



***Seventeenth Annual Report
2004-2005***

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CENTURY EXTRUSIONS LIMITED

BOARD OF DIRECTORS

M P Jhunjhunwala
Chairman & Managing Director
R K Datta
R N Das
P K Sengupta
V Jhunjhunwala

COMPANY SECRETARY

Sumit Modi

AUDITORS

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

COST AUDITORS

N Radhakrishnan & Co.
Cost Accountant
11A, Dover Lane, (Flat B1/B4)
Kolkata - 700 029

REGISTRAR

&

SHARE TRANSFER AGENTS

MCS Limited
77/2A, Hazra Road
Kolkata - 700 029

BANKERS

State Bank of India
Allahabad Bank

REGISTERED OFFICE

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

WORKS

WBIIDC Industrial Growth Centre
Nimpura, Kharagpur
Dist. Midnapur (W.B.)

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NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the SEVENTEENTH ANNUAL GENERAL MEETING of the Members of the Company will be held on Friday, the 26th August 2005 at 11.00 a.m. at Gorky Sadan, 3, Gorky Terrace, Kolkata - 700017 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Profit and Loss Account for the year ended 31st March, 2005 and the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sri R N Das who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri R. K. Dutta who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company 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

5. (As Special Resolution)

RESOLVED THAT pursuant to clause 49 of the Listing agreement and other applicable provisions of the Companies Act, 1956, the company hereby accords its approval to the payment of sitting fees to its non executive directors within the limits as may be notified by the Central Government from time to time.

By Order of the Board

Kolkata

Dated : 25th July 2005

Sumit Modi

Company Secretary

NOTES :

1. 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.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 24th August 2005 to 26th August 2005 (both days inclusive) for AGM & also for the purpose of determining names of the Shareholders eligible for Equity Rights Issue in the ratio of 35:12 i.e. 35 Equity Shares for every 12 Shares held on the close of business hours on 23rd August 2005, for cash at par.

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3. 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.
4. Members, who hold the shares in dematerialised form are requested to bring their client ID and DP ID Nos. for easier identification of attendance at the meeting.
5. Members who hold shares in physical form are requested to notify any change in their address to the Registrar and Share Transfer Agents of the Company and always quote their Folio Number in all correspondence with the Company.
6. Re-appointment of Directors:
The brief particulars of the Directors of the Company, retiring by rotation and proposed to be re-appointed at the ensuing Annual General Meeting are furnished under the Corporate Governance Report.
7. During the year, the Company has transferred the unclaimed dividend for the financial year ended March 31, 1997 to the Investor Education and Protection Fund. It may be noted that U/s 205C of the Companies Act, 1956 no claim shall lie against the fund or the company.

ANNEXURE TO THE NOTICE

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

ITEM NO. 5

The clause 49 of the Listing agreement has been amended by SEBI vide circular No. SEBI/CFD/DIL/CG/2004/12/10 dated 29th October 2004. The new amendment provides that all fees / compensation, if any, paid to non-executive directors, including independent directors shall be fixed by the Board of Directors and shall require prior approval of shareholders in a General Meeting.

As per notification No. GSR 580 (E) dated 24.7.2003, issued by the Central Government, the maximum sitting fees for each meeting of Board of directors or a committee thereof has been fixed at Rs 20,000/- for companies with a turnover of Rs 50 crores or more.

The present approval of the members will also cover any increases / relaxation prescribed by the Central Government in terms of Section 310 of the Companies Act, 1956.

The non-executive directors may be deemed to be concerned or interested in the passing of this resolution to the extent of the sitting fees received by them.

No other director is concerned or interested in this resolution.

By Order of the Board

Kolkata

Dated : 25th July 2005

Sumit Modi
Company Secretary

DIRECTORS' REPORT

To the Members,

Your Directors present their Seventeenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2005.

FINANCIAL RESULTS

	2004-05	2003-04
	(Rs. Lacs)	(Rs. Lacs)
Sales	8291.46	7536.13
Profit/ (Loss) before Interest, Depreciation and Impairment of Assets	369.31	9.05
Interest	88.05	138.96
Profit/ (Loss) before Depreciation	281.26	(129.91)
Depreciation and Impairment of Assets	166.63	96.41
Net Profit /(Loss)	114.63	(226.32)
Income Tax	-	(0.15)
Previous Year Adjustments	(1.41)	(3.25)
Waiver on Settlement of Dues with Banks	-	1284.87
Adjustment on Capital Reduction	-	1261.96
Profit/(Loss) brought forward	(400.28)	(2717.39)
Balance of Profit / (Loss) carried to Balance Sheet	(287.06)	(400.28)

DIVIDEND

Due to accumulated losses, your Directors regret their inability to recommend any dividend for the year.

OPERATIONS

During the year under review, your Company manufactured and sold 6599MT of aluminium extrusions against 6363MT and achieved a Sales Turnover of Rs. 8291.46 lacs against Rs. 7536.13 lacs in the previous year. More importantly, the Company earned a net profit of Rs.114.63 lacs for the year against successive losses in past seven years.

The Company is focused on continuously increasing the sale to the end-use customers and is putting necessary efforts in this direction.

FINANCE

During the year, the Company successfully completed the process of restructuring as envisaged in the BIFR approved Rehabilitation Scheme. As a result, the financial difficulties faced in past few years eased substantially.

The Rights Issue of Rs.350.00 lacs in the ratio of 35 shares for every 12 shares envisaged in the Rehabilitation Scheme could not be completed during the year, though the Lead Managers appointed for the purpose have already filed the 'Draft letter of offer' with Securities and Exchange Board of India (SEBI). The Company would endeavour to complete the Rights Issue of Equity Shares in the shortest possible time upon receipt of necessary clearances.

Upon completion of Rights Issue during the year, the Company's 'net worth' would become positive, and the company would become financially stronger, so as to look towards the future with confidence.

STATUS WITH BIFR

The Board for Industrial and Financial Reconstruction (BIFR) had approved the rehabilitation scheme for the Company under section 17(2) of Sick Industrial Companies (Special Provisions) Act, 1985, vide its order dated 27th August 2003. The Scheme has been fully implemented except for raising of the Equity Capital of Rs.350.00 lacs by way of a 'Rights Issue' for which the 'Draft

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letter of offer' has already been filed with SEBI. Your Company expects that the Equity Capital would be raised during the year, upon receipt of necessary clearances.

DIRECTORS

Shri R N Das and Shri R. K. Dutta, Directors of the Company retire by rotation and being eligible, offers themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2005 and of the profit or loss of the Company for the year ended on that date;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual accounts have been prepared on a going concern basis.

AUDITORS / AUDITORS' REPORT

M/s. Khetawat & Associates, Auditors of the Company, will retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The Members are requested to appoint Auditors and authorise the Board to fix their remuneration.

As regards the observation made by the Auditors in para 10 of the Annexure to their report, the Directors consider that the paragraphs under the head 'Finance' here above fully explain the issue, and therefore, do not call for any further comments.

COST AUDITORS

As per the directive of Central Government pursuant to the provisions of Section 233B of the Companies Act, 1956, your Directors have re-appointed M/s. N Radhakrishnan & Co. a firm of Cost Accountants, to conduct the audit for the year ended 31st March, 2005.

PUBLIC DEPOSITS

The Company did not invite or accept any deposit from the public under Section 58A of the Companies Act, 1956.

PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956

The company had no employee of the category indicated under Section 217(2A) of the Companies Act, 1956.

The additional information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed in terms of Section 217(1) (e) of the Companies Act, 1956 is set out in a separate statement, attached to this report.

CORPORATE GOVERNANCE

Your company has complied with the Corporate Governance code prescribed by the Stock Exchanges. A detailed report on corporate Governance along with Auditors' Certificate on compliance with the mandatory recommendations on Corporate Governance is annexed to this report.

ACKNOWLEDGMENT

The Board of Directors places on record its sincere appreciation for continued support from State Bank of India, Allahabad Bank, the Govt. of West Bengal, Shareholders, Customers, Suppliers, and other business associates. The Board also accords its appreciation of the support from the employees at all levels.

Kolkata

Dated: 15th June 2005

For and on behalf of
the Board of Directors

M P Jhunjunwala

Chairman & Managing Director

ANNEXURE TO DIRECTORS' REPORT

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE BOARD OF DIRECTORS' REPORT) RULES, 1988.

A. CONSERVATION OF ENERGY:

a) Energy Conservation measures taken:

- i) Homogenizing Furnace revamped to arrest heat loss.
- ii) Modification of melting furnace doors to avoid heat loss.
- iii) Minimization of air and water leakages by re-laying the pipelines over-head.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

Nil

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

- i) The cycle time and energy consumption per MT of logs produced have been reduced by arresting heat loss in Homogenizing Furnace.
- ii) Saving in furnace oil consumption
- iii) Air and water leakages arrested, thus saving the electrical energy.

d) Total energy consumption and energy consumption per unit of production:-

Information is given in prescribed Form-A annexed. The summary is given hereunder:

	Furnace Oil LTRMT of logs produced	Electrical Energy KWH/MT of extrusions produced
2004-2005	128	1137
2003-2004	134	1176

B. TECHNOLOGY ABSORPTION:

Information is given in Form - B annexed.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports: initiatives taken to increase exports, development of new export markets for products and services, and export plans.

The Company has not achieved much success in its efforts to enter the export market.

b) Total foreign exchange used and earned :

	Current Year (Rs. in lacs)	Previous year (Rs. in lacs)
Used	34.20	37.93
Earned	Nil	Nil

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FORM - A

See Rule 2

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**A. Power and Fuel Consumption**

	Current Year	Previous Year
1. Electricity		
(a) Purchased		
Units - KWH in thousands	7643	7620
Total amount - Rs. in thousands	27823	26509
Average Rate (Rs./KWH)	3.64	3.48
(b) Own generation through Diesel Generator		
Units - KWH in thousands	8	9
Units/Ltr of Diesel	2.85	3.04
Diesel cost/Unit generated (Rs.)	8.85	7.05
2. Coal (consumed in metal recovery unit)		
Quantity in M.T.	53	64
Total cost (Rs. in thousands)	175	193
Average Rate (Rs/MT)	3301	3001
3. Furnace Oil		
Qty. in Kilo Litres.	713	660
Total cost (Rs. in thousands)	8898	7752
Average Rate (Rs/Ltr)	12.48	11.74
4. Others	Nil	Nil

B. Consumption per unit of production

Electricity (KWH/MT of extrusions produced)	1137	1176
Coal (Kg/MT of extrusions produced)	8	10
Furnace Oil (Ltr./MT of logs produced)	128	134

FORM - B

(See Rule 2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION**A. RESEARCH AND DEVELOPMENT (R&D)**

- Specific areas in which R&D carried out by the Company:
None
- Benefits derived as a result of the above R&D:
Not Applicable
- Future plan of action:
 - Development of auto lubrication facility for fixed dummy and shear blade lubrication.
 - Development of billet punching facility to mark cast number and alloy code on cut billets.
- Expenditure on R&D: **Nil** (Previous Year - Nil)

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**None**

Kolkata

Dated: 15th June 2005For and on behalf of
the Board of Directors**M P Jhunjunwala**

Chairman & Managing Director

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REPORT ON CORPORATE GOVERNANCE

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said clause and on the practices as followed by the Company :

1. Company's Governance Philosophy

Your Company firmly believes in and continues to practice good Corporate Governance. Over the years, your company has complied with the broad principles of Corporate Governance through a strong emphasis on transparency, empowerment, accountability and integrity.

2. Board of Directors

The Board of Directors comprises a Chairman and Managing Director and 5 non-executive Directors.

During the year, 8 Board Meetings were held on 7.5.2004, 17.6.2004, 30.6.2004, 29.7.2004, 20.8.2004, 28.9.2004, 29.10.2004 and 27.1.2005.

The composition of the Board of Directors and their attendance at the Meetings during the year and at the last Annual General Meeting as also number of other directorships / memberships of committees are as follows :

			No. of Board Attendance Meetings at last			No. of outside Directorships held			No. of outside Committees Chairman
Name of the Director	Designation	Category	attended	AGM	Public	Private	Member		
Mr. MPJhunjunwala	Chairman & Managing Director	Executive & Promoter	7	Yes	2	1	-	-	
Mr. V Jhunjunwala	Director	Non-Executive & Promoter	4	No	3	-	-	-	
Mr. G S Agarwala	Direct	Non-Executive	2	Yes	3	1	-	-	
Mr. R K Datta	Director	Non-Executive & Independent	6	No	-	-	-	-	
Mr. P K Sengupta	Director	Non-Executive & Independent	8	Yes	-	1	-	-	
Mr. R N Das	Director	Non-Executive & Independent	1	No	1	-	-	-	