

Century Textiles and Industries Limited

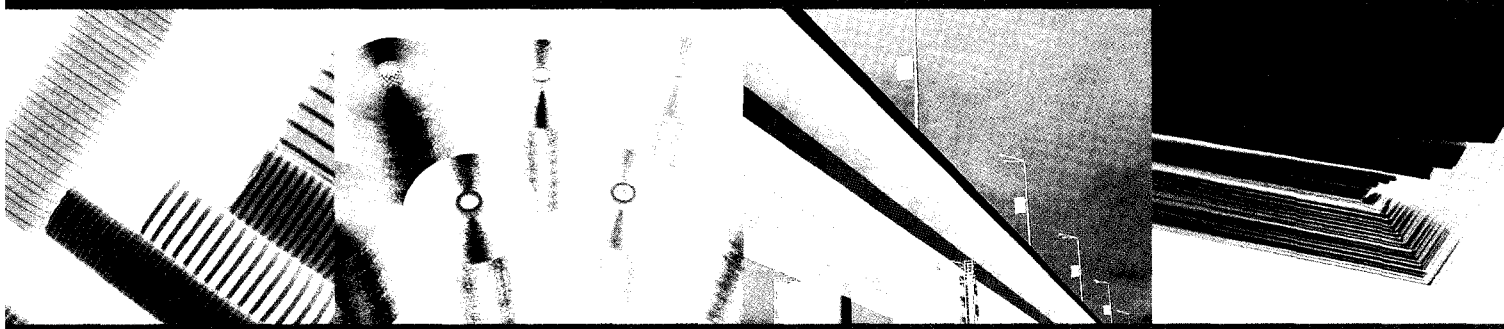
**113th Annual Report & Accounts
2009-2010**

Textiles

Rayon

Cement

Paper



Growing continually with...
IMPROVEMENT | ACHIEVEMENT | SUCCESS

CHAIRMAN'S STATEMENT



Dear Shareholders,

Due to the worldwide financial crisis resulting in a major contraction in global demand, the Indian economy faced quite a few uncertainties. Business sentiment was weak and growth had started decelerating, threatening the capacity of the economy to sustain and improve on the high levels experienced over several years. Uncertainty on account of the delayed and sub-normal south-west monsoon further aggravated the situation. Due to a number of measures taken by the Government to arrest the slowdown and the earlier than expected recovery which started world wide, the Indian economy shows signs of improvement and it is expected that it will accelerate the trajectory of high growth.

In the background of the above adverse business environment, the performance of our Company is considered reasonably satisfactory. The continuous thrust of the government on improved infrastructure and education, should result in better demand for cement and paper which are the two major businesses of the Company.

I would like to extend my sincere thanks to all the shareholders, customers and staff members who have in no small measure contributed to the above satisfactory performance of the Company.

B. K. Birla
Chairman

BOARD OF DIRECTORS

(As on 03/05/2010)

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 03/04/2010

Textiles

Century Textiles

Birla Century, Century Yarn and Denim

Shri R.K. Dalmia	Senior President
Shri D.K. Agrawal	President (Corporate Finance) & Secretary
Shri U.C. Garg	Executive President (Purchase & Projects)
Shri R.C. Panwar	Joint President (Marketing)
Shri Sanjay Khimesra	Senior Vice President (Yarn & Denim)
Shri S.K. Somani	Vice President (Finance)

Rayon

Century Rayon, Tyrecord and Chemicals

Shri O.R. Chittlange	President
Shri R. Lalwani	Executive President (Commercial)
Shri S.M. Sanklecha	Joint President (Purchase)
Shri S.K. Mittal	Joint President (Engineering Services & Auxiliaries)
Shri H.G. Uttamchandani	Senior Vice President (Rayon & Auxiliaries)
Shri Subodh Dave	Senior Vice President (Personnel & Administration)
Shri Apurva Gupta	Senior Vice President (Rayon & Development)
Shri V.K. Jhingon	Senior Vice President (Tyre Cord & CSY)
Shri Sudhir Luthra	Vice President (Chemicals)
Shri B. Manmohan	Vice President (Finance)
Shri Arun Jhavar	Vice President (Marketing)

Cement

Century, Maihar, Manikgarh and Sonar Bangla Cements

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

Century Cement & Sonar Bangla Cement

Shri Alok Patni	President (Works)
Shri Rakesh Sharma	Executive President (Personnel & Administration)
Shri N.B. Singh	Joint President (Plant)
Shri N.M. Singhvi	Joint President (Commercial)
Shri M.K. Jain	Senior Vice President (Plant)
Shri A.K. Panja	Senior Vice President (Commercial)
Shri Satish Gurtoo	Senior Vice President (Electrical & Instt.)
Shri Surendra Kumar	Vice President (Purchase)
Shri C.S. Vitthalkar	Vice President (Mechanical)
Shri Arun Gaur	Vice President (Finance)
Shri A.K. Biswas	Vice President (Project)

Maihar Cement Units I & II

Unit I

Shri R.K. Vaishnavi	President (Works)
Shri R.S. Doshi	Executive President (Commercial)
Shri P.M. Intodia	Executive President (Marketing)
Shri M.P. Joshi	Senior Vice President (Electrical & Instt.)
Shri Manoj Gupta	Vice President (Finance)
Shri Ajai Kumar Jain	Vice President (Production)
Shri R. Deshpande	Vice President (Purchase)

Unit II

Shri V.K. Bhandari	President (Commercial)
Shri S.K. Tewari	Joint President (Mines & Projects)
Shri Ashok Maheshwari	Senior Vice President (Commercial)
Shri Arvind Kumar Jain	Senior Vice President (Mechanical)
Shri P.K. Agarwal	Vice President (Purchase)
Shri A.S. Thakur	Vice President (Systems)
Shri H.P. Tiwari	Vice President (Personnel & Administration)

Manikgarh Cement

Shri P.S. Bakshi	President (Works)
Shri S.K. Mandella	Executive President (Commercial)
Shri A.D. Karwa	Executive President (Finance & Marketing)
Shri Vijay Kumar	Joint President (Plant)
Shri R.K. Udge	Senior Vice President (Mines)
Shri A.K. Jain	Senior Vice President (Mechanical)
Shri O.P. Moondra	Senior Vice President (Instrument)
Shri N.D. Hemke	Vice President (Mechanical)
Shri Kiran Sharma	Vice President (Generation)

Paper

Century Pulp and Paper

Shri D. Tandon	Senior President
Shri A.K. Uppal	Joint President (Marketing)
Shri A.K. Bisarya	Joint President (Works)
Shri S.K. Agarwal	Senior Vice President (Commercial)
Shri K.G. Thomas	Senior Vice President (Marketing)
Shri A.C. Mittal	Senior Vice President (Production)
Shri R.C. Maheshwari	Senior Vice President (Utilities)
Shri R.K. Sharma	Senior Vice President (Engineering)
Shri A.K. Sharma	Vice President (Personnel & Administration)

Salt

Centray Minerals and Chemicals

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

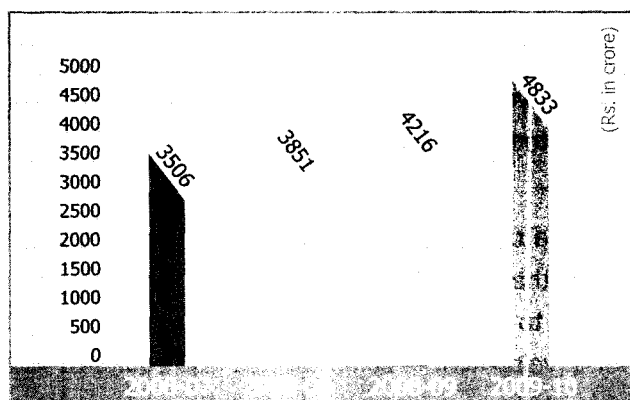
Dalal & Shah, Mumbai

Registered Office

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

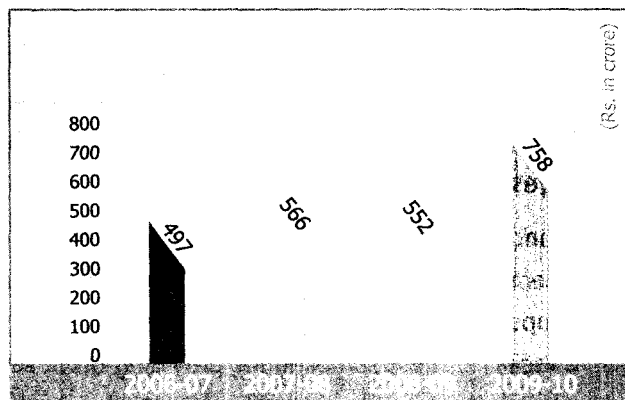
PERFORMANCE HIGHLIGHTS

Gross Sales*

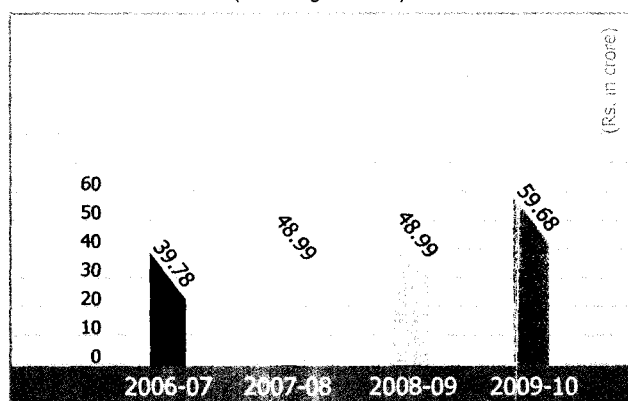


*Gross Sales are net of rebates and returns

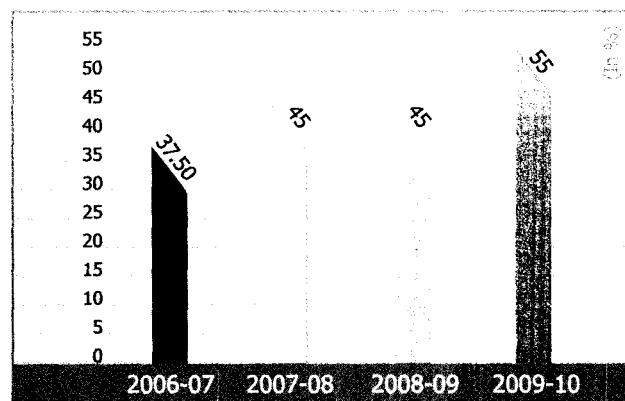
Gross Profit



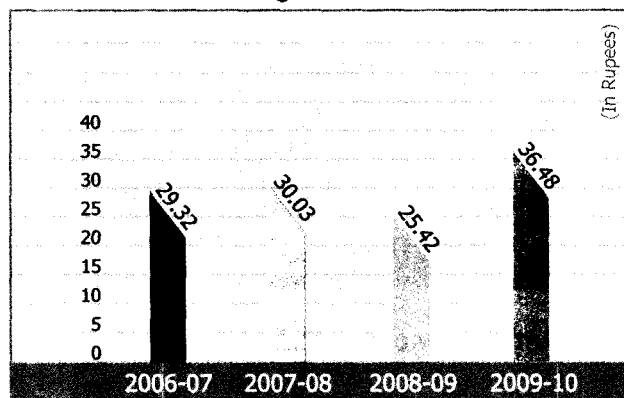
Amount of Dividend (including tax on it)



Rate of Dividend



Earning Per Share**

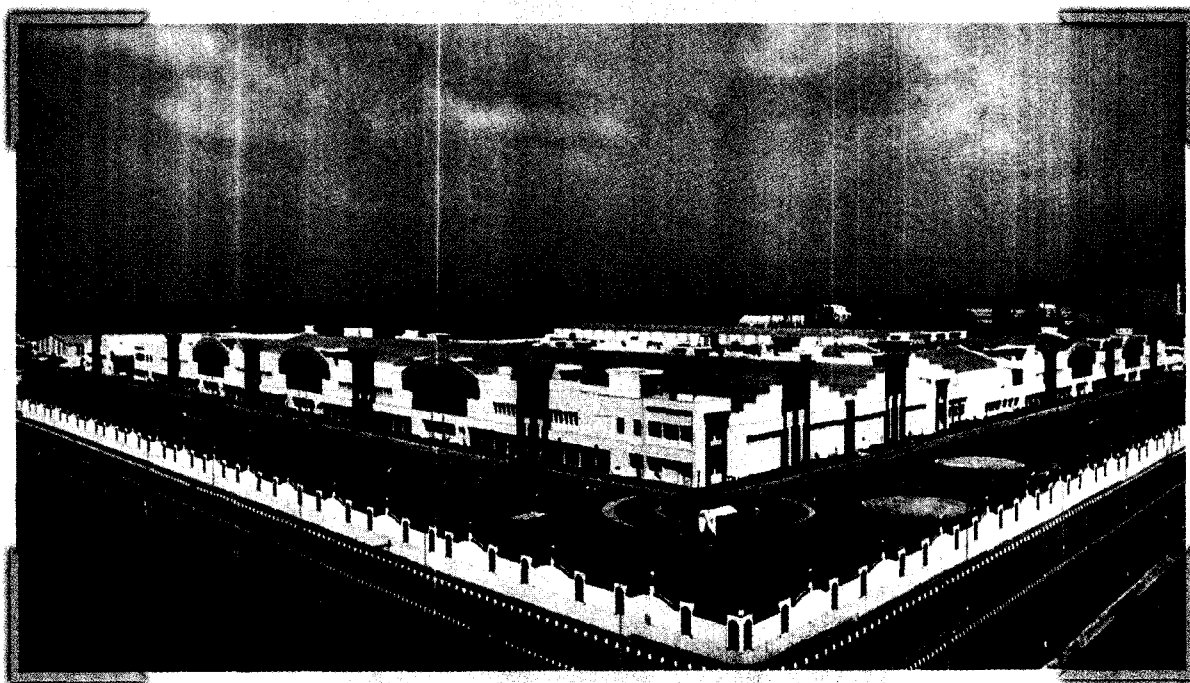


** Earning per share is including exceptional items

FABRICS AND APPAREL

A green field project viz. "Birla Century" with the state -of- the-art, ultramodern Textile production facility is stepping ahead towards fulfilling customer's need of premium products. It is equipped with over 100,000 spindles with latest compact technology and 300 Airjet looms capable of manufacturing all kind of fabrics like, Drills, Twills, Satins, Dobbies, Structured etc. in bleached, solid dyed, yarn dyed with Innovative finishes like wrinkle free, easy care, anti bacterial etc. through world class automated processing with eco friendly and non toxic dyes and chemicals.

The plant is having captive power plant using gas turbines with a capacity of 30 MW and a Biological Effluent Treatment plant with Zero discharge to recycle waste for keeping the production environment friendly. The plant is equipped with world class mechanical and chemical laboratory to test fabrics as per international norms and has a facility of Pilot sampling for providing quick services for development of samples. It is also equipped with in-house design studio, research and development centre for continuous innovations of designs as per latest international trend.

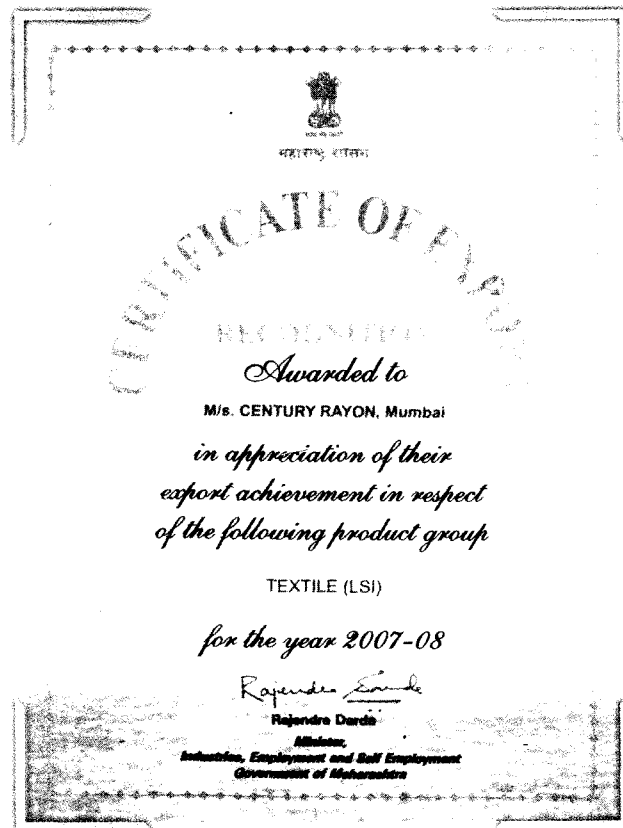


Birla Century : An Aerial View of the Textile Plant at Dist. Bharuch, Gujarat

Century Rayon is exporting its products all over the world. Tyre yarn is mainly exported to Western Europe and Japan where it is used as a reinforcement material in ultra high performance passenger car tyres. About 85 % of total production is exported to these destinations.

The Rayon filament yarn, which is used for textiles and apparel application, has wide spread market base. Major export markets are North Africa, South & North America and Western Europe. About 15% of total production is exported to above destinations.

Century Rayon was proud recipient of First Award for export performance in the **"LSI Textile Category"** for the year 2007-08 from Directorate of Industries, Govt. of Maharashtra . This award was given in recognition of Century Rayon's outstanding achievement in exporting Rayon Viscose filament Yarn under Textile category from Maharashtra state.



CEMENT



"Fully integrated HINDITRON XRF XRD Cement Analyser" at Maihar cement Unit.

Company is manufacturing and marketing cement under its premium brand "Birla Gold". In the era of globalisation where the speed of communication, logistic and transportation are very fast and competition between various brands available is very stiff, the emphasis of Birla Gold is "Quality & Consistency." A highly qualified quality control team equipped with modern test facilities work round the clock and superimposes itself in every stage of the production process so as to ensure that quality of the rawmaterial and the intermediary product at no stage is compromised towards maintaining a very high standard of quality to our product.

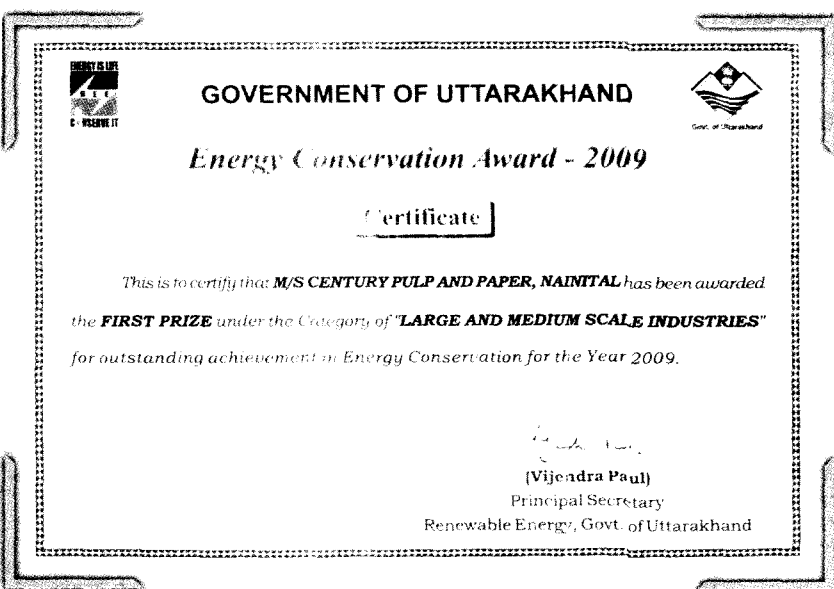
The state of art technology and upgradation of manufacturing process is a continuous activity in our plant which ensures the best quality product with consistency. Company is committed to provide best quality cement to the consumer and in pursuit of this goal, a fully integrated state of art, XRF-XRD cement analyser equipment has been installed at Maihar Cement Unit which measure very quickly free lime and clinker phases to ensure corrective measures for maintaining quality parameters.

“Today "Birla Gold" is a very popular brand because of its quality, consistency and services at par with all other national brands.”



In the World of Paper, we may seem to be yet another player. Over the years, our obsession with quality and value creation have created a niche for ourselves amongst the largest paper producers in the country. We are known for our ability to provide customer delight through a culture that encompasses creation of value and wealth through promotion of quality, environmental and safety concerns.

Excellence at Century continues to be all pervasive. Having been predominantly in the Writing & Printing Segment, the foray into Tissue Paper last year was only a stepping stone to our passion to move into other segments. The new project to manufacture Coated Boards of International Standards will soon be commissioned. This new state-of-the-art board machine will be amongst the best in the world and our products are expected to set new benchmarks for both Indian and International manufacturers of FBB, SBS, Cup-Stock, Liquid Packaging Boards, etc. In near future Century will be amongst the top five paper and paperboard manufacturers in India and our goal to reach the top will soon become a reality.



Certificate received from Government of Uttarakhand -
Energy Conservation Award - 2009.

"A total of 94 Energy Conservation Schemes were implemented resulting in energy savings. Few major ones are :

- Installation of Harmonic filters on PCC's feeding nonlinear loads
- Installation of Dented capacitors on 6.6 KV motors
- Installation of 59 Nos. LED Street lights.
- Installation of VFDs
- RPM reduction by smaller size of pulleys.
- Replacement of inefficient pumps.

Besides this special efforts have been made in burning waste materials like bark, sawdust, DIP sludge in Boilers and substituting coal"



Copier Brands manufactured and
marketed by Century Pulp and Paper,
Dist. Nainital (Uttarakhand)

NOTICE OF MEETING

REGISTERED OFFICE :
CENTURY BHAVAN, DR. ANNIE BESANT ROAD, WORLI, MUMBAI 400 030

NOTICE is hereby given that the 113th Annual General Meeting of the Shareholders of the Company will be held at *Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, Sayani Road, Prabhadevi, Mumbai 400 025* on Tuesday, the 27th July, 2010 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, 2010 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, 2010.
3. To appoint a Director in place of Shri Pradip Kumar Daga 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 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 supplemental to the Resolution passed by the Company in Annual General Meeting held on 1st April, 1982 and pursuant to the provisions contained in section 149(2A) of the Companies Act, 1956, approval of the Company be and is hereby once again accorded to the Company recommending the shipping business as specified in sub-clauses 4(a) to 4(f) 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 No. 6 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 14th July, 2010 to Tuesday, the 27th July, 2010 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
5th August, 2003	2002-2003	4th September, 2010
20th July, 2004	2003-2004	18th August, 2011
26th July, 2005	2004-2005	24th August, 2012
12th July, 2006	2005-2006	10th August, 2013
14th March, 2007*	2006-2007	12th April, 2014
23rd July, 2008	2007-2008	21st August, 2015
28th July, 2009	2008-2009	26th August, 2016

* (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 **Link Intime India Pvt. Ltd. (Formerly known as Intime Spectrum Registry Limited), Share Transfer Agent of the Company at their address at "C-13,**