

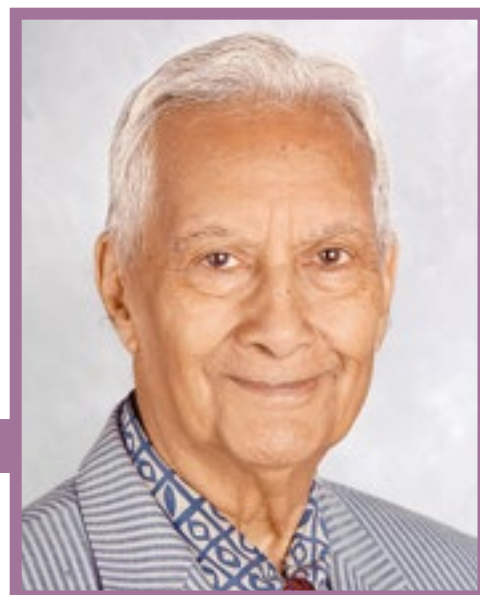


# **CENTURY TEXTILES AND INDUSTRIES LIMITED**

---

118<sup>th</sup> Annual Report & Accounts  
**2014-2015**

## CHAIRMAN'S STATEMENT



*Dear Shareholders,*

Global economy is not growing as expected. However, Indian economy is signaling some signs of recovery which is a positive factor. Due to substantial reduction in crude oil prices, there has been some relief from continuing high inflation which has led to adoption of easy monetary policy by Reserve Bank of India by reducing interest rates. It is expected that interest cost will decline in the near future leading to revival of investment in industry and infrastructure. With the new stable government at the centre which is committed to several reforms, our economy in the coming years should grow at a rapid pace.

During 2014-15, our Company had to face several challenges in terms of higher input costs and pressure on selling prices of almost all the products manufactured by the Company which are reflected in the results given in the Annual Report. The expected demand push

did not happen and un-seasonal monsoon in many parts of the country has placed adverse pressure on consumer demand in general. With the new Government committed to the revival of business sentiments in the country, the outlook of the Company may remain stable. However, the announcement by the Indian Meteorological Department that the monsoon is likely to be below normal is, to some extent, a worrying factor for the current year.

I would like to extend my gratitude to all our stakeholders including shareholders, customers, lenders and our loyal, hardworking and committed employees for their continued support and faith in the Company.

**B. K. Birla**  
Chairman

Shri B. K. Birla, Chairman  
Smt. Rajashree Birla  
Shri Kumar Mangalam Birla  
Shri Pradip Kumar Daga  
Shri Yazdi P. Dandiwala  
Shri Rajan A. Dalal  
Shri Sohanlal K. Jain  
Shri B. L. Jain, (Whole-time Director)

## CONTENTS

Board of Directors .....	01
Team of Executives .....	02
Performance Highlights .....	03
Fabrics and Apparel .....	04
Rayon .....	05
Cement .....	06
Paper .....	08
Directors' Report .....	09
Management Discussion and Analysis Report .....	17
Annexures I to VI to the Directors' Report .....	23
Corporate Governance Report .....	46
Independent Auditors' Report .....	58
Balance Sheet .....	62
Statement of Profit and Loss .....	63
Cash Flow Statement .....	64
Notes '1' to '48' .....	66
Operating Results for Five years .....	102
Statement of Assets and Liabilities for Five years .....	103

Notice for Annual General Meeting is being sent separately through Speed post / Registered post as required under the Companies Act, 2013 & Rules made thereunder.

**Company's Grievance Redressal Division's e-mail id for investors:**  
[investorrelations@centurytext.com](mailto:investorrelations@centurytext.com)



# TEAM OF EXECUTIVES

AS ON 05/05/2015

## TEXTILES

### Century Textiles, H.O. & Corporate

<b>Shri R.K. Dalmia</b>	Senior President & C.F.O.
<b>Shri D.K. Agrawal</b>	President (Corporate Affairs) & Secretary
<b>Shri U.C. Garg</b>	Executive President (Purchase & Projects)
<b>Shri Abhay K. Nahar</b>	Vice President (Finance)
<b>Shri Nilay Rathi</b>	Vice President (Commercial)
<b>Shri Atul K. Kedia</b>	Vice President (Legal & Secretarial)

### Birla Century, Century Yarn and Denim

<b>Shri R.C. Panwar</b>	Joint President (Marketing)
<b>Shri Sanjay Khimesra</b>	Joint President (Works)
<b>Shri Jagir Singh</b>	Joint President (Operations) - Yarn & Denim
<b>Shri Abhijit Bhatwadekar</b>	Senior Vice President (Spinning) & Factory Manager
<b>Shri Somes Bhaumik</b>	Vice President (Processing)
<b>Shri Pradeep Kher</b>	Vice President (Marketing)

## RAYON

### Century Rayon, Tyrecord and Chemicals

<b>Shri O.R. Chitlange</b>	Senior President
<b>Shri R. Lalwani</b>	President (Commercial)
<b>Shri S.M. Sanklecha</b>	Executive President (Purchase)
<b>Shri S.K. Mital</b>	Executive President (Engineering, Auxiliary & Instrument)
<b>Shri Subodh Dave</b>	Joint President (Personnel & Administration)
<b>Shri Apurva Gupta</b>	Joint President (Rayon)
<b>Shri V.K. Jhington</b>	Joint President (Tyrecord, CSY & TQM)
<b>Shri Sudhir Luthra</b>	Joint President (Chemicals & Safety)
<b>Shri B. Manmohan</b>	Senior Vice President (Finance)
<b>Shri Arun Jhwar</b>	Senior Vice President (Marketing)

## CEMENT

### Century, Maihar, Manikgarh and Sonar Bangla Cements

<b>Shri B.L. Jain</b>	Senior President
-----------------------	------------------

### Century Cement & Sonar Bangla Cement

<b>Shri Alok Patni</b>	President (Works)
<b>Shri Vijay Kumar</b>	Executive President (Plant)
<b>Shri A.K. Panja</b>	Executive President (Plant) - Sonar Bangla Cement
<b>Shri Arun Gaur</b>	Executive President (Finance)
<b>Shri M.K. Jain</b>	Senior Joint President (Plant)
<b>Shri Satish Gurtoo</b>	Joint President (Electrical & Instrumentation)
<b>Shri C.S. Vithalkar</b>	Senior Vice President (Mechanical)
<b>Shri A.K. Bajpai</b>	Senior Vice President (Marketing)
<b>Shri B.P. Mishra</b>	Vice President (Mines)

## AUDITORS

Dalal & Shah, Mumbai

## Maihar Cement Units I & II

### Unit I

<b>Shri R.K. Vaishnavi</b>	President (Works)
<b>Shri P.M. Intodia</b>	Senior Executive President (Commercial)
<b>Shri Arvind Kumar Jain</b>	Executive President (Mechanical)
<b>Shri Manoj Gupta</b>	Executive President (Finance)
<b>Shri R. Deshpande</b>	Senior Vice President (Purchase)
<b>Shri Ajai Kumar Jain</b>	Senior Vice President (Production)
<b>Shri Govind Mahajan</b>	Senior Vice President (Electrical & Instrumentation)

### Unit II

<b>Shri R.S. Doshi</b>	Senior Executive President (Commercial)
<b>Shri Ashok Maheshwari</b>	Executive President (Marketing)
<b>Shri P.K. Agarwal</b>	Executive President (Purchase)
<b>Shri A.S. Thakur</b>	Senior Vice President (Systems & Materials)
<b>Shri J.P. Pandey</b>	Senior Vice President (Mechanical)
<b>Shri S.K. Singh</b>	Senior Vice President (Personnel)

## Manikgarh Cement Units I & II

### Unit I

<b>Shri P.S. Bakshi</b>	President (Works)
<b>Shri A.D. Karwa</b>	Senior Executive President (Finance & Marketing)
<b>Shri R.K. Udge</b>	Executive President (Mines)
<b>Shri A.K. Jain</b>	Executive President (Mechanical)
<b>Shri M.P. Joshi</b>	Executive President (Electrical & Instrumentation)
<b>Shri H.P. Tiwari</b>	Senior Vice President (Personnel & Administration)
<b>Shri Deepak Jaisinghani</b>	Senior Vice President (Mechanical)
<b>Shri P.K. Bajaj</b>	Vice President (Commercial)
<b>Shri Piyush Kumar Choudhary</b>	Vice President (Power Plant)

### Unit II

<b>Shri J.L. Tiwari</b>	Senior Executive President (Plant)
<b>Shri N.D. Hemke</b>	Joint President (Mechanical)
<b>Shri E.V. Ravikumar</b>	Senior Vice President (Finance)
<b>Shri V.K. Sharma</b>	Senior Vice President (Mechanical)
<b>Shri G.V. Suryanarayan</b>	Vice President (Instrumentation)
<b>Shri Govind Maheshwari</b>	Vice President (Marketing)

## PAPER

### Century Pulp & Paper

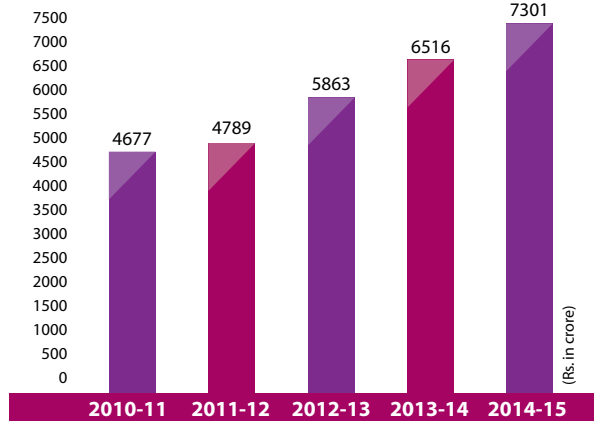
<b>Shri J. P. Narain</b>	Chief Operating Officer (Works)
<b>Shri Ashutosh Bhalerao</b>	Chief Information Technology Officer
<b>Shri Bijay Dhimaan</b>	Head - Finance & Accounts
<b>Dr. Alok Prakash</b>	Chief Sales Officer

## REGISTERED OFFICE

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

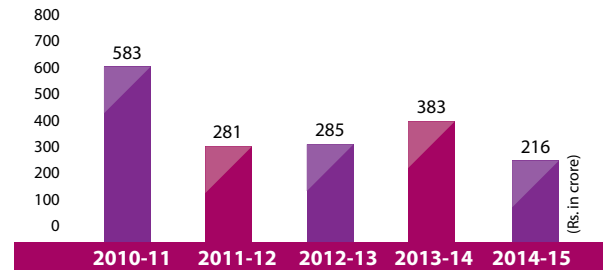
# PERFORMANCE HIGHLIGHTS

## NET SALES\* & RENT FROM LEASED PROPERTIES



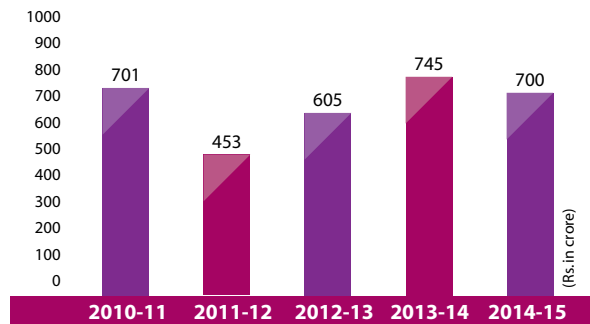
\*Net Sales are net of excise duty

## GROSS PROFIT AFTER INTEREST



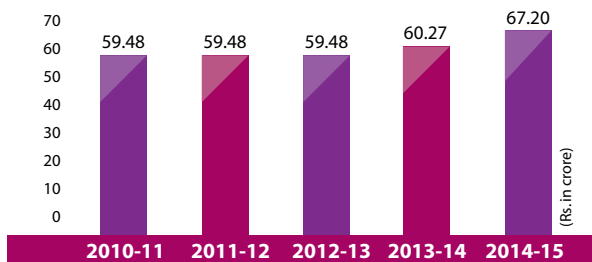
## EBITDA

(Earning before Interest, Tax, Depreciation and Amortisation)

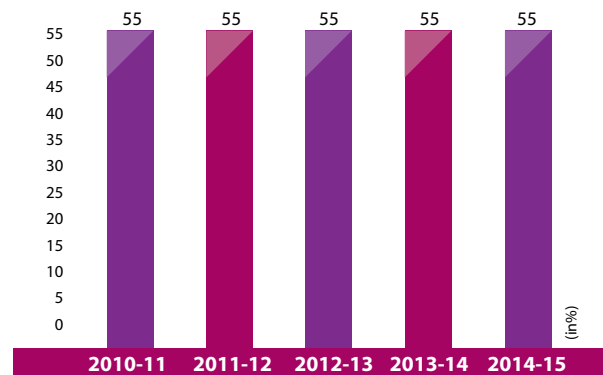


## AMOUNT OF DIVIDEND

(including tax on it)



## RATE OF DIVIDEND



### BIRLA CENTURY

#### Spreading System, Automatic Drawing-in and Microsand Sueding Machines

**Spreading System :** At Birla Century Made-up unit the fabric Spreading System, which consists of Spreader and Table, has been installed.

This Morgan Fusion Spreader is designed with the latest generation technology and electronic components to provide the highest efficiency in spreading all types of fabric, with ease of operation and best utilization of fabric. Further, it accurately aligns fabric edges at both ends and it is energy efficient.

The Table is with modern design perforated surface



*Spreading Machine with cutting Facility for Bedlinen*

and equipped with blowing fans to shift the layered mass quantity of fabric from one end to other end in an efficient manner.

**Productivity :** This Morgan Spreader is suitable to spread 30000 meters fabric on table in a day.

**Automatic Drawing-in Machine :** SAFIR S80 Automatic Drawing-in machine is most modern with simple in operation and with technical properties to deliver faultless quality of drawn-in warps.

Thanks to its unique camera system, even coloured warps are recognized, and pattern can be programmed via download from a textile CAD system. This results in high production with good quality of warp.

**Microsand Sueding Machine :** The state of art peaching / sueding Microsand machine from LAFER (Italy) consists of Diamond emery enabling us to cater the latest market demand of special finishes of soft surface touch, peach skin / sueding / carbon peach effect, etc. on yarn dyed, piece dyed shirting and bottom weight of cotton / cotton-Lycra fabric. Additionally this machine can produce surface raising, velvety effect and flannel effect on fabric surface. The production capacity is 3.5 lakh meters per month.

### CENTURY DENIM

#### Caustic Recovery Plant, Pilot Sampling Plant at Research & Development Centre and Xorella Yarn Conditioning

**Caustic Recovery Plant :** Century Denim is the first Indian Denim plant which has Caustic Recovery Plant (CRP) from KORTING, Germany. The CRP plant is fully automatic at three stages. It recovers almost 90% caustic from effluent wash liquor of mercerize process. It works on evaporation principle, and not only reduces the pollution load and cost of effluent treatment plant, but generates fresh water which we reuse for further process.

**Pilot Sampling Plant at Research & Development Centre :** In today's scenario, to cater overseas and domestic leading brands and to showcase the strength of R&D by offering more and more innovative designs and products at faster rate, pilot sampling plant is a

necessity. Century Denim has set up a new pilot sampling plant at R&D centre. This facility is not only helpful for creating an up-market collection range to offer to niche segment but also for developing innovative fabrics samples with designs / blends in shortest time and for quality improvement and customer services.

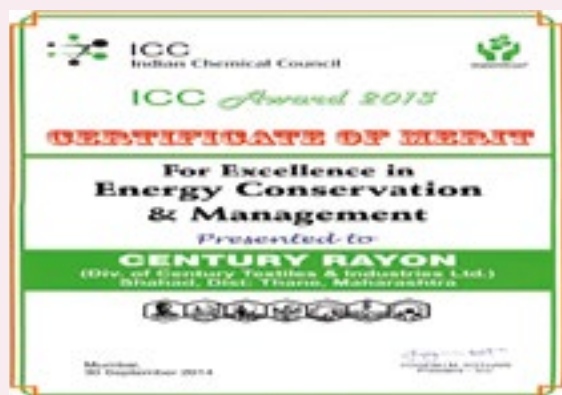
**Xorella Yarn Conditioning :** Xorella yarn Conditioning machine has been installed. This improves the quality of value added yarn such as Elastane, Slub, Multi-count etc. and fabric made of these yarn. Also this enhances the working of yarn in further processes such as warping & weaving and improves the efficiency of looms. The machine capacity is 24 MT/day.

## VFY Doubling & Twisting unit



A Doubling & Twisting unit of 90 tonnes per month capacity was commissioned in the month of December' 14 to cater to Embroidery yarn segment. The unit houses 20 state-of-art TFO machines and complete hank facility with heat setting. Plans are underway to increase the unit capacity to 150 Tonnes Per Month by October' 15.

## ICC Award for Excellence in Energy Conservation & Management



The company has a successful track record towards energy conservation & management. In recognition of this, Indian Chemical Council conferred the ICC Certificate Of Merit For Excellence in Energy Conservation & Management for the year 2013, in the month of September' 14.

## NCQC Awards



Four Quality Circles participated in National Convention on Quality Concepts-2014 held in Pune in December' 14. Two of them won Par Excellence (the highest award) & two won Excellence award. Also four Quality Circles won Gold award and four won Silver in the Annual Chapter Convention held in September' 14 in Mumbai.



## Newly Commissioned Manikgarh Cement Unit II



*2.8 Million TPA cement plant at Gadchandur, Dist. Chandrapur, Maharashtra*

Manikgarh cement unit II of 2.8 million tonnes per annum capacity cement plant along with single length pipe conveyor longest in the country (7.5 km.) has been commissioned during the year 2014-15.

It is a matter of great pleasure and pride that all the main assets like Kiln, Raw Mill, Coal Mill and Cement Mills including 60 MW captive thermal power plant are performing at optimum level in conformity to the technology and expectations envisaged at the design stage.

All the nuisance Dust Collectors and Process Bag Houses are performing exceptionally well to maintain emission level less than 25 mg/nm<sup>3</sup>.

We have developed water reservoir in our limestone open mining watering pit. Total capacity is 1100 million litres. Water in the reservoir is stored through rain harvesting, which is used as a industrial process water in summer season.



*Lime Stone Mines and Water Reservoir at Manikgarh Cement*



Century Cement has been awarded **"Silver Award"** in Cement sector for outstanding achievement in **"Environment Management"**.

We are strictly adhering to the cement industry environment norms in all our cement plants which is eco-friendly as well as conserving energy.

- Use of advance pyro-jet burners to control SOX, NOX and CO
- Use of RABH and Hybrid Filters with PTFE membrane for high efficiency filtration process
- Continuous SOX and NOX monitoring system





*A View of Sonar Bangla Cement  
1.5 Million TPA Cement Grinding  
Unit at Village Dhalo, Dist.  
Murshidabad, West Bengal*

*Hydraulically operated  
wagon tippler of unloading  
capacity 20 wagons per hour  
for Clinker & Gypsum rakes  
unloading at Sonar Bangla  
Cement (Grinding Unit)*



## **Manikgarh Cement has won first prize in the**



**"Overall performance" & "Noise Vibration Control and Aesthetic Beauty"**  
for its limestone mines from the Indian Bureau of Mines, Nagpur, Madhya Pradesh & Maharashtra Region.

### New Product Launch – PE Coated Board



PE coated boards, which find applications in the F&B segment for cup manufacturing have benefited significantly from the changing Indian lifestyle.

Growth has also been aided by the expansion of global and regional fast food chains and take-away eateries. The potential of PE coated board makes it a lucrative market to be in.

The current Indian PE coated cup market is about 6,500 tonnes per month. The market in India is nascent with only one manufacturer supplying PE coated board pan India and hence makes it a good opportunity for Century Pulp & Paper. The other players in the market are smaller, regional convertors. Currently, Century Pulp & Paper caters to approximately 15% of the market.

In lieu of increasing demand for PE coated products, Century Pulp & Paper has started working with convertors to supply PE coated board in the Western region and expects to replicate this business model in other regions across the country.

### Primary Sludge Handling System in ETP

In line with Century Pulp & Paper's commitment towards generating wealth from waste, a new Primary Sludge Handling System was commissioned in 2014-15. Century Pulp & Paper is currently the only paper manufacturer in India to have this system for sludge treatment.

The sludge handling system from Bellmer, Germany gives Century Pulp & Paper 100% recovery of solid waste from effluents. This allows Century Pulp & Paper to reuse fiber recovered from effluents as input raw material in the manufacturing of multi-layer packaging board.

