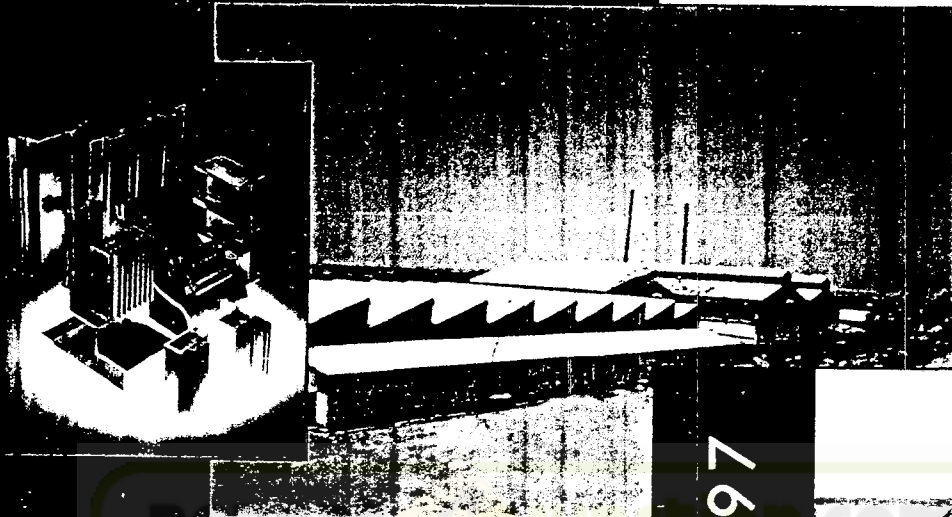


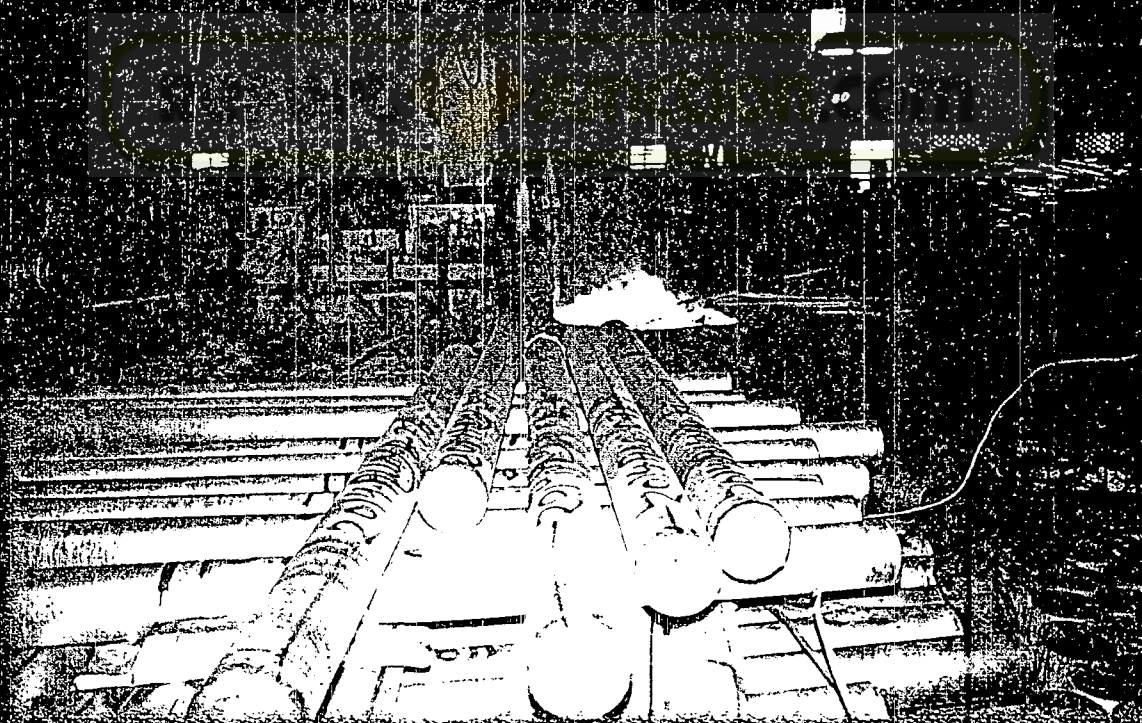
CEL CENTURY EXTRUSIONS LIMITED



ANNUAL REPORT 1996-97

MD	/	BKC	/
CS	/	DPY	/
RD	/	DIV	/
TRA	/	AC	/
AGM	/	SHI	/
VE	/		/

**"YOUR RIGHT IS ONLY TO THE ACTION;
NEVER TO THE FRUITS THEREOF
LET NOT YOUR MOTIVATION BE
THE FRUITS OF ACTION;
BUT ALSO LET THERE BE NO
ATTACHMENT TO INACTION"**





CENTURY EXTRUSIONS LIMITED

BOARD OF DIRECTORS

M P Jhunjhunwala
Chairman & Managing Director
R K Datta
N Ganga Ram
R N Das
P K Sengupta
G S Agarwala
V Jhunjhunwala

VICE PRESIDENT (FINANCE)

&

COMPANY SECRETARY

R K Saraogi

AUDITORS

Khetawat & Associates
Chartered Accountants
310 Todi Chambers
2, Lal Bazar Street
Calcutta - 700 001

REGISTRARS

&

SHARE TRANSFER AGENTS

ABC Computers Pvt. Ltd.
National Council of Education Bengal
Jadavpur University Campus
Jadavpur
Calcutta - 700 032

BANKERS

State Bank of India
Allahabad Bank

REGISTERED OFFICE

113, Park Street
N Block, 2nd Floor
Calcutta - 700 016

WORKS

WBIDC Industrial Growth Centre
Nimpura, Kharagpur
Dist. Midnapore (W.B.)

Report

junction.com

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century extrusions Ltd

annual report & accounts

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notice of the annual general meeting

NOTICE is hereby given that the NINTH ANNUAL GENERAL MEETING of the Members of the Company will be held on Thursday, the 25th September, 1997 at 11:00 A.M. at the Bharatiya Bhasha Parishad Hall, 36A Shakespeare Sarani, Calcutta 700 017, to transact the following business :

ORDINARY BUSINESS

1. To consider and adopt the Profit and Loss Account for the year ended 31st March, 1997 and the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri P K Sengupta who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri G S Agarwala who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint the Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution :

"RESOLVED THAT Shri R N Das, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office upto the date of this Annual General Meeting under Section 269 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company, liable to retire by rotation."

7. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution :

"RESOLVED THAT subject to the provisions of Section 370 and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) the consent of the Company be and is hereby accorded to the Board of Directors of the Company to give from time to time, any guarantees or provide any security (ies) in connection with loans made by any other person to, or to any other person by, any body corporate on such terms and conditions as the Board

(which shall include any Committee or Committees appointed by the Board in that behalf) may deem fit provided that the aggregate of all such guarantees given or security provided and remaining outstanding at any time shall not exceed Rs.15 Crores (Rupees Fifteen Crores)."

By Order of the Board

R K Sarangi

Calcutta

Vice President (Finance)

Dated : 25th day of June 1997

& Company Secretary

notes

1. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 16th September, 1997 to 25th September, 1997 (both days inclusive).
4. Payment of dividend for the financial year 1996-97, if sanctioned at the Annual General Meeting will be made to those members whose names are registered in the Register of Members of the Company on 25th September 1997.
5. Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
6. Members are requested to notify any change in their address to the Registrar and Share Transfer Agents of the Company and always quote their Folio Numbers in all correspondence with the Company.
7. With a view to serving the members better and for administrative convenience, attempts have been made to consolidate the multiple folios. The members who are still holding shares in identical names in more than one folio are requested to write to the Company to enable the Company to consolidate their holdings in one folio.

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notice (contd.)

8. With a view to provide protection against fraudulent encashment of dividend warrants, the members were requested in the past to provide their bank account numbers, names and addresses of the bank branches to enable the Company to incorporate the said details in the dividend warrants. Those members who have not yet provided such information are again requested to provide these details quoting their Folio Number(s) so as to reach the Registrar and Share Transfer Agents of the Company latest by 16th September, 1997 to enable the Company to incorporate the same in the dividend warrants. Members will appreciate that the Company will not be responsible for any loss arising out of such fraudulent encashment of dividend warrants.

annexure to the notice

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 6

Shri R N Das was appointed by the Board of Directors as Additional Director of the Company with effect from 12th March, 1997 pursuant to the provisions of section 260 of the Companies Act, 1956. Shri R N Das, in terms of the aforesaid provisions, holds office only upto the date of this Annual General Meeting.

Notice under section 257 of the Companies Act, 1956 has been received by the Company from a member signifying his intention to propose Shri R N Das as a Director of the Company. Shri R N Das is holding a very senior position as the Chief Adviser to the Government of Orissa (Projects). The Board considers that it will be in the interest of the Company to continue to have him on the Board and recommends the proposed resolution for approval of the Members.

None of the Directors except Sri R N Das is concerned or interested in this resolution.

Item No. 7

The Promoters of your Company, alongwith the Company, have taken over the management of another Aluminium Extrusion manufacturing company viz. M/s. Sangam Aluminium Ltd. (SAL), more details about which have been given in the Directors' Report which is being circulated with this notice. The Company proposes to give a guarantee to the Banks and Financial Institutions of SAL in relation to their One Time Settlement of dues with SAL. The Company may also have to give any other guarantee(s) or provide any other security(ies). This requires approval of the Members of the Company by way of a Special Resolution under the provisions of Section 370 of the Companies Act, 1956.

Accordingly, the consent of the shareholders is being sought to empower the Board of Directors of the Company to give guarantee(s) or provide security(ies) in connection with the loans made by any other person to, or to any other person by, any body corporate upto to a limit of Rs. 15 crores as set out in the resolution.

The Board recommends the resolution for the approval of the Members.

Shri M.P. Jhunjhunwala, Chairman & Managing Director of the Company, is a Director of SAL and also holds approx. 24.29% shares including the holding of your Company alongwith his group companies. As such, he is a Director interested in the resolution. Shri Vikram Jhunjhunwala being relative of Shri M.P. Jhunjhunwala is also interested in the above resolution.

None of the other Directors of the Company is concerned or interested in the resolution except to the extent of guarantee(s)/ security(ies) that may be given to any other body corporate of which they are Directors or Members.

By Order of the Board,

Calcutta
Dated : 25th day of June 1997

R K Sarangi
Vice President (Finance)
& Company Secretary

Regd. Office :

Century Extrusions Limited
113, Park Street
'N' Block, 2nd Floor
Calcutta - 700 016

Registrars & Share Transfer Agents :

ABC Computers Pvt. Ltd.
National Council of Education Building
Jadavpur University Campus, Jadavpur
Calcutta - 700 032



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directors' report

To the Members of Century Extrusions Limited,

Your Directors have pleasure in presenting their Ninth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 1997.

FINANCIAL RESULTS

	1996-97	1995-96
	(Rs Lacs)	(Rs Lacs)
Sales	5213.42	4603.42
Operating profit before interest & depreciation	552.81	566.24
Less : Interest	110.83	151.61
Gross Profit	441.98	414.63
Less : Depreciation	92.48	83.62
Operating Profit	349.50	331.01
Less : Provision for taxation	54.50	—
Net Profit	295.00	331.01
Adjustments for previous years	(1.28)	0.77
Balance brought forward	250.81	52.99
Profit available for appropriation	544.53	384.77
Appropriations :		
Transfer to General Reserve	20.00	20.00
Proposed Dividend	116.26	113.96
Provision for Tax on Dividend	11.63	—
Balance Carried Forward	396.64	250.81
	544.53	384.77

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 1.50 per share, for the year 1996-97 (Previous year Rs. 1.50 per share). In terms of the current tax laws, the dividend after it is approved by the shareholders, will be paid without any deduction of tax and will be tax-free in the hands of the shareholders.

OPERATIONS

The Company produced 5196 MT of aluminium extrusions during the year achieving a capacity utilisation of 96%, as compared to 4290 MT (capacity utilisation 79%) in the year 1995-96.

The building and architecture sector is the biggest consumer of aluminium extruded products with a market share of about 50%. There was a fall in the real estate prices across the country and as a result, there was slow down in the construction activity during the year under review. There was also a general slow down in the economy. These factors had an adverse impact on the demand for aluminium extrusions. Consequently, the profit margin for the current year was lower as compared to 1995-96.

The Company could not make any significant exports because of extreme volatility in the prices of aluminium metal in the international market. Further, the realisation from the domestic market was better.

EXPANSION

The Company's expansion project with the third press of 1250 MT capacity and ancillary equipment was successfully completed during the year. Commercial production from the press commenced on 26th March, 1997. The press has since stabilised and is operating satisfactorily.

With commissioning of the third press and installation of certain balancing equipment, the installed capacity of company has increased from 5400 TPA to 9000 TPA of aluminium extrusions.

FINANCE

In order to meet the capital cost of the Expansion Project, your Company has obtained 'in principle' sanction for term loans aggregating Rs. 500 lacs from State Bank of India and Allahabad Bank. State Bank of India has since disbursed its share of Rs. 300 lacs and Allahabad Bank is in the process of sanctioning its share of Rs. 200 lacs.

TAKE-OVER OF SANGAM ALUMINIUM LIMITED

The promoters of your Company jointly with the Company (CEL) have taken over the management of Sangam Aluminium Ltd (SAL) by acquiring 100% stake of the erstwhile Promoters of that Company i.e. 810,700 shares, which constitutes 22.84% of SAL's issued capital. Out of these 810,700 shares, CEL has purchased 300,000 shares. SAL has now become a member of CEL Group.

SAL is an Aluminium Extrusion manufacturing company in the joint sector with Tamil Nadu Industrial Development Corporation Ltd (TIDCO). The factory of SAL is located at Hosur in Tamil Nadu. SAL is capable of producing about 6000 MT of aluminium extrusions per annum. In the past,

CEL