



Soar

Higher and Higher

Energised by
Expansion,
Modernisation and Upgradation

Century Textiles and Industries Limited

109th Annual Report & Accounts 2005 - 2006

www.reportjunction.com

Century Textiles and Industries Limited



Shri B K Birla
Chairman

Pursuing
Growth
in Alignment
with our
National
Goals

Dear Shareholders,

The Indian economy is reaping the rewards of the recent reforms spanning over a period of about 15 years. If opened up further, the country should achieve sustained GDP growth of 8-10 per cent per year.

Notwithstanding steep world oil prices, the economy has shown remarkable resilience in 2005 - 06, with growth becoming broad based and remaining robust.

The good health of Indian economy is being reflected in more ways than one. The inflow of Foreign Direct Investment (FDI) has been impressive. The balance of payment position has been healthy. Inflation has remained under control in spite of runaway oil prices. Value Added Tax (VAT), one of the major radical reforms introduced in the Indian economy, is being gradually implemented all over India.

It is quite heartening for me to mention that my grandson Shri Kumar Mangalam Birla, has joined our Board recently. His vast business and industrial experience would be of considerable benefit for further progress of our Company in time to come. He took over as Chairman of several prominent companies of Aditya Birla group about 10 years ago and all these companies have made remarkable progress in a short span of time under his stewardship. I am sure that his induction on our Board will create new milestones for the Company in the coming years.

The growth of Indian economy has created unprecedented opportunities for the Indian industry. In the sectors where Century has business presence, a host of opportunities have arisen. The focus of Government on infrastructure, besides the boom in construction activity has made Cement one of the fastest growing sectors in the country. In addition, Government's thrust on education also augurs well for the growth of Paper sector. As far as Textiles and Viscose Filament Yarn are concerned, these are industries with a large consumer base and should continue to remain promising in the future years.

Century is well poised to actively participate in this growth story. Our corporate philosophy is to leverage all our resources towards playing an active role in the growth of Indian economy.

B K Birla
Chairman

Soaring Higher and Higher

Board of Directors

(As on 04-05-2006)

Shri B. K. Birla, Chairman

Shri Kumar Mangalam Birla

Shri P. K. 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 Website: www.centurytextind.com

Century Textiles and Industries Limited

Team of Executives

(As on 04-05-2006)

Textiles

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	Joint President (Purchase & Projects)
Shri R.C. Panwar	Vice President (Marketing)
Shri S.R. Makharia	Vice President (Production)

Rayon

CENTURY RAYON, TYRECORD & CHEMICALS

Shri M.C. Mehta	President
Shri O.R. Chitlange	Joint President (Finance)
Shri R. Lalwani	Joint President (Commercial)
Shri H.G. Uttamchandani	Senior Vice President (Rayon & Auxiliaries)
Shri S.M. Sanklecha	Senior Vice President (Purchase)
Shri R.K. Tandon	Vice President (Delhi Office)
Shri S.K. Mital	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)

Cement

CENTURY, MAIHAR AND MANIKGARH CEMENTS

Shri B. L. Jain	Senior President
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CENTURY CEMENT

Shri B.L. Kedia	Executive President (Plant)
Shri M.C. Gupta	Executive President (Works)
Shri S.K. Jain	Joint President (Finance)
Shri Alok Patni	Senior Vice President (Mechanical)
Shri S.K. Sultania	Senior Vice President (Marketing)
Shri N.M. Singhvi	Vice President (Commercial)
Shri A.H. Singhania	Vice President (Mechanical)

MAIHAR CEMENT UNITS I & II

UNIT I	
Shri Kamal Kishore	Executive President (Co-ordination)
Shri R.S. Doshi	Joint President (Finance)
Shri R.K. Vaishnavi	Senior Vice President (Plant)
Shri P.M. Intodia	Senior Vice President (Marketing)
Shri Vijay Kumar	Vice President (Process & Quality Control)
Shri A.K. Lodha	Vice President (Marketing)
Shri M.K. Jain	Vice President (Mechanical)

UNIT II

Shri B.P. Jain	Executive President (Plant)
Shri V.K. Bhandari	Joint President (Commercial)
Shri Rakesh Sharma	Senior Vice President (Personnel & Administration)
Shri B.M. Singh	Senior Vice President (Projects)
Shri S.K. Tewari	Vice President (Mines)
Shri G.S. Pandey	Vice President (Market Development)
Shri Arvind Kumar Jain	Vice President (Mechanical)

MANIKGARH CEMENT

Shri S.S. Sharma	Executive President (Co-ordination)
Shri P.S. Bakshi	Joint President (Plant)
Shri S.K. Mandelia	Senior Vice President (Commercial & Administration)
Shri N.B. Singh	Senior Vice President (Process & Quality Control)
Shri A.D. Karwa	Senior Vice President (Commercial)
Shri R.K. Udge	Vice President (Mines)
Shri A.K. Panja	Vice President (Marketing)

NEW PROJECTS

Shri A.K. Mukherjee	Vice President (Projects)
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Paper

CENTURY PULP & PAPER

Shri R.L. Lakhota	President
Shri J.K. Mandelia	Senior Vice President (Works)
Shri Dilip Chandrana	Vice President (Technical)
Shri R.K. Sharma	Vice President (Electrical & Instrumentation)
Shri R.C. Maheshwari	Vice President (Utilities)

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.**

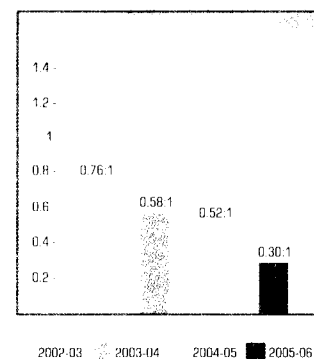
Soaring Higher and Higher

Performance Highlights

Delivering Value to all our stakeholders – shareholders, employees, Government and the society at large has been the cornerstone of Century philosophy. Our consistent performance indicators stand testimony to this philosophy. We are committed to improving our performance in all key areas and rewarding our stakeholders.



Debt Equity Ratio

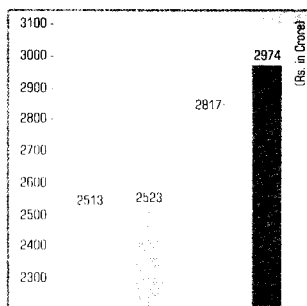


The following highlights for the year under review are given in comparison to immediate previous year.

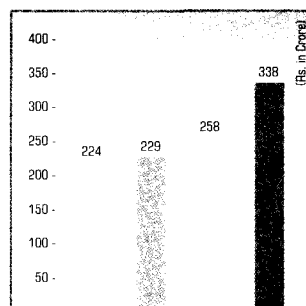
- Debt Equity Ratio has improved from 0.52:1 to 0.30:1.
- Gross Sales have risen from Rs. 2817 Crore to Rs. 2974 Crore.
- Gross Profit after interest has increased from Rs. 258 Crore to Rs. 338 Crore.
- Earning per share continues to exceed Rs 11.
- Dividend has grown from 25% to 30% per share.

The graphs given here in reflect the year 2005-06 and previous three years.

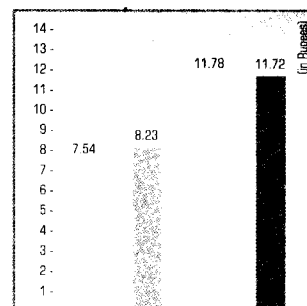
Gross Sales*



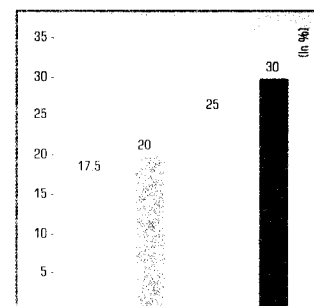
Gross Profit



Earning per share

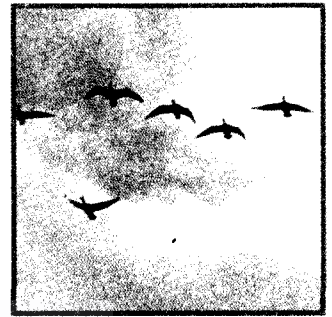
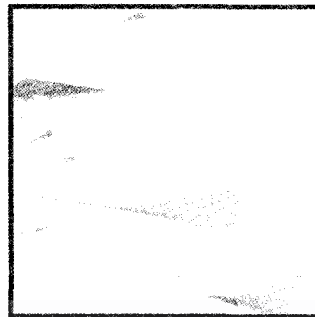
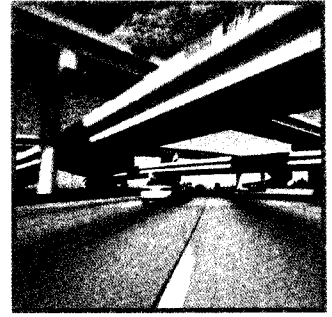


Dividend



* The figures of Gross Sales from 2003-04 to 2005-06 are after eliminating inter-unit transfers.

Century Textiles and Industries Limited



Soaring Higher and Higher

Energised by Expansion, Modernisation and Upgradation

More than a century old, Century is continuing to grow at an impressive pace. All its businesses, Textiles - both cotton textiles and man-made fibers, Cement and Paper are continuing to flourish, thanks to relentless Expansion, Modernisation and Upgradation drive. Its world class Denim plant has just been expanded to have a total capacity of 21 million metres per annum.

It has consistently created wealth for its large family of shareholders while enriching the life of its customers in various ways - clothing people through a wide array of fabrics, extending its support towards infrastructure development through its cement plants and contributing to the cause of education through its paper mills.

Soaring Higher and Higher



Denim

Setting New Trends

Ever since commissioning its plant to manufacture Denim in 1997, Century has been a trend setter in Denims. Its in-house development of 'Rapid Wash Denim' ushered in a wide customer choice in a cost-effective and eco-optimized way.

The Company's expansion of its Denim plant was completed in the last quarter of 2005-06. It not only takes our Denim production capacity to a level of 21 million metres per annum but also sets a new trend in fashion and life style.

Consequent to addition of new capacity, our new product range consisting of Ring Denim, Lycra Denim, Poly Denim, Over-dyed Denim, Fancy Denim and Black Denim will provide greater opportunities.

In the years to come, Century's denim products such as lower weight denim for shirting will help us make our presence felt in this product range. Simultaneously, our capability to produce smaller lot size will also give us an edge in a highly competitive denim market.

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Clothing the Nation - 'Cottons by Century' Way

Though a recent entrant in readymade clothing and accessories, Century has already made its presence felt in this segment of the market, thanks to its understanding of customer taste. Its wide range consisting of crisp cottons in fine and superfine fabrics in 100% cotton have found wide acceptance and acclaim in the market.

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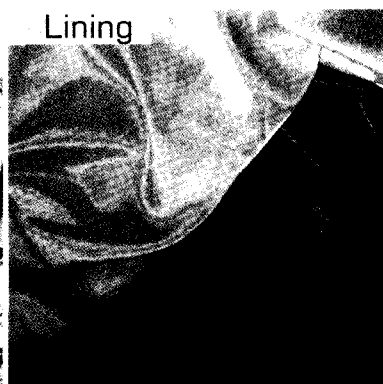
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Saree



Georgette



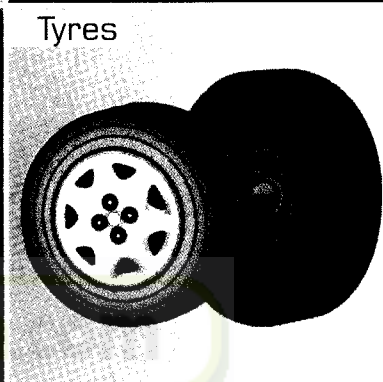
Lining



Knitted Fabric



Velvet



Tyres

Rayon

Spinning the Yarn for Diverse Applications

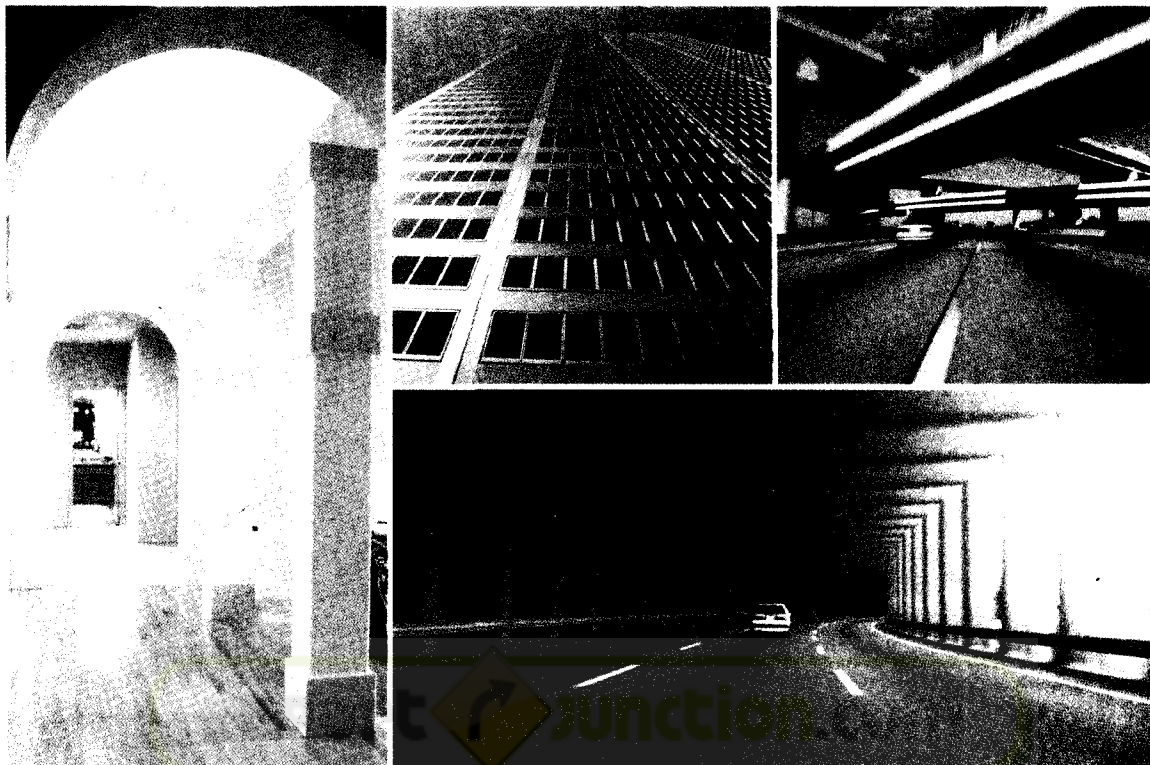
For a host of industrial sectors which use various types of Viscose Filament Yarn (VFY), Century has always been a one stop shop. Set up in the fifties and expanded successively over the years, Century has been producing high quality VFY for various applications.

Thanks to its high quality and the added advantage of luster and soft touch, both the Pot as well as Continuous Spun Yarn, produced by Century are quite in demand. VFY has been a favourite raw material for different end uses such as Saree, Georgette, Lining, Knitted fabrics, Velvet, Embroidery, Furnishing, Tapestry, Dori, Lace, Elastic Tapes and other decorative materials.

Several other industrial sectors such as the manufacturers of Tyres, V-Belts, Stitching Cord, Carpets, Knitted Bags and Soft Luggage have been relying on the High Tenacity Viscose Filament Tyre Yarn produced by Century.

Not living on its laurels to be one of the premier manufactures of Rayon Yarn in India, Century has been constantly innovative and has recently pioneered production of 40 denier multi-filament yarn and spun dyed yarn in 65 different shades. The quality of its yarn is acknowledged not only in India but overseas markets as well.

Century Textiles and Industries Limited



Cement

Consolidating Infrastructural Pillars

As the infrastructure development and housing boom reaches even a higher scale in the country, Century has geared itself to be at the service of the nation and make a significant contribution.

The ongoing national highway projects, modernization of ports, construction of malls and commercial complexes besides boom in housing is creating huge demand for cement. Century's footprint in Cement manufacturing facilities which are in the fore front of meeting this burgeoning need of Indian infrastructure development, are therefore being expanded.

All cement units of Century are on the way to enhancing capacity. Consequently, Century's total cement manufacturing capacity will stand enhanced from 6.30 million TPA to 7.80 million TPA by the 3rd quarter of 2006-07.