

CENTURY

Report  junction.com

105th Annual

2002



Shri B. K. Birla, Chairman

DIRECTORS : (As on 03.05.2002)

Shri B. K. Birla,	<i>Chairman</i>
Shri Pradip Kumar Daga	
Shri S. K. Birla	
Shri E. B. Desai	
Shri Arvind C. Dalal	
Shri C. K. Birla	
Shri A. P. Kurian	<i>(UTI Nominee)</i>
Shri H. Narayanan	<i>(LIC Representative)</i>
Smt. Priyamvada Birla	
Shri P. H. Ravikumar	<i>(ICICI Nominee)</i>
Shri K. X. M. John	<i>(IDBI Nominee)</i>
Shri B. L. Jain	<i>(Whole-time Director)</i>

ADVISER :

Shri D. P. Mandelia

CONTENTS

	PAGE NO.
NOTICE OF MEETING.....	2
DIRECTORS' REPORT.....	3
CONSERVATION OF ENERGY.....	6
MANAGEMENT'S DISCUSSION AND ANALYSIS.....	9
CORPORATE GOVERNANCE REPORT.....	16
AUDITORS' REPORT.....	22
CENTURY AT A GLANCE.....	25
BALANCE SHEET.....	26
PROFIT AND LOSS ACCOUNT.....	27
SCHEDULES '1' TO '15'.....	28
CASH FLOW STATEMENT.....	52
EMPLOYEES' STATEMENT.....	54

EXECUTIVES : (As on 03.05.2002)**TEXTILE MILLS, CENTURY YARN AND CENTURY DENIM**

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

CENTURY RAYON

Shri L.S. Mehta	President
Shri D.V. Singh	Joint President (Personnel & Administration)
Shri M.C. Mehta	Joint President (Development & Engineering)
Shri O.R. Chitlange	Joint President (Finance) (Rayon & Shipping)
Shri A.K. Taori	Senior Vice President (Marketing)
Shri R. Lalwani	Senior Vice President (Commercial)
Shri S.M. Sanklecha	Vice President (Purchase)
Shri H.G. Uttamchandani	Vice President (Development & Engineering)
Shri S. M. Bandekar	Vice President (Rayon Plant)
Shri R. K. Tandon	Vice President (Delhi Office)

CENTURY, MAIHAR AND MANIKGARH CEMENTS

Shri B.L. Jain	Senior President
-----------------------	------------------

CENTURY CEMENT

Shri B.L. Kedia	Executive President (Plant)
Shri S.K. Jain	Joint President (Finance)
Shri M.C. Gupta	Joint President (Process & Quality Control)
Shri P.C. Jain	Senior Vice President (Mines)
Shri S.L. Agarwal	Senior Vice President (Commercial)
Shri Alok Patni	Vice President (Mech.)
Shri S.K. Sultania	Vice President (Marketing)

MAIHAR CEMENT UNITS I & II

Shri Kamal Kishore	Executive President (Co-ordination)
Shri S.K. Jain	Joint President (Finance)
Shri C.S. Jain	Joint President (Marketing)
Shri B.L. Agarwal	Senior Vice President (Electrical)
Shri M.P. Rai	Senior Vice President (Plant)
Shri B.M. Singh	Vice President (Mech.)

UNIT II

Shri B.P. Jain	Executive President (Plant)
Shri M.K. Sethi	Joint President (Mines)
Shri Sharad Jain	Joint President (Process & Quality Control)
Shri V.K. Bhandari	Joint President (Commercial)
Shri R.S. Doshi	Vice President (Finance)
Shri Rakesh Sharma	Vice President (Personnel & Administration)

MANIKGARH CEMENT

Shri S.S. Sharma	Executive President (Co-ordination)
Shri P.C. Nalwaya	Joint President (Marketing)
Shri P.S. Bakshi	Senior Vice President (Plant)
Shri S.K. Mandelia	Senior Vice President (Commercial & Administration)
Shri G.R. Tibrewala	Senior Vice President (Mines)
Shri Ashok Bangad	Senior Vice President (Development)
Shri N.B. Singh	Vice President (Process & Quality Control)
Shri P.R. Sundaresan	Vice President (Electrical)

CENTURY SHIPPING

Shri S.K. Sood	Executive President
Shri B.B. Agarwal	Vice President (Commercial)
Shri V.K. Bemby	Vice President (Technical)

CENTURY PULP & PAPER

Shri R.L. Lakhotia	President
Shri J. K. Mandelia	Senior Vice President (Works)
Shri S.K. Maheshwari	Vice President (Manufacturing)
Shri S. H. Chomal	Vice President (Raw Material)
Shri N.P. Sinha	Vice President (Utilities)

CENRAY MINERALS AND CHEMICALS

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

AUDITORS :**DALAL & SHAH, MUMBAI****REGISTERED OFFICE : CENTURY BHAVAN, DR. ANNIE BESANT ROAD, MUMBAI - 400 025.**

DIRECTORS' REPORT

Dear Shareholders,

We have pleasure in presenting the 105th Annual Report of the Company alongwith the audited statements of Accounts for the year ended 31st March, 2002. The summarised financial results are given below. The profit during the year, after providing for interest, has shown improvement as compared to the previous year. Efforts for overall cost reduction continued throughout the year. Financial restructuring and repayment of high cost debts also reduced the interest cost. The overall profitability of the Company remained under pressure due to depressed cement prices and adverse working of Textile Division due to demand recession. We have also provided full depreciation as per the relevant provisions of the Companies Act and arrears of depreciation for previous two years have also been provided as per Central Government's approval obtained in the said previous years. After providing for such depreciation, the net profit for the year under review is not comparable with that of the previous year. However, the ensuing year should display more favourable trends.

1. SUMMARISED FINANCIAL RESULTS:

	(Rs. in crore)	
	2001-02	2000-01
Net Sales	2197.01	2177.30
Profit after interest	159.01	147.66
Depreciation	-140.42	-73.43
Net adjustments in respect of earlier years	-15.42	-14.28
Provision for Taxation	-0.60	-6.00
Deferred Tax Credit	+9.15	-
Net Profit	11.72	53.95

The operational performance of each business segment of the Company has been comprehensively covered in the Management's Discussion and Analysis Report based on the reports of Presidents of each unit and the Wholtime Director of the Company and the same forms part of this Directors' Report.

2. DIVIDEND:

The Board of Directors have recommended dividend @ 15 % (Fifteen percent) on Paid up Equity Share Capital of the Company for the year ended 31.03.2002 as against 10% (Ten percent) paid in the previous year on Equity Shares of Rs.10/- each and the same will be paid when declared by the Shareholders in accordance with the law.

3. EXPORTS:

In view of the adverse impact on the world's economy due to international terrorism resulting in further demand recession, the exports suffered a set back. In spite of the same, the Company's exports were of the order of about

Rs.411 crore which is about 19 percent of the Net Sales.

4. FLORICULTURE ACTIVITIES:

The quality of rose flowers exported to European market has been well accepted. However, the export market remained depressed affecting realisation and over all profitability. Due to diversification from roses to Carnation and Gerbera and starting of inhouse propagation activities, there has been marginal improvement in the working of this Division.

5. SHIPPING DIVISION:

During the year under review, the Company sold two bulk carriers, m.v. Aditya Gaurav and m.v. Aditya Gopal built in 1984 and 1994 respectively. With the sale of these two ships, the Company's fleet, now consists of two ships aggregating to 73805 metric tonnes dead weight.

In view of the prevailing adverse market conditions, bleak outlook for shipping industry and unviability of running the operations with only two vessels, the activities of the shipping division will be discontinued, probably during the year 2002-2003 after the sale of the remaining two ships. Permission of the shareholders has been obtained through the postal ballot under Section 192A of the Companies Act, 1956 to dispose off the remaining two ships and close down this Division after such sale.

6. MODERNISATION:

Thrust on modernisation and technological upgradation programme continue to maintain competitiveness and better quality of the Company's products.

7. CORPORATE GOVERNANCE:

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

8. GENERAL - SPORTS, WELFARE ACTIVITIES AND AWARDS:

a) Textile Division:

- i) In the 43rd Annual Vegetable, Fruits and Flower show competition held in February, 2002 organised by 'National Society of the Friends of the Trees', this Division has won Championship Trophy of the Governor of Maharashtra, won 12 other Trophies and 84 First Prizes.

NOTICE OF MEETING REGISTERED OFFICE : CENTURY BHAVAN, DR. ANNIE BESANT ROAD, WORLI, MUMBAI 400 025.

NOTICE is hereby given that the 105th Annual General Meeting of the Shareholders of the Company will be held at Birla Matushri Sabhagar, 19, Marine Lines, Mumbai 400 020 on Thursday, the 4th July, 2002 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 Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2002.
2. To declare dividend on Equity Shares for the year ended 31st March, 2002.
3. To appoint a Director in place of Shri S.K. Birla who retires from office by rotation, but being eligible, offers himself for re-election.
4. To appoint a Director in place of Shri Arvind C. Dalal who retires from office by rotation, but being eligible, offers himself for re-election.
5. To appoint a Director in place of Shri C.K. Birla who retires from office by rotation, but being eligible, offers himself for re-election.
6. 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.

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) The Registers of Members and Transfer Books in respect of the Equity Shares of the Company will remain closed from Tuesday, the 18th June, 2002 to Thursday, the 4th July, 2002 both days inclusive.
- (c) Dividend on Equity Shares when sanctioned will be made payable on or after Tuesday, the 9th July, 2002 to those Shareholders whose names stand on the Company's Register of Members on Thursday, the 4th July, 2002 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 as per details furnished by the depositories for this purpose.
- (d) Income-tax will be deducted at source from dividend payable to shareholders except in case of shareholders who are resident individuals and whose dividend amount payable during a financial year does not exceed Rs.1000/-. Therefore, other resident individual shareholders, who intend to seek exemption from deduction of Income-tax at source and whose total income does not exceed Rs. 50,000/- including such dividend income are requested to submit a declaration in Form No. 15G in DUPLICATE duly completed in all respects or Tax Exemption Certificate issued by Income-tax Officer at the Registered Office of the Company on or before 17th June, 2002.
- (e) Members except resident individuals where dividend amount payable during a financial year does not exceed Rs. 1000/- are requested to intimate their Permanent Account Number (PAN) allotted by Income-tax Authorities for the purpose of quoting the same on Tax Deduction Certificate for tax

deducted on dividend, if any. Those members who have not been allocated PAN should furnish General Index Register (GIR) Number along with a declaration that PAN has not been allocated.

- (f) 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.

- (g) 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 Sec. 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 unencashed.

Date of declaration of dividend	Dividend for the year	Due date of transfer to the Government
16th July, 1996	1995-96	26th August, 2003
22nd July, 1997	1996-97	1st September, 2004
8th September, 1998	1997-98	19th October, 2005
23rd August, 1999	1998-99	3rd October, 2006
9th August, 2000	1999-2000	19th September, 2007
10th July, 2001	2000-2001	8th August, 2008

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 Sec. 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.

- (h) 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 the Company for doing the needful.
- (i) Members are requested to notify change in address, if any, immediately to the Company at its Registered Office quoting their folio numbers.
- (j) 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.

By Order of the Board,

Mumbai,
Dated: 3rd May, 2002

D. K. AGRAWAL
Secretary

- ii) In the Exhibition of Fruits, Vegetables and Flowers held in January, 2002 organised by the Municipal Corporation of Greater Mumbai, this Division has won three First Prizes.

b) Rayon, Tyre Cord & Chemicals Divisions:

- i) Our Volleyball Team has won Thane District Championship and four of our players represented the State.
- ii) Two of our employees have been chosen to lead Maharashtra State Athletic Team, as Manager/Coach and two more employees will be representing Maharashtra team at National level for Javelin Throw.

c) Cement Divisions:

- i) Century Cement has bagged second best National Award for Environmental Excellence in Indian Cement Industry for the year 2000-01 instituted by National Council for Cement and Building Materials.
- ii) Century Cement Mines have bagged first prize in safety awards for transportation of minerals, tyre maintenance during Mines Safety Week 2001-02 from the Director General, Mines Safety, Bilaspur Region and also first prize in overall performance, afforestation, rehabilitation, waste dump management during Mines Environment and Mineral Conservation Week 2001-02 from Indian Bureau of Mines, Nagpur Region.
- iii) Maihar Cement Mines have bagged first prize in environment and ecology, transport of minerals, fire safety organization, safety education during the Metalliferous Mines Safety Week 2001-02 of Jabalpur Region and first prize in overall performance, top soil management, publicity and propaganda, waste dump management, exhibition stall during celebration of Mines Environment and Mineral Conservation Week 2001-02.
- iv) Maihar Cement Unit No.2 has won National Energy Conservation Award 2001, first amongst cement sector awarded by Government of India, Ministry of Power and also won National Award for best improvement in Electrical Energy Performance in the Indian Cement Industry for the year 2000-01 from National Council for Cement and Building Materials.
- v) Maihar Cement Unit No.1 & 2 bagged 10 awards out of 16 awards instituted by Fuller for conservation of Thermal and Electrical

Energy for the year 2000-01 for modern plant (with VRM technology) in the state of Madhya Pradesh and Chhatisgarh having a capacity of 27.14 million tons which is about 20 % of Industry capacity. Maihar Cement Unit No.2 bagged first prize for lowest overall energy, both electrical and thermal energy, and also for maximum percentage of reduction of overall energy over the year 1999-2000.

- vi) Manikgarh Cement Mines have bagged the First Prize in Overall performance, Waste Dump Management, Top Soil Management and Water Quality Management during the Mines Environment and Mineral Conservation Week 2001-02 of Nagpur Region and First Prize in Injury Rate Performance and Plant and Machinery during the Mines Safety Week 2001-02 of Nagpur Region.
- vii) Three students from our school at Century Cement, Baikunth were selected in the National Basket Ball School competitions at different places.
- viii) Three students from our school at Maihar have been selected for President Award and twelve students for Governor's Award for scouts/guides during the academic session 2001-02.

d) Pulp & Paper Division:

- i) The unit was awarded Indo German GREENTECH Environment Excellence award and was placed at first position for its environmental management in Pulp & Paper Industry sector by Greentech Foundation and Centre for International Transfer for Environmental Technologies, Germany.
- ii) The unit was awarded Certificate of Merit and Trophy in recognition of its export achievements on 7th December, 2001 for the previous year by CAPEXIL, formerly Chemicals & Allied Product Export Promotion Council, Ministry of Commerce & Industries, Government of India, Kolkata.
- iii) The bagasse based paper of the unit have been granted licence for "ECO Labeling", from Bureau of Indian Standards, Delhi.

9. ENVIRONMENT AND POLLUTION CONTROL:

All manufacturing facilities possess required environmental clearances from respective Pollution Control Boards and the same are in compliance with the present environmental legislation. As an integral part of Company's environment

protection drive, the Company ensures minimum quantity of waste generation, low emission levels and low noise pollution levels during plant operation.

10. INSURANCE:

Adequate Insurance cover has been taken for properties of the Company including Buildings, Plant & Machineries, Stocks and Ships.

11. DIRECTORS:

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

12. AUDITORS:

The retiring Auditors, M/s. Dalal & Shah, Chartered Accountants, are eligible for re-appointment and have indicated their willingness to act as such. In terms of Section 224A of the Companies Act, 1956, their appointment needs to be confirmed and their remuneration has to be fixed.

13. AUDITORS' REPORT:

The notes to the Accounts bearing numbers 25(a), 25(b) and 25(c) referred to in the Auditors' Report and paras in italics in the Auditors' Report are self explanatory and therefore do not call for any further explanation under Section 217(3) of the Companies Act, 1956.

14. 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.

15. DIRECTORS' RESPONSIBILITY STATEMENT:

On the basis of compliance certificates received from the various 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 alongwith proper explanation relating to material departures;
- ii) that the Directors had selected such 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 had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv) that the Directors have prepared the annual accounts on a going concern basis.

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

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' which forms part of this Report.

17. 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' which forms part of this Report.

18. CASH FLOW ANALYSIS:

In conformity with the provisions of clause 32 of the Listing Agreement/(s) the Cash Flow Statement for the year ended 31.3.2002 is annexed hereto.

19. APPRECIATION:

The Company places on record its deep appreciation for the devoted services of the loyal workers, staff and the executives of the Company which have contributed in no small measure to the improved performance and the Company's inherent strength. Grateful thanks are also due to various State Governments, the foreign 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 at the General Meetings of the Company is also a great fillip to strive for better performance year after year.

Registered Office:
Century Bhavan,
Dr. Annie Besant Road,
Mumbai - 400 025

Dated: 3rd May, 2002

On behalf of the Board,
B.K. BIRLA
Chairman

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:

(1) Energy Conservation Measures Taken

Textile / Yarn / Denim Divisions

- * Lowering of voltage on Transformers to reduce losses.
- * Stoppage of Root Blowers of Supplementary System in Humidification of Auto Weaving after improving main humidity plant.

Rayon, Tyre Cord & Chemicals Divisions

- * Replacement of thermodynamic steam traps with ball float type traps.
- * Trimming of impellers in 54 number circulation pumps in new After Treatment Section.

Cement Divisions

- * Installation of liquid rotor controller for coal mill fan.
- * Conversion of delta connection to star connection for raw mill screw conveyors.
- * Optimization of grinding media in cement mills.

Pulp & Paper Division

- * Reduction of Terminal Voltage of captive power generation from 11 KV to 10.8 KV.
- * Replacement of 7 Watt indicator lights at various places with 0.5 Watt LED indicator.
- * Installed variable frequency drives at various places.

(2) Additional investments and proposals, if any, being implemented for reduction in consumption of energy

- * Improvement in power quality through voltage stabilization and reduction of harmonics.
- * Installation of "Drying Chamber and Hot Air Generator" for Cement Mills.
- * Replacement of preheater first stage cyclones by LP cyclone.
- * Slip power recovery system for coal mill fan and booster fan.
- * Replacement of Stal TG set by 10 MW TG set.

(3) Impact of measures at (1) & (2) for reduction of energy consumption and consequent impact on the cost of production of goods

- * Energy saving
- * Reduction of power and steam consumption.

- * Increased captive power generation.

(4) 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:

Research and Development

1. Specific areas in which R & D has been carried out by the Company :

- * Improvement of product quality and process efficiency.
- * Cost Reduction, control and minimization of waste.
- * Development of alternate sources of raw materials and additives.
- * Environmental care and pollution abatement measures.
- * Bio-bleaching (Enzyme Pretreatment) of bagasse pulp.
- * Use of cationic dispersed Rosin for improvement in sizing of paper.

2. Benefits derived as a result of the above R & D :

- * Improvement in the Quality of manufactured products to meet the requirements of highly competitive export as well as domestic markets.
- * Pollution free environment in and around factory, mines and nearby areas.
- * Cost economy and Efficiency.
- * Conservation of water, mineral and electric power.

3. Future Plan of Action :

- * Further improvement in the quality of products and processes.
- * Development of value-added products.
- * Process modification of substitution to improve the quality of treated effluent.
- * Technical upgradation of Pollution Control facilities.
- * Reduction in Power/Fuel/Water consumption.
- * Reduction of waste and maximum waste utilisation.

- * Development of alternate sources of Raw Materials and exploration of avenues for continuous cost reduction measures.

4. Expenditure on R & D

(Rs. in Crore)

(a) Capital	0.17
(b) Recurring (including contribution)	2.86
(c) Total	3.03
(d) Total R&D expenditure as a percentage of total turnover	0.12

Technology absorption, adaptation and Innovation

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

Textile Division

- * Development of a thermal process for elimination of polypropylene - a widely prevailing contamination of Indian Cotton from dyed cotton fabrics to improve their appearance.

Rayon, Tyre Cord & Chemicals Divisions

- * Successful use of Flexlink conveyor system for transportation of Rayon cakes in After Treatment department for smooth transfer of cakes and avoid manual handling.

Cement Divisions

- * Installation of Wagon Loading and Electronic packing machines at Packing Plant.
- * Slip power recovery system / VVVF drives for process fans.

Pulp & Paper Division

- * Regular use of Bio Bleaching (Enzyme pretreatment) in Bagasse-Street.
- * Introduction of Loose bagasse feeding system.

2. Benefits derived as result of above efforts :

Textile Division

- * It was possible to enhance the quality of dyed fabrics and meet customers' expectations.

Rayon, Tyre Cord & Chemicals Divisions

- * Improvement in quality of end products alongwith improvement in productivity and efficiency.

Cement Divisions

- * Improved productivity and cost reduction.

Pulp and Paper Division

- * Reduced use of Chlorine in bleaching for improved work environment.
- * Optimum usage of loose bagasse/avoidance of spillage.

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

- * Continuous Spun Yarn Spinning Machines
- * DG Power Generation
- * Flex Link Conveyor from "Flex Link Systems", Singapore
- * Screw Chillers
- * Process automation by DCS Control.
- * IKN Kids cooler technology from Germany introduced in grate cooler for higher heat recuperation.
- * Polycor roller press from Polysius, Germany has been introduced in cement grinding circuit.
- * Pillard burner for kiln firing was procured from France.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

- a) Textile exports were adversely affected because of general economic slow down and demand recession in foreign countries and particularly in USA, where after the terrorist attack on World Trade Centre, the US economy was adversely affected.
- b) Viscose Filament Yarn exports have marginally improved because of the export of Continuous Spun Yarn which is of a better quality and finds acceptability in export markets. A few new markets have also been identified for export of Continuous Spun Yarn.
- c) Cement is being exported to Nepal and Bangladesh. Other markets are not viable.
- d) In spite of the general economic recession in the International market, paper to the tune of 5,500 MT was exported by developing new markets and customers. It is expected that paper exports will stabilise over a period of time.

2. Total Foreign Exchange used and earned.

(Rs. in Crore)

Foreign exchange used	389.21
Foreign exchange earned	429.43

On behalf of the Board,

Mumbai,

Dated 3rd May, 2002

B.K. BIRLA

Chairman

FORM 'A'**Form for disclosure of particulars with respect to conservation of energy.**

	Textiles	Yarn (100% E.O.U.)	Denim (100% E.O.U.)	Cement	Paper	Rayon & Tyre yarn/ Fabric & Chemicals
A. POWER AND FUEL CONSUMPTION :						
1. Electricity						
(a) Purchased Unit (KWH in lacs)	1135.78 (1331.68)	149.11 (66.95)	124.39 (122.96)	1708.76 (1809.63)	162.03 (102.34)	219.76 (373.97)
Total Amount (Rs. in Crore)	42.19 (51.94)	6.09 (2.92)	5.02 (4.91)	72.21 (76.56)	9.45 (6.04)	10.68 (16.43)
Rate/Unit (Rs.)	3.71 (3.90)	4.09 (4.36)	4.04 (3.99)	4.23 (4.23)	5.83 (5.90)	4.86 (4.39)
(b) Own Generation						
(i) Through Diesel Generator Unit (KWH in lacs)	—	21.62 (130.61)	124.04 (133.32)	42.11 (86.62)	39.10 (18.05)	947.33 (743.30)
Units per Kg. of LSHS & Diesel Oil	—	3.57 (3.50)	3.67 (3.63)	3.63 (3.63)	3.60 (3.13)	4.68 (4.56)
Cost/Unit (Rs.)	—	3.30 (3.50)	3.23 (3.36)	5.79 (5.36)	4.67 (5.62)	2.65 (3.04)
(ii) Through Steam Turbine/Generator Unit (KWH in lacs)	—	—	—	2664.63 (2604.23)	1459.67 (1532.75)	504.11 (516.77)
Units per ton of Coal	—	—	—	962.91 (980.70)	1111.00 (1087.00)	583.11 (622.00)
Cost/Unit (Rs.)	—	—	—	2.29 (2.05)	1.10 (0.96)	1.31 (1.21)
	Cotton Fabrics	Cotton Yarn	Denim	Cement	Paper	Rayon & Tyre yarn/ Fabric & Chemicals
2. Coal (Grade B,C,D and E)						
Quantity (in lac M. Tons)	—	—	—	10.39 (10.64)	1.09 (1.07)	0.80 (0.80)
Total Cost (Rs. in Crore)	—	—	—	169.31 (159.48)	21.97 (21.63)	18.06 (17.53)
Average Rate (Rs. per M.T.)	—	—	—	1629.53 (1498.87)	2009.01 (2019.87)	2253.10 (2200.54)
3. Furnace Oil						
Quantity in M.T. (incl. LSHS & Diesel Oil)	9343.00 (9548.42)	— (—)	2039.13 (2129.28)	— (—)	7246.00 (7768.00)	22839.37 (17772.15)
Total Amount (Rs. in Crore)	8.99 (10.24)	— (—)	1.71 (1.85)	— (—)	7.20 (8.54)	22.38 (19.30)
Average Rate (Rs. per M.T.)	9624.85 (10681.90)	— (—)	8385.92 (8698.00)	— (—)	9931.25 (10995.50)	9799.18 (10859.12)
4. Others/Internal generation	Nil	Nil	Nil	Nil	Nil	Nil

Note : 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.	—	928.98	866.78	(c)
Cotton Yarn	Per 100 Kgs.	—	232.29	224.20	(a)
Cotton Yarn (100% EOU)	Per 100 Kgs.	—	372.51	419.89	(b)
Denim Fabrics	Per 1000 Sq. Mtrs.	—	1687.35	1686.06	(a)
Rayon Yarn	M.T.	—	5221.66	5561.52	(b)
CSY (Continuous Spg. Yarn)	M.T.	—	4011.37	3984.67	(a)
Tyre Yarn/Fabric/Fibre	M.T.	—	2984.57	2866.67	(a)
Caustic Soda	M.T.	—	2698.21	2710.12	(b)
Carbon-di-sulphide	M.T.	—	1140.66	1124.36	(a)
Sulphuric Acid	M.T.	—	53.79	56.02	(a)
Cement	M.T.	—	84.74	87.76	(b)
Paper	M.T.	—	1483.00	1507.00	(b)
2. Furnace Oil (M.T.)					
Cotton Fabrics	Per 1000 Sq. Mtrs.	—	0.077	0.063	(a)
Denim Fabrics	Per 1000 Sq. Mtrs.	—	0.139	0.140	(a)
Rayon Yarn	M.T.	—	0.103	0.062	(d)
CSY (Continuous Spg. Yarn)	M.T.	—	0.200	0.103	(a)
Tyre Yarn/Fibre	M.T.	—	0.128	0.078	(d)
Paper	M.T.	—	0.065	0.071	(d)
3. Coal - B, C, D & E Grades (M.T.)					
Rayon Yarn	M.T.	—	3.179	3.372	(d)
CSY (Continuous Spg. Yarn)	M.T.	—	6.170	5.559	(a)
Tyre Yarn/Fibre	M.T.	—	3.946	4.223	(d)
Cement	M.T.	—	0.177	0.180	(a)
Paper	M.T.	—	0.976	0.976	-
4. Others	Nil	Nil	Nil	Nil	Nil

Notes :

- a) Minor variations.
b) Due to energy conservation.
c) Due to more value added fabric.
d) 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.