6800000	6898400	6749442
Paper including Paper Board/Straw Board	29800	29800	37250	37250	39245	42369
Rayon and/or Paper Grade Pulp (f)	20000	20000	31320	31320	38098	38285
Bagasse based Paper (g)	(g)	(g)	84600	84600	87657	85335



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

8. 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)	
	31.3.2008	31.3.2007	31.3.2008	31.3.2007	2007-2008	2006-2007
Newsprint	20000	20000	-	-	-	-
Recycle Based Paper	(l)	(l)	75960	75960	80775	8815
Compressed Hydrogen M3 (i)	8000000	4000000 1800000	6200000	5000000	6005213	5952365
Spinning Machines and other equipments	Nos. 74	Nos. 74	(j)	(j)	- Nos.	- Nos.
Cut Rose Flowers	Not applicable	Not applicable	375000 Mother Plants equivalent to 6000000 Flowers per annum	445264 Mother Plants equivalent to 9167200 Flowers per annum	4895773 Flowers	5295654 Flowers
Carnation Flowers	Not applicable	Not applicable	25000 Mother Plants equivalent to 190000 Flowers per annum	50500 Mother Plants equivalent to 383648 Flowers per annum	82275 Flowers	194153 Flowers
Carnation Plants	Not applicable	Not applicable	7500 Mother Plants equivalent to 375000 Plants per annum	15000 Mother Plants equivalent to 750000 Plants per annum	97525 Plants	109959 Plants
Gerbera Flowers	Not applicable	Not applicable	10000 Mother Plants equivalent to 360000 Flowers per annum	16530 Mother Plants equivalent to 661200 Flowers per annum	255790 Flowers	150972 Flowers
Rose Plants	Not applicable	Not applicable	1200000 Rose Plants per annum	1200000 Rose Plants per annum	630517 Plants	257741 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 64 M.T. for Captive Consumption (2006-2007, 442 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.
 (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) The Company has received sanction for the production of 31,608,000 mtrs cloth for its textile project at Bharuch, which is presently under implementation.

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

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

B) Stocks and Turnover :

Class of Goods	Unit	Opening stock		Closing stock		Turnover (c)		Sundries (a)	
		1.4.2007	1.4.2006	31.3.2008	31.3.2007	2007-2008	2006-2007	2007-2008	2006-2007
		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.	1215691	28.33	160731	12.70	1054502	35074050	458	31208
Cotton Yarn	Kgs.	-	0.02	-	-	-	30931	-	-
Cotton Yarn/Blended Yarn	Kgs.	318306	2.24	428676	3.10	4645553	4119323	234596	878406
Denim Cloth	Mtrs.	730867	12.54	822700	3.97	15475699	18286345	-	11360
Rayon Yarn	M.T.	1419	14.07	821	1419	17816	17969	(3)	2
Tyre Yarn and Fabric	M.T.	1113	16.73	2570	14.78	4497	5594	1	-
High Performance									
Viscose Staple Fibre	M.T.	-	-	-	-	-	-	-	-
Sulphuric Acid	M.T.	379	(b) 0.04	597	(b) 0.04	45335	41923	22845	23239
Carbon-di-sulphide	M.T.	81	(b) 0.13	45	(b) 0.13	9807	9948	7017	7072
Caustic Soda	M.T.	93	0.09	183	0.09	3807	3585	16589	16834
Liquid Chlorine	M.T.	131	-	62	-	17103	17113	105	174
Hydrochloric Acid	M.T.	94	-	99	-	2647	2167	917	1085
Refined Salt	M.T.	6666	0.69	3162	0.77	72951	96687	117	206
Salt	M.T.	9343	0.07	2317	0.09	-	-	75141	96179
Cement	M.T.	75016	20.99	105932	18.77	6823208	6741510	44276	27112
Paper (including Paper Board/Straw Board)	M.T.	108	0.62	303	0.30	39042	42453	8	13
Rayon and/or Paper									
Grade Pulp	M.T.	2825	9.17	4966	7.44	14772	24588	21185	14918
Bagasse Based Paper	M.T.	396	3.24	565	1.01	87484	86032	4	4
Recycle Based Paper	M.T.	2413	-	4591	7.10	78595	6402	2	-
Compressed Hydrogen	M3	3980	-	4969	-	6000279	5946863	3945	4207
Spinning Machine and other equipments	M.T.	-	-	-	-	-	-	-	-
Cut Rose Flowers	Nos.	107650	0.07	55835	0.03	4572083	5051447	375505	425926
Carnation Flowers	Nos.	380	(Rs.2374)	9086	(Rs. 1140)	72465	186013	1104	8979
Carnation Plants	Nos.	289129	0.31	110975	0.20	74775	103250	200904	155805
Gerbera Flowers	Nos.	450	(Rs.2899)	278	(Rs. 834)	253921	153537	2041	-
Rose Plants	Nos.	89875	0.16	95535	0.10	329925	169276	294932	130351
Waste (Rayon)		-	0.62	-	0.52	-	-	-	-
By-products		-	0.43	-	0.45	-	-	-	-
Clinker		-	-	-	-	-	-	-	-
Others		-	0.50	-	0.51	-	-	-	-
Goods traded in :									
Garments	Pcs.	539848	5.87	532741	17.93	859063	589303	43912	26449
Fabrics	Mtrs.	36370	0.64	81130	0.80	145476	93786	53	3106
Cut Rose Flowers	Nos.	-	-	-	-	708282	1541839	-	-
Carnation Flowers	Nos.	-	-	-	-	2940	-	-	-
Gerbera Flowers	Nos.	-	-	-	-	22060	-	-	-
Rose Plants	Nos.	-	-	-	-	95500	-	-	-
Others		-	0.18	-	0.43	-	-	-	-
Total :		-	117.99	-	112.85	-	3895.33	-	3524.19

(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 9

(@) Including Conversions



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

9. Sales are net of cash discounts Rs.29.89 Crore (2006-2007 Rs. 26.03 Crore).
10. Raw Materials Consumed, Purchase of Finished Goods for Trade and Imported and Indigenous material consumption:
(A) Raw Materials Consumed:

	Unit	2007-2008		2006-2007	
		Quantity	(Rs. in Crore)	Quantity	(Rs. in Crore)
Cotton	Kgs.	17523350	95.92	24803368	133.60
Cotton Yarn	Kgs.	646731	4.91	1158167	13.39
Wood Pulp	M.T.	10837	53.47	10497	51.28
Salt	M.T.	32219	4.83	60323	5.73
Sulphuric Acid	M.T.	22845	(a)	22874	(a)
Zinc and Zinc Oxide	M.T.	212	3.17	236	4.21
Sulphur	M.T.	37518	45.17	36957	16.29
Charcoal	M.T.	4757	5.76	5043	5.46
Caustic Soda	M.T.	16589	(b) 0.61	16374	(b) 0.50
Carbon - di - Sulphide	M.T.	7018	(a)	7072	(a)
Limestone	M.T.	7192798	98.50	6975755	91.91
Gypsum	M.T.	225731	31.70	227637	30.10
Pozzolana	M.T.	1574521	69.65	1616139	79.57
Slag	M.T.	215678	9.25	220251	9.68
Laterite	M.T.	209694	4.59	195087	4.51
Shale	M.T.	7935	0.06	19110	0.14
Iron Ore	M.T.	16821	1.38	8278	0.74
Eucalyptus Wood	M.T.	208241	86.94	210500	86.34
Bamboo	M.T.	14834	5.87	11879	5.09
Pulp for Paper	M.T.	16500	59.82	12178	37.41
Bagasse	M.T.	396404	59.01	323536	45.23
Poplar	M.T.	3545	1.43	14597	5.30
Waste Paper	M.T.	87538	141.15	14613	23.09
Others			0.79		-
Total:			783.98		649.57

(a) Internal Consumption.

(b) Octroi Duty on Internal Consumption.

(B) Purchase of Finished Goods for Trade:

	Unit	2007-2008		2006-2007	
		Quantity	(Rs. in Crore)	Quantity	(Rs. in Crore)
Garments	Pcs.	952066	27.84	1000394	33.66
Fabrics	Mtrs.	190289	3.00	102075	2.33
Cut Rose Flowers	Nos.	708282	0.25	1541839	0.54
Carnation Flowers	Nos.	2940	(Rs.8810)	-	-
Rose Plants	Nos.	95500	0.06	-	-
Gerbera Flowers	Nos.	22060	0.01	-	-
Others			0.72		1.26
			31.88		37.79

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

(C) Imported and Indigenous Consumption:

	2007-2008		2006-2007	
	(Rs. in Crore)	Percentage	(Rs. in Crore)	Percentage
(a) Raw Materials :				
Imported	183.06	23.35	109.18	16.81
Indigenous	600.92	76.65	540.39	83.19
	<u>783.98</u>	<u>100.00</u>	<u>649.57</u>	<u>100.00</u>
(b) Spare Parts				
Imported	25.14	17.80	33.82	19.82
Indigenous	116.08	82.20	136.80	80.18
	<u>141.22</u>	<u>100.00</u>	<u>170.62</u>	<u>100.00</u>
			2007-2008	2006-2007
			(Rs. in Crore)	(Rs. in Crore)
11. (a) Expenditure incurred during the year on Cost of raising and transporting Limestone, Shale and Laterite:				
Stores and Spare Parts consumed	9.03		8.46	
Power and Fuel	9.73		6.34	
Repairs to Plant and Machinery	1.17		1.14	
Payments to and Provisions for employees	8.21		6.35	
Insurance	0.04		0.05	
Royalty and Cess	30.37		29.59	
Building Repairs	1.72		1.05	
Rates and Taxes	0.03		0.02	
Hire Charges of Mining Equipments	12.93		15.69	
Amortisation of mining leasehold land	0.83		0.30	
Other Expenses	2.98		1.87	
	<u>77.04</u>		<u>70.86</u>	
Depreciation	0.73		0.67	
Total:	<u>77.77</u>		<u>71.53</u>	
(b) Floriculture Cultivation Expenses:				
*Stores, Spares and Packing Material Consumed	0.56		0.64	
Carnation, Propagation and Cultivation Expenses	0.04		0.25	
Polyhouse Repairs and Maintenance	0.24		0.06	
Salaries, Wages etc.	0.44		0.40	
Contribution to Provident and Other Funds	0.02		0.01	
Provident and Other Fund Expenses	(Rs.8,879)		(Rs. 11,380)	
Welfare Expenses	0.03		0.03	
Floral Maintenance	(Rs.39,536)		0.01	
	<u>1.33</u>		<u>1.40</u>	
*Includes Pesticides, Chemicals, Manures and Fertilizers.				
(c) Indirect Expenditure incurred during Construction period Capitalised:				
Salary and Wages	0.31		-	
Rent, Rates and taxes	0.07		-	
Insurance Premium	0.16		-	
Legal and Professional Fees	1.30		0.33	
Miscellaneous Expenses	0.51		0.23	
Depreciation	0.01		-	
	<u>2.36</u>		<u>0.56</u>	
(d) Capital Work in progress includes material in transit Rs.11.24 Crore (31.03.2007 Rs. Nil)				



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

12. a) 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 decided to be charged off over two accounting years viz. 2007-2008 and 2008-2009.

On a similar basis, depreciation on Railway Wagons has been accelerated to be charged off over two accounting years viz. 2007-2008 and 2008-2009.

As a result of these changes, the charge of arrears of depreciation and depreciation are higher by Rs. 18.02 Crore and Rs. 11.47 Crore, respectively and the profit is lower by the said amounts.

- b) Paper Machine Rolls, which were hitherto amortised on the basis of estimated useful life, have, during the year been charged off when issued. As a result of this change, stores and spare parts consumed is higher by Rs. 9.48 Crore and the profit is lower by the same amount.
- c) Exchange differences arising on account of settlement or realignment of foreign currency liability in respect of imported fixed assets, which were hitherto capitalised to the cost of the fixed assets have, during the year, as required by 'The Companies Accounting Standard Rules, 2006', issued by the Ministry of Company Affairs been written off to the Profit and Loss Account. As a result of this change, depreciation is lower by Rs. 0.28 Crore, Gain on foreign currency fluctuation (Net) is lower by Rs. 5.33 Crore and the profit is lower by Rs. 5.05 Crore.

The aggregate of the impact on profit referred in para (a), (b) and (c) above, results in the 'Reserves and Surplus' being lower by Rs. 37.20 Crore.

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. 0.40 Crore (2006-2007 Rs. 0.49 Crore). No Capital expenditure on Research and Development has been incurred during the year.

	2007-2008 (Rs. in Crore)	2006-2007 (Rs. in Crore)
14. (a) Managerial Remuneration under Section 198 of the Companies Act, 1956 to the Whole-time Director:		
Salary	0.93	0.41
Contribution to:		
Provident Fund	0.03	0.03
Superannuation Fund	0.03	0.03
Perquisites	0.02	0.01
Total:	1.01*	0.48*
* As the employee-wise break-up of liability on account of Retirement Schemes 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	397.73	362.04
Add / (Less):		
Managerial Remuneration	1.81	1.08
Directors Sitting Fees	0.06	0.06
Prior Period Adjustments	(0.81)	(0.51)
Installment of Arrears of Depreciation	(26.85)	(8.99)
	371.94	353.68
Commission Payable to Non - whole time Directors @ 1%	3.72	3.54
Restricted to:	0.80	0.60

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

	2007-2008 (Rs. in Crore)	2006-2007 (Rs. in Crore)
15. Auditors' Remuneration:		
(a) Statutory Auditors:		
As Auditors	0.82	0.76
In Other Capacity:		
Tax Audit Fees	0.17	0.17
Certificates and other jobs	0.18	0.16
	0.35	0.33
For Expenses	0.07	0.07
Total:	1.24	1.16
(b) Cost Auditor		
As Auditor	0.03	0.03
For Expenses	(Rs.23,836)	(Rs.7,006)
Total:	0.03	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	181.49	96.72
Spare Parts	32.82	33.97
Capital Goods	352.42	189.93
(b) Expenditure in Foreign Currency: (including expenses capitalised)		
Interest and Finance charges	11.09	9.75
Technical Supervision charges	0.70	0.45
Commission	1.43	1.48
Legal and Professional	0.09	1.26
Other Matters	3.26	6.69
17. (a) Earnings in Foreign Currency:		
F.O.B. value of exports	197.57	224.02
Dividend	0.06	0.07
Others	-	0.11
(b) Total exports during the year:		
Exports in Foreign Currency	206.82	234.03
Exports in Indian Currency	35.54	29.92
	242.36	263.95
Sales to Merchants - For exports	29.02	27.83
Deemed exports	20.66	23.03
	292.04	314.81
18. Deferred Taxation:		(Rs.in Crore)
	As at 31.3.2007	Charge/Credit during the year
Deferred Tax Liability on account of:		As at 31.3.2008
(i) Depreciation	302.25	(0.57)
	302.25	(0.57)
Deferred Tax Asset on account of:		
(i) Deferred Revenue	4.67	(5.76)
(ii) Expenses allowable for Tax Purpose when paid	28.59	11.31
(iii) Earned Leave	7.13	1.77
(iv) Provision for Doubtful Debts and Advances	2.13	(0.29)
(v) Others	1.30	-
	43.82	7.03
Net Deferred Tax Liability / (Asset):	258.43	(7.60)
		250.83



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

19. Related Party Information

1. Relationships:

- (a) Where control exists:
 - (i) M/s Pilani 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
- (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.

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	- (-)	- (-)	0.69 (1.22)
Sales:			
Goods and Material	- (-)	- (-)	36.40 (28.48)
Expenses:			
Rent and Other Services	0.21 (0.24)	- (-)	0.09 (0.17)
Guarantee Commission	- (-)	- (-)	- (0.10)
Directors Fees and Expenses	- (-)	- (-)	0.01 (0.01)
Commission to Director	- (-)	- (-)	0.13 (0.10)
Remuneration	-	See Note 14 (a) to the Accounts	-
Income:			
Rent and Other Services	0.22 (Rs. 5,000)	- (-)	0.66 (0.47)
Other Receipts:			
Guarantee Commission	- (-)	- (-)	- (0.07)
Outstandings:			
Payable	0.18 (-)	- (-)	0.11 (-)
Commission to Director	- (-)	- (-)	0.12 (0.09)
Receivable	- (-)	- (-)	2.20 (0.05)

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
		<u>2007-08</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2007-08</u>
1	Segment Revenue									
	Sales	623.74	793.16	1,922.15	1,756.28	869.12	592.42	98.56	69.51	3,513.57
	Less: Inter Segment Revenue	9.38	16.39	7.51	3.21	54.03	50.66	0.04	0.95	70.96
	Net Revenue from Operations	614.36	776.77	1,914.64	1,753.07	815.09	541.76	98.52	68.56	3,442.61
2	Result									
	Segment Result	(79.22)	(29.29)	506.87	494.30	114.84	103.52	20.87	5.68	563.36
	Add / (Less):									
	Inter Segment Profit									(0.60)
	Net Segment Result									562.76
	Unallocated Corporate Expense(Net of Income)									9.58
	Operating Profit									553.18
	Less: Interest (Net)									89.18
	Total Profit before exceptional Item and Tax									464.00
	Add / (Less):									
	Exceptional Items relating to discontinuing operations									(93.93)
	Total Profit before Tax									370.07
	Add / (Less):									
	Excess Provision for Taxation									3.66
	Provision for Current Tax									(99.00)
	Deferred Tax									7.60
	Fringe Benefit Tax									(2.35)
	Provision For Wealth Tax									(0.55)
	Net Profit after tax									279.43
3	Other Information									
	Segment Assets @	1,283.23	673.41	934.96	961.84	992.99	933.58	74.74	68.60	3,285.92
	Add: Unallocated common Assets									545.55
	Total Assets									3,831.47
	Segment Liabilities @	143.92	112.85	232.01	187.61	88.49	80.15	15.30	7.09	479.72
	Add: Unallocated Common Liabilities									2,047.85
	Total Liabilities									2,527.57
4	Capital Expenditure during the year	604.34	27.02	47.90	90.63	38.58	369.91	0.58	1.62	691.40
	Add: Unallocated Capital Expenditure									2.96
										694.36
5	Depreciation and amortisation *	34.82	30.77	87.45	65.80	67.78	42.08	6.33	6.39	196.38
	Add: Unallocated Depreciation									0.78
										197.16
6	Non Cash Expenditure	-	-	-	-	-	-	-	-	-
	Add: Unallocated Non Cash Expenditure									92.60
										92.60

* 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.)

B. Secondary Segment - Geographical by Customers

(Rs. in Crore)

S.No.	Particulars	Total 2007-08	Total 2006-07
1	Segment Revenue		
	In India	3200.25	2876.21
	Outside India	242.36	263.95
	Total	3442.61	3140.16
2	Carrying Cost of Assets by location of Assets		
	In India	3251.44	2583.35
	Outside India	34.47	54.08
	Total	3285.91	2637.43
	Unallocated	545.56	584.00
	Total	3831.47	3221.43
3	Addition to Assets and Intangible Assets		
	In India	691.40	489.18
	Outside India	-	-
	Total	691.40	489.18
	Unallocated	2.96	17.06
	Total	694.36	506.24

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, Garment, Denim Cloth, Viscose Filament Yarn and Tyre Yarn.
b. Pulp and Paper	Pulp and Writing & Printing paper.
c. Cement	Cement and Clinker.
d. Others	Salt, Chemicals, Floriculture, etc.
- 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.

21. Disclosures of Derivatives

(a) Hedging commitments outstanding:	31.3.2008 Forward Euro to USD	(In Million) 31.3.2008 Forward USD
Foreign Currency		
1) Loan taken	12.00	3.78
	(-)	(-)
2) Other payables	-	0.01
	(-)	(-)

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

(c) Uncovered risks :				(In Million)
Foreign Currency	31.3.2008 USD	31.3.2008 GBP	31.3.2008 EURO	31.3.2008 JPY
1) Debtors	2.45	0.04	3.48	1.10
	(4.64)	(0.05)	(5.42)	(1.34)
2) Creditors	0.42	-	2.98	-
	(0.05)	(-)	(* EURO 705)	(-)
3) Loan taken	17.97	-	11.41	-
	(3.44)	(-)	(23.41)	(-)
4) Bank balance				
In EEFC account	* USD 2312	-	-	-
	(* USD 2312)	(-)	(-)	(-)
5) Other receivables	0.07	0.04	-	-
	(0.11)	(0.45)	(0.23)	(-)
6) Other payables	0.05	-	0.03	-
	(0.15)	(0.49)	(0.09)	(-)

*At Actuals

Note : Previous year figures are given in brackets.

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

22. Prior period adjustments represent:

	2007-2008 (Rs. in Crore)	2006-2007 (Rs. in Crore)
(a) Depreciation adjustments	(0.31)	0.22
(b) Credit relating to earlier years	0.02	0.49
(c) Debit relating to earlier years	(0.52)	(1.22)
	<u>(0.81)</u>	<u>(0.51)</u>

23. (a) Due to the unviability of operations at the Textile Mill at Worli, Mumbai the Company introduced a "Voluntary Retirement Scheme" (VRS) in November, 2006, pursuant to which more than 95% of the workers and staff opted for retirement. The Unit has been closed down with effect from 12th January, 2008 pursuant to the State Government's approval for closure of the mill under the applicable provisions of the Industrial Disputes Act, 1947. Out of the remaining 275 workers, 82 have challenged the decision and the matter is pending before the Industrial Tribunal at Mumbai.

Assets and liabilities, as at 31st March, 2008 and revenues, expenses and cash flows, for the year ended 31st March, 2008 contain amounts in respect of ordinary activities attributable to the discontinued operations (reported under "Textile Segment") as under :

	2007-2008 Rs. in crore	2006-2007 Rs. in crore
Revenue	5.55	157.51
Expenditure	34.49	202.41
Tax shield	(9.84)	(15.11)
Cash Flows:		
- Operating	(9.76)	57.67
- Investing	-	-
- Financing	(2.70)	(1.82)
Total assets	42.35	62.25
Total liabilities	13.78	17.79

Assets retired from active use as at 31st March, 2007.

	Book value As at 31st March, 2008 (Rs. in Crore)	Book value As at 31st March, 2007 (Rs. in Crore)
Assets		
Building	0.15	1.01
Plant and Machinery	11.98	16.55

Note:

In the opinion of the management, these assets are expected to realise atleast the value at which they are stated.

- (b) Profit / (Loss) from discontinued operations are as under:

	2007-2008 (Rs. in Crore)	2006-2007 (Rs. in Crore)
Textile Mill at Worli	(28.94)	(44.90)
Shipping Operations	-	(0.11)
Net Loss from discontinuing operations	<u>(28.94)</u>	<u>(45.01)</u>
(c) Exceptional Items:		
(i) Voluntary Retirement Scheme	(89.98)	(75.05)
(ii) Gratuity, exit payments, etc.	(3.95)	(67.32)
	<u>(93.93)</u>	<u>(142.37)</u>



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

24 Disclosure pursuant to Accounting Standard - 15 - "Employee Benefits".

- (a) An amount of Rs.12.36 Crore as contribution towards defined contribution plans is recognised as expense in the Profit and Loss Account.
- (b) The disclosure in respect of the Defined Benefit Gratuity Plan are given below :

	31.03.2008 (Rs. in Crore)	31.03.2007 (Rs. In Crore)
(i) Changes in present value of obligations		
Present value of Obligations as at 31-3-2007	104.97	113.77
Interest Cost	7.35	5.85
Current Service Cost	7.03	6.12
Benefits Paid	(14.01)	(71.43)
Actuarial (gain) / loss on obligation	2.33	50.66
Present value of Obligations as at 31-3-2008	107.67	104.97
(ii) Changes in Fair Value of plan assets		
Fair value of plan assets as at 31-3-2007	104.97	113.77
Expected return on Plan Assets	8.17	8.39
Contributions	8.25	53.73
Benefits Paid	(14.01)	(71.43)
Actuarial gain / (loss) on Plan Assets	0.29	0.51
Fair value of plan assets as at 31-3-2008	107.67	104.97
(iii) Amounts to be recognised in the Balance Sheet and statement of Profit and Loss Account		
Present value of Obligations as at 31-3-2008	107.67	104.97
Fair Value of Plan Assets as at 31-3-2008	107.67	104.97
(iv) Expense recognised in the statement of Profit and Loss Account		
Current Service Cost	7.03	6.12
Interest Cost	7.35	5.85
Expected return on Plan Assets	(8.17)	(8.39)
Net Actuarial (gain)/loss on Plan Assets	2.03	50.15
Expense recognised in the statement of Profit and Loss Account	8.25	53.73
(v) Percentage of major category of plan assets to total plan assets as at 31-03-2008		
Bank Deposit etc.	33%	35%
Debt Instruments	67%	65%
(vi) Assumptions:		
Mortality	LIC(1994-96)Ult	LIC(1994-96)Ult
Discount Rate	7.50%	7.50%
Rate of Increase in comparison	5.00%	4.50%
Rate of return (expected) on plan assets	8.00%	8.00%
Withdrawal Plan	0.80%	0.80%
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.)

25. Sundry Creditors include amounts provided in respect of known contractual risks, litigation cases and pending assessments in respect of taxes, duties and other levies, the outflow of which would depend on the cessation of the respective events.

The movement in the above are summarized below:

(Rs. in Crore)

S No.	Nature of liability	As at 31.03.2007	Amounts provided for during the year	Amounts paid / written back during the year	As at 31.03.2008
1	Water Charges	35.41	5.81	-	41.22
2	Octroi Duty	20.65	2.69	-	23.34
3	Mandi Samiti Shulk and Interest thereon	7.92	3.40	-	11.32
4	Entry Tax	0.24	8.56	-	8.80
5	Excise Duty	1.34	8.46	-	9.80
6	Lease Tax and Interest thereon	-	6.15	-	6.15
7	Other Taxes	2.34	0.05	0.41	1.98
8	Cess	2.17	1.75	0.02	3.90
9	Reimbursement of Taxes to suppliers, etc	5.00	0.54	0.11	5.43
	Total	75.07	37.41	0.54	111.94

	2007-2008 (Rs. in Crore)	2006-2007 (Rs. In Crore)
26. Computation of Profit for Earnings per Share:		
Profit for the year after tax	303.43	282.25
Add / (Less):		
Excess provision for taxation (Net)	3.66	0.06
Prior period adjustments (Net)	(0.81)	(0.51)
Installment of Arrears of Depreciation	(26.85)	(8.99)
Profit including Exceptional Items	279.43	272.81
Add : Exceptional Items (net of taxes)	62.00	94.44
Profit excluding Exceptional Items	341.43	367.25

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.

For and on behalf of
DALAL & SHAH
Chartered Accountants

B.K. BIRLA, Chairman

ASHISH DALAL
Partner

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

Mumbai:
5th May, 2008

D.K. AGRAWAL
Secretary

B.L. JAIN
Whole-time Director



STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

ANNEXURE I

Statement referred to in Note 29 in Schedule - 17 to the Accounts for the year ended 31st March, 2008.

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:

- Revenue/Income and Cost/Expenditure are generally accounted for on accrual as they are earned or incurred, except in case of significant uncertainties.
- Export Benefits are recognised in the year of export.
- Share Issue Expenses are charged, first against available balance in the Securities Premium Account.
- Sale of goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods. Export Sales are accounted for on the basis of the dates of 'On Board Bill of Lading'. However, sales in respect of Floriculture division through foreign consignment agents, are accounted for on the basis of the Account - Sale - Notes received from such agents.

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:

- 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.
- 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.
- Depreciation Rates adopted by the Company, which are different from the rates specified in Schedule XIV to the Companies Act, 1956, are as under:

	Rates adopted by the Company on the basis of useful life	Rates Specified in Schedule XIV
Polyhouses (Buildings)	10.00%	3.34%
Floral Plantation (Rose)	16.66%	Not Specified
Floral Plantation (Gerbera)	50.00%	Not Specified
Floral Plantation (Carnation)	50.00%	Not Specified
Floral Plantation (Orchid)	20.00%	Not Specified

- Depreciation on railway wagons given on lease was provided either at the rates worked out on a Straight Line basis over the total period of lease as stated in the lease agreement, or at the rates specified in Schedule XIV to the Companies Act, 1956, whichever was higher. It has been decided to charge the balance over two accounting years viz. 2007-2008 and 2008-2009.
- Arrears of depreciation for the accounting year 1999-2000 and 2000-2001 in respect of assets of three divisions, namely, Maihar Cement Unit II, Century Pulp & Paper and Century Denim, in terms of approval of the Central Government were, upto 31st March, 2007, provided over the remaining life of the assets. It has been decided to charge the balance of such arrears as at 31st March, 2007 over two accounting years viz. 2007-2008 and 2008-2009.

- vi) Improvements to leased premises are amortised over the period of the lease
- vii) Depreciation on other assets, except to the extent stated in (a) and [(b) (ii) (iii) (iv) and (v)] 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.
- viii) 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:

- a) All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place;
- b) 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 is accounted for during the year;
- c) 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. 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, Fringe Benefit tax (FBT) 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. Provision for a FBT is made on the basis of the fringe benefits provided / deemed to have been provided during the year at the rates and values 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.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2008

	2007-2008 (Rs. In Crore)	2006-2007 (Rs. In Crore)
A. CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT FOR THE YEAR BEFORE TAXATION	397.73	362.04
Add / (Less):		
Depreciation (Net)	169.31	135.86
Loss on sale / discardment of Fixed Assets (Net)	2.88	-
Interest and Finance Charges (Net)	89.18	59.52
Dividend on Investments	(8.10)	(2.50)
Amount written off against lease hold land and building	0.85	0.32
Proportionate amount written off against Miscellaneous Expenditure	92.60	77.35
Prior Period Adjustments (Net)	(0.50)	(0.73)
Currency fluctuations on borrowings (Net)	5.33	2.12
Provision for doubtful debts and advances (Net)	(1.18)	2.49
	<u>350.37</u>	<u>274.43</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	748.10	636.47
Adjustment for:		
Trade and other receivables	(29.73)	1.57
Inventories	(138.51)	16.56
Trade Payables	175.08	33.77
	<u>6.84</u>	<u>51.90</u>
CASH GENERATED FROM OPERATIONS	754.94	688.37
Add / (Less):		
Voluntary Retirement Compensation	(54.35)	(274.15)
Direct Taxes Paid	(110.10)	(97.54)
	<u>(164.45)</u>	<u>(371.69)</u>
NET CASH FROM OPERATING ACTIVITIES	<u>590.49</u>	<u>316.68</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets (Includes Borrowing Costs Capitalised)	(694.35)	(506.24)
Sale of Fixed Assets	2.37	6.19
Interest Received	3.89	5.03
Dividend on Investments	8.10	2.50
Deposits with Joint Stock Companies	-	45.00
Long Term Investment Acquired	(11.76)	-
Current Investments Acquired	(1,531.06)	(1,092.00)
Current Investments Sold	1,531.06	1,092.00
NET CASH USED IN INVESTING ACTIVITIES	<u>(691.75)</u>	<u>(447.52)</u>



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2008 (Contd.)

	2007-2008 (Rs. In Crore)	2006-2007 (Rs. In Crore)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Working Capital Loans and Fixed Deposits (Net)	17.94	(195.74)
Repayment of Other Borrowings	(581.82)	(295.89)
Other Loans Taken	674.95	859.78
Interest and Finance Charges paid	(100.56)	(66.23)
Dividend Paid	-	(62.71)
Tax on Dividends	-	(8.81)
NET CASH (USED) IN FINANCING ACTIVITIES	10.51	230.40
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(90.75)	99.56
CASH AND CASH EQUIVALENTS - Opening Balance	137.39	37.83
CASH AND CASH EQUIVALENTS - Closing Balance	46.64	137.39
Reconciliation to Cash and Bank Balances given in Schedule 7, is as follows :		
Cash and Bank Balances	47.46	139.19
Less: Lien marked deposits and interest accrued thereon	0.82	1.80
Cash and Cash Equivalents - Closing Balance	46.64	137.39

As per our report of even date

For and on behalf of

DALAL & SHAH

Chartered Accountants

B.K. BIRLA, Chairman

ASHISH DALAL

Directors

Partner

KUMAR MANGALAM BIRLA

P.K. DAGA

E.B. DESAI

ARVIND C. DALAL

AMAL GANGULI

Mumbai :

5th May, 2008

D.K. AGRAWAL

Secretary

B.L. JAIN

Whole-time Director

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

Source 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) Product Description

Item Code No. (ITC Code) Product Description

Item Code No. (ITC Code) Product Description



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 symbolize the Group's own collective strength. It reflects the combined qualities of astute and dynamic management while emphasizing 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

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