



You wish. You soar.



NOTICE

NOTICE is hereby given that the Twenty-Fourth Annual General Meeting of the Shareholders of Century Plyboards (India) Limited will be held at Somany Conference Hall, Merchants' Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata – 700 001 on Thursday, the 15th September 2005, at 11.00 A.M., to transact, with or without modification(s) as may be possible, the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2005 and Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To sanction the declaration and payment of Dividend on Equity Shares for the year ended 31st March 2005.
3. To appoint a Director in place of Sri Sajjan Bhajanka, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sri Sanjay Agarwal, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Sri N. R. Tater, who retires by rotation and, being eligible, offers himself for re-appointment.
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, and for the purpose, to pass the following Resolution as Ordinary Resolution.

“RESOLVED that pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, Messrs Kailash B Goel & Co., Chartered Accountants, Kolkata and M/s Ashok Kedia & Co. Chartered Accountants, Kolkata, be and are hereby appointed as joint Auditors of the Company to hold office from conclusion of this Meeting until conclusion of the next Annual General Meeting of the Company and that the Board of Directors of the Company be and are hereby authorized to fix their remuneration for the said period and reimbursement of actual out of pocket expenses, as may be incurred in performance of their duties.”

7. To consider and, if thought fit, to pass with or without modification/s the following Resolution as an Ordinary Resolution relating to appoint Branch Auditors of the Company :

“RESOLVED that pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956, the Board of Directors of the Company be and are hereby authorized to appoint auditors in respect of its branch offices in consultation with Company's statutory auditors appointed under Section 224 of the Companies Act, 1956 to hold office from conclusion of this Meeting until conclusion of the next Annual General Meeting of the Company and that the Board of Directors of the Company be and are hereby authorized to fix their remuneration for the said period and reimbursement of actual out of pocket expenses, as may be incurred in performance of their duties.”

SPECIAL BUSINESS

8. To consider and, if thought fit, to pass with or without modification/s, the following resolution as an Ordinary Resolution:

“RESOLVED that Shri Kiran B. Sapat, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of this annual general meeting and in respect of whom the Company has received a notice in writing, under Section 257 of the Companies Act, 1956, from a member of the Company, proposing the candidature of Shri Kiran B. Sapat to the office of Director of the Company and who has consented, if appointed, to act as a Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

9. To consider and, if thought fit, to pass, with or without modification/s, the following Resolution as Special Resolution relating to delisting of Company's Equity Shares from The Stock Exchange, Ahmedabad, The Delhi Stock Exchange Association Limited and the Calcutta Stock Exchange Association Limited :



NOTICE

NOTICE is hereby given that the Twenty-Fourth Annual General Meeting of the Shareholders of Century Plyboards (India) Limited will be held at Somany Conference Hall, Merchants' Chamber of Commerce, 15B, Hemanta Basu Sarani, Kolkata - 700 001 on Thursday, the 15th September 2005, at 11.00 A.M., to transact, with or without modification(s) as may be possible, the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2005 and Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To sanction the declaration and payment of Dividend on Equity Shares for the year ended 31st March 2005.
3. To appoint a Director in place of Sri Sajjan Bhajanka, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sri Sanjay Agarwal, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Sri N. R. Tater, who retires by rotation and, being eligible, offers himself for re-appointment.
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, and for the purpose, to pass the following Resolution as Ordinary Resolution.

"RESOLVED that pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, Messrs Kailash B Goel & Co., Chartered Accountants, Kolkata and M/s Ashok Kedia & Co. Chartered Accountants, Kolkata, be and are hereby appointed as joint Auditors of the Company to hold office from conclusion of this Meeting until conclusion of the next Annual General Meeting of the Company and that the Board of Directors of the Company be and are hereby authorized to fix their remuneration for the said period and reimbursement of actual out of pocket expenses, as may be incurred in performance of their duties."

7. To consider and, if thought fit, to pass with or without modification/s the following Resolution as an Ordinary Resolution relating to appoint Branch Auditors of the Company :

"RESOLVED that pursuant to the provisions of Section 228 and other applicable provisions, if any, of the Companies Act, 1956, the Board of Directors of the Company be and are hereby authorized to appoint auditors in respect of its branch offices in consultation with Company's statutory auditors appointed under Section 224 of the Companies Act, 1956 to hold office from conclusion of this Meeting until conclusion of the next Annual General Meeting of the Company and that the Board of Directors of the Company be and are hereby authorized to fix their remuneration for the said period and reimbursement of actual out of pocket expenses, as may be incurred in performance of their duties."

SPECIAL BUSINESS

8. To consider and, if thought fit, to pass with or without modification/s, the following resolution as an Ordinary Resolution:

"RESOLVED that Shri Kiran B. Sapat, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of this annual general meeting and in respect of whom the Company has received a notice in writing, under Section 257 of the Companies Act, 1956, from a member of the Company, proposing the candidature of Shri Kiran B. Sapat to the office of Director of the Company and who has consented, if appointed, to act as a Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

9. To consider and, if thought fit, to pass, with or without modification/s, the following Resolution as Special Resolution relating to delisting of Company's Equity Shares from The Stock Exchange, Ahmedabad, The Delhi Stock Exchange Association Limited and the Calcutta Stock Exchange Association Limited :

"RESOLVED that subject to the applicable provisions of the Companies Act, 1956, Securities Contracts (Regulation) Act, 1956 and the rules framed there under, Listing Agreements, Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003 ("the Guidelines") (including any statutory modification (s) or reenactment thereof for the time being in force and as may be enacted hereafter), and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and sanctions, consent of the Company be and is hereby accorded for voluntary delisting of the equity shares of the Company from The Stock Exchange, Ahmedabad, The Delhi Stock Exchange Association Limited and the Calcutta Stock Exchange Association Limited."

By Order of the Board
For Century Plyboards (I) Ltd

(A. K. Julasaria)
Company Secretary cum
Finance Controller

Kolkata, 21st June, 2005

NOTES

1. Explanatory Statement in respect of item nos. 8 and 9 as required under Section 173(2) of the Companies Act, 1956 is annexed. Explanatory Statement in respect of item nos. 3, 4, 5 and 7 is also annexed to comply with corporate governance requirements and provide more information to members.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED, DULY COMPLETED, TO THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTYEIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 1st September to 15th September 2005 (both days inclusive)
4. Dividend on equity shares for the year ended 31st March, 2005, if declared shall be paid:
 - (i) to those members whose names appear on the Register of Members of the Company at the close of business hours on 15th September 2005 after giving effect to all the valid transfers in physical form lodged with the Company and/or its Registrar and Share Transfer Agent on or before 31st August 2005; and
 - (ii) in respect of shares held in demat form, on the basis of beneficial ownership as per the details furnished by the National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
5. Members holding shares in physical form are requested to notify change in address and bank mandate, bank particulars for printing in the dividend warrants, if any, under their signatures to Maheshwari Datamatics Pvt. Ltd, 6 Mangoe Lane, Kolkata - 700 001, the Registrar and Share Transfer Agent, quoting folio Nos. Members holding shares in electronic form may update such details with their respective Depository Participant.
6. Members seeking any information regarding accounts should write to the Company at least seven days before the date of the meeting so as to enable the management to keep the information ready.
7. Pursuant to Section 205A of the Companies Act, 1956, dividends, which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account are required to be transferred to the Investors Education and Protection Fund of the Central Government. Section 205C of the Act, declares that no claims shall lie against the Fund or Company in respect of Individual amounts which were unclaimed and unpaid for seven years as aforesaid and transferred to the Fund.

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

Item No. 3, 4 & 5

Brief Bio data of Sri Sajjan Bhajanka, Sri Sanjay Agarwal, and Sri N. R. Tater Directors retiring by rotation and eligible for re-appointment.

Sri Sajjan Bhajanka, 53 years, is Managing Director of the Company. He is a commerce graduate from Dibrugarh University, Assam. He is having business and industrial experience of more than 26 years in the fields of Plywood, Ferro Silicon, Cement, export and import. He is the Chairman of Shyam Century Ferrous Ltd., one of the leading manufacturers of Ferro Silicon and also the Chairman of Cement Manufacturing Co. Ltd. He is also Director of Century Infotech Ltd., Century Plantations Ltd. and various other Private Limited Companies. He is President of Federation of Indian Plywood & Panel Industry and has representation on various social institutions of repute.

Shri Sanjay Agarwal, 44 years, is a Commerce Graduate from Calcutta University. Shri Sanjay Agarwal is the Dy. Managing Director of the Company. He is the driving force behind the successful marketing of "Century Brand" and its distribution besides his contribution to general management aspects of the Company. He is a promoter Director of M/s. Cement Manufacturing Co. Ltd. He is also Director of Century Infotech Ltd., Century Plantations Ltd, Century Coats Limited and various other Private Limited Companies. He is also associated with various social institutions of repute.

Shri N. R. Tater, 53 years, is a Commerce Graduate from Guwahati University. Shri N. R. Tater is Executive Director (Finance) of the Company. He has considerable experience in finance, excise and administration related matters.

Item No. 7

The Company at present have 21 branches spread all over India and further branches may have to be opened from time to time. In view of such a large network of branches it is recommended to authorize the Board of Directors to appoint Branch auditors in consultation with statutory auditors of the Company.

Item No.8

Shri Kiran B. Sapat, 56 years, is B. Sc. with Chemistry Majors. He is having substantial experience in various industrial fields. He is Deputy Managing Director of Shyam Century Ferrous Ltd. Mr. Sapat has worked in various capacities with Indian Plywood Mfg. Co. Ltd. for 18 years He was appointed an additional director of the Company on 16th February 2005 by the Board of Directors of the Company and is to hold office till ensuing annual general meeting. The Company has received a notice under section 257 of the Companies Act, 1956 proposing his candidature for the directorship of the Company. Your Directors believe that continued association of Shri Kiran B. Sapat would be immensely beneficial to the Company and accordingly recommend the resolution mentioned at item No.8 of the notice for your approval.

None of the Directors, except Shri Kiran B. Sapat, is in any way concerned or interested in the resolution

Item No. 9

The Company is at present listed on four stock exchanges i.e. The Stock Exchange Mumbai (BSE) The Calcutta Stock Exchange Association Limited (CSE), The Delhi Stock Exchange Association Limited (DSE) and The Stock Exchange, Ahmedabad (ASE). The shares of the Company are regularly traded on the BSE. However the trading in the equity shares of the Company on CSE, DSE and ASE has been negligible. The Company believes that since no particular benefit is available to the shareholders of the Company by continuing the listing of its equity shares on the CSE, DSE and ASE it is beneficial for the Company to voluntarily delist the equity shares of the Company from the CSE, DSE and ASE, pursuant to the provisions contained in the Securities and Exchange Board of India, (Delisting of Securities) Guidelines, 2003 (hereinafter referred to as "the Guidelines) so as to enable saving of listing fee and other administrative costs.



The Guidelines require that prior approval of shareholders by special resolution should be taken for the above matter.

The delisting would not adversely affect any investor including the investors located in the regions where the CSE, DSE and ASE are situated since the Company shall continue to be listed on BSE, which have nationwide terminals.

None of the Directors of the Company are concerned or interested in the Resolution.

The Board of Directors of the Company recommends the passing of the resolution as set out in Item No. 9 of the Notice.

By Order of the Board
For Century Plyboards (I) Ltd

(A. K. Julasaria)
*Company Secretary cum
Finance Controller*

Kolkata, 21st June, 2005

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have great pleasure in presenting the 24th Annual Report together with the audited Balance Sheet as at 31st March, 2005 and Profit & Loss Account for the year ended on that date.

FINANCIAL RESULTS

Rs. in Lacs

	2004-05	2003-04
Gross Income	17298.16	13431.58
Net Income	15479.17	12411.49
Profit Before Depreciation, Interest & Tax	1466.40	1127.11
Depreciation	336.93	143.39
Interest	182.41	82.15
Profit Before Tax	947.06	901.57
Current Tax	90.00	141.00
Deferred Tax	79.75	32.15
Profit After Tax	777.31	728.42
Tax Adjustment for earlier years	—	(2.25)
Dividend (including tax on dividend)	231.64	165.09
Transfer to General Reserve	77.00	400.00
Profit & Loss Account Balance brought forward	1580.33	1414.75
Profit & Loss Account Balance carried forward	2049.00	1580.33

PERFORMANCE AND OPERATIONS REVIEW


During the year, your Company achieved turnover of Rs. 17298.16 lacs against Rs. 13431.58 lacs during the previous year reflecting a growth of 28.79 %. The year has seen substantially improved performance of plywood, veneer and related products. Other Incomes were Rs. 591.94 lacs against Rs. 630.96 lacs during the previous year. Despite lower other incomes company's profit before tax increased to Rs. 947.06 lacs from Rs. 901.57 lacs in the previous year.

The Laminate Division of the Company was fully commissioned in current year. In order to offer more diversified range of products and to ensure maximum value addition, your Company also installed additional equipments to manufacture Pre-Laminated Boards. This extended project was also completed and inaugurated by our beloved Chief Minister on 26th March, 2005.

This year has seen stabilization of operations in Laminate Division, which went into commercial production from March, 2004. Despite tough competition your Company could achieve 31% capacity utilization and expect Laminate Division to fully establish and contribute from current fiscal. Despite initial losses in Laminate Division due to higher depreciation and being a stabilizing year, the overall operational profit of your Company is higher compared to previous year.

FUTURE OUTLOOK

Demand for Plywood and laminates is directly related to the growth of housing, furniture, and infrastructure sector. With the ongoing boom in the housing sector, the anticipated growth in demand for plywood related products is estimated to be in the range of 25%. The growth in demand for plywood product is also justified by the growth witnessed in production of cement, finished steel and related products. Your Company is India's leading manufacturer of plywood, with a market share of about 20% of the organized sector. The Company's strong marketing and brand strategy has helped it to emerge as a prominent and leading plywood manufacturer. "CENTURY" – the brand name under which the Company markets its plywood, is known for its quality. Further, value-added products have enabled the Company to cater niche segments



and reinforce its image as a quality manufacturer. The Company expects to achieve growth of 25% every year and continue to command price premium

RIGHT AND BONUS ISSUE

During the year under review your Company came out with right issue of 19,51,152 equity shares of Rs. 10/- each at a premium of Rs. 30/- per share in the ratio of two equity shares for every five equity shares, which was fully subscribed

Subsequent to right issue your Company also allotted 3414516 equity shares by way of bonus shares in the ratio of one equity shares for every two equity shares held by equity shareholders.

The expanded equity share capital of the Company after right and bonus issue stands increased to 1,02,43,548 equity shares of Rs. 10/- each amounting to Rs. 10,24,35,480/-.

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs. 2.00 per share (excluding corporate tax on dividend) for your consideration. This will be paid in accordance with applicable regulations after your approval at the ensuing Annual General Meeting

The amount of the dividend outgo on 1,02,43,548 Equity shares is Rs.2,31,64,503/- (including Dividend Tax Rs. 26,77,407) against Rs.1,65,08,575/- (including Dividend Tax Rs.18,74,935/-) on 48,77,880 equity shares last year.

CORPORATE GOVERNANCE

Your Directors reaffirm their commitment to Corporate Governance Code prescribed by the Securities Exchange Board of India (SEBI). This annual report contains a detailed Corporate Governance Report.

HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

Your Company firmly believe in all around human resource development and cordial industrial relations. Identifying and rewarding human talent at all levels has helped your Company to achieve all Around development both in terms of quality and economy.

The Company maintains absolute harmony with its work force. While inaugurating company's newly set-up pre-laminated plant, The Honorable Chief Minister of West Bengal congratulated the Company management and its workers for never having any work disturbance.

PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956.

Particulars of Employees

None of the employees of the Company was drawing remuneration requiring disclosure under section 217 of the Company Act, 1956.

Particulars of Energy Conservation Measures taken

Your Company had taken adequate measures for conservation of energy. Continuous and effective maintenance of all equipment and electrical distribution network minimize distortion of energy and help in effective, efficient and optimum use of energy.

Particulars of Research & Development

The Company is carrying out continuous research for treatment of timber and venner to yield best variety of products, which are more eco-friendly, more durable, water resistant, and borer free.

Technology Absorption

The Company has not imported any technology during the last five years and its has no technical collaboration with any party.

DIRECTORS

In accordance with Articles of Association of the Company Sri Sajjan Bhajanka, Sri Sanjay Agarwal and

Sri N. R. Tater retire from office by rotation, and being eligible, offer themselves for re-appointment.

Sri Kiran B. Sapat was appointed as Additional Director of the Company by the Board of Directors and he holds such office till the ensuing Annual General Meeting. The Company have received a notice under section 257 of the Companies Act, 1956 proposing the candidature of Sri Sapat to the office of the Director of the Company. In view of considerable experience of Mr. Sapat, your Directors recommend Mr. Sapat's appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm :

- (i) That in the preparation of the annual accounts for the year under review, the applicable accounting standards have been followed and that no material departures have been made from the same ;
- (ii) That they have selected appropriate accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so far as to give a true and fair view of the state of affairs of the Company at the end of March 31, 2005 and of the profit of the Company for that period.
- (iii) That they have taken proper and sufficient care 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; and
- (iv) That they have prepared the annual accounts on going concern basis.

AUDITORS' REPORT

The observations made in the Auditors' Report are self explanatory and as such do not call for any further comments.

AUDITORS

M/s. Ashok Kedia & Company, Chartered Accountants and M/s. Kailash B. Goel & Co. , Chartered Accountants both Joint Auditors of the Company, retire at the conclusion of ensuing annual general meeting. M/s. Ashok Kedia & Company and M/s. Kailash B. Goel & Co. have offered themselves for reappointment and have confirmed their appointment, if made, would be within the limits prescribed under section 224 (1B) of the Companies Act, 1956. Your Directors recommend appointment of M/s. Kailash B. Goel & Co. and M/s. Ashok Kedia & Co. as joint auditors of the Company for the ensuing year.

APPRECIATION

Your Directors record their appreciation of the valuable services rendered by all the employees of the Company, their gratitude to all bankers for their assistance and to the Company's shareholders, customers and suppliers for their continued support. Your Directors are also grateful to the Honorable Chief Minister of West Bengal Sri Buddhadeb Bhattacharjee for inaugurating the Pre-laminated Board Unit of the Company.

For and on behalf of the Board of Directors

Kolkata

21st June, 2005

B. L. Agarwal

Chairman

CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is about commitment to values and about ethical business conduct. It is about how an organization is managed. This includes its corporate and other structures, its culture, its policies and the manner in which it deals with stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company, is an important part of corporate governance. This improves public understanding of the structure, activities and policies of the organization. Consequently, the organization is able to attract investors and enhance the trust and confidence of the stakeholders.

The importance of corporate governance has always been recognized by your Company and is manifest in its vision. In accordance with the Listing Agreement, a certificate from the Auditors of the Company for compliance of Corporate Governance by the Company has been inserted elsewhere in the Annual Report. A report, in line with the requirement of the stock exchanges, on the practice followed by the Company and other voluntary compliances is given below:

2. BOARD OF DIRECTORS

2.1 Composition

The Board of Directors consists of nine Directors as under :

Sl	Name	Designation	Whether Promoter	Whether Executive	Whether Independent
1	Sri B. L. Agarwal	Chairman	Yes	No	No
2	Sri H. P. Agarwal	Vice Chairman	Yes	No	No
3	Sri Sajjan Bhajanka	Managing Director	Yes	Yes	No
4	Sri Sanjay Agarwal	Dy. Managing Director	Yes	Yes	No
5	Sri Ajay Baldawa	Executive Director	No	Yes	No
6	Sri N. R. Tater	Executive Director	No	Yes	No
7	Sri M. N. Banerjee	Director	No	No	Yes
8	Sri Santanu Ray	Director	No	No	Yes
9	Sri K.B. Sapat	Director	No	No	Yes

2.2 Other Directorship, Committee Membership and chairmanship

The details about positions held by Board of Directors as Directors of other Public Limited Companies, Committee Membership and Committee Chairmanship is as under :

Sl	Name	Number of Other		
		Directorship of Public Limited Company	Committee Membership	Committee Chairmanship
1	Sri B. L. Agarwal	2	-	-
2	Sri H. P. Agarwal	5	-	-
3	Sri Sajjan Bhajanka	4	-	-
4	Sri Sanjay Agarwal	4	-	-
5	Sri Ajay Baldawa	-	-	-
6	Sri N. R. Tater	-	-	-
7	Sri M. N. Banerjee	-	-	-
8	Sri Santanu Ray	2	-	-
9	Sri K.B. Sapat	1	-	-

No Director holds membership of more than 10 Committees of Boards nor is a Chairman of more than 5 Committees of Boards of all the Companies in which he is a Director.



2.3 Board Meetings & Procedure

The Board meets in executive session at least four times in a year at quarterly intervals and more frequently if deemed necessary, to transact its business. The Company Secretary, in consultation with the Chairman and Managing Director, will prepare the agenda for the meeting. Information and data that are important to the Board's understanding of the business in general and relating to the matters are tabled for discussion. The agenda and relevant enclosures are distributed to the members of the Board sufficiently in advance of the meeting. Sensitive material, however, is presented for discussion at the meeting only. The meetings of the Board of Directors are generally held at Company's Registered Office at Kolkata, and generally scheduled well in advance.

2.4 Number & Dates of Board Meetings held during the year

During the year the Board has met thirteen times, as against minimum requirement of 4 meetings. The dates on which the meetings were held are : 5th May 2004, 27th May 2004, 29th May 2004, 30th June 2004, 14th July 2004, 31st July 2004, 5th August 2004, 24th September 2004, 11th October 2004, 30th October 2004, 25th January 2005, 31st January 2005 and 16th February 2005.

Attendance at the Board Meetings during the financial year 2004-05 & last Annual General Meeting are as under .

Sl	Name	No. of Board Meetings held	No. of Board Meetings Attended	Last AGM Attended
1	Sri B. L. Agarwal	13	13	Yes
2	Sri H. P. Agarwal	13	13	Yes
3	Sri Sajjan Bhajanka	13	11	Yes
4	Sri Sanjay Agarwal	13	11	Yes
5	Sri Ajay Baldawa	13	11	Yes
6	Sri N. R. Tater	13	13	Yes
7	Sri M. N. Banerjee	13	11	Yes
8	Sri Santanu Ray	13	10	Yes
9	Sri K.B. Sapat	13	1	No

2.5 Changes

Sri Manindra Nath Banerjee and Sri Santanu Ray were appointed as Directors in last Annual General Meeting. Sri Kiran B Sapat was appointed as an Additional Director by the Board of Directors in their meeting on 16th February,2005.

3 COMMITTEES OF BOARD

3.1 Audit Committee

The primary objective of the Audit Committee of the Company is to monitor and provide effective supervision of the Management's financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

During the year the Audit Committee met four times on 29th June, 2004, 30th July,2004, 29thOctober,2004 and 29th January,2005.

The Committee consists three Directors and the attendance of each member of the Committee are given below:

Name	Designation	Committee meetings attended
Sri Santanu Ray	Chairman	4
Sri M. N. Banerjee	Member	4
Sri H. P. Agarwal	Member	4

The Company Secretary acts as Secretary to the Committee.

The meetings of the Audit Committee were also attended by the Executive Director (Finance), the Manager-Accounts and representatives of the Statutory Auditors as invitees for the relevant meetings.

Terms of reference of the Audit Committee includes the following:

- a) To oversee the Company's financial information disclosure, review the adequacy of internal control system.
- b) To review the Company's financial and risk management policies.
- c) To hold periodic discussions with the Statutory Auditors of the Company concerning the accounts of the Company, internal control systems, scope and observations of the Auditors.
- d) To review the financial statements before submission to the Board.
- e) To recommend appointment of internal, statutory and branch Auditors and fix their remuneration.
- f) To investigate into any matter in relation to items specified in Section 292A of the Companies Act, 1956 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the Company and also seek external professional advice, if necessary.
- g) To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit Report.

3.2 Remuneration Committee

The primary objective of the Remuneration Committee of the Company is to frame policy guidelines for remuneration to its Executives, Non Executive Directors and Senior Management staff.

During the year the Remuneration Committee met two times on 30th June, 2004, and 25th January, 2005.

The Committee consists of three Directors and the attendance of each member of the Committee are given below:

Name	Designation	Committee meetings attended
Sri Santanu Ray	Chairman	2
Sri M. N. Banerjee	Member	2
Sri H. P. Agarwal	Member	2

The Company Secretary acts as Secretary to the Committee.

Details of remuneration to Directors

Executive Directors:

Sl. No	Name of the Director	Designation	Remuneration Rs.
1.	Sri Sajjan Bhajanka	Managing Director	6,00,000/-
2.	Sri Sanjay Agarwal	Dy Managing Director	6,00,000/-
3.	Sri Ajay Bladawa	Executive Director	4,44,000/-
4.	Sri N. R. Tater	Executive Director	3,18,000/-

The remuneration shown above include total consolidated payment made.

Non-Executive Directors

The Company does not pay any remuneration to Non-Executive Directors, except sitting fees for attending the meeting of the Board/Committee and reimbursement of traveling and out of pocket expenses for attending such meetings. The details of sitting fee paid to Non-Executive Directors

during the year 2004-05 are given below:

Sl. No	Name of the Non-Executive Director	Designation	Sitting Fee (Rs.)
1.	Sri M. N. Banerjee	Director	27500/-
2	Sri Santanu Ray	Director	25000/-
3	Sri Kiran B. Sapat	Director	2500/-

3.3 Shareholders / Investors' Grievance Committee

The Board has constituted Share Transfer cum Investor Grievance Committee comprising Non-Executive Directors. The Committee, inter-alia, approves issue of duplicate certificates and oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressing of Shareholders' complaints like non-transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

During the year the Committee has met 11 times on 20th April 2004, 20th May 2004, 15th June 2004, 30th June 2004, 16th July 2004, 15th September 2004, 30th October 2004, 30th November 2004, 31st December 2004, 15th March 2005 and 31st March 2005 and considered the share transfers, issue of duplicate shares, materialization of shares and other investor grievances.

The constitution of the Committee and the attendance of each member of the Committee is given below:

Name	Designation	Committee meetings Attended
Sri H. P. Agarwal	Chairman	11
Sri Santanu Ray	Member	11

Sri A. K. Julasaria, Company Secretary is Compliance Officer of the Company for attending to Complaints/Grievances of the Members.

During the year under review, all 27 complaints received from investors were replied / resolved to the satisfaction of the Investors. The complaints pending at the beginning and at the closing of the year were Nil.

4. GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings

AGM	Year ended	Venue	Date	Time
21st	31.03.2002	Registered Office of the Company	23.09.2002	11-30 AM.
22nd	31.03.2003	Registered Office of the Company	25.08.2003	11-30 AM
23rd	31.03.2004	Registered Office of the Company	24.09.2004	11-30 AM

No special resolutions were put through postal ballot last year.

5. DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

The Company does not have any related party transactions, which may have potential conflict with the interest of the Company. Other related party transactions have been reported at item No. 14 of Notes to Accounts. The Register of Contracts containing transactions, in which the Directors are interested, is placed before the Board regularly.

6. DETAILS OF NON-COMPLIANCES ETC.

There has been no instance of non-compliance by the Company on any matter related to capital market. Hence the question of penalties or strictures being imposed by SEBI or the Stock Exchanges does not arise.

7. MEANS OF COMMUNICATION

Quarterly, half-yearly and annual financial results of the Company are communicated to the Stock Exchanges immediately the same are considered by the Board and are published on prominent English and Bengali newspapers usually in The Economic Times and Dainik Lipi.

8. MANAGEMENT DISCUSSION AND ANALYSIS

This information is set out in a separate section included in this Annual Report.

9. GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting:

Date	: 15th September,2005
Time	: 11.00 A.M.
Venue	: Somany Conference Hall Merchants Chamber of Commerce 15B Hemant Basu Sarani Kolkata – 700 001
Financial Calendar	: 1st April 2004 to 31st March 2005
Book Closure date	: 1st September to 15th September,2005 (Both days inclusive)
Dividend payment date	: On or Before 15th October,2005

2 Listing on Stock Exchanges: The Company's shares are presently listed on following four stock exchanges.

- a) The Calcutta Stock Exchange Association Ltd.,
7, Lyons Range,
Kolkata 700 001
Stock Code 13327
- b) The Stock Exchange, Mumbai
P J Towers, Dalal Street, Fort,
Mumbai 400 001
Stock Code 532548
- c) The Delhi Stock Exchange Association Ltd.,
DSE House,
3/1, Asaf Ali Road,
New Delhi 110 002
Stock Code 9201
- d) The Stock Exchange, Ahmedabad
Kamdhenu Complex
Opp. Sahajanand College
Ahmedabad
Stock Code 11275

The Company has paid listing fees up-to year for 2005 –06 to all the above Stock Exchanges.

3. ISIN No. **INE348 B 01013**

4. Market Price Data :

Monthly high and low quotations as well as the volume of shares traded at Calcutta and Mumbai, Stock Exchange for the financial year 2004-05 are as follows :

Month	Calcutta Stock Exchange (CSE)			Mumbai Stock Exchange (BSE)		
	Low	High	Volume	Low	High	Volume
2004						
April	55.00	55.00	-	NA	NA	NA
May	57.00	57.00	152	NA	NA	NA
June	36.05	50.00	226	NA	NA	NA
July	27.00	27.00	50	NA	NA	NA
August	26.00	43.05	61878	NA	NA	NA
September	42.50	50.50	61539	NA	NA	NA
October	47.50	59.00	35100	59.35	71.80	2805
November	62.00	66.00	17000	56.00	75.65	41124
December	60.00	65.00	11700	63.00	69.00	88041
2005						
January	57.00	82.70	1577	58.00	90.00	1362198
February	82.70	82.70	-	77.50	128.00	443296
March	82.70	82.70	-	85.00	91.50	150828

Note : The Company's shares were listed and available for trading on BSE w.e.f. 27th October, 2005

5. Depository Registrar and Share Transfer Agent:

M/s. Maheshwari Datamatics Private Ltd.,
6, Mangoe Lane,
Kolkata 700 001
Phone No. 033- 22435029/5809
Fax : 033-22484787
Email : mdpl@cal.vsnl.net.in

6. Share Transfer System

The Shareholders' Committee approves transfer of shares in physical mode.

The Company's Registrar transfers the shares within 30 days of receipt of request. Dematerialization is done within 20 days of receipt of request along with the shares through the Depository Participant of the Shareholder.

The Shareholders' Committee / Grievance Committee generally meets once in a fortnight for approving share transfers and for attending to any grievances or complaints from Members.

7. Distribution of shareholding

Category	As on 31st March, 2005			
	No. of Shareholders		No. of Shares	
	Total	%	Total	%
1 - 500	1161	73.98	245911	2.40
501 - 1000	216	13.74	164055	1.60
1001 - 2000	93	5.92	137949	1.35
2001 - 3000	24	1.53	59198	0.58
3001 - 4000	9	0.57	34899	0.34
4001 - 5000	15	0.95	69975	0.68
5001 - 10000	18	1.15	130222	1.27
10001 - and above	34	2.16	9401339	91.78
TOTAL	1572	100	10243548	100

8. Shareholding pattern

Category	As on 31.03.2005	
	No. of Shares	% to Share Capital
Indian Promoters	7664708	74.83
Mutual Funds	890600	8.69
Private Corporate Bodies	417156	4.07
NRIs	11	—
Indian Public	1271073	12.41
TOTAL	10243548	100.00

9. Dematerialization of shares and liquidity

The Company's shares have been mandated for compulsory trading in demat form. Valid demat requests received by the Company's Depository Registrar are confirmed within the statutory period.

The International Securities Identification Number (ISIN) allotted for the Company by NSDL and CDSL is INE348 B 01013. In case a member wants his shares to be dematerialized, he may send the shares along with the request through his depository participant (DP) to the Registrars, M/s. Maheshwari Datamatics Private Limited.

The Company's Depository Registrars promptly intimate the DPs in the event of any deficiency and the shareholder is also kept abreast. Pending demat requests in the records of the Depositories, if any, are continually reviewed and appropriate action initiated.

As on 31st March, 2005, 89.87 % shares were in demat mode.

10. Plant Location

Diamond Harbour Road
Kanchowki, Bishnupur
24 Parganas (S)
(West Bengal)

11. Address for correspondence

The Company Secretary & Compliance Officer
Century Plyboards (India) Limited.,
6, Lyons Range,
Kolkata 700 001
Phone: 033-2210 4321/26 (6 lines)
FAX: 033-2248 3539
Email : arun@centuryply.com
Website: www.centuryply.com

for and on behalf of the Board of Directors

Kolkata
21st June, 2005

B.L. Agarwal
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry structure and development

The plywood industry is basically divided in two segments – organized and unorganized. The unorganized sector dominates market volume –wise and organized sector dominates market quality-wise. In organized sector there are almost ten players and Century is leading among them both in terms of quality and volume.

During the year the Company also started manufacturing high pressure paper based decorative laminated sheets and Pre-laminated Boards. Laminate sheets are used as decorative layer on plywood and have same market scenario as plywood.

Opportunities and Threats

Demand for plywood and laminates is directly related to the growth of housing, furniture, and infrastructure sector. With the ongoing boom in the housing sector, the anticipated growth in demand for plywood related products is estimated to be in the range of 15 to 20%. The growth in demand for plywood product is also justified by the growth witnessed in production of cement, finished steel and related products.

The Company is India's leading manufacturer of plywood, with a market share of about 20% of the organized sector. The company's strong marketing and brand strategy have helped it to emerge as a prominent and leading plywood manufacturer. "CENTURY" – the brand name under which the Company markets its plywood, is known for its quality. Further, value-added products have enabled the Company to cater niche segments and reinforce its image as a quality manufacturer. The Company could ward off competition from the unorganized sector due to these reasons and expect to sustain minimum 25% growth and continue to command price premium.

Plywood industry is highly fragmented, with unorganized sector controlling about 90% of the market. Low entry barriers such as low capital requirements and the small scale industry status encourage new entrants. Despite brand building and aggressive marketing the Company continues to face stiff competition from the unorganized sector.

The Industry and Company does not have any immediate significant threat from any sector. Other products like plastic, MDF Board have their own market segments. Unorganized sector producers of plywood also have their own market segment.

Out look

In view of ongoing boom in the housing sector, the demand for plywood and laminate products will remain comfortable. Your Company expects to retain its growth rate and continue to remain a leading plywood manufacturer of India..

Risks and Concerns

Plywood industry depends a lot on the Government Policy. The Government policies and tax structures may also affect the profitability of the Company.

Internal control system and their adequacy

The Company has adequate and effective internal control systems, which are continuously reviewed for their effectiveness. The systems are periodically reviewed by audit committee and suggestions of the committee are carried out. The Company has double Certifications ISO 9001 (Quality Systems) and ISO 14001 (Environment Management Systems) for its manufacturing facilities at Bishnupur.

Discussion on financial performance with respect to operational performance

During the year your Company commenced production of its Laminate Unit. The capital investment of Laminate Unit is part financed out of term loans from commercial banks. The interest outgo on term loans is 83.62 laacs. Your Company has replaced its high cost borrowings with low cost loans. Your Company has also availed low cost Foreign Currency Loans to reduce its interest cost. The newly set up laminate unit of the Company passed through initial stabilizing year, but expect to contribute from current fiscal. Loss in laminate unit was primarily due to higher initial depreciation and interest on term loans. The existing plywood division of the Company had shown considerable growth and improvement in profit.

Material developments in Human Resources / Industrial Relation front, including number of people employed.

The Company strictly adheres to ISO 9001:2000 mandated training. All employees receive on going learning opportunities through customized programs that are designed in-house. Company encourages its employees to attend outside seminars. The employees are encouraged to offer constructive suggestions for improvement in their respective areas which are thoroughly discussed in departmental meetings. All employees are covered by incentive system encouraging them to perform their best.

The Company maintains absolute harmony with its work force. While inaugurating the Company's newly set-up pre-laminated plant, Honorable Chief Minister of West Bengal congratulated the Company management and its workers for never having any work disturbance.

The total manpower strength of the Company as on 31st March, 2005 was 961.

Cautionary Statement

The statements in the "Management Discussion and Analysis Report" section describing the Company's objectives, projections, estimates, expectations and predictions may be "forward looking statements" within the meaning of applicable Securities laws and regulations. The annual results can differ materially from those expressed or implied, depending on the economic conditions. Government policies and other incidental factors.

for and on behalf of the Board of Directors

Kolkata

21st June, 2005

B.L. Agarwal

Chairman



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

The Members of Century Plyboards (India) Limited

We have examined the compliance of conditions of Corporate Governance by Century Plyboards (India) Limited for the year ended 31st March, 2005, as stipulated in clause 49 of Listing Agreement with various Stock Exchange of India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation given by the management of the Company, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2005, no investor grievance is pending against the company as per records maintained by the company and presented to the Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Ashok Kedia & Co.**
Chartered Accountants

For **Kailash B. Goel & Co.**
Chartered Accountants

A. K. Kedia
Partner
Membership No. 50510

Amrish Raj Chaudhary
Partner
Membership No. 61867

Kolkata, 21st June, 2005

AUDITORS' REPORT

To The Members of Century Plyboards (India) Limited

1. We have audited the attached Balance Sheet of CENTURY PLYBOARDS (INDIA) LIMITED as at 31st March, 2005 and also the Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2004 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred in paragraph 3 above, we report that :
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us. The Branch Auditor's Report have been forwarded to us and have been appropriately dealt with;
 - iii) The Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company;
 - iv) In our opinion the Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards as referred to in Section 211(3C) of the Companies Act, 1956;
 - v) On the basis of written representations received from the Directors, and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on 31st March, 2005 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - vi) In our opinion and to the best of our information and according to explanations given to us the said statement of Accounts give the information required by the Companies Act, 1956, in the manner so required and read with other notes give a true and fair view in conformity with the accounting principles generally accepted in India:
- i. In the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2005.
- ii. In the case of the Profit and Loss account, of the Profit for the year ended on that date; and
- iii. In the case of Cash Flow Statement , of the Cash flows for the year ended on that date.

For **ASHOK KEDIA & CO.**
Chartered Accountants

For **KAILASH B. GOEL & CO.**
Chartered Accountants

A.K. Kedia, Partner
M.No. 50510
Kolkata, 21st June, 2005

Amrish Raj Chaudhary, Partner
M.No. 61867

Annexure to the Auditors' Report

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.

(b) The fixed assets have been physically verified by the management in accordance with the phased programme adopted by the Company. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.

(c) During the year, in our opinion, a substantial part of fixed assets has not been disposed off by the Company.
2. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(b) The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.

(c) The Company is maintaining proper records of inventory. No material discrepancies have been noticed on physical verification of Inventory as compared to the book records.
3. (a) The Company has not granted any loans secured or unsecured to the companies, firms, or other parties covered in the register maintained u/s 301 of the Companies Act, 1956. Accordingly, clause (iii)(b) to (iii)(d) of paragraph 4 of the order are not applicable to the Company for the current year.

(b) The Company has taken unsecured loan from seven Companies covered under the register maintained u/s 301 of the Companies Act 1956. The maximum amount involved during the year was Rs. 1627.86 lacs and the year end balance of loans taken from such Companies was Nil.

(c) In our opinion and according to information and explanations given to us, the rate of interest and other terms and condition on which loan have been taken are not, prima facie, prejudicial to the interest of the Company.

(d) In respect of the aforesaid loans, the Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.

(e) There is no overdue amount of loans taken from companies, firms, or other parties covered in the register maintained u/s 301 of the Companies Act, 1956
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in these internal controls.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

(b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating to the value of Rupees Five Lacs or more in respect of any party during the year.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act 1956 and the Rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.

8. As informed to us, the maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956, in respect of the activities carried on by the Company.
9. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service tax, Customs duty, Excise Duty, Cess and other material statutory dues as applicable to it with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, service tax, custom duty, excise duty and cess were in arrears as at 31st March, 2005 for a period of more than six months from the date they became payable.
- (c) On the basis of our examination of the documents and records, the following disputed statutory dues on account of Sales tax which have not been deposited with the appropriate authorities are as under:

Name of the Statute	Nature of the dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where pending
Sales Tax	Sales Tax	0.68	2002-03	Assistant Commissioner of Sales Tax, Delhi
		4.68	2003-04	Deputy Commissioner of Sales Tax, Delhi
		1.16	2001-02	Excise and Taxation Commissioner, Patiala
		63.33	1999-00 to 2003-04	Deputy Commissioner of Commercial Taxes, Erakulam
		53.84	2001-02 to 2002-03	Appellate Commissioner of Commercial Taxes, Ernakulam
		0.60	2000-01	U.P. Trade Tax Appellate Tribunal, Lucknow

10. The Company has no accumulated losses as at the end of the financial year and it has not incurred cash losses, both in the current year and immediately preceding financial year.
11. According to the information and explanation given to us and on the basis of the records examined by us, the Company has not defaulted in repayment of dues to financial institutions or banks.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the clause 4 (xiii) of the Order is not applicable to the Company.
14. According to the information and explanations given to us, the Company has maintained proper records of transactions and contracts in respect of dealing/trading in shares, securities, and other investments and timely entries have been made therein. The shares, securities and other investments are held by the Company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and on the basis of information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.

17. According to the information and explanations given to us and on an overall examination of the Cash Flow Statement and Balance Sheet of the Company, in our opinion, the funds raised on short term basis have, prima-facie, not been used for long term investment.
18. According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956.
19. According to the information and explanation given to us, the Company has not issued any secured debentures during the period covered by our report.
20. We have verified the end use of money raised through Right Issue as disclosed in the notes to the financial statements.
21. According to information and explanations given to us, during the year, no fraud on or by the Company has been noticed or reported.

For **ASHOK KEDIA & CO.**
Chartered Accountants

For **KAILASH B. GOEL & CO.**
Chartered Accountants

A.K. Kedia, Partner
M.No. 50510
Kolkata, 21st June, 2005

Amrish Raj Chaudhary, Partner
M.No. 61867

Balance Sheet

As at 31st March, 2005

	Schedule	As at 31.03.2005	(Rs. in Lacs) As at 31.03.2004
SOURCES OF FUNDS			
SHAREHOLDER'S FUNDS			
Capital	'A'	1027.90	491.33
Reserves & Surplus	'B'	4083.59	2671.36
		<u>5111.49</u>	<u>3162.69</u>
LOAN FUNDS			
Secured loans	'C'	3303.71	1719.33
Unsecured Loans	'D'	—	1055.29
		<u>3303.71</u>	<u>2774.62</u>
DEFERRED TAX LIABILITY(NET)			
		125.56	45.81
		<u>8540.76</u>	<u>5983.12</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	'E'	4964.29	3386.23
Less Depreciation		1469.20	1152.13
Net Block		3495.09	2234.10
Capital Work -in-progress		27.28	45.16
		<u>3522.37</u>	<u>2279.26</u>
INVESTMENTS			
	'F'	218.80	501.20
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	'G'	3596.43	2121.92
Sundry Debtors	'H'	2368.52	1940.14
Cash & Bank Balances	'I'	355.88	1345.26
Loans & Advances	'J'	1455.18	627.28
		<u>7776.01</u>	<u>6034.60</u>
CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	'K'	2753.76	2673.68
Provisions	'L'	231.65	165.09
		<u>2985.41</u>	<u>2838.77</u>
NET CURRENT ASSETS			
		4790.60	3195.83
MISCELLANEOUS EXPENDITURE:			
(To the extent not written off or adjusted)	'M'	8.99	6.83
		<u>8540.76</u>	<u>5983.12</u>
Significant Accounting Policies & Notes on Accounts	'T'		

This is the Balance Sheet referred to in our report of even date.

For Ashok Kedia & Co.
Chartered Accountants

A.K.Kedia
Partner
Membership No. 50510
Kolkata, 21st June'2005

For Kailash B Goel & Co.
Chartered Accountants

Anrishi Raj Chaudhary
Partner
Membership No. 61867

On Behalf of the Board

Sajjan Bhajanka
Managing Director
Sanjay Agarwal
Dy. Managing Director
A. K. Julasaria
Company Secretary
cum Finance Controller

Profit & Loss Account

For the year ended 31st March, 2005

(Rs. in Lacs)

	Schedule	31.03.2005	31.03.2004
INCOME			
Income from Operations	'N'	16706.22	12800.62
Other Income	'O'	591.94	630.96
Increase/(Decrease) in stock	'P'	1319.15	43.84
		<u>18617.31</u>	<u>13475.42</u>
EXPENDITURE			
Cost of Materials	'Q'	12342.03	8458.90
Operating & Administrative Expenses	'R'	4114.09	3284.67
Payments to & Provisions for Employees	'S'	694.79	604.74
Depreciation		336.93	143.39
Interest		182.41	82.15
		<u>17670.25</u>	<u>12573.85</u>
PROFIT BEFORE TAX		947.06	901.57
Less : Provision for Tax			
Current Tax		90.00	141.00
Deferred Tax		79.75	32.15
PROFIT AFTER TAX		<u>777.31</u>	<u>728.42</u>
Less: Income Tax for earlier Years		—	(2.25)
Add : Amount (Cr.) brought forward from Previous year		1580.33	1414.75
AMOUNT AVAILABLE FOR APPROPRIATION		<u>2357.64</u>	<u>2145.42</u>
Appropriations:			
Transfer to General Reserve		77.00	400.00
Proposed Dividend		204.87	146.34
Corporate Tax on Dividend		26.77	18.75
Amount (Cr.) carried forward		2049.00	1580.33
		<u>2357.64</u>	<u>2145.42</u>
Basic and diluted Earnings per equity share (in Rs.)		8.85	9.96

Significant Accounting Policies & Notes on Accounts 'T'

This is the Profit & Loss Account referred to in our report of even date.

For **Ashok Kedia & Co.**
Chartered Accountants

A.K.Kedia
Partner
Membership No. 50510
Kolkata, 21st June'2005

For **Kailash B Goel & Co.**
Chartered Accountants

Amrish Raj Chaudhary
Partner
Membership No. 61867

On Behalf of the Board

Sajjan Bhajanka
Managing Director
Sanjay Agarwal
Dy. Managing Director
A. K. Julasaria
Company Secretary
cum Finance Controller

Schedules to Balance Sheet

As at 31st March, 2005

SCHEDULE - 'A'	(Rs. in Lacs)	
	As at 31.03.2005	As at 31.03.2004
SHARE CAPITAL :		
Authorised Capital		
149,60,000 (99,60,000) Equity Shares of Rs. 10/- each	1496.00	996.00
40,000 Preference Shares of Rs. 10/- each	4.00	4.00
	<u>1500.00</u>	<u>1000.00</u>
Issued Capital		
1,03,81,548 (50,15,880) Equity Shares of Rs. 10/- each	1038.15	501.59
Subscribed Capital		
1,02,43,548 (48,77,880) Equity Shares of Rs. 10/- each (Fully paid-up)	1024.36	487.79
Add: 138000 Equity Shares forfeited	3.54	3.54
	<u>1027.90</u>	<u>491.33</u>
Of the above Equity Shares :		
93,110 Equity Shares of Rs.10/- each were allotted pursuant to the scheme of amalgamation		
9,99,630 Equity Shares of Rs. 10/- each were allotted as Bonus Shares by Capitalisation of Reserves during the year 1995-96.		
34,14,516 Equity Shares of Rs. 10/- each were allotted as Bonus Shares by Capitalisation of Securities Premium and General Reserve during the year 2004-05		

SCHEDULE - 'B'	As at 31.03.2004	Additions	Deductions	As at 31.03.2005
RESERVES AND SURPLUS				
Capital Reserve (Capital Subsidy)	9.91	625.00	—	634.91
Revaluation Reserve	90.11	—	2.33	87.78
Securities Premium	358.05	585.35	131.79	811.61
General Reserve	632.96	77.00	209.67	500.29
Profit & Loss Account	1580.33	468.67	—	2049.00
	<u>2671.36</u>	<u>1756.02</u>	<u>343.79</u>	<u>4083.59</u>

SCHEDULE - 'C'	As at 31.03.2005	As at 31.03.2004
SECURED LOANS		
From Banks		
Cash Credit	1096.42	379.08
Term Loans	1741.65	633.79
FCNRB Loan	436.50	681.73
Hire Purchase Finance	20.00	22.58
Interest accrued and due on above	9.14	2.15
	<u>3303.71</u>	<u>1719.33</u>

Notes:

- 1 Term Loans from banks are secured/to be secured by way of first charge on fixed assets of the Laminate Division and second charge on current assets of the Company.
- 2 Cash Credit and FCNRB Loans from banks are secured by way of hypothecation of current assets of the Company and first charge on fixed assets of the Plywood Division on pari passu basis.
- 3 Term Loans and Working Capital facilities from banks are also guaranteed by some of the Directors of the Company.
- 4 Hire purchase finance from banks are secured against hypothecation of respective vehicles.
- 5 Secured loans due within one year Rs.300.05 Lacs

Schedules to Balance Sheet

As at 31st March, 2005

(Rs. in Laacs)

SCHEDULE - 'D'

UNSECURED LOANS

From Bodies Corporate

As at
31.03.2005

As at
31.03.2004

—	1055.29
—	1055.29

SCHEDULE - 'E'

FIXED ASSETS

NAME OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.2004	Additions during the Year	Sales/Adj during the Year	As at 31.03.2005	Up to 31.03.04	During the Year	Adjustments during the Year	Up to 31.03.05	As at 31.03.2005	As at 31.03.2004
A. TANGIBLE ASSETS										
LAND & SITE DEVELOPMENT	278.85	1.47	—	280.32	—	—	—	—	280.32	278.85
BUILDING - FACTORY	671.39	269.20	—	940.59	173.81	55.72	—	229.53	711.06	497.57
BUILDING - NON FACTORY	145.94	29.79	—	175.73	38.98	11.01	—	49.99	125.74	106.97
PLANT & MACHINERY	1709.78	1206.18	2.54	2913.42	621.83	207.25	2.51	826.57	2086.85	1087.94
ELECTRIC INSTALLATION	92.02	30.35	—	122.37	43.86	7.91	—	51.77	70.60	48.15
TOOLS & EQUIPMENTS	28.51	1.99	—	30.50	17.67	1.92	—	19.59	10.91	10.84
WATER SUPPLY EQUIPMENTS	5.68	0.66	—	6.34	4.67	0.23	—	4.90	1.44	1.01
FURNITURE & FIXTURE	136.08	16.95	0.78	152.25	72.58	11.48	0.05	84.01	68.24	63.51
OFFICE EQUIPMENTS	44.18	12.36	1.20	55.34	20.46	4.25	0.27	24.44	30.90	23.73
COMPUTER	123.82	19.88	1.45	142.25	98.32	14.03	0.85	111.50	30.75	25.50
VEHICLES	148.52	27.65	32.50	143.67	58.90	25.21	18.51	65.60	78.07	89.62
B. INTANGIBLE ASSETS										
COMPUTER SOFTWARE	0.48	0.05	—	0.53	0.21	0.11	—	0.32	0.21	0.27
TRADE MARK & PATENT RIGHT	0.98	—	—	0.98	0.84	0.14	—	0.98	0.00	0.14
TOTAL	3386.23	1616.53	38.47	4964.29	1152.13	339.26	22.19	1469.20	3495.09	2234.10
PREVIOUS YEAR	2061.57	1351.57	26.91	3386.23	1023.87	145.81	17.55	1152.13	2234.10	1037.70
C. CAPITAL WORK IN PROGRESS	—	—	—	—	—	—	—	—	27.28	45.16

Notes:

1. Depreciation for the year includes Rs. 2.33 Laacs towards depreciation provided on amount added to Gross Block as a result of revaluation of fixed assets.
2. Buildings - Non Factory includes Rs.22.08 Laacs on Leasehold Property (Previous Year - Rs.21.54 Laacs)
3. Trade Mark & Patent Right has been amortised over a period of 7 years.

Schedules to Balance Sheet

As at 31st March, 2005

			(Rs. in Lacs)	
SCHEDULE - 'F'			As at 31.03.2005	As at 31.03.2004
INVESTMENTS (AT COST)	No. Of Shares/	Face Value		
[A] - LONG-TERM				
Quoted Equity Shares (Non-trade)				
Ankit Prachi Trading Co Ltd	50000	10	—	4.13
Arihant Enterprises Ltd	16700	10	—	4.20
Bajaj Tempo Ltd	3500	10	—	11.08
Bakra Pratishthan Ltd	3400	10	0.75	11.41
Bharat Commerce & Ind. Ltd	19000	10	14.73	14.73
Eicher Motor Ltd	2000	10	—	4.71
GAIL India Ltd	10000	10	—	23.95
Globe Stock Securities Ltd	90000	10	—	8.21
Global Capital Markets Ltd	490000	10	13.02	—
Goenka Business Ltd	126000	10	5.18	—
Hinduja TMT Ltd	10000	10	—	21.59
IBP Ltd	1000	10	—	7.10
Indian Oil Corporation Ltd	3000	10	—	11.21
Khoobsurat Ltd	30000	10	6.56	—
Larsen & Toubro Ltd.	200	10	0.56	0.56
Limtex Investments Ltd	46000	10	—	6.96
M. P. Investment & Consultancy Services Ltd.	10000	10	—	3.95
Nagarjuna Fertilizres & Chemicals Ltd.	12400	10	3.99	3.99
Pidilite Industries Ltd	100	10	0.27	—
Power Trading Corpn Of India Ltd	4800	10	0.77	1.97
Sintex Industries Ltd	9800	10	—	13.97
Tata Consultancy Services Ltd	14062	10	133.83	—
Tata Iron & Steel Company Ltd.	3025	10	8.43	8.43
UCO Bank	100000	10	12.00	17.21
Union Bank of India	25000	10	12.76	15.89
Uniworth International Ltd.	150	10	0.14	0.14
Uniworth Textile Ltd.	50	10	0.03	0.03
Unquoted Equity Shares(Non-Trade) :				
Changlang Plywood (P) Ltd.	2000	100	2.00	2.00
Mammao Plywood (P) Ltd.	1000	100	1.00	1.00
[B] - CURRENT INVESTMENTS				
TEOD-Tata Equity Opportunities Fund-Plan A(Dividend)	320105.433	10	—	50.00
D67 DSP Merrill Lynch Opportunities Fund- Dividend	255102.041	10	—	50.00
Franklin India Bluechip Fund - Dividend Payout	199521.149	10	—	50.00
Deutsche Alpha Equity Fund-Dividend Plan	267379.679	10	—	50.00
Deutsche Investment Opportunity Fund - Dividend Plan	1000000.000	10	—	100.00
[C] - OTHER INVESTMENTS				
Investment in Partnership Firm			2.70	2.70
Others : National Saving Certificates (VII Issue)			0.08	0.08
			218.80	501.20
Aggregate of Market Value of Quoted Investments			318.24	476.59

Schedules to Balance Sheet

As at 31st March, 2005

During the Year, the following current investments were purchased and sold (Face Value of Rs. 10/- each) :

[1]	320102.433	Units of TEOD-Tata Equity Opportunities Fund- Plan A (Dividend) at cost of Rs.50.00 lacs
[2]	255102.041	Units 67 DSP Merrill Lynch Opportunities Fund- Dividend at cost of Rs.50.00 lacs
[3]	199521.149	Units of Franklin India Bluechip Fund - Dividend Payout at cost of Rs.50.00 lacs
[4]	267379.679	Units of Deutsche Alpha Equity Fund-Dividend Plan at cost of Rs.50.00 lacs
[5]	250000.000	Units of Deutsche Investment Opportunity Fund - Dividend Plan at cost of Rs.25.00 lacs
[6]	250000.000	Units of Deutsche Investment Opportunity Fund - Dividend Plan at cost of Rs.25.00 lacs
[7]	84573.748	Units of Reliance Growth Fund-Dividend Plan at cost of Rs.25.00 lacs
[8]	250000.000	Units of Deutsche Investment Opportunity Fund - Dividend Plan at cost of Rs.25.00 lacs
[9]	517598.344	Units of OEFD HSBC Equity Fund-Dividend at cost of Rs. 100.00 lacs
[10]	84573.748	Units of Reliance Growth Fund-Dividend Plan at cost of Rs.25.00 lacs
[11]	70402.703	Units of Reliance Vision Fund- Div Plan at cost of Rs.25.00 lacs
[12]	115762.178	Units of HDFC Top 200 Fund- Dividend Plan at cost of Rs.25.00 lacs
[13]	162866.450	Units of Reliance Growth Fund-Dividend Plan at cost of Rs.50.00 lacs
[14]	232100.416	Units of OEOD HSBC India Opportunity Fund- Dividend Plan at cost of Rs.25.00 lacs
[15]	227363.673	Units of OEOD HSBC India Opportunity Fund- Dividend Plan at cost of Rs.25.00 lacs
[16]	500000.000	Units of Reliance Diversified Power Sector Fund- Dividend Plan at cost of Rs.50.00 lacs
[17]	250000.000	Units of Reliance Diversified Power Sector Fund- Dividend Plan at cost of Rs.25.00 lacs
[18]	319038.291	Units of RLF-Treasury Plan-Retail Option at cost of Rs.50.00 lacs
[19]	1904907.041	Units of RLF-Treasury Plan-Retail Option at cost of Rs.300.00 lacs
[20]	166555.630	Units of Magnum Global Fund at cost of Rs.25.00 lacs
[21]	948550.615	Units of RLF-Treasury Plan-Retail Option at cost of Rs.150.00 lacs
[22]	947412.301	Units of RLF-Treasury Plan-Retail Option at cost of Rs.150.00 lacs
[23]	216562.717	Units of Magnum Global Fund at cost of Rs.25.00 lacs
[24]	122669.284	Units of Magnum Global Fund at cost of Rs.25.00 lacs
[25]	171115.674	Units of Magnum Global Fund at cost of Rs.25.00 lacs

(Rs. in Laes)

SCHEDULE - 'G'	As at 31.03.2005	As at 31.03.2004
-----------------------	---------------------	---------------------

INVENTORIES

(As taken, valued & certified by the management)

Raw Materials	1608.45	1489.66
Stock-in-trade	243.49	130.49
Finished Goods	1458.52	409.34
Stores and Spare Parts	97.20	60.62
Work in Progress	124.65	9.23
Goods in Transit	64.12	22.58
	<u>3596.43</u>	<u>2121.92</u>

SCHEDULE - 'H'

SUNDRY DEBTORS

(Unsecured, considered good)

Outstanding for a period exceeding six months	199.85	179.57
Other Debts	2168.67	1760.57
	<u>2368.52</u>	<u>1940.14</u>

Schedules to Balance Sheet

As at 31st March, 2005

	As at 31.03.2005	(Rs. in Laacs) As at 31.03.2004
SCHEDULE - 'I'		
CASH & BANK BALANCES		
Cash and Cheques in hand	158.27	530.99
Balance with Scheduled Banks		
— In Current Accounts	197.61	303.77
— In Fixed deposit Account	—	510.50
	<u>355.88</u>	<u>1345.26</u>
SCHEDULE - 'J'		
LOANS & ADVANCES		
(Unsecured, considered good)		
Advances, Recoverable in cash or in kind or for value to be received	901.09	278.28
Advance Income Tax (Net)	156.51	95.44
Deposits	119.41	85.92
Balance with Excise Departments	198.06	142.34
Advance to Suppliers	80.11	25.30
	<u>1455.18</u>	<u>627.28</u>
SCHEDULE - 'K'		
CURRENT LIABILITIES		
Sundry Creditors	2323.47	2370.63
Unclaimed Dividend	5.02	5.02
Other Liabilities	425.27	298.03
	<u>2753.76</u>	<u>2673.68</u>
SCHEDULE - 'L'		
PROVISIONS		
Proposed Dividend	204.87	146.34
Corporate Tax on Dividend	26.78	18.75
	<u>231.65</u>	<u>165.09</u>
SCHEDULE - 'M'		
MISCELLANEOUS EXPENDITURE		
(To the extent not written off/adjusted)		
Share Issue Expenses	8.99	6.83
	<u>8.99</u>	<u>6.83</u>

Schedules to Profit & Loss Account

For the year ended 31st March, 2005

(Rs. in Lacs)

SCHEDULE - 'N' 31.03.2005 31.03.2004

INCOME FROM OPERATIONS

Income from Sale of Products	16508.20	12617.29
Income from Services	198.02	183.33
	<u>16706.22</u>	<u>12800.62</u>

SCHEDULE - 'O'

OTHER INCOME

Dividend Received	14.25	380.34
Interest Received (Gross, T.D.S. Rs. 3.88/-, P.Y-Rs. 3.30/-)	34.23	13.98
Profit on Sale of Investments	460.59	63.91
Miscellaneous Income (Gross, T.D.S. Rs. 7.18/-, P.Y Rs. 8.32/-)	82.87	172.73
	<u>591.94</u>	<u>630.96</u>

SCHEDULE - 'P'

(INCREASE)/DECREASE IN STOCK

Opening stock		
Finished Goods	409.34	348.26
Stock-in-trade	130.49	141.07
Goods in transit	22.58	38.47
Work In Progress	9.23	—
	<u>571.64</u>	<u>527.80</u>
Closing Stock		
Finished Goods	1458.52	409.34
Stock-in-trade	243.49	130.49
Goods in transit	64.12	22.58
Work In Progress	124.66	9.23
	<u>1890.79</u>	<u>571.64</u>
(Increase)/Decrease in stock	<u>(1319.15)</u>	<u>(43.84)</u>

SCHEDULE - 'Q'

COST OF MATERIALS

Raw Materials Consumed	8076.02	4668.03
Purchases	4266.01	3790.87
	<u>12342.03</u>	<u>8458.90</u>

Schedules to Profit & Loss Account

For the year ended 31st March, 2005

(Rs. in Laes)

SCHEDULE - 'R'	31.03.2005	31.03.2004
OPERATING & ADMINISTRATIVE EXPENSES		
Store & Spare Parts Consumed	178.91	136.95
Power & Fuel	284.90	182.59
Insurance Charges	29.84	17.71
Jetty Expenses	51.98	63.47
Repairs & Maintenance	125.94	97.16
Transport & Freight	466.63	322.99
Commissison	28.96	19.73
Rebates & Discounts	284.16	398.09
Advertisement , Publicity & Sales Promotion	276.43	507.25
Deffered Revenue Expenses Written Off	—	23.96
Communication Expenses	70.51	69.39
Miscellaneous Expenses	363.49	322.65
Bank Charges and Commission	35.81	23.57
Director's Remuneration	19.62	22.32
Auditor's Remuneration	3.97	3.06
Share Issue Expenses Written Off	1.84	1.04
Octroi	54.94	38.30
Excise Duty	1112.90	598.18
Rates & Taxes	17.17	14.35
Sales Tax	706.09	421.91
	<u>4114.09</u>	<u>3284.67</u>
SCHEDULE - 'S'		
PAYMENTS TO & PROVISIONS FOR EMPLOYEES		
Salaries, Wages & Bonus	591.72	512.25
Contribution to Provident and Other Funds	75.26	68.66
Staff & Labour Welfare	27.81	23.83
	<u>694.79</u>	<u>604.74</u>

Schedules forming part of the Account

SCHEDULE - 'T'

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

(Annexed to and forming part of the Balance Sheet as on 31st March, 2005 and the Profit & Loss Account for the year ended on that date.)

A. SIGNIFICANT ACCOUNTING POLICIES:

Significant accounting policies adopted in the preparation and presentations of the accounts are as under:

(a) GENERAL:

- (i) The accounts have been prepared based on going concern basis and are in consistence with the generally accepted accounting policies.
- (ii) These accounts, except in respect of certain fixed assets, which are stated at revalued amount, have been prepared on the historical cost basis.
- (iii) All income and expenditure unless specifically stated otherwise are accounted for on mercantile basis.

(b) FIXED ASSETS & DEPRECIATION:

- (i) Fixed Assets are stated at cost net of Cenvat and includes amounts added on revaluation, less accumulated depreciation. All costs including financing costs till the commencement of commercial production, attributable to the fixed assets are capitalized.
- (ii) Depreciation on fixed assets is provided on written down value method at the rates and in the manner specified in Schedule -XIV to the Companies Act, 1956. Expenses towards Road, Yard and Jetty Development and staff Quarter at Jetty have been amortised over estimated useful life of the asset.

(c) INTANGIBLE ASSETS:

Intangible assets are stated at cost net of amortisation.

(d) CAPITAL WORK IN PROGRESS:

Capital work in progress is carried at cost comprising direct cost and incidental expenditure during construction period to be allocated to fixed assets on the completion of construction.

(e) FOREIGN CURRENCY TRANSACTIONS:

- (i) Exchange rate fluctuation relating to acquisition of fixed assets are adjusted to the cost of such assets and in case of other transactions the effect is dealt in Profit / Loss Account.
- (ii) All foreign currency transactions not covered by forward exchange contracts and not settled within the same accounting period have been re-instated at the prevailing rate as on balance sheet date. In respect of transactions covered by forward foreign exchange contracts, the difference between the forward rate and the exchange rate at the inception of the contract is recognized as income or expenditure over the period of the contract.

(f) INVENTORIES:

Inventories of raw materials, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Work-in-progress and finished goods are valued at lower of cost and net realizable value. Finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost is computed on Weighted Average basis.

(g) SALES:

Sales are recorded inclusive of Central Excise Duty & Sales Tax so far as it is excisable and taxable.

Schedules forming part of the Account

(h) INVESTMENTS:

- (i) Current Investments are stated at lower of cost or market value.
- (ii) Long Term Investments are stated at cost.

(i) RETIREMENT BENEFITS:

Gratuity is provided on the basis of premium to LIC of India under "Century Plyboards (India) Ltd Employee Group Gratuity Scheme". Liability for leave encashment is provided for as per the eligibility criteria in this regard.

(j) CONTINGENT LIABILITIES:

Contingent liabilities are not provided in the accounts and are disclosed by way of the notes.

(k) TAXES ON INCOME:

Income Tax Expense comprises current tax and deferred tax charge or release. The deferred tax charge or credit is recognised using current tax rates. Deferred tax assets arising from unabsorbed depreciation or carry forward losses are recognised only if there is virtual certainty of realisation of such amounts. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are reviewed at each Balance Sheet date to reassess the realisation.

(l) BORROWING COST:

Borrowing Costs that are attributable to the acquisition or the construction of qualifying/eligible assets are capitalized as part of the cost of such assets. A qualifying/eligible asset is an asset that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as expense and are charged to revenue in the year in which it is incurred.

B. NOTES ON ACCOUNTS:

1. Contingent Liabilities:

- (a) Bank Guarantees outstanding - Rs. 155.39 Lacs (Previous Year - Rs. 79.30 Lacs).
- (b) Letter of credits issued by banks in respect of which liability has not been materialised- Rs.581.80 Lacs (Previous Year - Rs.181.84 Lacs)

2. Estimated amount of Capital contracts remaining to be executed and not provided is Rs.74.04 Lacs (Previous Year Rs.250.60 Lacs) against which Rs.46.62 Lacs (Previous Year Rs.70.28 Lacs) has been given as advance.

3. Managerial remuneration is within limits prescribed in Section 198 & 309 of the Companies Act, 1956, read with Schedule XIII Part II Section I.

4. The Company has raised Rs.780.46 Lacs through Right Issue of 1951152 Equity Shares of Rs. 10/- each at a premium of Rs. 30/- each. The proceeds of the Right Issue have been utilized to part finance the cost of setting up of the Laminate Unit.

5. Auditors' Remuneration :

	Current Year. Rs. in Lacs.	Previous Year. Rs. in Lacs.
Audit Fees	3.61	2.80
Tax Audit	0.08	0.09
Certification Work	0.28	0.17
Total	3.97	3.06

6. No Provision for diminution in the value of long term investment have been made in the accounts as, in the opinion of the management, the fluctuations in the market value of such investments are not permanent in nature.

7. According to the information available with the Company there are no dues to Small Scale- Industrial Undertaking as on 31.03.2005, which are outstanding for more than 30 days.

8. There is no amount due and outstanding to be credited to the Investor's Education and Protection Fund.

9. The Institute of Chartered Accountants of India (ICAI) has made Accounting standard " AS 28 – Impairment of Assets ", mandatory for the accounting period commencing from 1st April 2004 and the Company has carried out comprehensive exercise to assess the impairment loss of Assets. Based on such exercise, there is no impairment of Assets. Accordingly, no adjustment in respect of loss on impairment of Assets has been made in the accounts.

Schedules forming part of the Account

10. The Company has invested Rs. 2.70 Lacs in Century International, a partnership firm, and the particulars of the firm are as under:

Name of the Partners	Profit Sharing Ratio (%)
Sanjay Agarwal	4.50
Sajjan Bhajanka	4.50
Rajesh Agarwal	1.00
Century Plyboards (India) Ltd	90.00

11. Calculation of Earnings per share:

		31st March	
		2005	2004
(a) Profit after Tax	(Rs. in Lacs)	777.31	728.41
(b) The weighted average number of Equity Shares for Basic and Diluted EPS	(No.)	8780184	7316820
(c) Nominal Value per Equity Share	(Rs.)	10.00	10.00
(d) Basic and Diluted Earning per share	(Rs.)	8.85	9.96

12. Segment Information:

	(Rs. in Lacs)				
	Timber & Allied Products	Adhesive	Laminates & Allied Products	Others	Total
1.Revenue	13190.71 (9966.13)	924.99 (1666.94)	1684.57 (2.14)	905.95 (1165.41)	16706.22 (12800.62)
2.Results	543.46 (377.59)	35.69 (111.92)	-266.48 (-8.67)	134.74 (297.30)	447.41 (778.14)
3.Interest				182.41 (82.15)	182.41 (82.15)
4.Other unallocable expenditure net of unallocable income				-682.06 (-205.57)	-682.06 (-205.57)
5.Total Profit before Tax				947.06 (901.56)	947.06 (901.56)
6.Other Information					
Segment Assets	5581.24 (5957.48)	221.87 (330.12)	5271.60 (1723.34)	442.47 (804.12)	11517.18 (8815.06)
Segment Liabilities	2516.24 (2418.35)	58.15 (64.08)	1899.66 (801.79)	30.50 (25.41)	4504.55 (3309.63)
Unallocable Liabilities & Provisions					1784.57 (2303.76)
Capital Expenditure	72.92 (33.50)	0.27 (2.42)	1469.58 (1245.69)	25.14 (46.57)	1567.91 (1328.18)
Depreciation	121.82 (126.16)	2.26 (4.16)	207.63 (7.04)	5.22 (6.03)	336.93 (143.39)
Non Cash expenses other than Depreciation				— (23.96)	— (23.96)

Note: 1. Previous Year Figures have been given in brackets.

2. Above primary segment are identified and distinguished based on different risks and return and nature of products.

Schedules forming part of the Account

13. Computation of Deferred Tax Asset / (Liability):

(Rs. in Laacs)

Deferred Tax Asset / (Liability) on account of	As at 31st March 2005	As at 31st March 2004
Depreciation	(125.56)	(54.76)
Loss on Sale of Investments	—	8.14
Deferred Revenue Expenditure	—	0.81
Net Deferred tax Asset / (Liability)	<u>(125.65)</u>	<u>(45.81)</u>

14. Related parties disclosures:

(a) List of Parties with whom transactions have taken place and relationship

Century International	Associate
Cement Manufacturing Co Ltd	Associate
Shyam Century Ferrous Ltd	Associate
Brijdham Merchants (P) Ltd	Associate
Sriram Merchants (P) Ltd	Associate
Sumangal International (P) Ltd	Associate
Sriram Vanijya (P) Ltd	Associate
Sumangal Business (P) Ltd	Associate
Pacific Plywoods (P) Ltd	Associate
Mr. H.P. Agarwal	Key Management Personnel
Mr. Sajjan Bhajanka	Key Management Personnel
Mr. Sanjay Agarwal	Key Management Personnel
Mr. Ajay Baldawa	Key Management Personnel
Mr. N.R. Tater	Key Management Personnel

(b) Transactions with the related parties:

(Rs. in Laacs)

	Associates	Key Management Personnel	Total
Remuneration		19.62	19.62
		(22.32)	(22.32)
Interest Paid	46.30		46.30
	(43.46)		(43.46)
Loans taken	1493.50		1493.50
	(1079.82)		(1079.82)
Repayment of loans	2474.61		2474.61
	(645.34)		(645.34)
Receipts in current A/c	78.29		78.29
	(14.74)		(14.74)
Payments in current A/c	104.30		104.30
	(27.45)		(27.45)
Balance at year end	—		—
Loans received	(944.50)		(944.50)

Note: Previous year figures have been given in brackets.

Schedules forming part of the Account

15(a). Details of Licensed, Installed and Production Capacities :

	Licensed Capacity	Installed Capacity	Production
Veneer	N / A	50400 CBM. (50400 CBM)	11612 CBM. (12059 CBM)
Plywood	N / A	25200 CBM. (25200 CBM)	21721 CBM. (18650 CBM)
Laminates	N / A	2400000 Pcs. (1200000 Pcs)	746915 Pcs (928 Pcs)

15(b). Details of Raw Materials Consumed :

	Quantity	Value (Rs. in Lacs)
1) Timber Log (IN CBM)	41060 (36610)	4241.59 (3456.03)
2) Veneer (IN CBM)	11135 (9235)	995.79 (689.40)
3) Chemicals (IN KG/LTR)	4481285 (2119348)	1534.95 (514.35)
4) Paper (IN KGS)	2444701 (3846)	1303.69 (8.25)

Production and Consumption of Veneer does not include Veneer produced and consumed by the Company for manufacturing Plywood.

15(c). Value of Imported and indigenous raw materials, stores, spare parts & components consumed:

(i) Raw Materials :

	Value (Rs. in Lacs)	%
Imported	4998.03 (4206.84)	61.89 (90.12)
Indigenous	3077.99 (461.19)	38.11 (9.88)

(ii) Stores, Spare Parts & Components :

	Value (Rs. in Lacs)	%
Imported	4.99 (5.01)	2.79 (3.66)
Indigenous	173.92 (131.94)	97.21 (96.34)

Schedules forming part of the Account

15(d). Break-up of Repairs & Maintenance :

	Current Year (Rs. in Lacs)	Previous Year (Rs. in Lacs)
Plant & Machinery	93.87	64.49
Building	2.72	4.31
Others	29.35	28.36
	125.94	97.16

15(e). Quantitative Details :

Name of Items	Units	(Rs. in Lacs)			
		2004-05		2003-04	
		Qty	Value	Qty	Value
Opening stock :					
Plywood	CBM	1426	335.90	1251	258.62
Veneer	CBM	422	96.02	521	127.28
Plywood/Blockboard	SQM	50356	62.12	55416	74.04
Adhesive	KGS/PCS	82317	36.63	106865	44.19
Laminates Sheet	PCS	43	0.04	200	0.04
Chemical (Preservative)	KGS	11380	31.70	8200	22.81
Purchases :					
Plywood/Blockboard	SQM	2408168	2584.07	1489973	1961.31
Adhesive	KGS/PCS	999238	550.75	2143185	942.74
M.S.Pipes,Billets,Rounds,Wire & G.C. Sheets, TMT Bars	MT	1089	307.71	844	168.70
Set Top Box	PCS	—	—	13740	300.99
Chemical (Preservative)	KGS	80140	195.35	60120	152.20
Sales :					
Plywood	CBM	21484	4426.90	18475	3187.68
Veneer	CBM	11529	1547.83	12158	1539.33
Plywood/Blockboard	SQM	2329150	5166.46	1495033	4053.72
Adhesive	KGS/PCS	982729	924.99	2167733	1666.94
M.S.Pipes,Billets,Rounds,Wire & G.C. Sheets, TMT Bars	MT	1089	363.03	844	194.09
Set Top Box	PCS	—	—	13740	370.98
Timber Logs	CBM	11483	1979.22	6172	1007.43
Laminates Sheet	PCS	542078	1684.57	928	2.14
Chemical (Preservative)	KGS	68800	230.61	56940	188.83
Others			184.59		406.15
Closing Stock :					
Plywood	CBM	1663	478.85	1426	335.90
Veneer	CBM	505	106.44	422	96.02
Plywood/Blockboard	SQM	129374	133.48	50356	62.12
Adhesive	KGS/PCS	98826	49.84	82317	36.63
Laminates Sheet	PCS	204880	937.35	43	0.04
Chemical (Preservative)	KGS	22720	60.17	11380	31.70

Schedules forming part of the Account

15(f). Foreign Exchange Outgo / Earnings

(i) Value of Imports (C.I.F. Basis) :

	Current Year (Rs. in Lacs)	Previous Year (Rs. in Lacs)
Raw material	4225.69	4071.78
Purchases	633.20	230.29
Fixed Assets	379.89	352.80
Stores & Spare Parts	6.08	5.01

(ii) Expenditure in Foreign Currencies :

	Current Year (Rs. in Lacs)	Previous Year (Rs. in Lacs)
Traveling	8.39	6.35
Others	8.12	0.31

(iii) Earnings in Foreign Exchange :

	Current Year (Rs. in Lacs)	Previous Year (Rs. in Lacs)
Export (F.O.B. Value)	178.00	29.87

16. (a) Previous Year's Figures have been regrouped and re-arranged wherever necessary.

(b) Figures have been rounded off to nearest rupees in Lacs.

Balance Sheet Abstract

17. Additional Information under Part IV of schedule VI of the Companies Act, 1956 Balance Sheet abstract and General Business Profile

I. Registration Details

Registration No.

			3	4	4	3	5
--	--	--	---	---	---	---	---

 State Code

						2	1
--	--	--	--	--	--	---	---

Balance Sheet date

3	1	0	3	2	0	0	5
---	---	---	---	---	---	---	---

II. Capital Raised during the year (Amount in Rs. Laacs)

Public Issue

					N	1	L
--	--	--	--	--	---	---	---

 Right Issue

			1	9	.	5	1
--	--	--	---	---	---	---	---

Bonus Issue

			3	4	.	1	4
--	--	--	---	---	---	---	---

 Private Issue

					N	1	L
--	--	--	--	--	---	---	---

III. Position of Mobilisation & Deployment of Funds (Amt. in Rs. Laacs)

Total Liabilities

		8	5	4	0	.	7	6
--	--	---	---	---	---	---	---	---

 Total Assets

		8	5	4	0	.	7	6
--	--	---	---	---	---	---	---	---

Source of Funds
Paid-up Capital

		1	0	2	7	.	9	0
--	--	---	---	---	---	---	---	---

 Reserves & Surplus

		4	0	8	3	.	5	9
--	--	---	---	---	---	---	---	---

Secured Loans

		3	3	0	3	.	7	1
--	--	---	---	---	---	---	---	---

 Unsecured Loans

						N	1	L
--	--	--	--	--	--	---	---	---

Application of Funds
Net Fixed Assets

		3	5	2	2	.	3	7
--	--	---	---	---	---	---	---	---

 Investments

				2	1	8	.	8	0
--	--	--	--	---	---	---	---	---	---

Net Current Asset

		4	7	9	0	.	6	0
--	--	---	---	---	---	---	---	---

 Misc. Expenditure

						8	.	9	9
--	--	--	--	--	--	---	---	---	---

IV. Performance of the Company (Amount in Rs. Laacs)

Turnover

		1	8	6	1	7	.	3	1
--	--	---	---	---	---	---	---	---	---

 Total Expenditure

		1	7	6	7	0	.	2	5
--	--	---	---	---	---	---	---	---	---

Profit / Loss before Tax

			9	4	7	.	0	6
--	--	--	---	---	---	---	---	---

 Profit/(Loss) after Tax

			7	7	7	.	3	1
--	--	--	---	---	---	---	---	---

Earnings Per Share (Rs.)

				8	.	8	5
--	--	--	--	---	---	---	---

 Dividend Rate (%)

						2	0
--	--	--	--	--	--	---	---

V. Generic Names of Products of Company

Item Code

4	4	0	8	1	0	.	1	0
---	---	---	---	---	---	---	---	---

Product Description

S	H	E	E	T	S	F	O	R	P	L	Y	W	O	O	D
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Item Code

4	4	1	2	1	4	.	1	0
---	---	---	---	---	---	---	---	---

Product Description

D	E	C	O	R	A	T	I	V	E	P	L	Y	W	O	O	D
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Item Code

3	9	0	5	1	2	.	1	0
---	---	---	---	---	---	---	---	---

Product Description

P	V	A	E	M	U	L	S	I	O	N
---	---	---	---	---	---	---	---	---	---	---

Item Code

4	8	2	3	9	0	.	1	0
---	---	---	---	---	---	---	---	---

Product Description

D	E	C	O	R	A	T	I	V	E	L	A	M	I	N	A	T	E
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Signature to Schedules 'A' to 'T' forming part of the Balance Sheet and Profit and Loss Account.

As per our annexed report of even date.

For Ashok Kedia & Co.
Chartered Accountants

A.K.Kedia
Partner
Membership No. 50510
Kolkata, 21st June 2005

For Kailash B Goel & Co.
Chartered Accountants

Amrish Raj Chaudhary
Partner
Membership No. 61867

On Behalf of the Board
Sajjan Bhajanka
Managing Director
Sanjay Agarwal
Dy. Managing Director
A. K. Julasaria
Company Secretary
cum Finance Controller

Cash Flow Statement

For the year ended 31st March, 2005

(Rs. in Lacs)

	Schedule	31.03.2005	31.03.2004
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit before tax		947.06	901.56
Adjustments for :			
Depreciation		336.93	143.39
Interest		182.41	82.15
Share Issue Expenses Written Off		1.84	1.04
Dividend Income		(14.25)	(380.34)
Sundry Balances/Bad Debts written off		5.61	(0.25)
Deferred Revenue Expenditure		—	23.96
(Profit)/Loss on Sale of Fixed Assets		(1.48)	—
(Profit)/Loss on Sale of Investments		(460.59)	(63.91)
Share of Profit from Partnership Firm		(2.68)	(4.15)
Interest Received		(34.23)	(13.99)
Operating Profit before Working Capital changes		<u>960.62</u>	<u>689.46</u>
Adjustments for :			
Trade and other Receivables		(577.13)	242.27
Inventories		(1474.51)	(893.61)
Trade Payables and other Liabilities		80.08	954.35
Cash Generated from Operations		<u>(1010.94)</u>	<u>992.47</u>
Interest Paid		(233.87)	(68.51)
Direct Taxes Paid (Net of Refunds)		(151.06)	(169.49)
Net Cash from Operating Activities		<u>(1395.87)</u>	<u>754.47</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Purchase of Fixed Assets(including C.W.I.P.)		(1598.65)	(1364.43)
Sale of Fixed Assets		17.76	9.36
Sale of Investments (net)		743.00	269.87
Deferred Revenue Expenditure		—	(10.30)
Dividend Income		14.25	380.34
Interest Received		34.20	14.92
Net Cash from Investing Activities		<u>(789.44)</u>	<u>(700.24)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :			
Borrowings(net)		580.56	848.71
Proceeds from Right Issue		780.46	—
Dividend paid(including Dividend Tax)		(165.09)	(164.12)
Net Cash from Financing Activities		<u>1195.93</u>	<u>684.59</u>
Net Increase/(Decrease)in Cash and Cash equivalents		(989.38)	738.82
Cash and Cash equivalents as at 1st April(Opening Balance)		1345.26	606.44
Cash and Cash equivalents as at 1st April(Closing Balance)		355.88	1345.26

For Ashok Kedia & Co.
Chartered Accountants

A.K.Kedia
Partner
Membership No. 50510
Kolkata, 21st June 2005

For Kailash B Goel & Co.
Chartered Accountants

Amrish Raj Chaudhary
Partner
Membership No. 61867

On Behalf of the Board

Sajjan Bhajanka
Managing Director
Sanjay Agarwal
Dy. Managing Director
A. K. Julasaria
Company Secretary
cum Finance Controller