



CENTURYPLY®

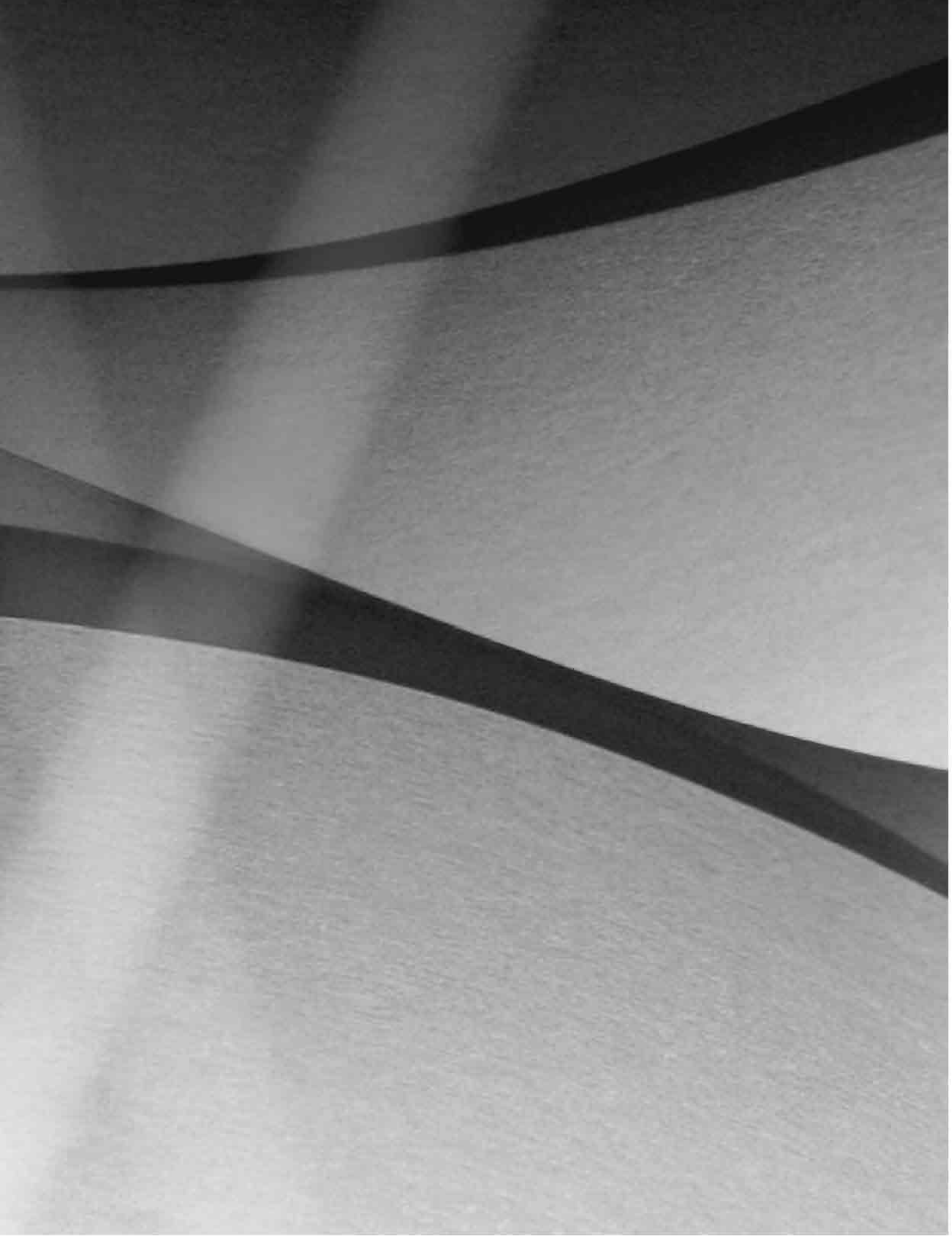
celebrating silver

25



CENTURYPLY®

ANNUAL REPORT 2010-2011





When you cross significant milestones in your journey to success and forge ahead with passion and perseverance your dreams turn to silver. And as we celebrate our 25th anniversary at Centuryply, our hearts fill with great pride looking at the landmarks we achieved in the past years. Not only have we emerged as a Power Brand strengthening our finances and investing in our future, but we have also worked towards building brand equity and have successfully bonded with our industry and end-users. And it is with this conviction to face any challenge and the determination to win every battle, we stand today shining like never before at glorious silver!

Growing from strength to strength

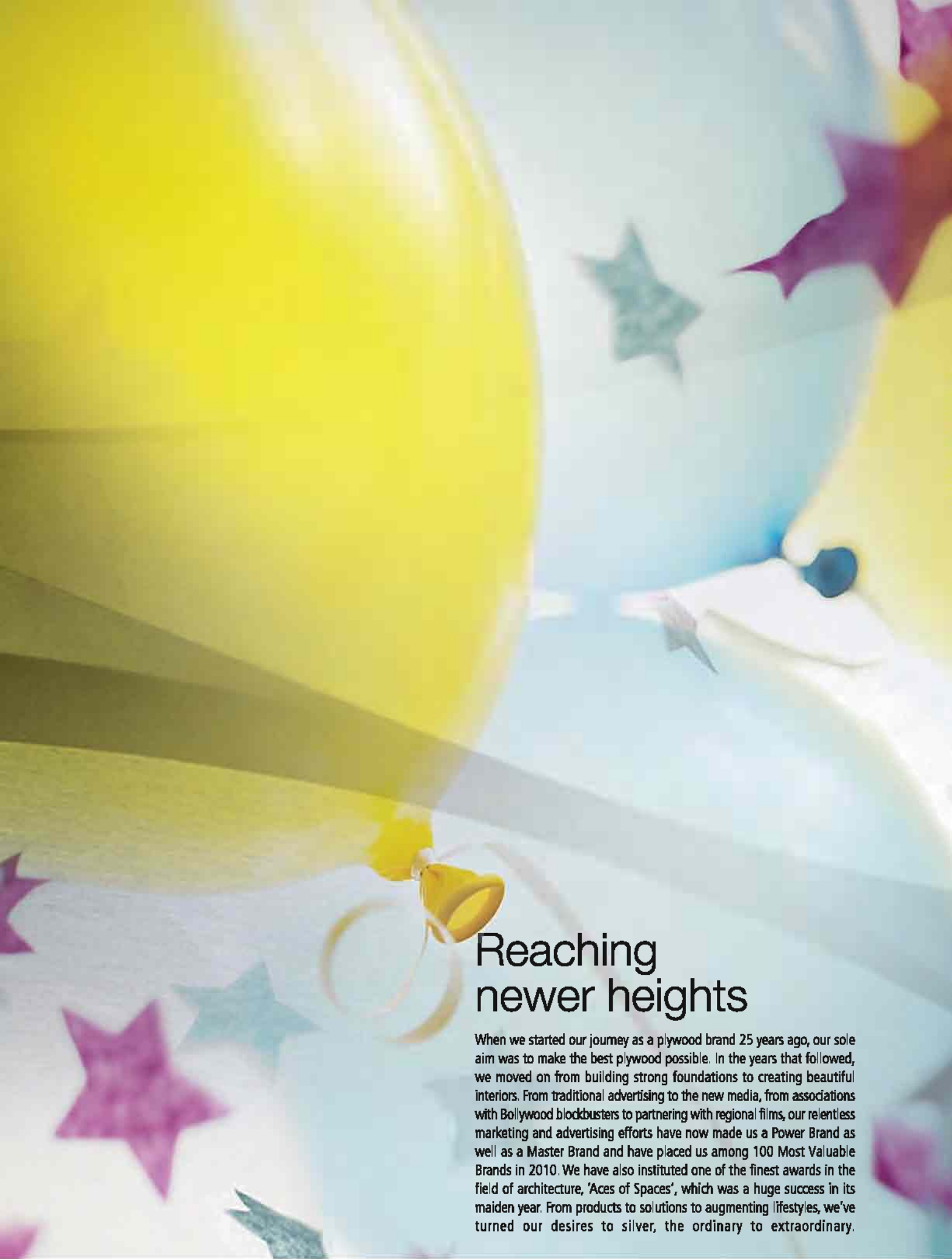
As we celebrate our success story which began 25 years ago we look back on a simple guiding principle that has helped us all along — 'strengthening our core businesses while pursuing new horizons'. Staying true to it has certainly helped us grow. We have increased our overall turnover to Rs. 1638 Crores in 2010-11, from last year's Rs. 1314 Crores. The Ply, Veneer and Laminate divisions have also shown remarkable growth from Rs. 715 Crores in 2009-10 to Rs. 940 Crores this year. We have always taken strategic decisions to keep enhancing our shareholders' value. Recognition of our efforts have come in the form of accolades from Economic Times, Dun & Bradstreet, Dalal Street Journal and Business World, reflecting our growing might in the Indian corporate world. This strengthens our resolve to pursue our dreams and consolidate our funds so that we continue our journey unhindered, from silver to gold.



Towards newer beginnings

While we enjoy this important milestone cast in silver, we realise the need to be future focused in our enterprise. That's why we have taken steps today to meet the demands of tomorrow. Foreseeing the future need we are expanding our Plywood and Veneer capacity by 30,000 cbm at our Kandla plant in Gujarat. We are increasing our Laminate production capacity by 1.2 million sheets at our Joka unit, near Kolkata. We are also doubling our current capacity of Pre-laminated Boards from 800,000 sqm to 16,00,000 sqm, within the year. With an eye on the future, we are strengthening our presence in the Cement, Ferro Alloy and Power industries. We are pursuing new horizons by getting ready to enter the market for ready-made furniture, and many more avenues to explore.





Reaching newer heights

When we started our journey as a plywood brand 25 years ago, our sole aim was to make the best plywood possible. In the years that followed, we moved on from building strong foundations to creating beautiful interiors. From traditional advertising to the new media, from associations with Bollywood blockbusters to partnering with regional films, our relentless marketing and advertising efforts have now made us a Power Brand as well as a Master Brand and have placed us among 100 Most Valuable Brands in 2010. We have also instituted one of the finest awards in the field of architecture, 'Aces of Spaces', which was a huge success in its maiden year. From products to solutions to augmenting lifestyles, we've turned our desires to silver, the ordinary to extraordinary.



Forging stronger bonds for the future

At Centuryply, we believe that success is inclusive. Our continued growth is a consequence of the relationships that we have built with all our partners over the last 25 years. Keeping this in mind, we have initiated CRM programmes for our dealers and consumers.

Our pioneering programme, '**Rishtey Forever**', is an online and on-ground relationship programme that reaches out to our Platinum category architects & interior designers. The Top 60 architects and interior designers could become members of the Super Platinum Club and an additional 344 can enjoy the membership of the Platinum Club.

Another such platform is '**Parichay Plus**', an initiative taken by Centuryply to create an online community for architects, interior designers and contractors. The main objective of this online community is to provide a forum for these professionals to interact with each other. The website parichayplus.centuryply.com is now live with over two thousand happy members. With this and many more initiatives, we intend to cement our bonds further as we aim at a stronger and shining future.



Contents

Corporate Information	2
Notice of Annual General Meeting	3
Directors' Report to the Shareholders	14
Report on Corporate Governance	22
Auditors' Certificate on Corporate Governance	34
Management Discussion & Analysis	35
Auditors' Report	41
Balance Sheet	44
Profit & Loss Account	45
Cash Flow Statement	46
Schedules A-M forming part of Balance Sheet	47
Schedules N-U forming part of Profit & Loss Account	54
Notes on Balance Sheet and Profit & Loss Account	56
Balance Sheet Abstract and Company's Business Profile	73
Statement Pursuant to Section 212 of the Companies Act, 1956	74
Auditors' Report on Consolidated Financial Statement	75
Consolidated Balance Sheet	76
Consolidated Profit & Loss Account	77
Consolidated Cash Flow Statement	78
Schedules A-N forming part of Consolidated Balance Sheet	79
Schedules O-V forming part of Consolidated Profit & Loss Account	86
Notes on Consolidated Balance Sheet and Profit & Loss Account	89

Corporate Information

BOARD OF DIRECTORS

Sri Satya Brata Ganguly
Sri Hari Prasad Agarwal
Sri Sajjan Bhajanka
Sri Sanjay Agarwal
Sri Prem Kumar Bhajanka
Sri Vishnu Khemani
Sri Ajay Baldawa
Sri Manindra Nath Banerjee
Sri Mangi Lal Jain
Ms. Plistina Dkhar

Chairman
Vice Chairman
Managing Director
Jt. Managing Director
Jt. Managing Director
Jt. Managing Director
Executive Director
Director
Director
Director

CFO & COMPANY SECRETARY

Sri Arun Kumar Julasaria

AUDITORS

S. R. Batliboi & Co.
Chartered Accountants
22, Camac Street
Block 'C', 3rd Floor
Kolkata-700 016

BANKERS

State Bank of India
Commercial Branch
N. S. Road, Kolkata-700 001

UCO Bank
Flagship Corporate Centre
N. S. Road, Kolkata-700 001

Oriental Bank of Commerce
Park Street Branch
Park Street, Kolkata-700 016

Corporation Bank
Brabourne Road Branch
Brabourne Road, Kolkata - 700 001

REGISTRARS & SHARE TRANSFER AGENTS

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata-700 001

REGISTERED OFFICE

6, Lyons Range
Kolkata 700 001
☎ 033 39403950

WORKS

Plywood, Veneer and Laminate Units

Diamond Harbour Road	Mirza Palasbari Road
Kanchowki, Bishnupur	Kamrup
Dist. : 24 Parganas (S)	Assam
West Bengal	

Rambha Road	Chinnappolapuram
Taraori	Gummidipoondi
Haryana	Tamil Nadu

Ferro Alloy & Power Units

EPIP Area, Byrnihat
Dist. Ri-Bhoi
Meghalaya

Container Freight Station

Block B & C, Sonai Khidderpore
Kolkata-700 088

Hide Road, Brace Bridge, Khidderpore
Kolkata-700 088

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Thirtieth Annual General Meeting** of the Members of Century Plyboards (India) Limited will be held at **Indian Chamber of Commerce Auditorium, 10th Floor, 4, India Exchange Place, Kolkata- 700 001 on Saturday, 9th July, 2011 at 11.00 A.M.**, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011 and Profit and Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To declare dividend on Preference Shares and Equity Shares for the year ended 31st March, 2011.
3. To appoint a Director in place of Sri Manindra Nath Banerjee, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sri Mangi Lal Jain, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration, and for the purpose, to pass the following Resolution as an Ordinary Resolution.

“**RESOLVED** that pursuant to provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. S. R. Batliboi & Co., Chartered Accountants, Kolkata be and are hereby re-appointed as the Statutory Auditors of the Company to hold such office from the conclusion of this Annual General Meeting until conclusion of next Annual General Meeting of the Company, on such remuneration as may be determined by the Board of Directors of the Company.”

6. To consider and, if thought fit, to pass with or without modification/s the following Resolution as an Ordinary Resolution relating to appointment of 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 authorised to appoint auditors in respect of its branch offices in consultation with Company’s Statutory Auditors, to hold office from the conclusion of this Annual General Meeting until conclusion of next Annual General Meeting of the Company and that the Board of Directors of the Company is hereby authorised to fix their remuneration for the said period.”

SPECIAL BUSINESS

7. To consider and if though fit, to give assent/dissent to the following Resolution as an Ordinary Resolution:

“**RESOLVED** that pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereto (including any statutory modification or re-enactment thereof, for the time being in force) the Company hereby approves the reappointment of Sri Sajjan Bhajanka as Managing Director of the Company for a period of five years from 1st April, 2011 to 31st March, 2016 (both days inclusive), upon the terms and conditions including remuneration, as set out in the Agreement dated 28th March, 2011 entered into by the Company and Sri Sajjan Bhajanka, a copy whereof duly authenticated by the Chairman is placed before this meeting.”

“**RESOLVED FURTHER** that the Board of Directors of the Company be and is hereby authorized to vary the terms and conditions of appointment including increase of remuneration and perquisites of Sri Sajjan Bhajanka within the limits sanctioned in the aforesaid agreement, in such manner as may be agreed to between the Board and Sri Bhajanka in the best interest of the Company, but subject to the restrictions contained in the Companies Act, 1956 and Schedule XIII to the said Act.”

“RESOLVED FURTHER that where in any financial year, the Company has no profits or inadequate profits, the remuneration payable to Sri Sajjan Bhajanka shall be subject to the limits specified in Section II of Part II of Schedule XIII of the Companies Act, 1956 as may for the time being, be in force.”

“RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to take such steps and actions and give such directions as may be, in its absolute discretion, deemed necessary and to settle any question that may arise in this regards.”

8. To consider and if though fit, to give assent/dissent to the following Resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereto (including any statutory modification or re-enactment thereof, for the time being in force) the Company hereby approves the reappointment of Sri Sanjay Agarwal as Joint Managing Director of the Company for a period of five years from 1st July, 2011 to 30th June, 2016 (both days inclusive), upon the terms and conditions including remuneration and revision thereof with effect from 1st April, 2011 for his residual current tenure of office, as set out in the Agreement dated 28th March, 2011 entered into by the Company and Sri Sanjay Agarwal, a copy whereof duly authenticated by the Chairman is placed before this meeting.”

“RESOLVED FURTHER that where in any financial year, the Company has no profits or inadequate profits, the remuneration payable to Sri Sanjay Agarwal shall be subject to the limits specified in Section II of Part II of Schedule XIII of the Companies Act, 1956 as may, for the time being, be in force.”

“RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to vary the terms and conditions of appointment including increase of remuneration and perquisites of Sri Sanjay Agarwal within the limits sanctioned in the aforesaid agreement, in such manner as may be agreed to between the Board and Sri Sanjay Agarwal in the best interest of the Company, but subject to the restrictions contained in the Companies Act, 1956 and Schedule XIII to the said Act.”

“RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to take such steps and actions and give such directions as may be, in its absolute discretion, deemed necessary and to settle any question that may arise in this regards.”

9. To consider and if though fit, to give assent/dissent to the following Resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereto (including any statutory modification or re-enactment thereof, for the time being in force) the Company hereby approves the reappointment of Sri Ajay Baldawa as Executive Director of the Company for a period of five years from 1st July, 2011 to 30th June, 2016 (both days inclusive), upon the terms and conditions including remuneration and revision thereof with effect from 1st April, 2011 for his residual current tenure of office, as set out in the Agreement dated 30th March, 2011 entered into by the Company and Sri Ajay Baldawa, a copy whereof duly authenticated by the Chairman is placed before this meeting.”

“RESOLVED FURTHER that where in any financial year, the Company has no profits or inadequate profits, the remuneration payable to Sri Ajay Baldawa shall be subject to the limits specified in Section II of Part II of Schedule XIII of the Companies Act, 1956 as may, for the time being, be in force.”

“RESLOVED FURTHER that the Board of Directors of the Company be and is hereby authorized to vary the terms and conditions of appointment including increase of remuneration and perquisites of Sri Ajay

Baldawa within the limits sanctioned in the aforesaid agreement, in such manner as may be agreed to between the Board and Sri Ajay Baldawa in the best interest of the Company, but subject to the restrictions contained in the Companies Act, 1956 and Schedule XIII to the said Act.”

“**RESOLVED FURTHER** that for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to take such steps and actions and give such directions as may be, in its absolute discretion, deemed necessary and to settle any question that may arise in this regards.”

10. To consider and if though fit, to give assent/dissent to the following Resolution as an Ordinary Resolution:
“**RESOLVED THAT** in partial modification of the Resolution passed by the Members at their Annual General Meeting held on 16th July, 2007 approving the appointment and terms of remuneration of Sri Hari Prasad Agarwal as Executive Director and pursuant to the provisions of Sections 198, 269, 309, 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the revised remuneration of Sri Hari Prasad Agarwal with effect from 1st April, 2011, for his residual current tenure of office, as set out in the Supplementary Agreement dated 30th March, 2011 entered into by the Company and Sri Hari Prasad Agarwal, a copy whereof duly authenticated by the Chairman is placed before this meeting.”
11. To consider and if though fit, to give assent/dissent to the following Resolution as an Ordinary Resolution:
“**RESOLVED THAT** in partial modification of the Resolution passed by the Members at their Annual General Meeting held on 27th August, 2008 approving the appointment and terms of remuneration of Sri Vishnu Khemani as Joint Managing Director and in accordance with the provisions of Sections 198, 269, 309, 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the revised remuneration of Sri Vishnu Khemani with effect from 1st April, 2011, for his residual current tenure of office, as set out in the Supplementary Agreement dated 1st April, 2011 entered into by the Company and Sri Vishnu Khemani, a copy whereof duly authenticated by the Chairman is placed before this meeting.”
12. To consider and if thought fit, to pass with or without modification/s, the following resolution as Special Resolution:
“**RESOLVED THAT** pursuant to the provisions of Sections 314(1) and other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded to holding of place of profit and receipt of remuneration by Sri Brij Bhushan Agarwal and Sri Sajan Kumar Bansal, from Cement Manufacturing Company Ltd., a subsidiary of the Company, on such terms and conditions and in such manner as may be decided by its Board of Directors and approved by its shareholders, from time to time, for a period of 3 years effective from 1st April, 2010.”
13. To consider and if thought fit, to pass with or without modification/s, the following resolution as Special Resolution:
“**RESOLVED THAT** pursuant to Section 314 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification or re-enactment thereof for the time being in force and the Directors' Relatives (Office or Place of Profit) Rules, 2003, as amended from time to time and as approved by the Board of Directors at their Meeting held on 24th May, 2011 and subject to such approvals, as may be necessary, consent of the Company be and is hereby accorded to Sri Keshav Bhajanka, who is a relative of a Director to hold an office or place of profit under the Company as an executive or with such designation as the Board of Directors of the Company may, from time to time, decide, for a period of five years from

1st August, 2011 at a total remuneration (excluding reimbursement of expenses, if any) of Rs. 2,50,000/- per month and on such other terms and conditions as set out in the draft Appointment letter, a copy whereof is placed before this meeting.”

"RESOLVED FURTHER THAT the Board of Directors of the Company be and they are hereby authorised to alter and vary the terms and conditions of the said appointment and remuneration from time to time and to take, perform and execute such further steps, acts, deeds and matters, as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board
For Century Plyboards (India) Ltd.

Arun Kumar Julasaria
CFO and Company Secretary

Registered Office
6, Lyons Range
Kolkata- 700 001
24th May, 2011

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE (ONLY ON POLL) INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE DULY COMPLETED AND SIGNED PROXY FORM SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.**
2. Corporate Members are requested to send to the company a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorising their representative to attend and vote at the Annual General Meeting.
3. Members holding shares in physical form are requested to notify change in address, bank mandate and bank particulars for printing on 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 Participants.
4. The Board of Directors at their meeting held on 24th May, 2011, has recommended payment of dividend on equity shares @ Re 1/- per equity share and on preference shares at coupon rate, for the financial year 2010-11. The dividend so recommended by the Board, if approved by the members at the ensuing Annual General Meeting, shall be paid within statutory time limit to those members (a) whose names appear as beneficial owners at the end of the business hours on Friday, 1st July, 2011 in the list of beneficial owners to be provided by NSDL and CDSL, in respect of shares held in electronic (demat) form and (b) whose names appear in the Register of Members of the company on Saturday, 9th July, 2011, after giving effect to valid transfer requests received on or before Friday, 1st July, 2011.
5. The share transfer books of the Company will remain closed from 2nd July, 2011 to 9th July, 2011 (both days inclusive).
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. All documents meant for inspection and referred in the Notice and the accompanying Annual Report are open for inspection at the Registered Office of the Company during office hours between 11.00 am to 1.00 pm on all working days till the date of Annual General Meeting.
8. Members are required to bring their admission slip along-with copy of the Annual Report at the Annual General Meeting.
9. 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 Investor 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. Shareholders who have not encashed/received dividend warrants relating to financial year ended on 31st March, 2004 or for subsequent years may approach the Company for payment thereof.
10. Relevant information, pursuant to Clause 49 of the Listing Agreement, in respect of Directors who are retiring by rotation and are eligible for re-appointment at the ensuing Annual General Meeting is given below:

Sri Manindra Nath Banerjee

Sri Manindra Nath Banerjee, 74 years is a Master of Arts and retired IAS. He is presently an independent Director of the Company. He is having substantial administrative experience in various Government Departments. He is also a Director of Skipper Ltd. He is not holding any shares in the company as on date.

Sri Mangi Lal Jain

Sri Mangi Lal Jain, aged about 80 years, is a Chartered Accountant. He is having substantial experience in various industrial fields. He has an experience over 54 years and has worked in senior positions with various companies of repute. He is also Director of Cement Manufacturing Co. Ltd, Megha Technical & Engineers Pvt. Ltd., Vanbandhu Prakashan Pvt. Ltd., Auro Sundram Ply & Door Pvt. Ltd., Star Cement Meghalaya Ltd., Meghalaya Power Ltd. and Zenith Exports Ltd. He is holding 4100 shares of face value of Re. 1/- each in the company as on date.

11. The Company, at present has 23 marketing branches and five manufacturing locations spread all over the country. Further manufacturing locations/ branches may have to be established from time to time. In view of such a large network of locations it is recommended to authorize the Board of Directors to appoint Branch Auditors in consultation with Statutory Auditors of the Company as mentioned in item no. 6 above.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**Item No. 7**

Sri Sajjan Bhajanka was re-appointed as Managing Director of the Company for a period of five years from 1st April, 2006. As the tenure of his appointment was expiring on 31st March, 2011, the Board of Directors, at its meeting held on 28th March, 2011 reappointed him as Managing Director of the Company, subject to the approval of members, for a further period of five years commencing from 1st April, 2011. The terms and conditions of reappointment including remuneration have been recommended by the Remuneration Committee and set out in the Agreement dated 28th March, 2011 entered into with him. In compliance of the provisions of Section 302 of the Companies Act, 1956, an abstract of the aforesaid terms and conditions and remuneration was circulated to the members on 5th April, 2011 and is also reproduced below:

A. Tenure of Appointment- For a period of 5 years from 1st April, 2011 to 31st March, 2016.

B. Remuneration:

- i) Salary- Rs. 5,00,000/- per month subject to such periodical increments as may be decided by the Board of Directors on recommendation of the Remuneration Committee subject however that the aggregate remuneration on account of salary shall not exceed Rs.20,00,000/- per month.
- ii) Perquisites – To be decided by the Board of Directors on recommendation of the Remuneration Committee, subject however that the aggregate remuneration on account of such perquisites shall not exceed Rs. 1,00,000/- per month

The Managing Director shall also be entitled to the following perquisites which shall not be included in the remuneration as stated above:-

- a) Contribution to Provident Fund and Superannuation Fund or Annuity Fund as per Rules of the Company, to the extent these either singly or together are not taxable under Income Tax Act, 1961.
- b) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
- c) Encashment of leave at the end of the tenure.

iii.) In addition to the above, the following amenities and facilities, if provided, shall not be considered as perquisites:

- a) Provision of car for use on Company's business. Use of car for personal purposes shall be billed by the Company to him.
- b) Mobile phone and telephone facilities at the residence for official use. Personal long distance calls shall be billed by the Company to him.
- c) Reimbursement of entertainment and other expenses actually incurred in connection with the business of the Company.

Sri Sajjan Bhajanka, 59 years, is a commerce graduate having 32 years of rich experience in plywood, ferro-silicon and cement industries. He has been associated with the company since 1986 and has played a key role in the progress of the company. He is holding 24571570 shares of face value of Re. 1/- each in the company. Sri Bhajanka is also a Director of Cement Manufacturing Co Ltd., Century International Impex Ltd., Century Plyboards (Meghalaya) Ltd., Star Cement Meghalaya Ltd., Meghalaya Power Ltd., Puri Ports Ltd., Century Sumeru Development Ltd., Century Sumeru Infrastructure Ltd, Makui Properties Pvt. Ltd., Century Crop Sciences Pvt. Ltd., Sriram Merchants Pvt. Ltd., Sriram Vanijya Pvt. Ltd., Pacific Plywoods Pvt. Ltd., Apnapan Viniyog Pvt. Ltd., Ara Suppliers Pvt. Ltd., Adonis Vyaper Pvt. Ltd., Arham Sales Pvt. Ltd., Shyam Century Multi Projects Pvt. Ltd., Star India Cement Ltd., Star Ferro and Cement Ltd. and Shyam Century Ferrous Ltd. Your Directors believe that continued association of Sri Bhajanka would be immensely beneficial to the Company and recommend that the aforesaid resolution is passed by the members.

Except Sri Sajjan Bhajanka no other Director of the Company is interested or concerned in the aforesaid resolutions.

Item No. 8

Sri Sanjay Agarwal was re-appointed as Deputy Managing Director of the Company for a period of five years from 1st July 2006 and was re-designated as Joint Managing Director by the Board of Directors with effect from 31st July, 2008. As the tenure of his appointment expires on 30th June, 2011, the Board of Directors, at its meeting held on 28th March, 2011, reappointed him as Joint Managing Director of the Company, subject to the approval of members, for a further period of five years commencing from 1st July, 2011. The terms and conditions of reappointment including remuneration and revision thereof with effect from 1st April, 2011 for his residual current tenure of office, has been recommended by the Remuneration Committee and set out in the Agreement dated 28th March, 2011 entered into with him. In compliance of the provisions of Section 302 of the Companies Act, 1956, an abstract of the aforesaid terms and conditions and remuneration was circulated to the members on 5th April, 2011 and is also reproduced below:

A. Tenure of Appointment- For a period of 5 years from 1st July, 2011 to 30th June, 2016.

B. Remuneration:

- i. Salary- Rs. 5,00,000/- per month subject to such periodical increments as may be decided by the Board of Directors on recommendation of the Remuneration Committee subject however that the aggregate remuneration on account of salary shall not exceed Rs. 20,00,000/- per month.
- ii. Perquisites – To be decided by the Board of Directors on recommendation of the Remuneration Committee, subject however that the aggregate remuneration on account of such perquisites shall not exceed Rs. 1,00,000/- per month.

The Joint Managing Director shall also be entitled to the following perquisites which shall not be included in the remuneration as stated above:-

- a) Contribution to Provident Fund and Superannuation Fund or Annuity Fund as per Rules of the Company, to the extent these either singly or together are not taxable under Income Tax Act, 1961.

- b) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
 - c) Encashment of leave at the end of the tenure.
- iii. In addition to the above, the following amenities and facilities, if provided, shall not be considered as perquisites:
- a) Provision of car for use on Company's business. Use of car for personal purposes shall be billed by the Company to him.
 - b) Mobile phone and telephone facilities at the residence for official use. Personal long distance calls shall be billed by the Company to him.
 - c) Reimbursement of entertainment and other expenses actually incurred in connection with the business of the Company.

Sri Sanjay Agarwal, 50 years, is a commerce graduate having 24 years of experience in various fields. He has been associated with the company since incorporation and has been the driving force behind successful marketing of 'Century' brand. He is holding 21222240 shares of face value of Re. 1/- each in the company. Sri Agarwal is also a Director of Century Coats Ltd., Cement Manufacturing Co. Ltd., Star India Cement Ltd., Century Plyboards (Meghalaya) Ltd., Century International Impex Ltd., Puri Ports Ltd., Century Crop Sciences Pvt. Ltd., Sumangal International Pvt. Ltd., Pacific Plywoods Pvt. Ltd., Apnapan Viniyog Pvt. Ltd., Ara Suppliers Pvt. Ltd., Adonis Vyaper Pvt. Ltd., Arham Sales Pvt. Ltd., Cent Ply Pvt. Ltd., Star Cement Meghalaya Ltd., Rani Sati Vihar Pvt. Ltd., Sumangal Business Pvt. Ltd., Auroville Investments Pvt. Ltd., Star Ferro and Cement Ltd. and Shyam Century Ferrous Ltd. Your Directors believe that continued association of Sri Sanjay Agarwal would be immensely beneficial to the Company and recommend that the aforesaid resolution is passed by the members.

Except Sri Sanjay Agarwal no other Director of the Company is interested or concerned in the aforesaid resolutions.

Item No. 9

Sri Ajay Baldawa was re-appointed as Executive Director (Technical) of the Company for a period of five years from 1st July 2006. As the tenure of his appointment expires on 30th June, 2011, the Board of Directors, at its meeting held on 28th March, 2011, subject to the approval of members, reappointed him as Executive Director (Technical) for a further period of five years commencing on 1st July, 2011. The terms and conditions of reappointment including remuneration and revision thereof with effect from 1st April, 2011 for his residual current tenure of office, has been recommended by the Remuneration Committee and set out in the Agreement dated 30th March, 2011 entered into with him. In compliance of the provisions of Section 302 of the Companies Act, 1956, an abstract of the aforesaid terms and conditions and remuneration was circulated to the members on 5th April, 2011 and is also reproduced below:

A. Tenure of Appointment- For a period of 5 years from 1st July, 2011 to 30th June, 2016.

B. Remuneration:

- i. Salary- Rs. 2,00,000/- per month subject to such periodical increments as may be decided by the Board of Directors on recommendation of the Remuneration Committee subject however that the aggregate remuneration on account of salary shall not exceed Rs. 5,00,000/- per month.
- ii. Perquisites – To be decided by the Board of Directors on recommendation of the Remuneration Committee, subject however that the aggregate remuneration on account of such perquisites shall not exceed Rs.1,00,000/- per month.

The Executive Director shall also be entitled to the following perquisites which shall not be included in the remuneration as stated above:—

- a) Contribution to Provident Fund and Superannuation Fund or Annuity Fund as per Rules of the Company, to the extent these either singly or together are not taxable under Income Tax Act, 1961.
 - b) Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
 - c) Encashment of leave at the end of the tenure.
- iii. In addition to the above, the following amenities and facilities, if provided, shall not be considered as perquisites:
- a) Provision of car for use on Company's business. Use of car for personal purposes shall be billed by the Company to him.
 - b) Mobile phone and telephone facilities at the residence for official use. Personal long distance calls shall be billed by the Company to him.
 - c) Reimbursement of entertainment and other expenses actually incurred in connection with the business of the Company.

Sri Ajay Baldawa, 55 years, is a B.E. (Engg.) and M.Tech. from IIT having 27 years of technical experience in plywood industry. He has been associated with the company since 1994. He is holding 76000 shares of face value of Re. 1/- each in the company. Sri Baldawa is also a Director of Auro Sundram Ply & Door Pvt. Ltd. Your Directors believe that continued association of Sri Baldawa would be immensely beneficial to the Company and recommend that the aforesaid resolution is passed by the members.

Except Sri Ajay Baldawa, no other Director of the Company is interested or concerned in the aforesaid resolutions.

Item No. 10

The Members of the Company at their Annual General Meeting held on 16th July, 2007 approved the appointment of Sri Hari Prasad Agarwal as Executive Director for a period of five years w.e.f. 1st June, 2007. Considering the prevailing trends, the Board of Directors at its meeting held on 28th March, 2011, on the recommendation of the Remuneration Committee and subject to the approval of the members, revised the existing remuneration of Sri Hari Prasad Agarwal w.e.f. 1st April, 2011 up to his residual current tenure of office which has been set out in the Supplementary Agreement dated 30th March, 2011 entered into with him. In compliance of the provisions of Section 302 of the Companies Act, 1956, an abstract of revised remuneration was circulated to the members on 5th April, 2011 and is also reproduced below :

Salary- Rs. 2,50,000 per month subject to such periodical increments as may be decided by the Board of Directors on recommendation of the Remuneration Committee subject however that the aggregate remuneration on account of salary shall not exceed Rs. 10,00,000/- per month.

All other terms and conditions of appointment including perquisites of Sri Hari Prasad Agarwal duly approved by the shareholders at their Annual General Meeting held on 16th July, 2007 and revised earlier by the Board on 31st July, 2008, shall remain unchanged.

The increased remuneration will be subject to the overall limits as provided under Section 198, 269, 309, 310 and in terms of Section I of Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

Sri Hari Prasad Agarwal, 63 years, is a commerce graduate having 36 years of experience in various industries. He has been associated with the company since incorporation. He is holding 2435760 shares of face value of Re. 1/- each in the company. Sri Agarwal is also a Director of Century Plantations Ltd.,

Century Infotech Ltd., Century Plyboards (Meghalaya) Ltd., Century Crop Sciences Pvt. Ltd., Landmark Veneers Pvt. Ltd., Megha Technical & Engineers Pvt. Ltd., Shyam Century Cement Industries Ltd., NE Hills Hydro Ltd., Shyam Century Metallic Ltd., Pushpanjali Abasan Pvt. Ltd., Century Sumeru Development Ltd., Century Sumeru Infrastructure Ltd., Star Ferro and Cement Ltd. and Amul Boards Pvt. Ltd. Your Directors recommend that the aforesaid resolution is passed by the members.

Except Sri Hari Prasad Agarwal, no other Director of the Company is interested or concerned in the aforesaid resolutions.

Item No. 11

The Members of the Company at their Annual General Meeting held on 27th August, 2008 approved the appointment of Sri Vishnu Khemani as Joint Managing Director for a period of five years w.e.f. 1st August, 2008. Considering the prevailing trends, the Board of Directors at its meeting held on 28th March, 2011, on the recommendation of the Remuneration Committee and subject to the approval of the members, revised the existing remuneration of Sri Vishnu Khemani w.e.f. 1st April, 2011 up to his residual current tenure of office which has been set out in the Supplementary Agreement dated 1st April, 2011 entered into with him. In compliance of the provisions of Section 302 of the Companies Act, 1956, an abstract of revised remuneration was circulated to the members on 5th April, 2011 and is also reproduced below:

Salary- Rs. 5,00,000 per month subject to such periodical increments as may be decided by the Board of Directors on recommendation of the Remuneration Committee subject however that the aggregate remuneration on account of salary shall not exceed Rs. 20,00,000/- per month.

All other terms and conditions of appointment including perquisites of Sri Vishnu Khemani duly approved by the shareholders at their Annual General Meeting held on 27th August, 2008, shall remain unchanged.

The increased remuneration will be subject to the overall limits as provided under Section 198, 269, 309, 310 and in terms of Section I of Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

Sri Vishnu Khemani, 59 years, is a science graduate having 33 years of rich experience in plywood industry. He has been associated with the company since 2008. He is holding 7486857 shares of face value of Re. 1/- each in the company. Sri Khemani is also a Director of Sharon International Services Pvt. Ltd. Your Directors recommend that the aforesaid resolution is passed by the members.

Except Sri Vishnu Khemani, no other Director of the Company is interested or concerned in the aforesaid resolutions.

Item No. 12

The Board of Directors of Cement Manufacturing Co. Ltd. (CMCL), a subsidiary of Century Plyboards (India) Ltd. (CPIL) have approved compensating its Non-Executive Directors through payment of commission not exceeding 1% of the Net Profit of the Company, in such manner as it may deem fit. The shareholders of CMCL have also duly approved the same.

As per Section 314 of the Companies Act, 1956 holding of place of profit and receipt of remuneration by a Non Executive Director of a company from the Company or its subsidiary requires, inter alia, the consent of the company by a special resolution. Sri Brij Bhushan Agarwal was a Non Executive Director of CPIL during the year 2010-11. He was also on the Board of CMCL during 2010-11 and is still continuing as such. Sri Sajan Kumar Bansal was a Non Executive Director of CPIL during 2010-11 upto 18th March, 2011. He was also on the Board of CMCL during 2010-11 and is still continuing as such. In view of the above, the Board of Directors of the Company at its meeting held on 28th March, 2011 approved the holding of

place of profit by Sri Brij Bhushan Agarwal and Sri Sajan Kumar Bansal in CMCL and consent of the Company is now being sought in terms of the aforesaid section.

The copy of Resolution passed by the Board of Directors at its meeting held on 28th March, 2011 recommending payment of remuneration in the form of commission to Sri Brij Bhushan Agarwal and Sri Sajan Kumar Bansal in CMCL is available for inspection by the members at the Registered Office of the Company between 11.00 am to 1.00 pm on all working days till the date of Annual General Meeting.

The Board of Directors recommends the Special Resolution for your approval.

None of the Directors other than Sri Brij Bhushan Agarwal and Sri Sajan Kumar Bansal is concerned or interested in the Resolution.

Item No. 13

It is proposed to appoint Sri Keshav Bhajanka, who is the son of Sri Sajjan Bhajanka, Managing Director, as an executive of the Company for a period of five years. He has graduated in Accounting and Finance from University of Warwick, U. K.

Since the Company was looking for a suitable candidate for appointment of an executive who can contribute in modern contemporary approach, the Board of Directors found Sri Keshav Bhajanka suitable for the position on the following terms and conditions:

- i) Remuneration- Rs. 2,50,000 p.m. subject to such variations as the Board of Directors may, from time to time, decide.
- ii) Phone rental and call charges will be paid by the Company at actuals for telephone at the residence/mobile phone subject to limit of Rs. 5000 p.m.
- iii) Reimbursement of actual entertainment and travelling expenses incurred by him for business purposes.
- iv) Provision of car for use on Company's business. Use of car for personal purposes shall be billed by the Company to him.

Other terms:

The assignment may be terminated by either party by giving three months' notice in writing.

Since Sri Keshav Bhajanka is the son of the Managing Director, the proposed special resolution is intended to obtain prior consent of the members of the Company under Sub-Section (1B) of Section 314 of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2003.

The Board of Directors recommends the Special Resolution for your approval.

None of the Directors other than Sri Sajjan Bhajanka is concerned or interested in the Resolution.

By order of the Board
For Century Plyboards (India) Ltd.
Arun Kumar Julasaria
CFO and Company Secretary

Registered Office
6, Lyons Range
Kolkata- 700 001
24th May, 2011

DIRECTORS' REPORT TO THE SHAREHOLDERS

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2011

Dear Shareholders,

Your Directors have great pleasure in presenting the 30th Annual Report together with the audited Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date.

FINANCIAL RESULTS

(Rs. in Crores)

Particulars	CONSOLIDATED		STAND ALONE	
	2010-11	2009-10	2010-11	2009-10
Gross Income	1646.92	1343.78	1091.10	849.82
Net Income	1437.51	1192.06	946.92	752.98
Profit before Depreciation, Interest & Tax	257.83	275.16	112.73	128.40
Depreciation	50.79	45.19	24.18	18.92
Interest & Finance Charges	23.17	25.16	12.77	13.00
Exceptional Items	—	—	—	—
Profit Before Tax	183.87	204.81	75.78	96.48
Provision for Tax:				
– Current Tax	37.92	36.57	12.85	14.00
– Deferred Tax	(0.74)	1.18	(1.92)	1.35
– for earlier years	0.06	0.18	0.06	0.18
Add: MAT Credit Entitlement	43.10	16.30	9.72	0.00
Profit After Tax	189.73	183.18	74.51	80.95
Adjustment relating to earlier years	(0.04)	—	—	—
Net Profit before Minority Interest	189.69	183.18	74.51	80.95
Less : Minority Interest	35.11	37.00	—	—
Profit available for Appropriation	154.58	146.18	74.51	80.95
Dividend (including tax on dividend)	25.95	26.97	23.99	23.21
Transfer to General Reserve	17.00	19.00	8.00	9.00
Profit & Loss Account (Cr.) brought forward	346.96	246.75	136.08	87.45
Profit & Loss Account Balance on Amalgamation	—	—	—	(0.11)
Profit & Loss Account Balance carried forward	458.59	346.96	178.60	136.08

PERFORMANCE AND OPERATIONS REVIEW

The year under review was a year of consolidation for Indian economy. The Indian economy has shown strong resilience in the face of uncertain economic conditions caused by the global financial crisis from 2008 to 2009. The GDP growth of 8.6% is commendable in the overall context as it comes at the back of negative trends at the global level. The growth of the industrial sector indicated volatility with a weakening trend. The volatility was largely on account of capital goods and consumer non-durable segments. The year under review started with a headline Wholesale Price Index (WPI) of 11% in April, 2010 and continued to be in double digit till July, 2010 and then reduced to around 8.2% in January, 2011. The major pressure on prices was emanating from

food and energy sector. The foreign exchange reserves increased. The increase was largely attributed to the valuation gain and the purchase of USD by RBI. On the exchange front, the Rupee appreciated marginally against the Dollar and Euro respectively. The revival of the agricultural sector, which has been a laggard over the last two years, indicated strong trends of inclusive growth. Overall it was a normal year for Indian economy as well as your company.

Profitability of the Company's Plywood, Laminate, Ferro Alloys, Logistic and Cement divisions was satisfactory. Company's CFS division became fully operational.

During the year, your Company achieved Gross Income of Rs. 1091.10 crores against Rs. 849.82 crores during the previous year reflecting a growth of over 28%. However, net profit reduced from Rs. 80.95 crores to Rs. 74.51 crores. Your Company continued its dominance in plywood, veneer & allied products and further increased its market share.

On consolidated basis also, your Company's operations grew significantly. During the year under review, your Company achieved Gross Income of Rs. 1646.92 crores against Rs. 1343.78 crores during the previous year, reflecting a growth of over 22 %. The Net Profit after minority interest increased from Rs. 146.18 crores to Rs. 154.58 crores, reflecting a growth of about 6%.

DIVIDEND

In view of the consistent financial performance of the Company during the financial year 2010-11, the Board of Directors recommend dividend @ Re. 1/- per equity share at par with the dividend paid last year. Dividend on 9% Preference Shares shall be paid as per coupon rate. All dividend amounts are exclusive of tax on dividend.

INTERNAL CONTROL SYSTEMS

Your Company's internal control systems are commensurate with its size and nature of business. Your Company places great emphasis on the maintenance of effective internal controls, both from the point of view of compliance with statutory requirements as well as supporting the smooth and efficient running of the business process that have an impact on financial reporting. Your Company has implemented SAP for integrated accounting and information system, which ensure better system driven controls. Responsibility for ensuring correct and timely performance of the controls has been assigned to specific individuals at all locations.

SUBSIDIARIES & ASSOCIATES

As a purposeful strategy, your Company carries a part of its business operations through several subsidiaries which are formed either directly or as step-down subsidiaries or in certain cases by acquisition of majority stake in existing companies. As on 31st March, 2011, Cement Manufacturing Co. Ltd. (CMCL), Auro Sundram Ply & Door Pvt. Ltd. (ASPDPL), Aegis Business Ltd. (ABL), Meghalaya Power Ltd. (MPL), Megha Technical & Engineers Pvt. Ltd (MTEPL), Star Cement Meghalaya Ltd. (SCML) and Aegis Overseas Ltd. (AOL) continued to remain subsidiaries of the Company. On 10th March, 2011, Star Ferro and Cement Ltd. (SFCL) was incorporated as wholly owned subsidiary of your Company. CMCL acquired the entire shareholding of NE Hills Hydro Ltd. (NHHL) on 3rd February, 2011 and as such NHHL also became the ultimate subsidiary of your Company.

CMCL along with its subsidiary MTEPL operates integrated Cement plant at Meghalaya with aggregate annual installed capacity of 1.20 Million Tonne. CMCL along with SCML is setting up a 1.75 Million Tonne per annum capacity clinker unit at Meghalaya and 3.20 Million Tonne per annum cement grinding units at Assam and Bihar. After giving effect to all these expansions, the company's consolidated cement manufacturing capacity will go up to 4.40 Million Tonne per annum.

ASPDPL is operating a plywood unit at Raipur Industrial Area, Uttarkhand. This unit is manufacturing plywood and allied products from eco-friendly agro-forestry timber and is entitled to various incentives including excise duty and income tax exemption.

MPL is setting up a 51 MW power generation capacity near company's existing and proposed clinker unit at Meghalaya. Most of the power generated will be used for upcoming cement and clinker units. Out of such 51MW, 8 MW capacity is already operational.

ABL and AOL are engaged in logistic and trading of mineral and other commodities. They are exploring feasibility of acquiring ships for logistic and mines in Thailand and Middle-east countries to develop these business.

CONSOLIDATED FINANCIAL STATEMENTS

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Directors' Report, Auditors' Report, Balance Sheet and Profit and Loss Account of its subsidiary companies to its Annual Report. The Ministry of Corporate Affairs, Government of India, vide its general circular no. 2/2011 dated 8th February, 2011, has granted exemption to all companies for not attaching the above documents of subsidiaries with Annual Report of the Company from financial year 2010-11 onwards. Accordingly, this Annual Report does not contain the reports and other statements of the subsidiary companies. The Company will make available the annual audited accounts and related detailed information of the subsidiary companies upon request by any member of the Company or that of its subsidiaries. These documents will also be available for inspection during business hours at the registered office of the Company and also at the registered offices of the subsidiary companies.

Financial information of the subsidiary companies, as required by the said general exemption circular of Ministry of Corporate Affairs, Government of India, is annexed to this report. A statement of Holding Company's interest in subsidiaries is also furnished separately.

As required by Accounting Standard – 21 and Listing Agreement with stock exchanges, the audited consolidated financial statements of the Company and its subsidiaries are enclosed.

FUTURE OUTLOOK

India not only emerged relatively unscathed from the global financial crisis of 2008, but has also returned to its growth trend. Driven by the inherent strength of its domestic demand, complemented by Government policies, Indian economy is expected to grow by 8 plus % in 2011-12. Although rising interest rates and probability of high inflation caused by continued rise in crude prices may be a concern. Still we can be optimistic that the country will quickly revert to high GDP growth path of 9% and then to cross double digit growth barrier. Provision of quality and efficient infrastructure is essential to achieve this growth and utilize full potential of the emerging Indian economy. Economic and population growth place additional pressure on existing infrastructure facilities and unless they are developed further to cope with growth, they become constraint to development. To sustain growth, the Government of India has estimated that an investment over USD 492 billion is required in 11th Five Year Plan. In the recent finance budget a sum of Rs. 2,14,000 crore has been provided for infrastructure development which is 23.3 per cent higher than last budget. This amounts to 48.5 per cent of the Gross Budgetary Support to plan expenditure. With the Government's continued focus on infrastructure development, it seems very probable that the country's economic survival will be driven by infrastructure growth, which in turn will accelerate real estate activities.

The Indian real estate sector plays a significant role in the country's economy. The real estate sector is second only to agriculture in terms of employment generation and contributes considerably towards GDP. Almost 5% of the country's GDP is contributed by the housing sector, which is expected to rise to 6%. According to the tenth five year plan, there is a shortage of 22.4 million dwelling units. Thus, over the next 10 to 15 years 80 to 90 million dwelling units will have to be constructed. According to a study, the real estate market in India is expected to grow rapidly due to improvement in affordability, better job security and availability of housing finance.

Since Cement, Plywood, laminate and steel related products are essential part of construction right from initial brick and mortar stage to final stage of furnishing, the demand for these products is directly related to the growth of infrastructure and real estate sector. With continued government focus on infrastructure and real estate sector the demand for company's products is expected to remain buoyant. With strong and preferred "Centuryply" brand under its fold, the company is expected to perform better in current fiscal.

FUTURE PLANS OF EXPANSION

Considering buoyant demand for the products and marketing strength of "Centuryply" brand, the company has plans for capacity expansions through organic and inorganic routes. The company is planning to set up a green-field plywood unit in Gujarat. The company is also planning to set up a green-field Medium Density Fiber Board and Particle Board Unit in Andhra Pradesh. The company has already acquired land for these projects.

The company is continuing its focus on logistic service sector. The two Container Freight Stations (CFS) of the Company near Kolkata Port are already operational. The combined capacity of these two CFS is 130000 TEUs per annum, which is almost 2/3rd of total CFS capacity available at Kolkata Port. The company is exploring further possibilities in logistic service sector.

The subsidiaries of the company are also having ambitious growth plans. CMCL along-with its subsidiaries is expanding its cement manufacturing capacity from 1.20 million MT to 4.40 million MT per annum, with adequate captive power capacity.

DIRECTORS

Sri Sajjan Kumar Bansal and Sri Brij Bhushan Agarwal resigned from the Directorship of the Company with effect from 18th March, 2011 and 10th May, 2011 respectively. Your Directors appreciate the services rendered by them to the Company.

In accordance with Articles of Association of the Company, Sri Manindra Nath Banerjee and Sri Mangi Lal Jain retire by rotation, and being eligible, offer themselves for re-appointment. In view of their considerable experience, your Directors recommend their re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors hereby confirm that :—

- (i) in the preparation of the annual accounts for the year ended 31st March, 2011, the applicable Accounting Standards have been followed and that no material departures are made from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit of the company for that period;
- (iii) the Directors had 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) the Directors had prepared the annual accounts for the financial year ended 31st March, 2011, on a going concern basis.

CORPORATE GOVERNANCE

Your Company believes that good Corporate Governance is at the core of stakeholder satisfaction and has been practicing the same over the years. A detailed report on Corporate Governance practices followed by your Company, in terms of Clause 49 of the Listing agreement with Stock Exchanges is provided separately in this Annual Report.

A certificate from the auditors of the Company confirming compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is contained elsewhere in the Annual Report. This Certificate will be forwarded to the Stock Exchanges along with the Annual Report of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis on Company's performance and industry trends with respect to the company is attached separately to this Annual Report.

CEO/CFO CERTIFICATION

As required by Clause 49 of the Listing Agreement, the CEO/CFO certification has been submitted to the Board and a copy thereof is contained elsewhere in this Annual Report.

AUDITORS & AUDITORS' REPORT

M/s. S. R. Batliboi & Co., Chartered Accountants, Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting of the Company. They have offered themselves for reappointment as Statutory Auditors and have confirmed that their appointment, if made, will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. Your Directors recommend their appointment for the ensuing year.

Auditors in their audit report read with note no 18 on Schedule –'V' have observed that exchange fluctuation loss of Rs. 142.05 lacs (Net) (Previous year gain of Rs. 1895.79 lacs) towards creditors/debtors pertaining to specific segments has been included as unallocable income/expenses as the amount of such exchange gain/loss for different segments is not ascertainable. The gain/loss arising on account of foreign exchange difference is not operational in nature, as cost of material purchased or supplied is calculated on the basis of prevailing foreign exchange rates. Any subsequent difference which may be gain or loss is on account of carrying foreign exchange risk and as such does not relate to product costing and consequently operational profit. Such difference is purely financial in nature and its impact on different business segments is unascertainable and as such considered un-allocable. The company has been constantly following the policy of treating the same as unallocable income/expenditure. Accordingly in the year 2010-11 also, for the reasons mentioned above and to maintain consistency in accounting policies followed, the loss arising out of foreign exchange has been considered as unallocable expense. However, as pointed out by auditors, such treatment has no impact on the company's profit for the year ended 31st March, 2011. Other observations made in the Auditors' Report are self explanatory and as such do not call for any further explanation under Section 217(3) of the Companies Act, 1956.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility continues to assume an important role in the activities of the Company. It encompasses much more than social outreach programs and is an integral part of the way the Company conducts its business. The Company contributes a part of its income to social, charitable and cultural organizations. It reaches out with the objective of improving the quality of life of the economically deprived people in the places where the Company has a presence.

HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

Your Company firmly believes in all round human resource development and cordial industrial relations. Identifying and rewarding human talent at all levels has helped the company to achieve all round development both in terms of quality and economy. The company maintains absolute harmony with its work force and has not faced any labour trouble since inception.

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

Particulars of Employees

There was one employee who was employed throughout the year and was in receipt of remuneration aggregating Rs. 60 lakhs or more. There was no employee who was employed for part of the financial year, requiring such disclosure. The information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, in respect of the aforesaid employee, is given hereunder:

Particulars	Employed throughout the financial year
Name	Sri Anoop Hoon
Designation	President – Marketing & OD
Qualification	B.A (Economic); PGDM (XLRI Jamshedpur)
Nature of Employment	Permanent
Nature of duties	Marketing & Human Resource
Age	56 years
Date of Joining	1st March, 2008
Experience	31 years
Gross Remuneration (Total)	Rs. 63,28,584
Previous Employment	Invigorsys Consultancy Pvt. Ltd.
Designation at Previous Employment	Director

Information as to conservation of energy

The Company has always been conscious of the need of conservation of energy. Adequate energy conservation steps are being taken in all plants and offices of the Company. The additional information on Conservation of energy for Company's ferro-alloy unit is set out in a separate statement, attached to this report and forms a part of it.

Information as to technology absorption

There is no specific area in which research and development (R & D) is carried out by the Company but the Company constantly carries out research for improvement of its products. During the year under review there has been no specific and material capital/recurring expenditures on R & D. The Company is a member of Indian Plywood Industries Research and Training Institute (IPIRTI) and has contributed Rs. 15,000/- to it. The technologies used by the company are indigenous. Constant efforts are made towards absorption, adaptation and innovation of technologies used, for improvement/ development of products of the company.

Foreign Exchange earnings and outgo

Foreign Exchange Earning : Rs. 30.19 crores

Foreign Exchange Outgo : Rs. 262.95 crores

PUBLIC DEPOSITS

The Company has not invited or accepted deposits from the public covered under Section 58A of the Companies Act, 1956.

APPRECIATION

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions, various Statutory Authorities and society at large for their consistent support and encouragement to the Company. Your Directors also place on record, their appreciation for the contribution, commitment and hard work of employees of the Company and that of its subsidiaries at all levels. Their dedication and competence has ensured that the Company continues to be a significant and leading player in the plywood and allied industry.

For and on behalf of the Board of Directors

Sajjan Bhajanka **Hari Prasad Agarwal**
Managing Director *Vice Chairman*

Kolkata, 24th May, 2011

ANNEXURE

Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2011.

Disclosure of particulars with respect to conservation of energy.

Sl. No.	Particulars	2010-11	2009-10
A	Power and fuel Consumption		
	Electricity		
i	Purchased		
	Units (lacs KWH)	53.74	16.03
	Total Amount (Rs. in lacs)	206.07	72.20
	Rate/unit (Rs.)	3.83	4.50
ii	Own Generation		
	Through Diesel Generator		
	Units (lacs KWH)	0.08	0.18
	Unit/Ltr of HSD	4.09	4.59
	Total Amount (Rs. in lacs)	0.66	1.20
	HSD cost/Unit Generated (Rs./unit)	8.81	6.81
	HSD Rate/Litre (Rs.)	36.12	31.27
iii	Through Captive Power Unit		
	Units (lacs KWH)	808.45	998.23
	Total Cost (Rs. in lacs)	2173.96	2774.39
	Rate/Unit (Rs.)	2.69	2.78
B	Consumption per unit of production		
	Electricity (KWH/T of Ferro Silicon)	8317	8167.51
	HSD (Ltr/T of Ferro Silicon)	0.18	0.60

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To

The Board of Directors

Century Plyboards (India) Ltd.

6, Lyons Range

Kolkata – 700 001

1. We hereby certify for the financial year ended 31st March, 2011, on the basis of review of the financial statements and the cash flow statement and to the best of our knowledge and belief that:–
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year 2010-11, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design and operation of the internal control systems and that we have taken the required steps to rectify those deficiencies.

We further certify that:

- a) There have been no significant changes in internal control over financial reporting during the year.
- b) There have been no significant changes in accounting policies during the year.
- c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Sajjan Bhajanka

Managing Director & CEO

Kolkata, 24th May, 2011

Arun Kumar Julasaria

CFO and Company Secretary

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance is about commitment to values and ethical business conduct. It is about how an organization is managed. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various 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 Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Corporate Governance is integral to the philosophy of the Company in its pursuit of excellence, growth, and value creation. The Company believes in achieving business excellence and optimizing long-term value for its shareholders on a sustained basis through ethical business conduct. It envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations and all its interactions with shareholders, employees, lenders and government.

1. BOARD OF DIRECTORS

Composition

The Company's policy towards composition of the Board is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and to separate its functions of governance and management. As on 31st March, 2011, the Board consisted of eleven Directors, including and headed by Non-Executive Chairman. The Board of the company has an optimum combination of Promoter, Independent, Executive and Non-executive Directors. For effective operations of the Company there is one Managing Director and three Joint Managing Directors. Five Directors are Non-Executive Directors. The Board members are expert in different disciplines of corporate working i.e. finance, technical, marketing, administration, etc. The Independent Directors are expert professionals with high credentials and actively contribute in the deliberations of the Board.

As on 31st March, 2011, the Board consisted of the following members:

Sl	Name	Designation	Whether Promoter	Whether Executive	Whether Independent
1	Sri Satya Brata Ganguly	Chairman	No	No	Yes
2	Sri Hari Prasad Agarwal	Vice Chairman	Yes	Yes	No
3	Sri Sajjan Bhajanka	Managing Director	Yes	Yes	No
4	Sri Sanjay Agarwal	Jt. Managing Director	Yes	Yes	No
5	Sri Prem Kumar Bhajanka	Jt. Managing Director	Yes	Yes	No
6	Sri Vishnu Khemani	Jt. Managing Director	Yes	Yes	No
7	Sri Ajay Baldawa	Executive Director	No	Yes	No
8	Sri Brij Bhushan Agarwal	Director	Yes	No	No
9	Sri Manindra Nath Banerjee	Director	No	No	Yes
10	Sri Mangi Lal Jain	Director	No	No	Yes
11	Ms Plistina Dkhar	Director	No	No	Yes

* Sri Brij Bhushan Agarwal resigned from the Directorship of the company w.e.f. 10th May, 2011.

Directorship, Committee Membership and Chairmanship

The details about positions held by Board of Directors as Directors of Public Limited Companies, Committee Membership and Committee Chairmanship as on 31st March, 2011 are as under:

Sl	Name	Number of		
		Directorship of Public Limited Companies*	Committee Membership**	Committee Chairmanship**
1	Sri Satya Brata Ganguly	8	5	—
2	Sri Hari Prasad Agarwal	10	2	—
3	Sri Sajjan Bhajanka	12	—	—
4	Sri Sanjay Agarwal	10	—	—
5	Sri Prem Kumar Bhajanka	6	—	—
6	Sri Vishnu Khemani	1	—	—
7	Sri Ajay Baldawa	2	—	—
8	Sri Brij Bhushan Agarwal***	13	—	—
9	Sri Manindra Nath Banerjee	2	1	1
10	Sri Mangi Lal Jain	7	1	1
11	Ms. Plistina Dkhar	2	—	—

* includes private companies which are subsidiaries of public companies, but excludes private, foreign, unlimited liability companies and companies registered under Section 25 of the Companies Act, 1956.

** indicates membership/chairmanship of Audit Committee and Shareholders'/Investors' Grievance Committee.

*** Sri Brij Bhushan Agarwal resigned from the Directorship of the company w.e.f. 10th May, 2011.

None of the Directors is a Member of the Board of more than 15 companies in terms of Section 275 of the Companies Act, 1956 or Member of more than 10 committees or Chairman of more than 5 committees, across all the companies in which he/she is a Director.

Board Meetings & Procedure

The meetings of the Board of Directors are generally held at Company's Registered Office at Kolkata and are scheduled well in advance to enable the Directors to plan their schedules for the meetings for meaningful, informed and focused decisions. Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. The Agenda is circulated well in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under Annexure IA to Clause 49 of the Listing Agreement, the Board is also kept informed of major events/items and approvals taken wherever necessary. The Managing Director at the Board Meetings keeps the Board apprised of the overall performance of the Company. The Board meets at least once in every quarter to review the quarterly results and other items on the agenda. Additional meetings are held, when necessary. The draft minutes of the proceedings of the Board of Directors are circulated in advance and the comments, if any, received from the Directors are incorporated in the minutes in consultation with the Chairman. Senior executives are invited to provide additional inputs at the Board meeting for the items being discussed by the Board of Directors, as and when necessary. The Company Secretary while preparing the agenda notes, minutes etc. of the meeting is responsible for and is required to ensure adherence to all applicable laws, rules, regulations including the Companies Act, 1956 read with rules made there under.

Number and Dates of Board Meetings held during the year

Six Board Meetings were held during the financial year ended 31st March, 2011. These were held on 20th April, 2010, 28th May, 2010, 21st July, 2010, 29th October, 2010, 7th February, 2011 and 28th March, 2011. Attendance at the Board Meetings during the financial year 2010-11 and at the previous Annual General Meeting are as under:

Sl	Name	No. of Board Meetings held	No. of Board Meeting Attended	Last AGM Attended
1	Sri Satya Brata Ganguly	6	5	Yes
2	Sri Hari Prasad Agarwal	6	6	Yes
3	Sri Sajjan Bhajanka	6	6	Yes
4	Sri Sanjay Agarwal	6	5	Yes
5	Sri Prem Kumar Bhajanka	6	3	No
6	Sri Vishnu Khemani	6	—	No
7	Sri Ajay Baldawa	6	5	Yes
8	Sri Manindra Nath Banerjee	6	6	Yes
9	Sri Mangi Lal Jain	6	6	Yes
10	Ms. Plistina Dkhar	6	—	No
11	Sri Sajan Kumar Bansal*	6	—	Yes
12	Sri Brij Bhushan Agarwal**	6	—	No

* resigned from the Directorship of the company w.e.f. 18th March, 2011

** resigned from the Directorship of the company w.e.f. 10th May, 2011

Resume of Directors proposed to be re-appointed

The brief resume of Directors retiring by rotation and seeking re-appointment is appended in the notice calling the Annual General Meeting.

Changes during the financial year 2010-11

Sri Sajan Kumar Bansal resigned from the Directorship of the company w.e.f. 18th March, 2011. Sri Brij Bhushan Agarwal resigned from the Directorship of the company w.e.f. 10th May, 2011

2. COMMITTEES OF THE BOARD

Currently, the Board has three committees: Audit Committee, Remuneration committee and Share Transfer cum Investor Grievance Committee.

Audit Committee

The Audit Committee is responsible for the effective supervision of the financial reporting processes to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

Composition

The Audit Committee comprises of the following four members:

Name	Category	Designation
Sri Mangi Lal Jain	Non – Executive Independent	Chairman
Sri Satya Brata Ganguly	Non – Executive Independent	Member
Sri Manindra Nath Banerjee	Non – Executive Independent	Member
Sri Hari Prasad Agarwal	Executive Non-Independent	Member

All the members of the Committee are financially literate. The Committee is headed by Sri Mangi Lal Jain who is a fellow member of the Institute of Chartered Accountants of India and has vast and diverse experience in financial management, corporate affairs, accounting and audit matters. Sri Satya Brata Ganguly has significant professional expertise and rich business experience of over 47 years. Sri Manindra Nath Banerjee is a retired IAS Officer with over 44 years of experience. Sri Hari Prasad Agarwal is Commerce Graduate with over 38 years of experience in finance and accounts. The Composition of the Audit Committee meets the requirements of Section 292A of the Companies Act, 1956 read with Clause 49 of the Listing Agreement.

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

Five Audit Committee Meetings were held during the financial year ended 31st March, 2011. These were held on 20th April, 2010, 28th May, 2010, 21st July, 2010, 29th October, 2010 and 7th February, 2011. Attendance at the Audit Committee Meetings during the financial year 2010-11 are as under:

Sl	Name	No. of Audit Committee Meetings held	No. of Audit Committee Meetings Attended
1	Sri Mangi Lal Jain	5	5
2	Sri Satya Brata Ganguly	5	4
3	Sri Manindra Nath Banerjee	5	5
4	Sri Hari Prasad Agarwal	5	5

Meetings of the Audit Committee were also occasionally attended by the President Finance, Manager-Accounts and representatives of the Statutory Auditors and Internal Auditors, as invitees for the relevant meetings.

Terms of reference

Terms of reference of the Audit Committee includes the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are true and fair.
- Recommending appointment, re-appointment and if required removal/replacement of statutory, branch & internal auditors and recommending their remuneration.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the management, the annual audited financial statements before submission to the Board for approval, with particular reference to Directors' Responsibility Statement, change in accounting policies, major accounting entries, audit findings, audit qualifications, related party transactions and compliance with listing agreements of stock exchanges.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain areas of concern.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of internal control system.
- Reviewing the adequacy of internal control systems and internal audit function and discussion with internal auditors regarding any significant finding and follow up.
- 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.

- i) To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit report.
- j) To approve appointment of Chief Financial Officer of the company.

Remuneration Committee

The Remuneration Committee determines on behalf of the Board and shareholders as per agreed term of reference, the Company's policy on specific remuneration packages for Executive Directors.

Terms of Reference:

- To appraise the performance of Managing and Executive Director and
- To determine and recommend to the Board, compensation payable to Managing and Executive Director.

Remuneration policy

The remuneration paid to the Directors of the Company is approved by the Board of Directors on the recommendations of the Remuneration Committee. The Company's remuneration strategy is market-driven and aims at attracting and retaining high caliber talent. The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on review of achievements.

Composition

The Remuneration Committee comprises of the following three members:

Name	Category	Designation
Sri Mangi Lal Jain	Non – Executive Independent	Chairman
Sri Satya Brata Ganguly	Non – Executive Independent	Member
Sri Manindra Nath Banerjee	Non – Executive Independent	Member

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

Two Remuneration Committee Meetings were held during the financial year ended 31st March, 2011. These were held on 7th February, 2011 and 28th March, 2011 and were duly attended by all the members of the Committee.

Details of remuneration paid to Directors

Sl.	Name of the Director	Designation	Salary (Rs.)	Sitting Fee (Rs.)	No. of shares held
Executive Directors:					
1	Sri Sajjan Bhajanka*	Managing Director	36,00,000	Nil	24571570
2.	Sri Sanjay Agarwal**	Jt. Managing Director	36,00,000	Nil	21222240
3.	Sri Prem Kumar Bhajanka	Jt. Managing Director	36,00,000	Nil	15308510
4.	Sri Vishnu Khemani	Jt. Managing Director	36,00,000	Nil	7486857
5.	Sri Hari Prasad Agarwal	Vice Chairman	18,00,000	Nil	2435760
6.	Sri Ajay Baldawa **	Director (Technical)	18,00,000	Nil	76000

Sl.	Name of the Director	Designation	Salary Rs.	Sitting Fee Rs.	No. of shares held
Non-Executive Directors:					
1.	Sri Satya Brata Ganguly ***	Independent Chairman	12,00,000	37,500	Nil
2.	Sri Manindra Nath Banerjee	Independent Director	Nil	45,000	Nil
3.	Sri Mangi Lal Jain	Independent Director	Nil	45,000	4000
4.	Ms. Plistina Dkhar	Independent Director	Nil	Nil	750

* Reappointed for a further period of 5 years from 1st April, 2011 to 31st March, 2016, subject to approval of members.

** Reappointed for a further period of 5 years from 1st July, 2011 to 30th June, 2016, subject to approval of members.

*** Sri Satya Brata Ganguly, Non-Executive Chairman, who carries with him significant professional expertise and rich business experience, has been paid remuneration of Rs. 12,00,000/- for which necessary approvals have been obtained from the Ministry of Corporate Affairs in terms of section 309(4) of the Companies Act, 1956.

Service Contracts, Severance Fee, Notice Period and Stock Options

The appointment of the Executive Directors is governed by resolutions passed by the Board and the Shareholders of the Company, which cover the terms and conditions of such appointment read with the service rules of the Company. Service Contracts are also executed with each Executive Director. There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors. A notice of three month is required to be given by a Director seeking to vacate office and the resignation takes effect upon the expiration of such notice or its earlier acceptance by the Board. The Company has no stock option plans and hence such instruments do not form a part of the remuneration package payable to any executive and/or non-executive director. During the year under review, none of the directors was paid any performance-linked incentive.

Share Transfer cum Investor Grievance Committee

The Committee was formed with a view to oversee transfer of shares and redressal of shareholders grievances. It also reviews performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services.

Terms of Reference:

1. oversee, review and approve all matters connected with transfer of shares, issue of duplicate share certificates, split of share certificates, etc.
2. Investor relations and redressal of shareholders grievances in general and relating to non receipt of declared dividends, non- receipt of Annual Report etc.

Composition

The Share Transfer cum Investor Grievance Committee comprises of the following two members:

Name	Category	Designation
Sri Manindra Nath Banerjee	Non – Executive Independent	Chairman
Sri Hari Prasad Agarwal	Executive Non – Independent	Member

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

During the year the Share Transfer cum Investor Grievance Committee met twenty-four times on 16th April, 2010, 30th April, 2010, 15th May, 2010, 29th May, 2010, 15th June, 2010, 30th June, 2010, 15th July, 2010, 31st July, 2010, 20th August, 2010, 31st August, 2010, 15th September, 2010, 30th September, 2010, 13th October, 2010, 30th October, 2010, 15th November, 2010, 30th November, 2010, 15th December, 2010, 31st December, 2010, 15th January, 2011, 31st January, 2011, 15th February, 2011, 28th February, 2011, 15th March, 2011 and 31st March, 2011. Both members attended all the meetings.

Status of pending Complaints

Sri Arun Kumar Julasaria, Company Secretary is Compliance Officer of the Company for attending to Complaints/Grievances of the members. During the year under review, 4 complaints were received from investors and were replied/resolved to their satisfaction. There were no complaints pending at the beginning and at the close of the financial year.

3. GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings

AGM	Year ended	Venue	Date	Time
27th	31.03.2008	Gyan Manch, 11, Pretoria Street, Kolkata-700 071	27.08.2008	11-00 AM
28th	31.03.2009	Gyan Manch, 11, Pretoria Street, Kolkata-700 071	28.08.2009	11-00 AM
29th	31.03.2010	Indian Chamber of Commerce auditorium 10th Floor, 4, India Exchange Place, Kolkata- 700 001	27.08.2010	11-00AM

Details of Special Resolutions passed in last three Annual General Meetings:

AGM	Date	Subject Matter
27th	27.08.2008	None
28th	28.08.2009	i. Payment of remuneration to Sri Sajjan Bhajanka, Sri Sanjay Agarwal, Sri Prem Kumar Bhajanka and Sri Brij Bhushan Agarwal from a subsidiary company ii. Payment of Minimum Remuneration to Sri Sajjan Bhajanka, Sri Sanjay Agarwal, Sri Ajay Baldawa, Sri Hari Prasad Agarwal, Sri Prem Kumar Bhajanka, Sri Vishnu Khemani and Sri Satya Brata Ganguly in terms of Part-II, Section-II(B) of Schedule- XIII of the Companies Act, 1956.
29th	27.08.2010	None

During the financial year 2010-11, no Special Resolution was passed through postal ballot.

4. DISCLOSURES

- There are no materially significant related party transactions i.e. transactions material in nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. having potential conflict with the interests of the Company at large. Other related party transactions have been reported in Notes to Accounts. The Register of Contracts containing transactions, in which the Directors are interested, is placed before the Board regularly.

- There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three financial years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India or any other statutory authority
- The Company has a defined Risk Management framework and the Board is kept informed about the risk assessment and minimization procedures. The risk policy provides for identification of risk, its assessment and procedures to minimize risk. The risk policy is periodically reviewed to ensure that the executive management controls the risk as per decided policy. The risk management issues are discussed in Management Discussion and Analysis
- The Company had complied with all mandatory requirements and some non-mandatory requirements of Corporate Governance as required by the Listing Agreement
- The Directors of the Company are not related *inter se*.
- The financial statements of the Company are prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956
- During the year under review, the Company has not raised any money through an issue (public, rights, preferential, etc.)

5. CODE OF CONDUCT

The Board of Directors has adopted a Code of Business Conduct and Ethics for all Board Members and senior management personnel and the same has been posted on the company's website www.centuryply.com. All the Board members and Senior Management Personnel have affirmed compliance with the Code for the year ended 31st March, 2011. A declaration to this effect signed by the CEO of the Company is given hereunder:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management Executives in respect of financial year 2010-11.

Sajjan Bhajanka
Managing Director & CEO

Kolkata, 24th May, 2011

6. CEO/CFO CERTIFICATION

Sri Sajjan Bhajanka, Managing Director and CEO and Sri Arun Kumar Julasaria, CFO and Company Secretary of the Company have submitted CEO/CFO certificate, which is separately annexed to this report.

7. MEANS OF COMMUNICATION

Quarterly, half-yearly and annual financial results of the Company are communicated to the Stock Exchanges immediately after they are considered by the Board and are published in prominent English and Bengali newspapers usually in The Economic Times, Times of India and Aarthik Lipi. The financial results are also posted on the website of the Company – www.centuryply.com.

8. MANAGEMENT DISCUSSION AND ANALYSIS

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

9. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting:

Date	9th July, 2011 (Saturday)
Time	11.00 A.M
Venue	Indian Chamber of Commerce Auditorium 10th Floor, 4, India Exchange Place, Kolkata -700 001
Financial Year	2010-11
Book Closure Date	2nd July, 2011 to 9th July, 2011(both days inclusive)
Dividend Payment Date	Within statutory period from date of passing of resolution at the Annual General Meeting.

Listing on Stock Exchanges

The Company's shares are presently listed on following two stock exchanges.

- The National Stock Exchange of India Ltd.(NSE)
Exchange Plaza, Bandra- Kurla Complex, Bandra (E)
Mumbai – 400 051
Stock Symbol - CENTURYPLY
- Bombay Stock Exchange Ltd. (BSE)
P J Towers, Dalal Street, Fort
Mumbai– 400 001
Stock Code – 532548

The Company has paid listing fees to NSE and BSE for the year 2010-11 & 2011-12.

ISIN : INE348B01021

Market Price Data :

Monthly high and low quotations as well as the volume of shares traded at Bombay Stock Exchange and National Stock Exchange, where the shares are regularly traded, for the financial year 2010-11 are as follows:

Month	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	High Rs.	Low Rs.	Volume No. of Shares	High Rs.	Low Rs.	Volume No. of Shares
2010						
April	62.50	54.00	1920135	62.00	54.75	2529949
May	62.00	53.00	1217535	61.00	50.80	1796534
June	62.60	52.50	2916584	62.50	52.50	6516519
July	66.95	58.00	5253867	66.95	58.00	8573265
August	75.15	57.60	9995496	75.65	57.35	19446869
September	76.50	64.80	5321218	75.90	65.10	9728911
October	69.40	64.75	2520974	69.55	65.00	5357491
November	72.00	50.45	1787450	72.40	53.55	3055812
December	66.35	54.00	856532	66.00	54.05	1932702
2011						
January	63.00	55.00	686788	63.30	54.00	1854613
February	63.95	53.00	309311	62.00	53.00	900409
March	73.60	57.70	3041158	73.70	57.35	4848480

Performance of Company's shares in comparison to BSE Sensex is as under :

Month	BSE Sensex		Company's Shares	
	Closing	%Change	Closing	% Change
2010				
April	17,558.71	0.18	60.00	8.70
May	16,944.63	(3.50)	55.60	(7.33)
June	17,700.90	4.46	59.20	6.47
July	17,868.29	0.95	59.05	(0.25)
August	17,971.12	0.58	71.80	21.59
September	20,069.12	11.67	68.65	(4.39)
October	20,032.34	(0.18)	68.30	(0.51)
November	19,521.25	(2.55)	63.00	(7.76)
December	20,509.09	5.06	60.05	(4.68)
2011				
January	18,327.76	(10.64)	58.40	(2.75)
February	17,823.40	(2.75)	59.15	1.28
March	19,445.22	9.10	66.05	11.67

Note : Figures in bracket indicate negative value

Registrar and Share Transfer Agent:

M/s. Maheshwari Datamatics Private Ltd.

6, Mangoe Lane

Kolkata 700 001

Phone No. 033- 2243 5029/5809

Fax : 033-2248 4787

Email : mdpl@cal.vsnl.net.in

Share Transfer System

Requests for transfer of shares in physical form received either at the office of the Company or at the office of the Registrar are generally approved by the Share Transfer cum Investor Grievance Committee within a maximum period of 3 weeks from the date of receipt provided the documents are complete in all respects.

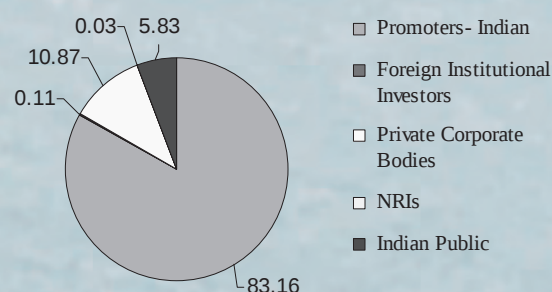
Transfer of shares in dematerialised form are duly processed by NSDL/ CDSL in electronic form through the respective Depository Participants. Dematerialisation is done within 20 days of receipt of request along with the share certificates through the Depository Participant of the shareholder.

The Share Transfer cum Investor Grievance Committee generally meets once in a fortnight for approving share transfers. A summary of the transfer, transmissions, de-materialisation, re-materialisation requests is placed before the Committee at every meeting. The Company obtains half-yearly certificate from a Company Secretary in Practice on compliance regarding share transfer formalities and submits a copy thereof to the Stock Exchanges in terms of Clause 47 (c) of the Listing Agreement. The Company also obtains quarterly Secretarial Audit Report from a Company Secretary in Practice for reconciliation of the share capital of the Company and submits a copy thereof to the Stock Exchanges within stipulated time.

Distribution of shareholding

Category	As on 31st March, 2011			
	No. of Shareholders		No. of Shares	
	Total	%	Total	%
1 – 500	7582	78.13	957814	0.43
501 – 1000	625	6.44	549410	0.25
1001 – 2000	548	5.65	869112	0.39
2001 – 3000	264	2.72	733395	0.33
3001 – 4000	62	0.64	230586	0.10
4001 – 5000	131	1.35	618946	0.28
5001 – 10000	219	2.26	1640782	0.74
10001 – and above	273	2.81	216572945	97.48
TOTAL	9704	100.00	222172990	100.00

Shareholding pattern -Distribution by category



Category	As on 31st March, 2011	
	No. of Shares	% to Share Capital
Promoters- Indian	184759781	83.16
Mutual Funds	Nil	Nil
Foreign Institutional Investors	236415	0.11
Private Corporate Bodies	24155966	10.87
NRIs	63905	0.03
Indian Public	12956923	5.83
TOTAL	222172990	100.00

Dematerialisation 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 Registrar are confirmed within the statutory period.

The International Securities Identification Number (ISIN) allotted to the Company's Equity shares of face value of Re. 1/- is INE348B01021. 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 Company's Registrars, M/s. Maheshwari Datamatics Private Limited.

The Company's Registrars promptly intimates the concerned Depository Participant 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, 2011, 217852181 number of equity shares, which form 98.06% of the Share Capital of the Company, stood dematerialised.

Plant Locations

A	Veneer and Plywood	Kolkata Unit Diamond Harbour Road, Kanchowki, Bishnupur District: 24 Parganas(S), West Bengal
		Chennai Unit Chinnappolapuram, Gummidipoondi, Tamil Nadu
		Karnal Unit Rambha Road, Taraori, Haryana
		Cent Ply Unit Mirza Palasbari Road, Kamrup, Assam
B	Laminate	Diamond Harbour Road, Kanchowki, Bishnupur District: 24 Parganas(S), West Bengal
C	Ferro Alloy & Power	EPIP Area, Byrnihat, District: Ri-Bhoi, Meghalaya
D	Logistic	Century Jetties Falta Industrial Growth Centre Sector – III, District: 24 Parganas(S), West Bengal
		Century Sonai CFS Block – B & C, Sonai, Khidderpore, Kolkata, West Bengal
		Century Jinjira Pole CFS Hide Road, Brace Bridge, Khidderpore, Kolkata, West Bengal

Address for correspondence

The Company Secretary & Compliance Officer
Century Plyboards (India) Limited.
6, Lyons Range, Kolkata 700 001
Phone: 033-3940 3950
Fax: 033-2248 3539
Email : arun@centuryply.com
Website: www.centuryply.com

E Mail ID for Investors Grievances : arun@centuryply.com

For and on behalf of the Board of Directors

Sajjan Bhajanka	Hari Prasad Agarwal
<i>Managing Director</i>	<i>Vice Chairman</i>

Kolkata, 24th May, 2011

AUDITORS' CERTIFICATE

To 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 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to 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.

A non-executive director of the Company has resigned on 18th March, 2011 because of which the Board of Directors comprised of five non-executive directors as on 31st March, 2011 as against the minimum requirement of six non-executive director. Subject to the above, in our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 S. R. BATLIBOI & CO.
Firm Registration No- 301003E
Chartered Accountants

Per R. K. Agrawal
a Partner
Membership No. 16667

Kolkata, 24th May 2011

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT

The projected growth of Company's products (Plywood, Laminates, Cement and Ferro Alloys) is based on the push-and-pull effects of supply and demand determinants like the economic trends in India, growth of infrastructure and housing.

Home is an invention on which no one has yet improved. Of all aspirations known to humankind, owning a home is most basic. It is the basic infrastructure required for development of a country and its citizens. Housing is a highly sensitive investment area throughout the world. Investment in this sector is often recognized as a barometer to measure the health of an economy at any point of time. The extreme sensitivity of the housing sector on the overall economic growth is not difficult to explain. The sector, by the nature, is widely linked with a very large number of manufacturing segments. There are about 250 industries, large and small, which depend on what happens in the housing and construction business. This includes large ones that make cement and steel, medium ones that make plywood, paint, tiles, electrical and the small ones that make nuts and bolts. These linkage effects not only stimulate production and investments in the linked segments of manufacturing, they also push up the aggregate additional income generated in the process. In short, growth in housing stimulates production and overall growth in the economy.

In developed countries like United States 72.5% of citizens own their homes. While 69% live in their own houses in the UK. If we aspire to become a developed nation by the year 2020, we must ensure a decent home for each family of our country. According to the tenth five year plan, there is a shortage of 22.4 million dwelling units and over the next 10 to 15 years 80 to 90 million housing dwelling units will have to be constructed. According to Confederation of Real Estate Developers Association of India (CREDAI) India's total housing requirement can be estimated at 200-225 million housing units, out of which we have just 170 million. We will have to create additional 30 million to meet gap. Further next 15-20 years will create an additional demand for 70 million houses. So, by year 2020 we are to gear up to build 100 million additional houses. A daunting target, but achievable. It is achievable because almost all Indians have capacity to buy a reasonable home. All Indians, not owning their own home are already paying rent on their accommodation. Even if they are living in slums, they are paying rent to their slumlords. The EMI of housing loan today is either equal or not substantially more than the rent one has to pay for rented house. The rent one pays is an expense that once paid is lost, whereas the EMI is payment for creation of an asset, value of which will multiply with passage of time. Anyone who lives in a rented apartment will be unable to afford rent after 20 years as the rent will keep on increasing year to year. Anyone who acquire house on EMI will have a home of his own by parting with almost same money, but with multifold asset value. Availability of easy home loans at reasonable interest rates has propelled growth of housing. Although rising interest rates may adversely affect housing but that can be considered temporary. In long run housing sector growth is bound to propel.

Provision of quality and efficient infrastructure is essential to achieve growth and utilize full potential of the emerging Indian economy. Economic and population growth place additional pressure on existing infrastructure facilities and unless they are developed further to cope growth, they become constraint to development. In the recent finance budget a sum of Rs. 2,14,000 crores has been provided for infrastructure development, which account for over 48.5% of total plan allocation. With the Government's continued focus on infrastructure development, it seems very probable that the country's economic survival will be driven by infrastructure growth.

OPPORTUNITIES AND THREATS

Plywood and Laminate Segment

In view of potential growth of housing and infrastructure, the overall demand for Plywood and Laminates is expected to remain buoyant. The Indian Plywood and panel market is estimated around Rs. 12000 crores, with

expected growth of 15% year on year basis. The market is highly fragmented, with unorganized sector controlling major market share. The organized segment is highly concentrated, with only few players constituting around 30% of the market. The unorganized segment has advantages in terms of excise waivers and other benefits due to their SSI status. In the year 2007-08 the excise duty on plywood related products was reduced by half to 8% and is now pegged at 10%. Narrowing excise differences and the eligibility to claim MODVAT benefits on inputs have put the organized sector not only at par compared to the unorganized sector, but also in an advantageous position due to volume, quality and the brand. Now the growth of organized sector is estimated to be 20-25% compared to the overall market growth of 15%. Organized sector growth will partly come from conversion of some of unorganized sector players as organized sector players.

Cheap imported products particularly Chinese products may eat away organized sector market and hence slow down company's growth. Emergence of new organized players will increase competition in organized sector.

The Company is India's leading plywood manufacturing company with a very strong brand image. "CENTURY PLY" – the brand name under which the Company markets its products is known for quality. The company manufactures entire range of products, catering to different cost segments. Over the years the company had invested heavily on brand building and maintained customer faith by providing guarantee on its products. The company could ward off competition from other players and imported products due to these reasons and expect to sustain its growth levels and continue to command market dominance. The Company, with its 5 units (including one of Subsidiary's) spread over different geographical locations of the country is ready to meet present and future demand of the products across the country with a huge logistical advantage. The company is prepared to meet increased demand through organic expansions at its existing units and will also be open to inorganic growth through mergers and acquisitions. Future expansions will be synchronized with the demand. The two green-field units one at Gujarat and another at Andhra Pradesh are in planning stage.

Laminate is used to provide aesthetic look to plywood. Its market scenario goes along-with plywood market scenario. Like plywood, company is aspiring to achieve utmost customer confidence for its laminates and as such is focusing more on quality than quantity. The capacity expansion of laminate division is in planning stage.

Ferro Alloy

In view of potential growth of housing and infrastructure, the overall demand for Ferro alloy which is one of the ingredients of steel is expected to remain buoyant. The Indian steel capacity which at present is 73 million tonnes per annum is expected to grow to 293 million tonnes per annum by the year 2020.

Ferro Alloy market is dependent on steel market and witnesses short cycles of boom and bust, which can happen more than once in one financial year. During boom period demand is at peak and industry makes handsome profit. When demand dampens the price of product comes down and it becomes unviable to keep production on.

The company's ferro alloy unit is situated in Meghalaya, where there is abundant availability of raw material and the unit is entitled to various fiscal incentives as per north east policy of Central and State Governments. The only problem which can disrupt production is availability of power, as production process of ferro alloy is highly power intensive and supply of power in Meghalaya is not comfortable. In order to combat this problem, the company has installed a captive power plant to ensure un-interrupted production. When the demand of ferro alloy dampens, the company stops ferro alloy production and starts to sell power generated out of its captive power unit. This helps company to recover its overheads and ensure overall yearly performance of the ferro alloy division.

Cement

In view of potential growth of housing and infrastructure, the overall demand for Cement, which is basic to any construction project, is expected to remain tilted towards demand.

The company's major subsidiary Cement Manufacturing Company Limited (CMCL), along with its subsidiaries, has the cement and clinker units situated at Lumshnong in Meghalaya. CMCL sells its cement under the brand name 'STAR CEMENT'. STAR CEMENT is today the leading and the highest selling cement brand in the North Eastern part of the country. This unit has the advantage of its own captive lime stone mines and is situated at a close proximity of large reserves of coal at a distance of only 25 kms. CMCL's lime stone mines has reserves of 300 Million Tonnes, enough to meet all its' raw material requirements (based on expanded capacity) for the next 70 years. The unit is also entitled to various fiscal incentives as per the North East policy of the Central Government and the State Government. The unit uses state of the art dry process rotary kiln technology and manufactures high grade Ordinary Portland Cement (OPC), Pozzoland Portland Cement (PPC) and other specialty grades required for infrastructure projects.

Cement is a highly localized/regionalized industry due to its unique characteristic of being a bulky but low value product. Proximity to either source of raw material (limestone) or end market is imperative to keep cost of end product (cement) competitive. Overall cement market of north east is estimated to be a 5 MTPA against which the total cement production in north east is 3 MTPA, with the deficit being met from outside north east. This demand supply mismatch and high logistic cost of bringing cement from outside north east has resulted in north east being a high price-end market. Based on the developments envisaged to take place in the North Eastern region the cement demand in the region is expected to grow at a CAGR of 12-15% per annum. A big spurt in demand is also expected after two years when many of the Hydel Power Plants will be launched in the North East, particularly in Arunachal Pradesh. At present CMCL cement unit is the biggest cement unit of north east and has twin advantage of proximity to raw material and close proximity to the highest price-end market. On comparison of peers it is found that CMCL EBIDTA margin is the highest in the industry.

The present combined capacity of CMCL and its subsidiaries is now 1.20 MTPA of Cement. CMCL is also adding further 1.75 MTPA Clinker capacity, through its wholly owned subsidiary Star Cement Meghalaya Limited. The clinker so produced will be taken to CMCL's proposed two grinding units at Guwahati (Assam) and Kahalgaon (Bihar), where 3.20 MTPA OPC and Slag Cement will be produced. After effecting these expansions CMCL cement production capacity will go up from present 1.20 MTPA to 4.40 MTPA. The projects are under implementation and are expected to commence production by September 2011. Meghalaya Power Limited is setting up a 51 MW Power plant, which will be a captive power plant to its existing as well as planned clinker unit of SCML. Both grinding units at Guwahati and Kahalgaon will also have captive power plants of adequate capacity.

Cement is considered to be a cyclical industry. Addition of new capacities particularly in north east may tilt industry more towards supply situation. Cement is highly capital intensive and fairly long gestation industry. The expansion plans may make the company very high leveraged to face any demand set back.

With strong brand image and early mover advantages, the company does not expect to face any problem in near and fairly distant future.

Logistic

The ports and international cargo handling facility are important part of physical infrastructure of a country. Ports and cargo handling facilities play a crucial role in facilitating India's international trade. India with a coastline of 7,517 km. is added with 12 major ports and 60 non-major ports, which handle traffic. Average turnaround time of Indian ports is 3.5 days compared to 10 hours in Hong Kong. This high turnaround time undermines the competitiveness of Indian Ports. Congestion at ports is primarily due to the slow evacuation of cargo rather than a lack of handling facility. More than half of the world's traded goods are containerized and this is expected to increase further. In order to decongest ports it is imperative that dwelling time of containers at ports is decreased by developing Container Freight Stations, where containers can be moved

after maximum decided dwelling time. In order to decongest congested Kolkata Port the Kolkata Port Trust is encouraging development of Container Freight Stations.

The Company ventured into logistic business in the year 2001 when it entered into a partnership with the Ministry of Commerce, Government of India, to turn-around a loss making and virtually non operational jetty (minor port) at the Falta Export Processing Zone near Kolkata. Within one year of this arrangement the jetty was turned fully operational and profitable. This jetty now handles both captive requirements of the company and also extends it's services to others. This jetty can now handle 1.50 lac tones of cargo every year.

Based on its experience of successful operation of jetty and encouraged by the Kolkata Port Trust (KPT) the company ventured into the Container Freight Stations (CFS) business. Through a competitive bid, it has acquired around 1 lac square meter land near Kolkata Port Trust to develop it's CFS business. In view of the heavy congestion at the Kolkata Port and the emerging opportunity in this sector the company has already established a full fledged logistic division to develop this business segment. The company's first private sector state of the art CFS (consisting of approx 100000 sq meter area) is already operational and can handle 130000 containers (20 feet) annually.

The logistic business of the company is related to infrastructure and service sector. The business may face problem only on slow down of economy and substantial reduction in import cargo. Entry of new players may expose the company to competition. In view of prevailing congestion at Kolkata Port Trust and expected increase in traffic with availability of limited CFS facility the company does not expect to face any problem in near and fairly distant future.

Others

Other segments consist mainly of trading in chemicals and minerals, where business call is taken on the basis of profitability.

Segment-wise or product-wise performance

Plywood

The turnover of Plywood segment was up from Rs. 592.25 crores in 2009-10 to Rs. 779.41 crores in 2010-11 showing growth of over 31%. This is mainly due to improved global markets and overall economy, especially in the real estate sector.

Laminates

Laminate division also performed quite well. The company's focus remained to grab premium market share. The 'CENTURYLAMINATES' the brand under which company's laminates are being sold is today a symbol of quality and is attaining consumer preference. The turnover of Laminate segment was up from Rs. 120.72 crores in 2009-10 to Rs. 158.04 crores in 2010-11 showing growth of over 30%.

Ferro Alloys & Power

Ferro Alloys segment recovered phenomenally and posted a turnover of Rs. 79.11 crores in 2010-11 against Rs. 40.87 crores in 2009-10 showing growth of over 93%. Profit from this segment also increased substantially by 603% to Rs. 11.19 crores against Rs. 1.59 crores last year. Power segment also performed well with a turnover of Rs. 41.14 crores against Rs. 36.55 crores last year.

Cement

The cement capacities run by company's subsidiaries also posted impressive performance. The turnover increased from Rs. 506.12 crores to Rs. 685.90 crores showing growth of over 8.70%. Segment profit however reduced from Rs. 133.84 crores to Rs. 113.34 crores.

Logistics

Logistics division also performed quite well. During current financial year this segment recorded a turnover of Rs. 35.86 crores and profit of Rs. 7.60 crores.

Others

Other segments mainly chemicals also performed well during 2010-11.

Outlook

Your Company's and its subsidiaries' products are Plywood, Laminates, Cement and Ferro Alloys demand for which is linked to infrastructure and real estate sector. In view of improved economic situation and the Government's thrust towards infrastructure and real estate activities, your company is hopeful to achieve better results and attain growth. With modern plants, latest technologies, and precious brands the products of your company are positioned to fully exploit emerging opportunities.

Risks and Concerns

Your Company has a comprehensive risk management policy. The risk policy provides for identification of risk, its assessment and procedures to minimize risk. The risk policy is periodically reviewed by the Audit Committee to ensure that the executive management controls the risk as per decided policy.

Some of the key risks affecting your Company are illustrated below:

Foreign Exchange Risk

Your Company's imports exceed exports. At any given time your company has substantial foreign exchange liability. Adverse fluctuations as happened in financial year 2008-09 may expose company to substantial foreign exchange risk. The company has policy of reviewing foreign exchange risk on regular basis and decide about hedging as per situation prevailing and predicted. In adverse times company defer its forex liabilities by availing buyers' credits overseas, thereby avoiding immediate exchange losses and availing credits at very low interest rates.

Interest Rate Risk

Your Company is exposed to interest rate fluctuations on its borrowings. Your Company uses a judicious mix of fixed, floating, domestic and overseas debts within the permissible parameters. Your company has been able to negotiate the debts at most competitive rates due to its reputation, compliance record, high ratings and satisfactory performance.

Manpower retention Risk

Your Company has a wide marketing network spread across the country. Your company deals in consumer goods through large dealers' network and has to maintain large marketing and administrative team. Your company can not be an exception to man power attrition. Your company has devised a stimulative HR policy and performance based incentive system to address this.

Government Policy Change Risk

Changes in Government Policies especially with respect to Custom Duty and Excise Duty may affect the operations of your Company. However, in recent past, the Government's Policies have remained favourable to the industry and company's product segments.

Internal control system and their adequacy

The Company has adequate and effective internal control system, which are continuously reviewed for their effectiveness. The systems are periodically reviewed and corrective measures are taken to further strengthen them. The Company has double Certifications ISO –9001 (Quality Systems) and ISO 14001 (Environment Management Systems) from Det Norske Veritas (DNV). The Company has implemented SAP (ERP Solution) for integrated and online information system, across all locations.

Discussion on financial performance with respect to operational performance

During the financial year the total income of your company increased from Rs. 849.82 crores to Rs. 1091.10 crores reflecting growth of over 28%. Profit before Tax, however reduced from Rs. 96.48 crores last year to Rs. 75.78 crores this year. The increase in turnover reflects increasing market share for the Company's products.

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. Employees are covered by incentive system encouraging them to perform to their best.

The company maintains absolute harmony with its work force. Since inception there has not been even a single instance of strike or lock-out at any of the company's manufacturing establishments.

The total manpower strength of the Company as on 31st March, 2011 was 3882.

Cautionary Statement

The statements in the "Management Discussion and Analysis" section describing the Company's objectives, projections, estimates, expectations and predictions may be "forward looking statements". All statements that address expectation or projections about the future, including but not limited to statements about the company's strategy for growth, product development, market position, expenditures and financial results are based on certain assumptions and expectations of future events. The company can not guarantee that these assumptions and expectations are accurate or will be realized. The company's actual results, performance or achievement may thus differ materially from those projected in such forward looking statements. The company assumes no responsibility to publicly amend, modify or revise any forward looking statement on the basis of any subsequent developments, information or event.

For and on behalf of the Board of Directors

Sajjan Bhajanka
Managing Director

Hari Prasad Agarwal
Vice Chairman

Kolkata, 24th May, 2011

AUDITORS' REPORT

TO THE MEMBERS OF CENTURY PLYBOARDS (INDIA) LIMITED

1. We have audited the attached Balance Sheet of CENTURY PLYBOARDS (INDIA) LIMITED ("the Company") as at 31st March, 2011 and also the Profit & Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. 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 the auditing standards generally accepted in India. Those 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 the 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, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. *Attention is drawn to Note No. 18 on Schedule – V regarding exchange fluctuation loss of Rs.142.05 lacs (net) (previous year gain of Rs.1895.79 lacs) towards creditors/debtors pertaining to specific segments which has been included as unallocable expenses/income;*
In respect of above, our report for the previous year was similarly modified:
5. Further to our comments in the Annexure referred to above:–
 - (i) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose 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 purposes of our audit have been received from sales branches not visited by us. The Branch Auditor's Report(s) in respect of Plywood units at Chennai, Karnal & Guwahati and Ferro Alloy unit at Meghalaya have been forwarded to us and have been appropriately dealt with;
 - (iii) The Balance Sheet, Profit & Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account and with the audited returns from the branches as submitted to us;
 - (iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 *except for the matter referred to in para 4 above;*
 - (v) On the basis of written representations received from the directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as 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 the explanations given to us, the said statements of account, subject to para 4 above, which has no impact on the Company's profit for the year, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:–
 - (i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (ii) in the case of Profit & Loss Account, of the profit of the Company 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 **S. R. BATLIBOI & CO.**
Firm Registration No- 301003E
Chartered Accountants
Per **R. K. Agrawal**
a Partner
Membership No. 16667

Kolkata, 24th May 2011

ANNEXURE TO THE AUDITORS' REPORT

[REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF CENTURY PLYBOARDS (INDIA) LIMITED AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2011]

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) A part of the Fixed Assets have been physically verified by the management during the year, based on a phased programme of verifying all the assets over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature and value of its assets. As informed, no material discrepancies were noticed on such verification.
(c) There was no disposal of a substantial part of fixed assets during the year.
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
(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 the nature of its business.
(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on such physical verification.
- iii. (a) The Company has granted loan to a Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.600 lacs and the year- end balance of loan granted to such party was Rs.NIL.
(b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loan is not prima facie prejudicial to the interest of the Company.
(c) The above loan was stated to be repayable on demand and was fully received back during the year on demand and thus there has been no default on the part of the party to whom the money has been lent. The payment of interest on such loan had been regular.
(d) The Company has taken loans from six companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding against such loans during the year was Rs. 3464.56 lacs and the year-end balance due to such parties was Rs. 500 lacs.
(e) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.
(f) All of the above loans are stated to be repayable on demand and the repayment thereof, to the extent demanded by such parties during the year, was made by the Company and thus there has been no default on the part of the Company. Further, interest on the above loans, as informed, was regularly paid by the Company.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- v. (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under the above section, have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees five lakhs entered into during the financial year, are at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposit from the public within the preview of Section 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of Power Generation and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- ix. (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, and other material statutory dues have generally been regularly deposited with appropriate authorities *though there had been slight delays in a few cases.*
Further, since the Central Government has till date not prescribed the amount of cess payable under

section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, custom duty, excise duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding in respect of sales tax, income tax, custom duty, wealth tax, service tax, excise duty & cess on account of any dispute, are as follows :-

Name of the statute	Nature of dues	Period to which the amount relates	Amount (Rs. in lacs)	Forum where dispute is pending
Central Excise and Customs Act, 1944	Input Service Credit reversal and SAD reversal	2006-07 & 2007-08	276.69	CESTAT
Central Excise and Customs Act, 1944	Availment & utilisation of Service tax on GTA	2005-06 to 2007-08	25.13	Commissioner (Appeals)
Various State Sales Tax/VAT Act	Sales Tax/Penalty/Interest	1990-92, 1999-00, 2001-02 to 2006-07, 2008-09 to 2009-10	301.39	Asst./Additional Commissioner/ /Deputy Commissioner /Joint Commissioner /Revision Board
Income Tax Act, 1961	Income Tax	2003-04 to 2004-05, 2006-07 to 2007-08	285.52	Commissioner Appeals/Appellate Tribunal/High Court

- x. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current year and in the immediately preceding financial year.
- xi. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institutions or banks. There were no debentures outstanding during the year.
- xii. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society and therefore, the provisions of clause 4(xiii) of the Order, are not applicable.
- xiv. In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order, are not applicable.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. Based on the information and explanations given to us by the management, term loans were applied for the purpose for which these loans were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term investment.
- xviii. The Company has not made any preferential allotment of shares during the year to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. The Company did not have any outstanding debentures during the year.
- xx. The Company has not raised any money through a public issue during the year.
- xxi. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S. R. BATLIBOI & CO.
Firm Registration No- 301003E
Chartered Accountants
Per R. K. Agrawal
a Partner
Membership No. 16667

Kolkata, 24th May 2011

Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	Schedule	As at 31.03.2011	As at 31.03.2010
A. SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	'A'	2,275.27	2,275.27
Reserves & Surplus	'B'	25,562.90	20,602.26
		27,838.17	22,877.53
LOAN FUNDS			
Secured Loans	'C'	20,585.76	17,846.69
Unsecured Loans	'D'	518.20	1,778.80
		21,103.96	19,625.49
DEFERRED TAX LIABILITY (NET)		—	170.01
		48,942.13	42,673.03
B. APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	'E'	28,777.52	20,972.81
Less : Accumulated Depreciation/Amortisation		12,188.76	9,862.19
Net Block		16,588.76	11,110.62
Capital Work in Progress (Including Capital Advances)		414.91	361.64
Capital Expenditure on New Projects	'F'	587.03	4,290.85
		17,590.70	15,763.11
INVESTMENTS	'G'	5,561.82	5,045.32
DEFERRED TAX ASSET (NET)		21.45	—
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	'H'	17,117.04	14,942.96
Sundry Debtors	'I'	12,081.01	10,590.98
Cash & Bank Balances	'J'	1,093.01	1,556.09
Other Current Assets	'K'	1,820.14	1,081.83
Loans & Advances	'L'	7,624.86	4,327.22
		39,736.06	32,499.08
Less : CURRENT LIABILITIES & PROVISIONS	'M'		
Current Liabilities		11,218.30	9,845.15
Provisions		2,749.60	789.33
		13,967.90	10,634.48
NET CURRENT ASSETS		25,768.16	21,864.60
		48,942.13	42,673.03
Significant Accounting Policies and Notes on Accounts	'V'		

Schedules A to M and V referred to above form an integral part of the Balance Sheet.

As per our Report of even Date

For **S.R. Batliboi & Co.**

Firm Registration No. 301003E

Chartered Accountants

Per **R.K. Agrawal**

a Partner

Membership No. 16667

Kolkata, 24th May, 2011

For and on behalf of the Board

Sajjan Bhajanka — Managing Director

Hari Prasad Agarwal — Vice Chairman

Arun Kumar Julasaria — CFO & Company Secretary

Profit & Loss Account for the year ended 31st March, 2011

(Rs. in Lacs)

	Schedule	2010-11	2009-10
INCOME			
Income from Sales and Services	‘N’	107,507.83	80,475.73
Less : Excise Duty		6,083.72	3,620.36
Less : Sales Tax/VAT		8,334.56	6,064.44
Net Sales		93,089.55	70,790.93
Other Income	‘O’	1,602.12	4,506.82
		94,691.67	75,297.75
EXPENDITURE			
Decrease/(Increase) in stocks	‘P’	(669.56)	(476.31)
Excise Duty & Cess on Stocks (Refer Note No. 4 on Schedule 'V')		38.83	116.72
Cost of Materials	‘Q’	53,769.03	40,612.60
Operating, Administrative and Selling Expenses	‘R’	22,751.49	16,631.12
Personnel Expenses	‘S’	7,529.40	5,574.18
Depreciation/Amortisation	‘T’	2,417.58	1,891.57
Interest and Finance Charges	‘U’	1,276.80	1,300.16
		87,113.57	65,650.04
PROFIT BEFORE TAX		7,578.10	9,647.71
Provision for Tax :			
– Current Tax [including Rs.6.10 Lacs (Rs.18.29 lacs) for earlier years]		1,290.80	1,418.29
– Minimum Alternative Tax Credit (Entitlement)		(972.00)	–
– Deferred Tax		(191.46)	134.71
PROFIT AFTER TAX		7,450.76	8,094.71
Add : Balance brought forward from previous year		13,607.75	8,745.18
Profit & Loss Account debit balance transferred from the Amalgamating company		–	(11.17)
PROFIT AVAILABLE FOR APPROPRIATION		21,058.51	16,828.72
Appropriations :			
Transfer to General Reserve		800.00	900.00
Proposed Dividend on Preference shares		4.50	4.50
Proposed Dividend on Equity shares		2,221.73	555.43
Interim Dividend on Equity Shares		–	1,666.30
Tax on Dividend (Refer Note No.5 on Schedule 'V')		265.28	94.74
Tax on Dividend written Back		(93.02)	–
Balance Carried to the Balance Sheet		17,860.02	13,607.75
		21,058.51	16,828.72
BASIC & DILUTED EARNING PER SHARE (Rs)			
(Face value of Re. 1/- each)		3.35	3.64
Refer Note No.13 on Schedule 'V'			
Significant Accounting Policies and Notes on Accounts ‘V’			

Schedules N to V referred to above form an integral part of the Profit & Loss Account
As per our Report of even Date

For **S.R. Batliboi & Co.**
Firm Registration No. 301003E
Chartered Accountants

Per **R.K. Agrawal**
a Partner
Membership No. 16667
Kolkata, 24th May, 2011

For and on behalf of the Board

Sajjan Bhajanka – *Managing Director*
Hari Prasad Agarwal – *Vice Chairman*
Arun Kumar Julasaria – *CFO & Company Secretary*

Cash Flow Statement for the year ended 31st March, 2011

(Rs. in Lacs)

	2010-11	2009-10
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	7,578.10	9,647.71
Adjustments for:		
Depreciation/Amortisation	2,417.58	1,891.57
Interest Expense (Net of Capitalisation)	998.99	1,074.89
Dividend Income	(1,182.85)	(2,216.14)
Irrecoverable Debts written off	54.68	247.76
Unspent/Unclaimed Balances Written Back	(21.20)	—
(Profit)/Loss on Sale of Fixed Assets	(3.75)	6.98
Profit on Sale of Investments	(0.34)	(1.93)
Interest Income	(338.52)	(81.96)
Provision for Doubtful Debts	50.57	—
Unrealised Foreign Exchange Fluctuations Loss/(Gain)	70.81	(955.01)
Operating Profit before Working Capital changes	9,624.07	9,613.87
Adjustments for:		
(Increase) in Trade and other Receivables	(2,808.63)	(2,023.97)
(Increase) in Inventories	(2,174.08)	(2,604.11)
Increase in Trade Payables	1,512.35	4,847.64
Cash Generated from Operations	6,153.71	9,833.43
Direct Taxes Paid (Net of Refunds)	(1,061.24)	(1,344.15)
Net Cash generated from Operating Activities	5,092.47	8,489.28
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(4,291.68)	(4,383.02)
Sale of Fixed Assets	44.70	29.14
Purchase of Investments	(1,066.54)	(546.16)
Sale of Investments	550.37	1.93
Share Application Money	(1,656.00)	(163.00)
Loans Given/(Refunds) (net)	91.51	(1197.54)
Fixed Deposits	100.00	457.71
Dividend Income	591.90	2216.14
Interest Received	327.72	46.21
Net Cash used in Investing Activities	(5,308.02)	(3,538.59)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Borrowings	8152.98	2972.00
Repayment of Loans	(6,669.62)	(4,579.74)
Interest Paid	(1,069.48)	(981.94)
Dividend paid	(561.41)	(2,222.98)
Dividend Tax Paid	—	(1.72)
Net Cash used in Financing Activities	(147.53)	(4814.38)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(363.08)	136.31
*Cash and Cash Equivalents as on 1st April, 2010	1,455.80	1,305.26
Add: Cash Balance transferred from Amalgamating Company	—	14.23
	1,455.80	1,319.49
*Cash and Cash Equivalents as on 31st March, 2011	1,092.72#	1,455.80

* Represents Cash and Bank Balances as indicated in Schedule - 'J', and excludes Rs. 0.29 lacs (Rs. 100.29 lacs) being Bank Balances with restricted use and with maturity of more than three months.

includes Rs. 10.21 lacs (Rs. 11.69 lacs) lying in Unpaid Dividend Account

As per our Report of even Date

For **S.R. Batliboi & Co.**

Firm Registration No. 301003E

Chartered Accountants

Per **R.K. Agrawal**

a Partner

Membership No. 16667

Kolkata, 24th May, 2011

For and on behalf of the Board

Sajjan Bhajanka

— Managing Director

Hari Prasad Agarwal

— Vice Chairman

Arun Kumar Julasaria

— CFO & Company Secretary

Schedules to Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'A'		
SHARE CAPITAL		
Authorised		
65,05,00,000 (55,05,00,000) Equity Shares of Re. 1/- each	6,505.00	5,505.00
15,00,000 Preference Shares of Rs. 10/- each	150.00	150.00
50,000 Preference Shares of Rs. 100/- each	50.00	50.00
	6,705.00	5,705.00
Issued		
22,35,52,990 Equity Shares of Re. 1/- each	2,235.53	2,235.53
5,00,000 9% Cumulative Redeemable Preference Shares of Rs. 10/- each	50.00	50.00
	2,285.53	2,285.53
Subscribed and Paid Up		
22,21,72,990 Equity Shares of Re. 1/- each	2,221.73	2,221.73
Add : Amount received on forfeited shares	3.54	3.54
5,00,000 9% Cumulative Redeemable Preference Shares of Rs. 10/- each (Redeemable at par after 10 years from 18-09-2002 being the date of issue)	50.00	50.00
	2,275.27	2,275.27
Of the above, 12,06,68,610 Equity Shares and 5,00,000 Preference Shares were issued for consideration other than cash and 4,41,41,460 equity shares were issued as Bonus Shares by capitalisation of General Reserve and Securities Premium.		
SCHEDULE - 'B'		
RESERVES & SURPLUS		
General Reserve		
Balance as per Last Account	2,585.63	1,685.63
Add: Transferred from Profit & Loss Account	800.00	900.00
	3,385.63	2,585.63
Securities Premium		
Balance as per Last Account	1,892.77	1,892.77
Amalgamation Reserve		
Balance as per Last Account	317.40	317.40
Capital Reserve		
Balance as per Last Account	2,019.88	1,772.75
Add : Capital Investment Subsidy for the year	—	247.13
Less : Capital Subsidy Written off	86.07	—
	1,933.81	2,019.88
Revaluation Reserve		
Balance as per Last Account	178.83	185.40
Less : Depreciation Adjustment	5.56	6.57
	173.27	178.83
Profit & Loss Account Balance		
	17,860.02	13,607.75
	25,562.90	20,602.26

Schedules to Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE -‘C’		
SECURED LOANS		
Rupee Term Loans		
– From a Financial Institution	125.00	425.00
– From Banks	660.57	1,867.54
FCNRB Term Loan from a Bank	448.15	451.40
Buyers’ Credit from Banks		
– For Capital Expenditure	342.06	201.77
– For Operational Use	13,895.03	9,094.91
Working Capital Facilities from Banks		
– Cash Credit	4,504.85	1,824.30
– FCNRB Demand Loan	–	2,257.00
– Short Term Loan	–	1,000.00
Hire Purchase Finance		
– From Banks	83.00	50.97
– From a Body Corporate	527.10	673.80
	20,585.76	17,846.69

Notes :

- Term Loans are secured/to be secured by a first charge on the fixed assets and second charge on the current assets of the respective units of the Company as given below:

Amount (Rs. in Lacs)	Location
– (782.05)	Plywood and Laminate units at Kanchowki, District-24 Parganas(S), West Bengal
125.00 (598.12)	Ferro Alloy Unit at Byrnihat, Meghalaya
1,108.72 (1,363.77)	Plywood Unit at Mirza, Assam

- Working Capital facilities (including buyers' credit) from Banks are secured/to be secured by a first charge on the current assets and second charge on the fixed assets of the company of the respective units as given below:

Amount (Rs. in Lacs)	Location
17,303.91 (13,484.54)	Plywood units at Kanchowki, District- 24 Parganas (S), West Bengal; Chinnappolapuram, Gummidipoondi, Tamilnadu; Taraori, Haryana and Laminate unit at Kanchowki, District-24 Parganas (S), West Bengal
1,150.98 (739.02)	Ferro Alloy Unit at Byrnihat, Meghalaya
287.05 (154.42)	Plywood Unit at Mirza, Assam

- Term Loans and working capital facilities from Banks/Financial Institutions are also guaranteed by three Directors of the Company.
- Hire Purchase finance is secured by hypothecation of the assets purchased there against.
- The above term loans include Rs. 564.72 lacs (Rs. 1,085.84 lacs) falling due for payment within one year.

Schedules to Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'D'		
UNSECURED LOANS (SHORT TERM)		
From a Subsidiary Company	500.00	—
From other Bodies Corporate	18.20	1,778.80
	518.20	1,778.80

SCHEDULE - 'E'

FIXED ASSETS

	NAME OF ASSETS	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
		As at 01.04.2010	Additions	Sales/ Adjustments	As at 31.03.2011	Upto 01.04.2010	For the Year	Less: On Sales /Adjustments	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
A	TANGIBLE ASSETS										
	Land & Site Development										
	– Freehold	746.65	441.71	—	1,188.36	—	—	—	—	1,188.36	746.65
	– Leasehold	177.24	739.80	—	917.04	29.35	48.68	—	78.03	839.01	147.89
	Factory Buildings	3,493.09	305.93	—	3,799.02	1,273.45	209.41	—	1,482.86	2,316.16	2,219.64
	Non–Factory Buildings	922.41	772.25	—	1,694.66	243.92	95.22	—	339.14	1,355.52	678.49
	Storage Yard	387.82	3,084.07	—	3,471.89	33.86	193.36	—	227.22	3,244.67	353.96
	Plant & Machinery	10,773.59	1,684.92	48.06	12,410.45	6,128.32	1,211.25	34.75	7,304.82	5,105.63	4,645.27
	Electrical Installations	1,380.53	177.88	2.40	1,556.01	694.38	121.10	0.58	814.90	741.11	686.15
	Furniture & Fixtures	353.94	72.64	4.04	422.54	162.44	43.83	2.43	203.84	218.70	191.50
	Office Equipments	426.10	84.87	25.64	485.33	164.68	46.12	14.52	196.28	289.05	261.42
	Computers	557.25	81.05	10.76	627.54	345.59	101.42	9.74	437.27	190.27	211.66
	Vehicles	1,501.13	482.07	45.98	1,937.22 (b)	617.61	301.07	34.04	884.64	1,052.58	883.52
	Sub Total (A)	20,719.75	7,927.19	136.88	28,510.06	9,693.60	2,371.46	96.06	11,969.00	16,541.06	11,026.15
B	INTANGIBLE ASSETS										
	Computer Softwares	242.08	15.04	0.64	256.48	157.61	51.68	0.51	208.78	47.70	84.47
	Trade Marks and Patent Rights	0.98	—	—	0.98	0.98	—	—	0.98	—	—
	Goodwill	10.00	—	—	10.00	10.00	—	—	10.00	—	—
	Sub Total (B)	253.06	15.04	0.64	267.46	168.59	51.68	0.51	219.76	47.70	84.47
C	Total (A+B)	20,972.81	7,942.23	137.52	28,777.52	9,862.19	2,423.14	96.57	12,188.76	16,588.76	11,110.62
D	CAPITAL WORK IN PROGRESS	361.64	323.40	270.13	414.91 (c)	—	—	—	—	414.91	361.64
	GRAND TOTAL (C+D)	21,334.45	8,265.63	407.65	29,192.43	9,862.19	2,423.14	96.57	12,188.76	17,003.67	11,472.26
	PREVIOUS YEAR'S TOTAL	17,351.37	4,113.05	129.97	21,334.45	7,986.84	1,932.30	56.95	9,862.19	11,472.26	

Notes :

- Certain Land, Buildings and Plant & Machinery of the Kolkata & Chennai Units were revalued in 1991-92 & 1995-96 respectively and the resultant surplus thereon was transferred to Revaluation reserve.
- Includes Assets taken on finance lease Rs. 788.25 lacs (Rs. 788.25 lacs), Written Down Value Rs. 436.78 lacs (Rs. 634.01 lacs) [Refer Note no 10(b) on Schedule “V”].
- Including Capital Advances Rs. 50.76 lacs (Rs Nil).

Schedules to Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

		As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'F'			
CAPITAL EXPENDITURE ON NEW PROJECTS			
A. Freehold Land		217.08	—
B. Leasehold Land	958.06		958.06
Less: Amortisation			
(charged to Pre-operative expenses as below)	(129.65)	828.41	(102.02) 856.04
C. Fixed Assets - Under Erection			
Non-Factory Building	224.55		326.25
Plant & Machinery	666.09		503.21
Storage Yard	2,721.11		451.19
Electrical Installations	125.50		66.43
Furniture & Fixtures	7.41		15.16
Office Equipments	51.15		28.84
Computer Software	3.78		25.80
Computers	14.37	3,813.96	5.45 1,422.33
D. Materials at Site		115.99	1157.96
E. Advances against purchase of fixed assets		—	182.16
		4,975.44	3,618.49
F. Incidental Expenditure pending allocation to Fixed Assets:			
Interest and Finance Charges	210.57		200.61
Lease Rent	602.73		468.81
Licence Fees	—		116.23
Salary & Bonus	20.17		15.06
Travelling & Conveyance	0.08		0.06
Consultancy Charges	71.67		66.91
Miscellaneous Expenses	5.20		0.29
(Net of Income of Rs Nil (Rs 17.92 lacs)			
Amortisation	129.65	1,040.07	102.02 969.99
		6,015.51	4,588.48
Less : Transferred to Profit and Loss Account		—	116.23
Less : Capitalised /Allocated to Fixed Assets during the year		5,428.48	181.40
		587.03	4,290.85

Schedules to Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	Face Value per share Rs.	No. of Shares	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'G'				
INVESTMENTS(AT COST)				
A. LONG TERM (NON TRADE)				
(Fully Paidup)				
(a) Quoted Equity Shares				
Bharat Commerce & Industries Ltd.	10	19000	0.73	0.73
Corporation Bank Ltd.	10	600	0.48	0.48
Greenply Industries Ltd.	5	100	0.09	0.09
Kitply Industries Ltd.	10	100	0.02	0.02
Pidilite Industries Ltd.	1	2000	0.27	0.27
Mahindra Satyam Computer Services Ltd.	2	100	0.11	0.11
Tata Steel Ltd.	10	17	0.07	0.07
UCO Bank Ltd.	10	54500	7.95	7.95
Reliance Broadcast Network Ltd.	5	600000	510.00	—
		(—)		
Sub Total			519.72	9.72
(b) Unquoted Equity Shares				
Changlang Plywoods Pvt. Ltd.	100	2000	2.00	2.00
Manmao Plywoods Pvt. Ltd.	100	1000	1.00	1.00
Sub Total			3.00	3.00
(c) Unquoted Equity Shares in Subsidiaries				
Cement Manufacturing Company Ltd.	10	29547500	2,954.75	2,954.75
Meghalaya Power Ltd.	10	5204998	1,796.50	1,795.00
		(5190000)		—
Star Ferro and Cement Ltd.	1	500000	5.00	—
		(—)		
Sub Total			4,756.25	4,749.75
B. LONG TERM (TRADE- UNQUOTED)				
(a) Unquoted Equity Shares in Subsidiaries				
Auro Sundram Ply & Door Pvt. Ltd.	10	510000	231.80	231.80
Aegis Business Ltd.	10	510000	51.00	51.00
			282.80	282.80
(b) Investment in Government Securities				
National Savings Certificate (VII Issue) *			0.05	0.05
TOTAL			5,561.82	5,045.32
Aggregate Amount of Investments				
Quoted			519.72	9.72
Unquoted			5,042.10	5,035.60
Market Value of Quoted Investments			506.11	34.23

*Lodged with Government Department as Security Deposit..

Note : Besides the above, the following investments have been purchased and sold during the year.

Name of Fund	2010-11		2009-10	
	Units	Amt(Rs in Lacs)	Units	Amt(Rs in Lacs)
SBI-Magnum Insta Fund *	963581	200.00	10889692	2200.00
SBI - SHF-Ultra Short fund *	1641648	200.03	14324594	1700.12
LICMF- Liquid Fund *	875563	150.00	—	—

* Face Value of Rs 10/- each per unit.

Schedules to Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'H'		
INVENTORIES		
(At Lower of Cost and Net Realisable Value)		
Raw Materials	9,983.82	8,257.34
Stores & Spares Parts, etc.	1,556.71	1,778.67
Work in Progress	1,847.40	1,556.79
Finished Goods	3,729.11	3,350.16
	17,117.04	14,942.96
SCHEDULE - 'I'		
SUNDRY DEBTORS		
(Unsecured)		
Debts outstanding for a period exceeding six months		
Considered Good	501.97	440.62
Considered Doubtful	233.99	183.42
Other Debts		
Considered Good*	11,579.04	10,150.36
	12,315.00	10,774.40
Less: Provision for Doubtful Debts	233.99	183.42
	12,081.01	10,590.98
* Includes amount due from Aegis Overseas Ltd., a subsidiary company	—	199.69
Maximum amount due at any time during the year	199.69	199.69
SCHEDULE - 'J'		
CASH AND BANK BALANCES		
Cash in hand	45.87	61.20
Cheques/Drafts in hand	78.30	512.04
Balance with Scheduled Banks in		
— Current Accounts	958.34	870.87
— Unpaid Dividend Accounts	10.21	11.69
— Fixed Deposit Accounts*	0.29	100.29
	1,093.01	1,556.09
* Receipts pledged with Banks as Margin Money		
SCHEDULE - 'K'		
OTHER CURRENT ASSETS		
Subsidies Receivable from Central/State Governments [Including Rs. 811.06 Lacs (Rs. 631.24 Lacs) due for more than six months]	1,182.64	1,046.08
Dividend Receivable*	590.95	—
Interest accrued on Loans, Deposits, etc.**	46.55	35.75
	1,820.14	1,081.83
* represents amount receivable from Cement Manufacturing Co. Ltd., a subsidiary company.		
** includes Rs. 31.22 Lacs (Rs. 9.84 lacs) receivable from Auro Sundram Ply & Door Pvt. Ltd., a subsidiary company		

Schedules to Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'L'		
LOANS AND ADVANCES (Unsecured, considered good)		
Loans		
To Bodies Corporate	1,100.00	1,200.00
To Employees (Bearing Interest)	13.00	4.51
Advances recoverable in cash or in kind or for value to be received	1,240.10	915.33
Share Application Money	2,010.00	354.00
Anti Dumping Duty Receivable	74.88	—
Advance Income Tax [(Net of Provisions of Rs. 2,866.16 lacs (Rs 3,863.24 lacs)]	146.95	376.51
Minimum Alternative Tax Credit Entitlement	972.00	—
Deposits	704.95	640.11
Balance with Excise, Customs and Other Government Authorities	1,362.98	836.76
	7,624.86	4,327.22
Note : The above includes:—		
a) Loans to Auro Sundram Ply & Door Pvt. Ltd., a subsidiary Company	400.00	200.00
Maximum amount due at any time during the year	400.00	200.00
b) Advances to Aegis Business Ltd, a subsidiary Company	1.07	—
Maximum amount due at any time during the year	10.00	—
c) Advances to Star Ferro and Cement Ltd., a subsidiary Company	0.30	—
Maximum amount due at any time during the year	0.30	—
d) Share Application Money to Meghalaya Power Ltd., a subsidiary company	1,577.00	—
Maximum amount due at any time during the year	1,577.00	1,325.00
e) Amount due from Directors of the company	1.65	—
Maximum amount due at any time during the year	7.22	0.70
SCHEDULE – 'M'		
CURRENT LIABILITIES & PROVISIONS		
a) Current Liabilities		
Sundry Creditors		
– Dues to Micro and Small Enterprises (Refer Note No.9 on Schedule 'V')	5.69	0.13
– Dues to Others*	8,384.48	7,637.25
Investor Education and Protection Fund (Payable when due):		
– Unpaid Dividend	10.21	11.69
Advance from Customers	384.22	200.33
Other Liabilities	2,358.73	1,850.29
Interest accrued but not due on loans	74.97	145.46
	11,218.30	9,845.15
* Includes amount due to subsidiary companies:-		
Auro Sundram Ply & Door Pvt. Ltd.	871.24	643.45
Megha Technical & Engineers Pvt. Ltd.	1.05	—
b) Provisions		
Retirement Benefits	258.09	136.38
Proposed Dividend	2,226.23	559.93
Tax on Dividend	265.28	93.02
	2,749.60	789.33

Schedules to Profit & Loss Account for the year ended 31st March, 2011

(Rs. in Lacs)

	2010-11	2009-10
SCHEDULE - 'N'		
INCOME FROM SALES & SERVICES		
Sale of Products	103,816.24	78,426.42
Income from Logistic Services (Gross)	3,536.66	1,995.40
[TDS Rs. 40.78 lacs (Rs. 15.55 lacs)]		
Export Incentives	154.93	53.91
	107,507.83	80,475.73
SCHEDULE - 'O'		
OTHER INCOME		
Dividend (On Long Term Non Trade Investments)	1,182.85	2,216.14
[including Rs. 1181.90 Lacs (Rs. 2216.06 lacs) from a subsidiary company]		
Interest on Fixed Deposits, Loans, etc.(Gross)	338.52	81.96
[TDS Rs. 31.94 lacs (Rs. 14.57 lacs)]		
Profit on Sale of Current Investments (Non Trade)	0.34	1.93
Profit on Fixed Assets Sold /Discarded (Net)	3.75	—
Foreign Exchange Fluctuations (Net)	—	2,164.82
Insurance and Other Claims	30.94	20.79
Recovery of Debts written off in earlier years	5.00	—
Unspent/Unclaimed Balances Written Back	21.20	—
Miscellaneous Income	19.52	21.18
	1,602.12	4,506.82
SCHEDULE – 'P'		
DECREASE/ (INCREASE) IN STOCK		
Opening Stock		
Finished Goods	3,350.16	3,479.48
Work in Progress	1,556.79	817.25
	4,906.95	4,296.73
Add : Transferred from the Amalgamating company		
Finished Goods	—	133.91
	4,906.95	4,430.64
Closing Stock		
Finished Goods	3,729.11	3,350.16
Work in Progress	1,847.40	1,556.79
	5,576.51	4,906.95
	(669.56)	(476.31)
SCHEDULE – 'Q'		
COST OF MATERIALS		
a) Raw Materials Consumed		
Opening Stock	8,257.34	6,655.79
Add : Transferred from the Amalgamating company	—	164.11
Add : Purchases	47,421.20	36,248.39
	55,678.54	43,068.29
Less : Closing Stock	9,983.82	8,257.34
	45,694.72	34,810.95
b) Purchase of Trading Goods	8,074.31	5,801.65
	53,769.03	40,612.60

Schedules to Profit & Loss Account for the year ended 31st March, 2011

(Rs. in Lacs)

	2010-11	2009-10
SCHEDULE - 'R'		
OPERATING, ADMINISTRATIVE & SELLING EXPENSES		
Stores & Spare parts consumed	1,335.19	793.87
Power & Fuel	4,215.00	3,344.26
Insurance Charges	160.95	117.79
Jetty Expenses	29.49	56.34
Container Freight Station Operating Expenses	712.51	435.36
Rent	488.58	303.86
Rates & Taxes	123.13	201.42
Repairs & Maintenance		
– Buildings	84.64	38.04
– Plant & Machinery	573.80	553.36
– Others	298.65	271.78
Transport & Freight	3,043.34	2,234.85
Commission on Sales (Other than Sole Selling Agents)	449.86	254.31
Rebates & Discounts	5,432.63	3,575.14
Advertisement, Publicity and Sales Promotion	3,008.35	1,992.69
Communication Expenses	226.10	201.68
Directors' Remuneration	193.28	193.35
Auditors' Remuneration	35.00	39.79
Charity and Donations	241.56	94.80
Octroi	286.38	276.75
Sales Tax for earlier years	9.47	5.35
Foreign Exchange Fluctuations (Net)	90.90	–
Loss on Sale /Discard of Fixed Assets (Net)	–	6.98
Irrecoverable Debts written off	54.68	247.76
Provision for Doubtful Debts	50.57	–
Miscellaneous Expenses	1,607.43	1,391.59
	22,751.49	16,631.12
SCHEDULE- 'S'		
PERSONNEL COST		
Salaries, Wages, Bonus, etc.	6,718.84	5,075.42
Contribution to Provident, Gratuity and other Funds	562.21	332.53
Employees' Welfare Expenses	248.35	166.23
	7,529.40	5,574.18
SCHEDULE- 'T'		
DEPRECIATION/AMORTISATION		
On Fixed Assets	2,423.14	1,898.14
Less : Transferred from Revaluation Reserve	5.56	6.57
	2,417.58	1,891.57
SCHEDULE- 'U'		
INTEREST AND FINANCE CHARGES		
On Fixed Loans	192.57	324.56
On Other Loans	816.38	780.95
	1,008.95	1,105.51
Less: Capitalised	9.96	30.62
	998.99	1,074.89
Bank Charges	277.81	225.27
	1,276.80	1,300.16

Schedules forming part of the Account

SCHEDULE - 'V'

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

(Annexed to and forming part of the Balance Sheet and Profit & Loss Account as at and for the year ended 31st March, 2011)

A. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in respect of insurance and other claims, which on the grounds of prudence or uncertainty in realization, are accounted for as and when accepted/received. The accounting policies applied by the Company are consistent with those used in the previous year.

ii) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting year end. Although these estimates are based upon management best knowledge of current events and actions, actual results could differ from these estimates.

iii) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured

- a) Revenue from sale of goods and services rendered is recognized upon passage of title which generally coincides with delivery of materials and rendering of services to the customers.
- b) Dividend Income is recognized when the shareholders' right to receive the payment is established by the balance sheet date. However, dividend from subsidiaries is recognized even if the same is declared after the Balance Sheet date but pertains to the period on or before the date of Balance Sheet as per the requirement of Schedule VI of the Companies Act, 1956.
- c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.

iv) Fixed Assets

Fixed Assets are stated at cost or revalued amount, as the case may be, less accumulated depreciation/amortisation and impairment, if any. Cost comprises the purchase price inclusive of duties (net of cenvat / VAT), taxes, incidental expenses and erection / commissioning expenses etc. up to the date, the asset is ready for its intended use. In case of revaluation of fixed assets, the original cost as written-up by the valuer, is considered in the accounts and the differential amount is transferred to revaluation reserve.

Machinery spares which can be used only in connection with an item of fixed assets and whose use as per technical assessment is expected to be irregular, are capitalized and depreciated over the residual life of the respective assets.

v) Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever

Schedules forming part of the Account

the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and 'Value in use' of the assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

vi) Depreciation/Amortisation

- a) The classification of plant and machinery into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.
- b) Depreciation on fixed assets is provided under Written down Value method at the rates prescribed in Schedule XIV of the Companies Act, 1956, or at rates determined based on useful lives of the respective assets, as estimated by the management, whichever is higher.
- c) Depreciation on revalued assets is provided at the rates specified under section 205 (2)(b) of the Companies Act, 1956. However, in case of fixed assets whose life is determined by the valuer to be less than their useful life under section 205, depreciation is provided at higher rate, to ensure the write off of these assets over their useful life.
- d) Depreciation on fixed assets added/disposed of during the year is provided on pro-rata basis with reference to the date of addition/disposal.
- e) Leasehold properties are depreciated over the primary period of lease or their respective useful lives, whichever is shorter.
- f) Intangible assets are amortized on a written down value method over a period of 5 years.
- g) In case of impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

vii) Foreign Currency Transactions

a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction, and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Differences

Exchange differences arising on the settlement/conversion of monetary items are recognized as income or expenses in the year in which they arise.

d) Forward Exchange Contracts not entered for trading or speculation purpose

The premium or discount arising at the inception of forward exchange contracts is amortized as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognized as income or expense for the year.

Schedules forming part of the Account

viii) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and market value on individual investment basis. Long Term Investments are considered at cost, unless there is an "other than temporary" decline in value, in which case adequate provision is made for the diminution in the value of Investments.

ix) Inventories

Raw Materials, stores and spares are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Work in progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials & labour and a part of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Cost of Inventories is computed on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

x) Government Grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

When the grant or subsidy relates to an asset, it is deducted from the gross value of the asset concerned in arriving at the carrying amount of related asset.

Government grants of the nature of promoter's contribution are credited to capital reserve and treated as a part of the shareholders funds.

xi) Retirement and other employee benefits

a) Retirement benefit in the form of Provident Fund is a defined contribution scheme and is charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. The Company has no obligations other than the contribution payable to the respective funds.

(b) Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

(c) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method at the end of each financial year.

(d) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

xii) Earning per Share

Basic Earning per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deductible preference dividend and attributable taxes) by the weighted number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, net profit or loss for the year attributable to

Schedules forming part of the Account

equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

xiii) Excise Duty and Custom Duty

Excise duty on finished goods stock lying at the factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the balance sheet date. Similarly, customs duty on imported material in transit/lying in bonded warehouse is accounted for at the time of import/ bonding of materials.

xiv) Borrowing Costs

Borrowing costs relating to acquisition/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

xv) Taxation

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

The carrying amounts of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of deferred tax assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendation contained in guidance note issued by the Institute of Chartered Accountants of India, the said assets is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The company reviews the carrying amount of MAT at each Balance Sheet date and writes down MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal income-tax during specified period.

Schedules forming part of the Account

xvi) Segment Reporting

a) Identification of segments

The company has identified that its business segments are the primary segments. The Company's business are organized and managed separately according to the nature of products/services, with each segment representing a strategic business unit that offers different product / services and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

b) Inter-segment Transfers

The Company generally accounts for intersegment sales and transfers at current market prices.

c) Allocation of Common Costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated".

The accounting policies adopted for segment reporting are in line with those of the Company's accounting policies.

xvii) Fixed Assets acquired under Lease

a) Finance Lease

Assets acquired under lease agreements which effectively transfer to the company substantially all the risk and benefits incidental to ownership of the leased items, are capitalized at the lower of the fair value and present value of minimum lease payment at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and the reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of their liability. Finance charges are charged directly to the expenses account.

b) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of the ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account.

xviii) Cash and Cash equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

xxi) Provision

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions made in terms of Accounting Standard 29 are not discounted to its present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

xx) Contingencies

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

Schedules forming part of the Account

B. NOTES ON ACCOUNTS

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
1. Estimated amount of contracts remaining to be executed on Capital Account (net of advances) and not provided for	271.89	893.23
2. Contingent Liabilities not provided for in respect of :—		
a) Demands /Claims by various Government Authorities and others not acknowledged as debts:		
i) Excise Duty/Service Tax	537.40	153.06
ii) Sales Tax/VAT	316.20	364.05
iii) Income Tax	285.52	175.19
iv) Others	34.32	—
Total	1,173.44	692.30
b) Un-redeemed bank guarantees	507.11	122.21
c) Bills discounted with banks	751.31	809.64
d) Letters of credit issued by the banks	2,086.46	947.91
e) Custom Duty on import under EPCG Scheme against which Export obligation is to be fulfilled	24.39	61.35

- There is a diminution of Rs. 66.30 lacs (Rs. Nil) in the value of a quoted investment based on the last quoted price. The above investment being long term and strategic in nature, the said diminution, in the opinion of the management, is temporary in nature and hence no provision is considered necessary
- Excise Duty on sales has been reduced from sales in Profit & Loss Account and excise duty on increase/decrease in stocks has been considered as income/Expenses in Profit & Loss Account.
- In terms of Section 115-O of the Income Tax Act, 1961, dividend on Equity shares is not subject to tax on dividend to the extent of dividend received from a subsidiary company during the year.

6. Details of Directors' Remuneration:

(Rs. in Lacs)

	2010-11	2009-10
Managing Director/Whole Time Directors' Remuneration		
– Salary	180.00	180.00
Non Executive Chairman's Remuneration	12.00	12.00
Sitting fees	1.28	1.35
Total	193.28	193.35

Note: As the provision of gratuity and leave is made on an accrual basis of the company as a whole, the amount pertaining to Directors is not included above.

Schedules forming part of the Account

7. The Break- up of Net Deferred Tax Asset/(Liability) as on 31st March, 2011 is as follows:

(Rs. in Lacs)

		As at 31.03.2011	As at 31.03.2010
(A)	Deferred Tax Asset		
	Expenses allowable against taxable income in future years	226.49	150.48
(B)	Deferred Tax Liability		
	Timing difference on depreciable assets	205.04	320.49
	Net Deferred Tax Asset/(Liability) (A – B)	21.45	(170.01)

8. Sales Tax /VAT and Excise duty debited to Profit and loss account are Net of Subsidy Rs 152.02 lacs (Rs.104.50 lacs) and Rs. 436.67 lacs (Rs.108.52) respectively.
9. Based on the information / documents available with the Company, information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(Rs. in Lacs)

		2010-11	2009-10
i)	Principal amount remaining unpaid to any supplier at the end of accounting year (including retention money against performance)	5.69	0.13
ii)	Interest due on above.	—	—
	Total of (i) & (ii)	5.69	0.13
iii)	Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act.	—	—
iv)	Amount paid to the suppliers beyond the respective appointed date.	—	—
v)	Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	—	—
vi)	Amount of interest accrued and remaining unpaid at the end of accounting year.	—	—
vii)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	—	—

10. (a) Operating Lease

Certain office premises, depots, etc. are obtained on operating lease. The lease terms are for 1-3 years and are renewable for further period either mutually or at the option of the Company. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements. There are no subleases. The leases are cancellable.

(Rs. in Lacs)

Particulars	2010-11	2009-10
Lease payments made for the year*	219.27	234.64

* Excluding lease rent for use of Land Rs. 269.31 lacs (Rs. 69.22 lacs)

Schedules forming part of the Account

- (b) Fixed Assets include certain vehicles obtained on finance lease. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements. The year-wise break-up and future obligation towards minimum lease payments of Rs. 707.25 lacs (Rs. 880.29 lacs) consisting of present value of lease payments of Rs 610.10 lacs (Rs. 724.77 lacs) and financial charges Rs. 97.15 lacs (Rs. 155.52 lacs) under the respective agreements as on 31st March, 2011, is given below:

(Rs. in Lacs)

Particulars	Not later than 1 year		Later than 1 year but not later than 5 years	
	Minimum lease payments	Present value as on 31.03.2011	Minimum lease payments	Present value as on 31.03.2011
Finance Lease*	243.68 (245.98)	191.72 (180.07)	463.57 (634.31)	418.38 (544.70)

* Rate of Interest - 10.00% - 11.25%.

11. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

The following tables summarize the components of net benefit expenses recognized in the Profit & Loss Account and the funded status and amounts recognized in the balance sheet for the Gratuity.

(Rs. in Lacs)

Sl. No.		2010-11	2009-10
(i)	Net Employee Expense/(benefit)		
	Current service cost	81.34	60.96
	Interest cost on benefit obligation	39.21	28.35
	Expected return on plan assets	(36.98)	(24.61)
	Net Actuarial (gains)/losses recognized in the year	77.17	(25.10)
	Total employer expense	160.74	39.60
(ii)	Actual return on plan assets	37.02	25.64
(iii)	Benefit Asset/(Liability)		
	Fair Value of Plan Assets	508.47	388.37
	Defined benefit obligation	591.98	412.69
	Benefit Asset/(Liability)	(83.51)	(24.32)
(iv)	Movement in benefit liability		
	Opening defined benefit obligation	412.69	363.60
	Interest cost	39.21	28.35
	Current service cost	81.34	60.96
	Benefits paid	(18.47)	(16.15)
	Actuarial (gains)/losses	77.21	(24.07)
	Closing benefit obligation	591.98	412.69

Schedules forming part of the Account

(Rs. in Lacs)

Sl. No.		2010-11	2009-10
(v)	Movement in fair value of plan assets		
	Opening fair value of plan assets	388.37	231.49
	Expected Return on plan assets	36.98	24.61
	Contribution by employer	101.55	147.39
	Benefits paid	(18.47)	(16.15)
	Actuarial gains/(losses) on obligation	0.04	1.03
	Closing fair value of plan assets	508.47	388.37
(vi)	The major categories of plan assets as a percentage of the fair value of total plan assets		
	Funded with insurer	100%	100%
(vii)	The Principal actuarial assumptions are as follows:		
	Discount rate	8%	8%
	Expected Return on plan assets	8%	8%
	Salary Increase	5%	5%
	Withdrawal rates (Varying between per annum depending upon the duration and age of the employees)	1%-2%	1%-2%

viii) Amount incurred as expense for defined contribution to Provident Fund is Rs. 243.13 lacs (Rs. 214.21 lacs).

ix) The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market..

x) The Company expects to contribute Rs. 125 lacs (Rs. 85 lacs) to Gratuity fund in 2011-2012.

xi) The details for the current and previous periods are as follows :

(Rs. in Lacs)

	2010-2011	2009-2010	2008-2009	2007-2008
Defined Benefit Obligation	591.98	412.69	363.32	198.84
Plan Assets	508.47	388.37	231.49	183.89
Surplus/(Deficit)	(83.51)	(24.32)	(131.83)	(14.95)
Experience adjustments on plan liability*				
Experience adjustments on plan assets*				

* The management has relied on the overall actuarial valuation conducted by the actuary. However, experience adjustments on plan liabilities and assets are not readily available and hence not disclosed.

Schedules forming part of the Account

12. Details of Auditors' Remuneration:

(Rs. in Lacs)

	2010 -11	2009-10
As Auditors:		
Audit Fees	15.00	15.00
Limited Review Fees	9.00	9.00
In Other Capacity for:		
Certificates and other services	4.70	8.60
For Expenses	0.64	0.73
Payment to Branch Auditors:		
As Auditors	5.66	6.46
Total	35.00	39.79

13. Earning per Share (EPS):

In terms of Accounting Standard - 20, the calculation of EPS is given below:

	2010-11	2009-10
Profit as per Profit & Loss Account (Rs. in lacs)	7,450.76	8,094.71
Less : Preference dividend for the year (including Tax on Dividend) (Rs. in lacs)	5.23	5.26
Profit available for Equity Shareholders (Rs. in lacs)	7,445.53	8,089.45
Weighted average number of Equity Shares outstanding during the year	222172990	222172990
Nominal value of equity shares (Re.)	1	1
Basic and Diluted earnings per share (EPS) (Rs.)	3.35	3.64

14. The following foreign currency exposures are not hedged as on the balance sheet date:

(Rs. in Lacs)

Nature of Item	2010-11	2009-10
FCNRB Term Loan	448.15	2,708.40
Buyer's credit	14,237.09	9,296.68
Debtors	405.09	566.51
Creditors	4,710.52	5,442.20

15. Charity and Donations includes Rs. 10.00 lacs (Rs. 5.00 lacs) paid to the Bhartiya Janata Party and Rs. 5.00 lacs (Rs. Nil) paid to West Bengal Pradesh Congress Committee for political purposes.

Schedules forming part of the Account

16. Related Party Disclosures

a) Name of the related parties:

Subsidiary Companies	Cement Manufacturing Company Ltd.
	Auro Sundram Ply & Door Pvt. Ltd.
	Megha Technical & Engineers Pvt. Ltd.
	Meghalaya Power Ltd.
	Star Cement Meghalaya Ltd.
	Star Ferro & Cement Ltd. (with effect from 10th March, 2011)
	Aegis Business Ltd.
	Aegis Overseas Ltd.
	NE Hills Hydro Ltd. (with effect from 3rd February, 2011)
Key Management Personnel	Sri Satya Brata Ganguly (Chairman)
	Sri Sajjan Bhajanka (Managing Director)
	Sri Sanjay Agarwal (Joint Managing Director)
	Sri Prem Kumar Bhajanka (Joint Managing Director)
	Sri Vishnu Khemani (Joint Managing Director)
	Sri Hari Prasad Agarwal (Vice Chairman)
	Sri Ajay Baldawa (Executive Director)
	Sri Brij Bhushan Agarwal (Director)
	Sri Arun Kumar Julasaria (Chief Financial Officer cum Company Secretary)
Enterprises Owned/ Influenced by Key Management Personnel or their relatives.	
	Adonis Vyaper Pvt. Ltd.
	Amul Boards Pvt. Ltd.
	Apnapan Viniyog Pvt. Ltd.
	Ara Suppliers Pvt. Ltd.
	Arham Sales Pvt. Ltd.
	Brijdham Merchants Pvt. Ltd.
	Namchic Tea Estate Pvt. Ltd.
	Pacific Plywoods Pvt. Ltd.
	Riangdo Veneers Pvt. Ltd.
	Shyam Century Cement Industries Ltd.
	Sriram Merchants Pvt. Ltd.
	Sriram Vanijya Pvt. Ltd.
	Sumangal Business Pvt. Ltd.
	Sumangal International Pvt. Ltd.
Relatives of Key Management Personnel	
	Smt. Santosh Bhajanka (Wife of Sri Sajjan Bhajanka)
	Smt. Divya Agarwal (Wife of Sri Sanjay Agarwal)
	Smt. Sumitra Devi Agarwal (Wife of Sri Hari Prasad Agarwal)
	Smt. Yash Bhajanka (Wife of Sri Prem Kumar Bhajanka)
	Smt. Mittu Agarwal (Wife of Sri Brij Bhushan Agarwal)
	Smt. Sudha Khemani (Wife of Sri Vishnu Khemani)

Schedules forming part of the Account

b) Aggregated Related Party disclosure as at and for the year ended 31st March, 2011

(Rs. in Lacs)

Sl No.	Type of Transactions	Subsidiaries		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
1	Purchase of Trading Goods										
	Auro Sundram Ply & Door Pvt. Ltd.	4,273.52	3,116.89	—	—	—	—	—	—	4,273.52	3,116.89
	Riangdo Veneers Pvt. Ltd.	—	—	33.74	16.06	—	—	—	—	33.74	16.06
2	Sale of Products										
	Aegis Overseas Ltd.	191.21	396.01	—	—	—	—	—	—	191.21	396.01
	Cement Manufacturing Co. Ltd.	42.62	780.90	—	—	—	—	—	—	42.62	780.90
	Auro Sundram Ply & Door Pvt. Ltd.	41.86	32.07	—	—	—	—	—	—	41.86	32.07
	Star Cement Meghalaya Ltd.	83.92	2.09	—	—	—	—	—	—	83.92	2.09
	Others	3.11	—	2.87	—	—	—	—	—	5.98	—
3	Income from Logistics Services										
	Star Cement Meghalaya Ltd.	—	2.70	—	—	—	—	—	—	—	2.70
4	Purchase of Capital Goods										
	Cement Manufacturing Co. Ltd.	0.19	22.68	—	—	—	—	—	—	0.19	22.68
	Megha Technical & Engineers Pvt. Ltd.	21.75	9.23	—	—	—	—	—	—	21.75	9.23
5	Professional Services availed										
	Aegis Business Ltd.	9.93	—	—	—	—	—	—	—	9.93	—
6	Loan taken										
	Brijdham Merchants Pvt. Ltd.	—	—	75.50	125.50	—	—	—	—	75.50	125.50
	Sriram Merchants Pvt. Ltd.	—	—	346.50	378.50	—	—	—	—	346.50	378.50
	Sriram Vanijya Pvt. Ltd.	—	—	673.50	1,786.50	—	—	—	—	673.50	1,786.50
	Sumangal Business Pvt. Ltd.	—	—	23.00	165.00	—	—	—	—	23.00	165.00
	Sumangal International Pvt. Ltd.	—	—	483.54	875.00	—	—	—	—	483.54	875.00
	Cement Manufacturing Co. Ltd.	3,430.00	4,150.00	—	—	—	—	—	—	3,430.00	4,150.00
7	Loan Repaid										
	Brijdham Merchants Pvt. Ltd.	—	—	144.49	63.00	—	—	—	—	144.49	63.00
	Sriram Merchants Pvt. Ltd.	—	—	733.63	30.00	—	—	—	—	733.63	30.00
	Sriram Vanijya Pvt. Ltd.	—	—	1,790.64	785.50	—	—	—	—	1,790.64	785.50
	Sumangal Business Pvt. Ltd.	—	—	202.36	3.00	—	—	—	—	202.36	3.00
	Sumangal International Pvt. Ltd.	—	—	712.66	670.20	—	—	—	—	712.66	670.20
	Cement Manufacturing Co. Ltd.	2,930.00	4,150.00	—	—	—	—	—	—	2,930.00	4,150.00
8	Loan Given										
	Auro Sundram Ply & Door Pvt. Ltd.	200.00	200.00	—	—	—	—	—	—	200.00	200.00
	Aegis Business Ltd.	220.00	800.00	—	—	—	—	—	—	220.00	800.00
	Cement Manufacturing Co. Ltd.	1,400.00	1,300.00	—	—	—	—	—	—	1,400.00	1,300.00
9	Loan Received Back										
	Aegis Business Ltd.	220.00	800.00	—	—	—	—	—	—	220.00	800.00
	Cement Manufacturing Co. Ltd.	1,400.00	1,300.00	—	—	—	—	—	—	1,400.00	1,300.00
10	Advances Taken										
	Pacific Plywoods Pvt. Ltd.	—	—	190.00	—	—	—	—	—	190.00	—
11	Advances Refunded										
	Pacific Plywoods Pvt. Ltd.	—	—	190.00	—	—	—	—	—	190.00	—
12	Share Application Money										
	Shyam Century Cement Industries Ltd.	—	—	79.00	163.00	—	—	—	—	79.00	163.00
	Meghalaya Power Ltd.	1,577.00	—	—	—	—	—	—	—	1,577.00	—
13	Investments Made										
	Aegis Business Ltd.	—	51.00	—	—	—	—	—	—	—	51.00
	Star Ferro & Cement Ltd.	5.00	—	—	—	—	—	—	—	5.00	—
	Meghalaya Power Ltd.	1.50	1,595.00	—	—	—	—	—	—	1.50	1,595.00
14	Interest Paid										
	Brijdham Merchants Pvt. Ltd.	—	—	2.60	4.32	—	—	—	—	2.60	4.32
	Sriram Merchants Pvt. Ltd.	—	—	21.92	18.57	—	—	—	—	21.92	18.57
	Sriram Vanijya Pvt. Ltd.	—	—	57.36	65.31	—	—	—	—	57.36	65.31
	Sumangal Business Pvt. Ltd.	—	—	10.15	8.02	—	—	—	—	10.15	8.02
	Sumangal International Pvt. Ltd.	—	—	10.66	15.18	—	—	—	—	10.66	15.18
	Cement Manufacturing Co. Ltd.	58.35	37.62	—	—	—	—	—	—	58.35	37.62

Schedules forming part of the Account

(Rs. in Lacs)

Sl No.	Type of Transactions	Subsidiaries		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
15	Interest Received										
	Auro Sundram Ply & Door Pvt. Ltd.	21.38	10.93	—	—	—	—	—	—	21.38	10.93
	Aegis Business Ltd.	1.64	3.68	—	—	—	—	—	—	1.64	3.68
	Cement Manufacturing Co. Ltd.	9.16	2.47	—	—	—	—	—	—	9.16	2.47
16	Dividend Received										
	Cement Manufacturing Co. Ltd.	1,181.90	2,216.06	—	—	—	—	—	—	1,181.90	2,216.06
17	Dividend Paid										
	Sri Sajjan Bhajanka	—	—	—	—	55.80	223.21	—	—	55.80	223.21
	Sri Sanjay Agarwal	—	—	—	—	47.31	189.22	—	—	47.31	189.22
	Smt. Divya Agarwal	—	—	—	—	—	—	41.87	167.50	—	167.50
	Sri Prem Kumar Bhajanka	—	—	—	—	39.52	158.09	—	—	39.52	158.09
	Others	—	—	98.32	377.90	36.32	108.79	128.94	275.15	263.58	761.84
18	Remuneration Paid										
	Sri Sajjan Bhajanka	—	—	—	—	36.00	36.00	—	—	36.00	36.00
	Sri Sanjay Agarwal	—	—	—	—	36.00	36.00	—	—	36.00	36.00
	Sri Hari Prasad Agarwal	—	—	—	—	18.00	18.00	—	—	18.00	18.00
	Sri Ajay Baldawa	—	—	—	—	18.00	18.00	—	—	18.00	18.00
	Sri Prem Kumar Bhajanka	—	—	—	—	36.00	36.00	—	—	36.00	36.00
	Sri Vishnu Khemani	—	—	—	—	36.00	36.00	—	—	36.00	36.00
	Sri Arun Julasaria	—	—	—	—	19.05	16.12	—	—	19.05	16.12
	Sri Satya Brata Ganguly	—	—	—	—	12.00	12.00	—	—	12.00	12.00
	Others	—	—	—	—	41.85	28.12	—	—	41.85	28.12
19	Guarantees Obtained*										
	Sri Sajjan Bhajanka	—	—	—	—	35,757.05	35,757.05	—	—	35,757.05	35,757.05
	Sri Sanjay Agarwal	—	—	—	—	35,757.05	35,757.05	—	—	35,757.05	35,757.05
	Sri Hari Prasad Agarwal	—	—	—	—	35,757.05	35,757.05	—	—	35,757.05	35,757.05
20	Balance Outstanding on account of										
A	Receivable/(Payable)										
	Auro Sundram Ply & Door Pvt. Ltd.	(871.24)	(643.45)	—	—	—	—	—	—	(871.24)	(643.45)
	Riangdo Veneers Pvt. Ltd.	—	—	(10.35)	(2.00)	—	—	—	—	(10.35)	(2.00)
	Aegis Business Ltd.	1.07	—	—	—	—	—	—	—	1.07	—
	Aegis Overseas Ltd.	—	199.69	—	—	—	—	—	—	—	199.69
	Star Ferro & Cement Ltd.	0.30	—	—	—	—	—	—	—	0.30	—
	Megha Technical & Engineers Pvt. Ltd.	(1.05)	—	—	—	—	—	—	—	(1.05)	—
	Namchic Tea Estate Pvt. Ltd.	—	—	0.42	—	—	—	—	—	0.42	—
B	Share Application Money										
	Adonis Vyaper Pvt. Ltd.	—	—	47.50	47.50	—	—	—	—	47.50	47.50
	Apnapan Viniyog Pvt. Ltd.	—	—	47.50	47.50	—	—	—	—	47.50	47.50
	Ara Suppliers Pvt. Ltd.	—	—	48.50	48.50	—	—	—	—	48.50	48.50
	Arham Sales Pvt. Ltd.	—	—	47.50	47.50	—	—	—	—	47.50	47.50
	Shyam Century Cement Industries Ltd.	—	—	242.00	163.00	—	—	—	—	242.00	163.00
	Meghalaya Power Ltd	1,577.00	—	—	—	—	—	—	—	1,577.00	—
C	Loans (incl. interest) Receivable/(Payable)										
	Auro Sundram Ply & Door Pvt. Ltd.	431.22	209.84	—	—	—	—	—	—	431.22	209.84
	Cement Manufacturing Co. Ltd.	(500.00)	—	—	—	—	—	—	—	(500.00)	—
	Brijdham Merchants Pvt. Ltd.	—	—	—	(66.39)	—	—	—	—	—	(66.39)
	Sriram Merchants Pvt. Ltd.	—	—	—	(365.21)	—	—	—	—	—	(365.21)
	Sriram Vanijya Pvt. Ltd.	—	—	—	(1,059.78)	—	—	—	—	—	(1,059.78)
	Sumangal Business Pvt. Ltd.	—	—	—	(169.21)	—	—	—	—	—	(169.21)
	Sumangal International Pvt. Ltd.	—	—	—	(218.46)	—	—	—	—	—	(218.46)
D	Dividend Receivable										
	Cement Manufacturing Co. Ltd.	590.95	—	—	—	—	—	—	—	590.95	—

* Guarantees given in aggregate by all the directors

Schedules forming part of the Account

17. The Company's segment information as at and for the Year ended 31st March, 2011 are as below:

(Rs. in Lacs)

Sl		Plywood	Laminate	Logistic	Ferro Alloys	Power	Others	Total
A	Revenue (Gross)							
	External Sales	77,940.72 (59,225.05)	15,803.90 (12,072.25)	3,536.66 (1,995.40)	7,911.16 (4,086.71)	1,278.76 (1,870.69)	1,036.63 (1,225.63)	1,07,507.83 (80,475.73)
	Inter-segment Sales	– (–)	– (–)	49.41 (47.45)	– (–)	2,835.23 (1,784.49)	123.70 (77.65)	3,008.34 (1,909.59)
	Total Revenue (Gross)	77,940.72 (59,225.05)	15,803.90 (12,072.25)	3,586.07 (2,042.85)	7,911.16 (4,086.71)	4,113.99 (3,655.18)	1,160.33 (1,303.28)	1,10,516.17 (82,385.32)
B	Result							
	Segment Results	3,536.31 (3,624.59)	1,073.75 (1,011.12)	759.63 (780.46)	1,119.23 (158.59)	1,061.46 (974.17)	147.06 (82.33)	7,697.44 (6,631.26)
	Unallocated Income/ (Expenses) [(Net of unallocated (expenses)/income]							879.65 (4,091.34)
	Operating Profit							8,577.09 (10,722.60)
	Interest Expense							998.99 (1,074.89)
	Provision for Taxation							1,290.80 (1,418.29)
	Mat Credit Entitlement							– 972.00 (–)
	Deferred Tax Charge/ (–) Credit							– 191.46 (134.71)
	Net Profit							7,450.76 (8,094.71)
Other Information								
A	Total Assets							
	Segment Assets	27,861.79 (24,835.00)	9,727.37 (7,716.30)	8,219.79 (7,248.54)	3,110.79 (2,542.58)	3,208.73 (3,344.79)	321.63 (539.49)	52,450.10 (46,226.70)
	Unallocated Corporate/Other Assets							10,459.93 (7,080.81)
								62,910.03 (53,307.51)
B	Total Liabilities							
	Segment Liabilities	7,180.08 (8,053.15)	2,582.25 (920.10)	486.77 (389.97)	293.22 (186.54)	595.57 (174.51)	136.79 (97.89)	11,274.68 (9,822.16)
	Unallocated Corporate/ Other Liabilities							23,797.18 (20,607.82)
								35,071.86 (30,429.98)

Schedules forming part of the Account

(Rs. in Lacs)

Sl		Plywood	Laminate	Logistic	Ferro Alloys	Power	Others	Total
C	Capital Expenditure*	1,345.95 (940.32)	799.43 (132.25)	1,600.95 (3,279.63)	130.98 (11.64)	305.44 (18.05)	9.96 (1.15)	4,192.71 (4,383.04)
D	Depreciation /Amortisation	930.66 (798.18)	337.29 (321.94)	726.02 (319.35)	106.34 (112.36)	316.17 (338.27)	1.10 (1.47)	2,417.58 (1,891.57)
E	Geographical Segment							
	i. Revenue (Gross)							
	India							1,04,489.21 (78,064.89)
	Overseas							3,018.62 (2,410.84)
	ii. Carrying amount of Segment Assets							
	India							52,045.01 (45,660.13)
	Overseas							405.09 (566.57)

* Excluding Rs. 98.97 lacs (Rs. Nil) on unallocated corporate assets.

Notes:

- a) Business Segments: The business segments have been identified on the basis of the products of the Company. Accordingly, the Company has identified following business segments:

Plywood	–	Plywood, Block-Board, Veneer & Timber
Laminate	–	Decorative Laminates & Pre-laminated Boards
Ferro-Alloys	–	Ferro Silicon
Power	–	Generation of Power
Logistic	–	Container Freight Stations (CFS) and Jetty
Others	–	Mainly Trading of Chemicals and Minerals
- b) Geographical Segments: The Company primarily operates in India and therefore the analysis of geographical segments is demarcated into India and overseas operations.
- c) The company has common fixed assets for producing goods for domestic and overseas market. Hence separate figures for fixed assets/additions to fixed assets have not been furnished.
18. Foreign Exchange Loss of Rs. 142.05 lacs (Previous Year Gain of Rs. 1,895.79 lacs) (Net) towards creditors/debtors pertaining to specific segments has been included as unallocable income/expenses instead of the relevant segments results as the amount of such exchange gain/loss for different segments is not ascertainable.
19. The Company has paid anti dumping duty amounting to Rs. 74.88 lacs on import of phenol which in opinion of the management is in excess of actual margin of dumping of said materials and accordingly refundable in terms of Section 9AA of Custom Tariff Act, 1975 and hence the same is considered as receivable and included under the head Loans & Advances.

Schedules forming part of the Account

20. Information pursuant to the provisions of Paragraphs 3,4c and 4d of Part II of the Companies Act,1956

a) Details of Products Manufactured, Turnover, Opening Stock, Closing Stock, etc. :

Sl	Particulars	Unit	Lincensed Capacity Per Annum	Installed Capacity Per Annum	Opening Stock		Production	Purchases		Turnover (b)		Closing Stock	
					Quantity	Amount Rs. in Lacs	Quantity	Quantity	Amount Rs. in Lacs	Quantity	Amount Rs. in Lacs	Quantity	Amount Rs. in Lacs
i)	Plywood	CBM	Not Applicable	124820 (122420)	5,479 (6,037)	1,668.42 (1,702.02)	1,11,414 (92,657)	29,766 (23,584)	6,971.79 (4,578.70)	1,40,859 (1,16,763)	71,693.15 (52,690.33)	5,800 (5,479)	1,977.44 (1,668.42)
ii)	Veneer	CBM	Not Applicable	149000 (149000)	936 (713)	289.61 (430.85)	81,191(a) (71,643)	3 (-)	5.54 (-)	32,879 (25,738)	6,247.57 (6,077.56)	690 (936)	191.03 (289.61)
iii)	Laminate Sheets	Nos.	Not Applicable	2400000 (2400000)	258,129 (276,630)	955.10 (1,131.27)	20,90,764 (18,04,273)	- (-)	- (-)	2,106,653 (18,22,774)	13,063.88 (10,451.59)	242,240 (258,129)	1,028.71 (955.10)
iv)	Pre-Laminated Boards	SQM	Not Applicable	2378720 (800000)	6,215 (3,656)	25.97 (11.41)	608,080 (3,74,989)	- (-)	- (-)	6,00,965 (3,72,466)	2,225.49 (1,336.93)	13,330 (6,215)	36.10 (25.97)
v)	Ferro Silicon	MT	Not Applicable	10620 (10620)	456 (270)	189.47 (95.71)	10,366 (6,339)	- (-)	- (-)	10,254 (6,153)	7,889.90 (3,806.58)	568 (456)	283.62 (189.47)
vi)	Silicon Manganese	MT	Not Applicable	- (-)	74 (45)	28.76 (16.32)	- (546)	- (-)	- (-)	35 (517)	21.26 (280.14)	39 (74)	9.55 (28.76)
vii)	Power	MW	Not Applicable	13.80 (13.80)	- (-)	- (-)	1,15,305(a) (99,823)	- (-)	- (-)	22,845 (35,754)	1,278.76 (1,870.69)	- (-)	- (-)
viii)	Adhesives	MT	Not Applicable	2000 (2000)	1 (3)	0.53 (1.52)	- (-)	- (-)	- (-)	- (a) (2)	- (0.24)	1 (1)	0.17 (0.53)
ix)	MDF/PPB	CBM		- (-)	352 (606)	55.86 (90.30)	- (-)	1,620 (819)	257.76 (128.00)	1,655 (1,074)	359.60 (219.96)	317 (352)	50.43 (55.86)
x)	Chemicals	MT		- (-)	44 (40)	82.94 (83.21)	- (-)	311 (273)	499.42 (449.04)	304 (269)	628.86 (761.41)	51 (44)	89.83 (82.94)
x)	Pest Control Kits	PCS		- (-)	82,835 (57,561)	53.50 (30.40)	- (-)	4,83,167 (1,98,586)	94.12 (66.41)	3,75,581 (173,312)	157.60 (78.90)	190,421 (82,835)	62.23 (53.50)
xi)	Timber	CBM		- (-)	- (167)	- (20.38)	- (-)	- (-)	- (-)	- (167)(a)	- (-)	- (-)	- (-)
xii)	Others			- (-)	- (-)	- (-)	- (-)	- (-)	245.68 (579.50)	- (-)	250.17 (852.10)	- (-)	- (-)
						3,350.16 (3,613.39)			8,074.31 (5,801.65)		1,03,816.24 (78,426.42)		3,729.11 (3,350.16)

a) Includes 48561 CBM (45682 CBM) of Veneer, NIL MT (1 MT) of Adhesive, Nil CBM (167 CBM) of Timber and 92460 MW (64069 MW) of power for own consumption.

b) Includes Excise duty and Sales tax/ VAT.

Note : Installed capacity have been certified by the management and accepted as correct by the auditors.

b) Raw Materials Consumed

Sl	Particulars	Unit	2010-11		2009-10	
			Quantity	Value (Rs. in Lacs)	Quantity	Value (Rs. in Lacs)
i	Timber Logs	CBM	125276	21,053.92	114437	18,150.81
ii	Veneer	CBM	135402	10,192.79	113899	7,073.32
iii	Chemicals	KGS/LTR	14705179	6,781.16	12889005	4,239.54
iv	Paper	KGS	6773991	4,361.31	5614060	3,617.03
v	Particle Board	CBM	618523	1,035.60	381603	587.39
vi	Coal/Charcoal/Lame Coke	MT	13940	1,336.70	6264	548.14
vii	Super Screen Coal	MT	3455	502.39	3952	259.47
viii	Quartz	MT	19917	263.82	12420	147.45
ix	Mill Scale	MT	4106	164.68	2593	69.82
x	Manganese Ore/Slag	MT	-	-	1205	108.74
xi	Others		-	2.35	-	9.24
	Total			45,694.72		34,810.95

Schedules forming part of the Account

c) Value of Imported and indigenous Raw-materials and stores, Spare parts etc and their percentage to total consumption: (Rs. in Lacs)

	2010-11		2009-10	
	Value	%	Value	%
Raw Materials				
– Imported	27,720.76	60.67	24,732.54	71.05
– Indigenous	17,973.96	39.33	10,078.41	28.95
Total	45,694.72	100.00	34,810.95	100.00
Stores & Spare parts, etc.				
– Imported	31.17	2.33	8.93	1.12
– Indigenous	1,304.02	97.67	784.94	98.88
Total	1,335.19	100.00	793.87	100.00

d) Value of Imports (CIF): (Rs. in Lacs)

	2010-11	2009-10
Raw Materials	25,134.09	20,396.39
Capital goods	160.02	618.87
Purchases of Finished Goods	449.72	600.04
Stores & Spares	99.41	65.30

e) Expenditures in Foreign Currency (Accrual Basis): (Rs. in Lacs)

	2010-11	2009-10
Travelling Expenses	26.50	27.98
Interest	185.70	192.18
Others	239.82	138.00
Total	452.02	358.16

f) Earnings in Foreign Currency (Accrual Basis): (Rs. in Lacs)

	2010-11	2009-10
Export (FOB Value)	3,018.62	2,410.83

20. Previous year figures including those given in brackets, have been regrouped and / or rearranged, wherever necessary.

Signatures to Schedules 'A' to 'V'

For **S.R. Batliboi & Co.**

Firm Registration No. 301003E

Chartered Accountants

Per **R.K. Agrawal**

a Partner

Membership No. 16667

Kolkata, 24th May, 2011

For and on behalf of the Board

Sajjan Bhajanka – *Managing Director*

Hari Prasad Agarwal – *Vice Chairman*

Arun Kumar Julasaria – *CFO & Company Secretary*

BALANCE SHEET ABSTRACT AND COMPANY'S 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 1 1

II. Capital raised during the year (Amount in Rs. Thousand)

Public Issue N I L Rights Issue N I L
 Bonus Issue N I L Private Placement N I L

III. Position of Mobilisation and Deployment of funds (Amount in Rs. Thousand)

Total Liability 6 2 9 1 0 0 3 Total Assets 6 2 9 1 0 0 3

Sources of Funds

Paid Up Capital 2 2 7 5 2 7 Reserves & Surplus 2 5 5 6 2 9 0
 Secured Loans 2 0 5 8 5 7 6 Unsecured Loans 5 1 8 2 0
 Deferred Tax Liability N I L

Application of Funds

Net Fixed Assets 1 7 5 9 0 7 0 Investments 5 5 6 1 8 2
 Net Current Assets 2 5 7 6 8 1 6 Deferred Tax Assets 2 1 4 5
 Accumulated Losses N I L

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

Turnover 1 0 7 5 0 7 8 3 Total Expenditure 1 0 1 5 3 1 8 5
 Other Income 1 6 0 2 1 2 Profit After Tax 7 4 5 0 7 6
 Profit Before Tax 7 5 7 8 1 0
 Earnings per Share in Rs. 3 . 3 5 Dividend % 1 0 0

V. Generic Names of Three Principal Products/Services of the Company (as per monetary terms)

Item Code No.(ITC 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 No.(ITC Code) 4 4 1 2 9 . 1 0
 Product Description D E C O R A T I V E P L Y W O O D
 Item Code No.(ITC 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 S
 Item Code No.(ITC Code) N O T A P P L I C A B L E
 Product Description F E R R O U S A N D N O N F E R R O U S M E T A L S

For and on behalf of the Board

Sajjan Bhajanka – Managing Director
Hari Prasad Agarwal – Vice Chairman
Arun Kumar Julasaria – CFO & Company Secretary

Statement Pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Companies (As on 31st March, 2011)

Sl	Particulars	Name of the Subsidiaries								
		Direct Subsidiaries				Ultimate Subsidiaries				
		Cement Manufacturing Co. Ltd.	Auro Sundram Ply & Door Pvt. Ltd.	Aegis Business Ltd.	Star Ferro and Cement Ltd.	Meghalaya Power Ltd.	Megha Technical & Engineers Pvt. Ltd.	Star Cement Meghalaya Ltd.	Aegis Overseas Ltd.	NE Hills Hydro Ltd.
1	Financial year of the Subsidiary ended on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
2	Date from which they became Subsidiary	01.10.2005	20.12.2006	06.07.2009	10.03.2011	14.07.2008	23.03.2006	02.06.2007	15.07.2009	03.02.2011
3	Shares of the Subsidiary held by the Company/Direct Subsidiary as on 31st March, 2011									
	a) Number of Shares	2,95,47,500	5,10,000	5,10,000	5,00,000	1,06,58,898	2,73,36,400	1,41,62,500	10	70,000
	b) Face value of Shares	Rs.10/-	Rs.10/-	Rs. 10/-	Re. 1/-	Rs.10/-	Rs.10/-	Rs.10/-	USD1000(Rs. 44,650)	Rs.10/-
	c) Extent of Holding	70.48 %	51%	51%	100%	99.67%	99.96%	100%	100%	100%
4	The net aggregate amount of the Subsidiary Company's profit/(loss) so far as it concerns the members of the Holding Company	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
	a) Not dealt with in the Holding Company's accounts									
	i) For the financial year ended 31st March, 2011	5,882.14	30.37	(42.56)	(0.07)	932.51	3,641.77	NIL	35.37	NIL
	ii) Upto the previous financial years of the Subsidiary Company.	23,290.33	59.24	4.56	NIL	3.10	5,369.67	NIL	88.85	NIL
	b) Dealt with in the Holding Company's accounts									
	i) For the financial year ended 31st March, 2011	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	ii) For the previous financial year of the Subsidiary Company since they became the Holding Company's subsidiaries.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Figures in brackets indicate loss.

The Ministry of Corporate Affairs, Government of India vide its general circular no. 2/2011 dated 8th February, 2011, has granted exemption to all companies from attaching the Annual Reports and other particulars of its subsidiary companies along with the Annual Report of the company required u/s 212 of the Companies Act, 1956. Therefore, the said Reports of the subsidiary companies are not attached herewith. However, a statement containing information as required by Ministry of Corporate Affairs, while granting exemption, is given hereunder:

(As on 31st March, 2011) (Rs. in Lacs)

Sl	Particulars	Name of the Subsidiaries								
		Direct Subsidiaries				Ultimate Subsidiaries				
		Cement Manufacturing Co. Ltd.	Auro Sundram Ply & Door Pvt. Ltd.	Aegis Business Ltd.	Star Ferro and Cement Ltd.	Meghalaya Power Ltd.	Megha Technical & Engineers Pvt. Ltd.	Star Cement Meghalaya Ltd.	Aegis Overseas Ltd.	NE Hills Hydro Ltd.
1	Capital	4,192.14	100.00	100.00	5.00	1,069.39	2,734.64	1,416.25	4.46	7.00
2	Reserves	36,628.32	569.72	84.80	—	5,035.88	10,026.53	6,457.50	120.17	—
3	Total Assets	58,632.62	1,989.83	396.78	5.37	17,165.02	20,463.18	25,801.29	125.61	7.06
4	Total Liabilities	58,632.62	1,989.83	396.78	5.37	17,165.02	20,463.18	25,801.29	125.61	7.06
5	Details of Investments (except investments in subsidiaries)									
	– Reliance Power Ltd.	24.54	—	—	—	—	—	—	—	—
	– Reliance Industries Ltd.	—	—	6.69	—	—	—	—	—	—
	– Tata Chemicals Ltd.	—	—	2.12	—	—	—	—	—	—
	– Infomedia 18 Ltd.	—	—	2.64	—	—	—	—	—	—
	– Ribhoi Engineering Co. Pvt. Ltd.	—	—	—	—	—	—	—	—	2.70
	– Gold Coins	—	—	2.25	—	—	—	—	—	—
6	Gross Turnover (including other income)	34,901.62	4,525.11	969.28	—	3,660.84	34,923.53	—	234.29	—
7	Profit Before Taxation	8,493.15	66.11	127.47	(0.07)	921.80	2,745.37	—	35.37	—
8	Provision for Taxation	147.32	6.57	44.02	—	(13.80)	(897.86)	—	—	—
9	Profit/(Loss) after Taxation	8,345.83	59.54	83.45	(0.07)	935.60	3,643.23	—	35.37	—
10	Proposed Dividend	838.43*	—	—	—	—	—	—	—	—

* Cement Manufacturing Co. Ltd. has also paid Rs. 838.43 Lacs as Interim Dividend during the Financial Year 2010-11

For and on behalf of the Board
Sajjan Bhajanka - Managing Director
Hari Prasad Agarwal - Vice Chairman
Arun Kumar Julasaria - CFO & Company Secretary

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF CENTURY PLYBOARDS (INDIA) LIMITED

1. We have audited the attached Consolidated Balance Sheet of CENTURY PLYBOARDS (INDIA) LIMITED (the Company) and its subsidiaries as at 31st March, 2011 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. 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 the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We have not audited the financial statements and other financial information of the Company's subsidiaries, whose financial statements reflect total assets of Rs.1,05,172.22 lacs as at 31st March, 2011, total revenues of Rs. 54,819.71 lacs and net cash flows of Rs.73.94 lacs for the year then ended. The financial statements and other financial information of the subsidiaries have been audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, "Consolidated Financial Statements" notified under the Companies (Accounting Standards) Rules, 2006.
5. *Attention is drawn to Note No. 19 on Schedule – W regarding exchange fluctuation loss of Rs.142.05 lacs (net) (previous year gain of Rs.2306.05 lacs) towards creditors/debtors pertaining to specific segments which has been included as unallocable expenses / income.*
In respect of above, our report for the previous year was similarly modified:
6. Based on our audit and on consideration of the reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, subject to para 5 above, which has no impact on the consolidated profit for the year, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:-
 - (i) in the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Company and its subsidiaries as at 31st March, 2011;
 - (ii) in the case of Consolidated Profit & Loss Account, of the consolidated profit of the Company and its subsidiaries for the year then ended; and
 - (iii) in the case of Consolidated Cash Flow statement, of the consolidated cash flows of the Company and its subsidiaries for the year then ended.

For S. R. BATLIBOI & CO.
Firm Registration No- 301003E
Chartered Accountants
Per R. K. Agrawal
a Partner
Membership No. 16667

Kolkata, 24th May 2011

Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	Schedule	As at 31.03.2011	As at 31.03.2010
A. SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	'A'	2,275.27	2,275.27
Reserves & Surplus	'B'	60,611.98	46,394.47
		62,887.25	48,669.74
MINORITY INTEREST		15,577.15	12,396.09
LOAN FUNDS			
Secured Loans	'C'	54,175.48	38,726.71
Unsecured Loans	'D'	4,291.97	3,315.74
		58,467.45	42,042.45
DEFERRED TAX LIABILITY (NET)		67.39	141.47
		136,999.24	103,249.75
B. APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	'E'	67,562.87	54,551.26
Less : Accumulated Depreciation/Amortisation		24,938.98	19,599.60
Net Block		42,623.89	34,951.66
Capital Work in Progress (Including Capital Advances)		1,809.06	3,654.55
Capital Expenditure on New Projects	'F'	33,650.81	13,120.34
		78,083.76	51,726.55
INVESTMENTS	'G'	563.71	49.94
CURRENT ASSETS LOANS & ADVANCES			
Inventories	'H'	25,172.48	21,048.27
Sundry Debtors	'I'	15,217.06	12,856.93
Cash & Bank Balances	'J'	3,680.84	4,954.65
Other Current Assets	'K'	13,832.99	13,738.50
Loans & Advances	'L'	22,348.22	13,803.07
		80,251.59	66,401.42
Less : Current Liabilities & Provisions	'M'		
Current Liabilities		18,773.70	14,030.38
Provisions		3,143.09	914.60
		21,916.79	14,944.98
NET CURRENT ASSETS		58,334.80	51,456.44
MISCELLANEOUS EXPENDITURE (To the extent not written off/adjusted)	'N'	16.97	16.82
		136,999.24	103,249.75
Significant Accounting Policies and Notes on Accounts 'W'			

Schedules A to N and W referred to above form an integral part of the Consolidated Balance Sheet.

As per our Report of even Date

For **S.R. Batliboi & Co.**

Firm Registration No. 301003E

Chartered Accountants

Per **R.K. Agrawal**

a Partner

Membership No. 16667

Kolkata, 24th May, 2011

For and on behalf of the Board

Sajjan Bhajanka – Managing Director

Hari Prasad Agarwal – Vice Chairman

Arun Kumar Julasaria – CFO & Company Secretary

Consolidated Profit & Loss Account for the year ended 31st March, 2011

(Rs. in Lacs)

	Schedule	2010-11	2009-10
INCOME			
Income from Sales and Services	‘O’	1,63,827.11	1,31,420.09
Less : Excise Duty		10,785.23	5,190.10
Less : Sales Tax/VAT		10,156.50	9,981.78
Net Sales		1,42,885.38	1,16,248.21
Other Income	‘P’	865.29	2,958.19
		1,43,750.67	1,19,206.40
EXPENDITURE			
Decrease/(Increase) in stocks	‘Q’	(1,279.32)	(858.46)
Excise Duty & Cess on Stocks (Refer Note No. 4 on Schedule 'W')		129.30	177.38
Cost of Materials	‘R’	58,888.51	47,451.84
Operating, Administrative and Selling Expenses	‘S’	49,867.06	36,664.63
Personnel Expenses	‘T’	10,362.08	8,255.21
Depreciation/Amortisation	‘U’	5,078.81	4,518.89
Interest and Finance Charges	‘V’	2,317.38	2,515.66
		1,25,363.82	98,725.15
PROFIT BEFORE TAX AND PRIOR PERIOD ITEMS		18,386.85	20,481.25
Less: Provision for Taxation:-			
– Current Tax [including Rs.6.10 Lacs (Rs. 18.29 Lacs) for earlier years]		3,797.95	3,674.57
– MAT Credit (Entitlement) [including Rs. 909.65 Lacs (Rs.Nil) for earlier years]		(4,310.29)	(1,629.75)
– Deferred Tax		(74.08)	118.13
PROFIT AFTER TAXATION (BEFORE PRIOR PERIOD ITEMS)		18,973.27	18,318.30
Less: Prior period Items (Net)		4.13	0.25
PROFIT AFTER TAX (BEFORE MINORITY INTEREST)		18,969.14	18,318.05
Less: Minority Interest		3,510.78	3,699.65
PROFIT AFTER TAX (AFTER MINORITY INTEREST)		15,458.36	14,618.40
Add : Balance brought forward from previous year		34,695.63	24,674.81
PROFIT AVAILABLE FOR APPROPRIATION		50,153.99	39,293.21
Appropriations :			
Transfer to General Reserve		1,700.00	1,900.00
Proposed Dividend on Preference shares		4.50	4.50
Proposed Dividend on Equity shares		2,221.73	555.43
Interim Dividend on Equity Shares		–	1,666.30
Tax on Dividend (Refer Note No.5 on Schedule 'W')		461.57	471.35
Tax on Dividend written Back		(93.02)	–
Balance Carried to the Balance Sheet		45,859.21	34,695.63
		50,153.99	39,293.21
BASIC & DILUTED EARNING PER SHARE (Rs.) (Face value of Re. 1/- each) Refer Note No.13 on Schedule 'W'		6.96	6.58
Significant Accounting Policies and Notes on Accounts	‘W’		

Schedules O to W referred to above form an integral part of the Consolidated Profit & Loss Account

As per our Report of even Date

For **S.R. Batliboi & Co.**

Firm Registration No. 301003E

Chartered Accountants

Per **R.K. Agrawal**

a Partner

Membership No. 16667

Kolkata, 24th May, 2011

For and on behalf of the Board

Sajjan Bhajanka – Managing Director

Hari Prasad Agarwal – Vice Chairman

Arun Kumar Julasaria – CFO & Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2011

(Rs. in Lacs)

	2010-11	2009-10
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax (after prior period items)	18,382.72	20,481.00
Adjustments for :		
Depreciation	5,078.81	4,518.89
Interest Expenses	1,957.67	2,232.10
(Profit) /Loss on Fixed Assets sold/discarded	(3.75)	6.98
(Profit)/Loss on Sale of Investments	(0.34)	(10.02)
Preliminary Expenses Written Off	5.56	22.15
Irrecoverable Debts written off	59.46	247.76
Provision for Doubtful Debts	129.88	15.93
Unspent Liabilities Written Back	(21.21)	-
Unrealised Foreign Exchange Fluctuations	13.25	(1,111.02)
Dividend Income	(1.03)	(0.07)
Interest Income	(425.37)	(97.25)
Operating Profit before Working Capital Changes	25,175.65	26,306.45
Adjustments for :		
Increase / (Decrease) in Trade Payables	4,898.90	5,577.97
Increase/ (Decrease) in Trade & Other Receivables	(4,153.38)	(4,634.21)
Decrease / (Increase) in Inventories	(4,124.21)	(4,047.70)
	(3,378.69)	(3,103.94)
Cash Generated from Operations :	21,796.96	23,202.51
Direct Taxes paid (Net)	(3,631.71)	(3,345.61)
Net Cash Flow from Operating Activities	18,165.25	19,856.90
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Investments	550.37	9.17
Purchase of Investments	(1,063.80)	(51.00)
Share Application Money	(234.00)	(163.00)
Sale of Fixed Assets	145.84	437.42
Dividend Received	1.03	0.07
Fixed Deposits	984.67	(1,097.85)
Loans Given/Refunds (Net)	(1,208.49)	(997.54)
Interest Received	426.78	71.34
Purchase of Fixed Assets	(31,583.67)	(14,991.39)
Net Cash Flow used in Investing Activities	(31,981.27)	(16,782.78)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	23,025.63	7,994.63
Repayment of Loans	(6,517.64)	(6,478.41)
Preliminary Expenses	(5.71)	-
Interest Paid	(2,027.23)	(2,143.61)
Dividend Paid	(808.91)	(2,222.99)
Tax on Dividend	(139.26)	(378.33)
Net Cash Flow from Financing Activities	13,526.88	(3,228.71)
Net Changes in Cash & Cash Equivalents (A+B+C)	(289.14)	(154.59)
* Cash & Cash Equivalents on 1st April, 2010	3,019.28	3,064.70
Add: Cash Balance of Subsidiary Companies acquired during the year	-	109.17
	3,019.28	3,173.87
* Cash & Cash Equivalents on 31st March, 2011#	2,730.14	3,019.28

* Represents Cash and Bank Balances as indicated in Schedule - 'J', and excludes Rs . 950.70 lacs (Rs. 1,935.37 lacs) being Bank Balances with restrictive use and maturity of more than three months.

includes Rs. 10.21 lacs (Rs. 11.69 lacs) lying in Unpaid Dividend Account.

As per our Report of even Date

For **S.R. Batliboi & Co.**

Firm Registration No. 301003E

Chartered Accountants

Per **R.K. Agrawal**

a Partner

Membership No. 16667

Kolkata, 24th May, 2011

For and on behalf of the Board

Sajjan Bhajanka – Managing Director

Hari Prasad Agarwal – Vice Chairman

Arun Kumar Julasaria – CFO & Company Secretary

Schedules to Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'A'		
SHARE CAPITAL		
Authorised		
65,05,00,000 (55,05,00,000) Equity Shares of Re. 1/- each	6,505.00	5,505.00
15,00,000 Preference Shares of Rs. 10/- each	150.00	150.00
50,000 Preference Shares of Rs. 100/- each	50.00	50.00
	6,705.00	5,705.00
Issued		
22,35,52,990 Equity Shares of Re. 1/- each	2,235.53	2,235.53
5,00,000 9% Cumulative Redeemable Preference Shares of Rs. 10/- each	50.00	50.00
	2,285.53	2,285.53
Subscribed and Paid Up		
22,21,72,990 Equity Shares of Re. 1/- each	2,221.73	2,221.73
Add : Amount received on forfeited shares	3.54	3.54
5,00,000 9% Cumulative Redeemable Preference Shares of Rs. 10/- each (Redeemable at par after 10 years from 18-09-2002 being the date of issue)	50.00	50.00
	2,275.27	2,275.27
Of the above, 12,06,68,610 Equity Shares and 5,00,000 Preference Shares were issued for consideration other than cash and 4,41,41,460 Equity Shares were issued as Bonus Shares by capitalisation of General Reserve and Securities Premium.		
SCHEDULE - 'B'		
RESERVES & SURPLUS		
General Reserve		
Balance as per Last Account	5,385.66	3,485.66
Add : Transferred from Profit & Loss Account	1,700.00	1,900.00
	7,085.66	5,385.66
Securities Premium		
Balance as per Last Account	1,892.77	1,892.77
Amalgamation Reserve		
Balance as per Last Account	317.40	317.40
Capital Reserve		
Balance as per Last Account	3,922.42	3,677.29
Add : Capital Investment Subsidy for the year	1,438.41	247.13
Less : Capital Subsidy written off	86.07	2.00
	5,274.76	3,922.42
Revaluation Reserve		
Balance as per Last Account	178.83	185.40
Less : Depreciation Adjustment	5.56	6.57
	173.27	178.83
Foreign Currency Translation Reserve		
Arisen on Consolidation	8.91	1.76
Profit & Loss Account Balance		
	45,859.21	34,695.63
	60,611.98	46,394.47

Schedules to Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'C'		
SECURED LOANS		
Rupee Term Loans		
From Financial Institution	551.36	1,389.72
From Banks	24,090.68	16,325.06
Foreign Currency Term Loan from Banks	3,820.50	1,478.84
Buyers' Credit from Banks		
For Capital Expenditure	471.55	384.59
For Operational Use	13,895.03	9,094.91
Working Capital Facilities from Banks		
Cash Credit	10,491.65	5,610.06
FCNRB Demand Loan	-	2,649.72
Short Term Loan	-	1,000.00
Hire Purchase Finance		
From Banks	326.26	109.30
From Bodies Corporate	528.45	684.51
	54,175.48	38,726.71

Notes

- Term Loans are secured/ to be secured against first charge on the fixed assets and second charge on the current assets of the respective units of the Company as given below:

Amount (Rs. in Lacs)	Location
— (782.05)	Plywood and Laminate units at Kanchowki, District-24 Parganas(S),West Bengal
125.00 (598.12)	Ferro Alloy Unit at Byrnihat, Meghalaya
1,108.72 (1,363.77)	Plywood Unit at Mirza, Assam
3,109.20 (4,266.35)	Power Unit at Lumsnong, Meghalaya
80.90 (126.02)	Plywood Unit at Roorkee, Uttaranchal
21,776.66 (12,057.31)	Cement Units at Lumshnong, Meghalaya
2,262.06 (—)	Cement Units (under implementation) at Gauhati, Assam and Kahalgaon, Bihar

- Working Capital facilities (including buyers' credit) from Banks are secured/to be secured by a first charge on the current assets and second charge on the fixed assets of the company for the respective units as given below :

Amount (Rs. in Lacs)	Location
17,303.91 (13,484.54)	Plywood units at Kanchowki, District- 24 Parganas (S),West Bengal; Chinnappolapuram, Gummidipoondi, Tamil Nadu; Taraori, Haryana and Laminate unit at Kanchowki, District-24 Parganas (S), West Bengal
1,150.98 (739.02)	Ferro Alloy Unit at Byrnihat, Meghalaya
287.05 (154.42)	Plywood Unit at Mirza, Assam
584.38 (570.27)	Plywood Unit at Roorkee, Uttaranchal
5,402.42 (3,608.21)	Cement Units at Lumshnong, Meghalaya

Further, Buyers Credit from a Bank, availed against Letter of Credit issued by the Bank, is secured as under:-

- Rs. Nil (Rs. 35.21 lacs) against Fixed Deposit with the Bank.
 - Rs. 129.49 lacs (Rs.147.61 lacs) against from a Bank, availed against first charge on fixed assets of the company's cement plant on parri passu basis.
- Term Loans and working capital facilities from Banks/Financial Institutions are also guaranteed by six Directors of the Company and its subsidiaries.
 - Hire Purchase finance is secured by hypothecation of the assets purchased there against.
 - The above term loans include Rs. 3,257.51 lacs (Rs. 4,168.30 lacs) falling due for payment within one year.

Schedules to Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'D'		
UNSECURED LOANS		
SHORT TERM		
From a Bank	2,500.00	—
From Bodies Corporate	18.20	1,974.70
Security Deposits	1,773.77	1,341.04
	4,291.97	3,315.74

SCHEDULE - 'E' FIXED ASSETS

	NAME OF ASSETS	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
		As at 01.04.2010	Additions	Sales / Adjustments	As at 31.03.2011	Upto 31.03.2010	For the Year	Less: On Sales / Adjustments	Upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
A	TANGIBLE ASSETS										
	Land & Site Development										
	— Freehold	1,959.32	562.29	—	2,521.61 (b)	—	—	—	—	2,521.61	1,959.32
	— Leasehold	177.24	739.80	—	917.04	29.35	48.68	—	78.03	839.01	147.89
	Factory Buildings	9,846.70	431.01	—	10,277.71	2,914.05	680.78	—	3,594.83	6,682.88	6,932.65
	Non- Factory Buildings	3,791.74	1,448.24	28.45	5,211.53	573.22	222.41	4.67	790.96	4,420.57	3,218.52
	Storage Yard	387.82	3,084.07	—	3,471.89	33.86	193.36	—	227.22	3,244.67	353.96
	Plant & Machinery	28,615.53	4,932.21	117.97	33,429.77	12,046.62	3,057.12	46.44	15,057.30	18,372.47	16,568.91
	Electrical Installations	3,066.10	227.24	2.45	3,290.89	1,622.87	351.31	0.66	1,973.52	1,317.37	1,443.23
	Furniture & Fixtures	764.86	115.67	11.51	869.02	326.61	92.84	6.25	413.20	455.82	438.25
	Office Equipments	797.88	136.60	30.74	903.74	248.41	90.21	17.03	321.59	582.15	549.47
	Computers	889.50	135.85	17.49	1,007.86	563.92	157.12	15.99	705.05	302.81	325.58
	Vehicles	2,964.68	750.55	83.98	3,631.25 (c)	993.69	538.48	59.59	1,472.58	2,158.67	1,970.99
	Mines & Mines Development	932.99	723.14	—	1,656.13	—	—	—	—	1,656.13	932.99
	Sub Total (A)	54,194.36	13,286.67	292.59	67,188.44	19,352.60	5,432.31	150.63	24,634.28	42,554.16	34,841.76
B	INTANGIBLE ASSETS										
	Computer Softwares	318.74	18.17	0.64	336.27	227.80	58.21	0.51	285.50	50.77	90.94
	Trade Marks and Patent Rights	0.98	—	—	0.98	0.98	—	—	0.98	—	—
	Goodwill	37.18	—	—	37.18	18.22	—	—	18.22	18.96	18.96
	Sub Total (B)	356.90	18.17	0.64	374.43	247.00	58.21	0.51	304.70	69.73	109.90
C	Total (A+B)	54,551.26	13,304.84	293.23	67,562.87	19,599.60	5,490.52	151.15	24,938.98	42,623.89	34,951.66
D	Capital Work in Progress	3,654.55	1,424.63	3,270.12	1,809.06 (d)	—	—	—	—	1,809.06	3,654.55
	GRAND TOTAL (C+D)	58,205.81	14,729.47	3,563.35	69,371.93	19,599.60	5,490.52	151.15	24,938.98	44,432.95	38,606.21
	Previous Year's Total	47,681.87	11,879.65	1,355.71	58,205.81	15,438.15	4,677.68	516.23	19,599.60	38,606.21	

Notes :

- Certain Land, Buildings and Plant & Machinery of the Kolkata & Chennai Unit were revalued in 1991-92 & 1995-96 respectively and the resultant surplus thereon was transferred to Revaluation reserve.
- Includes Rs. NIL (Rs. 485.17 lacs) in respect of Land whose registration in the Subsidiary's name is pending.
- Includes Assets taken on finance lease Rs. 1,137.78 lacs (Rs. 788.25 lacs), Written Down Value Rs. 695.82 lacs (Rs. 646.78 lacs) [Refer Note no 10(b) on Schedule "W"].
- Including Capital Advances Rs. 513.50 lacs (Rs. 544.88 lacs).

Schedules to Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

		As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'F'			
CAPITAL EXPENDITURE ON NEW PROJECTS			
A. Free Hold Land (including site Development)		1,524.19	280.57
B. Leasehold Land	958.06		958.06
Less: Amortisation			
(charged to Pre-operative expenses as below)	(129.65)	828.41	(102.02)
C. Fixed Assets - Under Erection			
Factory Building	6,754.66		2,455.30
Non-Factory Building	757.92		801.10
Plant & Machinery	15,144.85		5,346.88
Storage Yard	2,721.11		1,609.15
Mines Development	128.36		26.72
Electrical Installations	236.94		302.35
Furniture & Fixtures	36.07		17.85
Office Equipments	51.15		28.84
Computer Software	3.78		25.79
Computers	14.37	25,849.21	5.45
D. Materials at Site		115.99	—
E. Advances against purchase of fixed assets		4,886.59	3,506.89
F. Incidental Expenditure pending allocation to Fixed Assets:			
Interest and Finance Charges	1,381.45		793.50
Power and Fuel	260.92		822.69
Foreign Exchange Fluctuations	—		36.29
Lease Rent	602.73		468.81
Repairs & Maintenance	62.31		75.51
Licence Fees	—		116.23
Rates & Taxes	49.32		38.24
Salary & Bonus	1,005.32		505.80
Director's Remuneration	6.03		23.28
Travelling & Conveyance	110.57		53.55
Consultancy Charges	465.33		229.93
Miscellaneous Expenses	1,067.46		386.90
Depreciation/Amortisation	863.46	5,874.90	327.66
		39,079.29	19,141.32
Less : Trial Run Sales (Power)		—	1,204.56
Transferred to Profit and Loss Account		—	116.23
Capitalised / Allocated to Fixed Assets		5,428.48	4,700.19
		33,650.81	13,120.34

Schedules to Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	Face Value per share Rs.	No. of Shares	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'G'				
INVESTMENTS (At Cost)				
A. LONG TERM (NON TRADE)				
(Fully Paid up)				
(a) Quoted Equity Shares				
Bharat Commerce & Industries Ltd.	10	19000	0.73	0.73
Reliance Power Ltd.	10	8743	24.54	24.54
Corporation Bank Ltd.	10	600	0.48	0.48
Greenply Industries Ltd.	5	100	0.09	0.09
Kitply Industries Ltd.	10	100	0.02	0.02
Pidilite Industries Ltd.	1	2000	0.27	0.27
Mahindra Satyam Computer Services Ltd.	2	100	0.11	0.11
Tata Steel Ltd.	10	17	0.07	0.07
UCO Bank Ltd.	10	54500	7.95	7.95
Reliance Industries Ltd.	10	464	6.69	6.69
Tata Chemicals Ltd.	10	498	2.12	2.12
Infomedia India Ltd.	10	985	2.64	2.64
Reliance Broadcast Network Ltd.	5	600000	510.00	—
		(—)		
Sub Total			555.71	45.71
(b) Unquoted Equity Shares				
Changlang Plywoods Pvt. Ltd.	100	2000	2.00	2.00
Manmao Plywoods Pvt. Ltd.	100	1000	1.00	1.00
Ribhoi Engineering Company Pvt. Ltd.	10	27000	2.70	—
		(—)		
Sub Total			5.70	3.00
(c) Gold Coins				
		12 (7)	2.25	1.18
B LONG TERM (TRADE- UNQUOTED)				
Investment in Government Securities				
National Savings Certificate (VII Issue) *			0.05	0.05
TOTAL			563.71	49.94
Aggregate Amount of Investments				
Quoted			555.71	45.71
Unquoted			8.00	4.23
Market Value of Quoted Investments			524.24	54.20

* Lodged with Government Departments as Security Deposit.

Note : Besides the above, the following investments have been purchased and sold during the year.

Name of Fund	2010-11		2009-10	
	Units	Amt(Rs in Lacs)	Units	Amt(Rs in Lacs)
SBI-Magnum Insta Fund *	963581	200.00	10889692	2,200.00
SBI - SHF-Ultra Short fund *	1641648	200.03	14324594	1,700.12
LICMF- Liquid Fund *	875563	150.00	—	—
Reliance Money Manager Fund *	—	—	1854333	400.00
Baroda Pioneer Liquid Fund *	—	—	14696617	1,700.00
SBI-Ultra Short Term Fund *	—	—	14696617	1,700.00

* Face Value of Rs 10/- each per unit.

Schedules to Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'H'		
INVENTORIES		
(At Lower of Cost and Net Realisable Value)		
Raw Materials	10,826.31	9,190.37
Stores & Spares Parts, etc.	7,570.98	6,362.03
Work in Progress	2,488.40	1,874.13
Finished Goods	4,286.79	3,621.74
	25,172.48	21,048.27
SCHEDULE - 'I'		
SUNDRY DEBTORS		
Debts outstanding for a period exceeding six months		
Secured, considered good	24.30	31.35
Unsecured, Considered Good	778.85	490.55
Unsecured, Considered Doubtful	338.02	208.14
Other Debts		
Secured, considered good	842.99	443.75
Unsecured, Considered Good	13,570.92	11,891.28
	15,555.08	13,065.07
Less: Provision for Doubtful Debts	338.02	208.14
	15,217.06	12,856.93
SCHEDULE - 'J'		
CASH AND BANK BALANCES		
Cash on hand	124.24	108.01
Cheques/Drafts in hand	708.09	1,318.31
Balance with Scheduled Banks in		
– Current Accounts	1,807.02	1,578.22
– Cash Credit Account	55.61	–
– Unpaid Dividend Accounts	10.21	11.69
– Fixed Deposit Accounts*	950.70	1,935.37
Balance with Non Scheduled Banks in		
– Current Accounts	24.97	3.05
Meghalaya Rural Bank		
Maximum Amount due during the year Rs. 81.31 Lacs (Rs. 81.72 lacs)		
	3,680.84	4,954.65
* Receipts for Rs. 917.07 lacs (Rs. 1,916.61 lacs) pledged with banks as Margin Money.		
SCHEDULE - 'K'		
Other Current Assets		
Subsidies Receivable from Central/State Governments [Including Rs. 10,675.85 lacs (Rs. 8244.50 lacs) due for more than six months]	13,808.49	13,712.59
Interest accrued on Loans, Deposits, etc.	24.50	25.91
	13,832.99	13,738.50

Schedules to Consolidated Balance Sheet as at 31st March, 2011

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - 'L'		
LOANS AND ADVANCES (Unsecured, considered good)		
Loans		
To Bodies Corporate	2,200.00	1,000.00
To Employees (Bearing Interest)	13.00	4.51
Advances recoverable in cash or in kind or for value to be received *	6,584.14	5,641.84
Share Application Money	588.00	354.00
Anti Dumping Duty Receivable	74.88	—
Advance Income Tax (Net of Provisions)	—	380.89
MAT Credit Entitlement	7,918.58	3,302.52
Deposits	882.42	770.24
Balance with Excise, Customs and Other Government Authorities	4,087.20	2,349.07
	22,348.22	13,803.07
*Amount due from Directors of the company	2.20	—
Maximum amount due at any time during the year	8.69	0.70
SCHEDULE - 'M'		
CURRENT LIABILITIES & PROVISIONS		
a) CURRENT LIABILITIES		
Sundry Creditors		
— Dues to Micro and Small Enterprises (Refer Note No. 9 on Schedule 'W')	5.69	0.13
— Dues to Others	9,421.23	7,310.53
Investor Education and Protection Fund (Payable when due)		
— Unpaid Dividend	10.21	11.69
Advance from Customers	717.04	302.33
Other Liabilities	8,543.03	6,259.64
Interest accrued but not due on loans	76.50	146.06
	18,773.70	14,030.38
b) PROVISIONS		
Retirement Benefits	421.21	261.65
Proposed Dividend	2,226.23	559.93
Tax on Dividend	404.53	93.02
Provision for Income Tax (Net of Advance Tax)	91.12	—
	3,143.09	914.60
SCHEDULE - 'N'		
MISCELLANEOUS EXPENDITURE		
(to the extent not written off/adjusted)		
Preliminary Expenses	16.97	16.82
	16.97	16.82

Schedules to Consolidated Profit & Loss Account for the year ended 31st March, 2011
(Rs. in Lacs)

	2010-11	2009-10
SCHEDULE - 'O'		
INCOME FROM SALES & SERVICES		
Sale of Products*	1,59,193.27	1,29,369.89
Income from Logistic & Other Services (Gross) [TDS Rs. 61.26 lacs (Rs. 15.65 lacs)]	4,478.91	1,996.29
Export Incentives	154.93	53.91
	1,63,827.11	1,31,420.09
* Includes Rs. 124.55 lacs (Rs. 169.12 lacs) for items capitalised		
SCHEDULE - 'P'		
OTHER INCOME		
Dividend (On Long Term Non Trade Investments)	1.03	0.07
Interest on Fixed Deposits, Loans, etc.(Gross) [TDS Rs 52.18 lacs (Rs. 25.25 lacs)]	425.37	97.25
Profit on Sale of Current Investments (Non Trade)	0.34	10.02
Profit on Fixed Assets Sold /Discarded (Net)	3.75	—
Foreign Exchange Fluctuations (Net)	—	2,571.18
Insurance and Other Claims	60.55	67.88
Recovery of Debts written off in earlier years	5.00	—
Unspent/Unclaimed Balances Written Back	21.21	—
Miscellaneous Income	348.04	211.79
	865.29	2,958.19
SCHEDULE - 'Q'		
DECREASE/ (INCREASE) IN STOCK		
Opening Stock		
Finished Goods	3,621.74	3,607.91
Work in Progress	1,874.13	1,018.35
	5,495.87	4,626.26
Add : Stocks pertaining to a company which became subsidiary during the year Finished Goods	—	11.15
	5,495.87	4,637.41
Closing Stock		
Finished Goods	4,286.79	3,621.74
Work in Progress	2,488.40	1,874.13
	6,775.19	5,495.87
	(1,279.32)	(858.46)
SCHEDULE - 'R'		
COST OF MATERIALS		
a) Raw Materials Consumed		
Opening Stock	9,190.37	7,438.74
Add : Stocks pertaining to a company which became subsidiary during the year	—	1.85
Add : Purchases	56,718.10	45,807.10
	65,908.47	53,247.69
Less : Closing Stock	10,826.31	9,190.37
	55,082.16	44,057.32
b) Purchase of Trading Goods	3,806.35	3,394.52
	58,888.51	47,451.84

Schedules to Consolidated Profit & Loss Account for the year ended 31st March, 2011
(Rs. in Lacs)

	2010-11	2009-10
SCHEDULE - 'S'		
OPERATING, ADMINISTRATIVE & SELLING EXPENSES		
Stores & Spare parts consumed	3,153.89	2,505.18
Power & Fuel	12,040.77	10,197.50
Insurance Charges	242.85	193.25
Jetty Expenses	29.49	56.34
Container Freight Station Operating Expenses	712.51	435.36
Ship Operating Expenses	730.24	—
Rent	646.49	418.19
Rates & Taxes	403.80	374.92
Repairs & Maintenance		
— Buildings	241.32	196.45
— Plant & Machinery	981.24	1,381.19
— Others	389.87	379.18
Transport & Freight	13,624.50	8,808.38
Commission on Sales (Other than Sole Selling Agents)	785.63	1,439.04
Rebates & Discounts	6,928.36	3,575.16
Advertisement, Publicity and Sales Promotion	4,138.64	2,726.97
Communication Expenses	321.80	282.89
Directors' Remuneration	499.59	425.27
Auditors' Remuneration	45.83	53.14
Research and Development Expenses	17.42	11.79
Preliminary Expenses Written off	5.56	22.15
Charity and Donations	787.97	265.85
Octroi	286.38	276.75
Exchange Rate Fluctuations (Net)	13.25	—
Sales Tax for earlier years	9.47	5.35
Loss on Sale/Discard of Fixed Assets (Net)	—	6.98
Irrecoverable Debts written off	59.46	247.76
Provision for Doubtful Debts	129.88	15.93
Miscellaneous Expenses	2,640.85	2,363.66
	49,867.06	36,664.63
SCHEDULE - 'T'		
PERSONNEL COST		
Salaries, Wages, Bonus, etc.	9,343.04	7,586.76
Contribution to Provident, Gratuity and other Funds	650.25	399.55
Employees' Welfare Expenses	368.79	268.90
	10,362.08	8,255.21
SCHEDULE - 'U'		
DEPRECIATION/AMORTISATION		
On Fixed Assets	5,490.52	4,667.71
Less : Transferred to Pre-operative expenses	406.15	142.25
Less : Transferred from Revaluation Reserve	5.56	6.57
	5,078.81	4,518.89
SCHEDULE - 'V'		
INTEREST AND FINANCE CHARGES		
On Fixed Loans	1,585.88	1,846.30
On Other Loans	959.74	1,060.18
	2,545.62	2,906.48
Less: Capitalised	587.95	674.38
	1,957.67	2,232.10
Bank Charges	359.71	283.56
	2,317.38	2,515.66

Schedules forming part of the Consolidated Account

SCHEDULE – W

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

(Annexed to and forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March, 2011)

A. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements which relate to Century Plyboards (India) Limited (the Company) and its subsidiaries have been prepared on the following basis:

- The financial statements of the company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealized profit / loss included therein, in accordance with Accounting Standards (AS-21), “Consolidated Financial Statements”.
- The excess/shortfall of cost to the company of its investments in the subsidiary companies, over the net assets at the time of acquisition in the subsidiaries as on the date of investment is recognized in the financial statements as goodwill/capital reserve as the case may be.
- The subsidiary companies considered in the financial statements are as follows:

Name	Country of Incorporation	% of voting power as on 31.03.2011	% of voting power as on 31.03.2010
Cement Manufacturing Company Limited	India	70.48	70.48
Megha Technical & Engineers Private Limited	India	99.96	99.96
Star Cement Meghalaya Limited	India	100	100
Auro Sundram Ply & Door Private Limited	India	51	51
Meghalaya Power Limited	India	99.67	99.52
Aegis Business Limited	India	51	51
Aegis Overseas Limited	UAE	100	100
Star Ferro and Cement Limited (w.e.f 10th March,2011)	India	100	—
NE Hills Hydro Limited (w.e.f 3rd February,2011)	India	100	—

- The consolidated financial statements have been prepared using uniform accounting policies, except stated otherwise, for like transactions and are presented, to the extent possible, in the same manner as the Company’s separate financial statements.
- The financial statements of Aegis Overseas Limited have been prepared in accordance with International Financial Reporting Standards, including International Accounting Standards Interpretations, issued or adopted by the International Accounting Standards Board (IASB). This subsidiary is not significant as compared to the company’s consolidated operations and hence, the impact thereof, if any, on account of any differences due to adoption of different Accounting Standards as stated above, in comparison to the Indian Generally Accepted Accounting Principles (IGAAP) is not material.
- In terms of Accounting Standard-21 notified under Companies Accounting Standards Rules, 2006, Minority interest has been computed in respect of non-fully owned subsidiaries and adjusted against the consolidated income of the group in order to arrive at the net income attributable to shareholders of the Company.

Schedules forming part of the Consolidated Account

B. SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in respect of insurance and other claims, which on the grounds of prudence or uncertainty in realization, are accounted for as and when accepted/received. The accounting policies applied by the Company are consistent with those used in the previous year.

ii) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting year end. Although these estimates are based upon management best knowledge of current events and actions, actual results could differ from these estimates.

iii) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured

- a) Revenue from sale of goods and services rendered is recognized upon passage of title which generally coincides with delivery of materials and rendering of services to the customers
- b) Dividend Income is recognized when the shareholders' right to receive the payment is established by the balance sheet date.
- c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable

iv) Fixed Assets

Fixed Assets are stated at cost or revalued amount, as the case may be, less accumulated depreciation /amortisation and impairment, if any. Cost comprises the purchase price inclusive of duties (net of cenvat/VAT), taxes, incidental expenses and erection / commissioning expenses etc. up to the date, the asset is ready for its intended use. In case of revaluation of fixed assets, the original cost as written-up by the valuer, is considered in the accounts and the differential amount is transferred to revaluation reserve.

Machinery spares which can be used only in connection with an item of fixed assets and whose use as per technical assessment is expected to be irregular, are capitalized and depreciated over the residual life of the respective assets.

v) Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and 'Value in use' of the assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

Schedules forming part of the Consolidated Account

vi) Depreciation/Amortization

- a) The classification of plant and machinery into continuous and non-continuous process is done as per technical certification and depreciation thereon is provided accordingly.
- b) Depreciation on fixed assets is provided under written down value method (except in case of fixed assets of power division of the subsidiary namely Megha Technical & Engineers Private Limited where straight line method is followed) at the rates prescribed in Schedule XIV of the Companies Act, 1956, or at rates determined based on useful lives of the respective assets, as estimated by the management, whichever is higher.
- c) Depreciation on revalued assets is provided at the rates specified under section 205 (2)(b) of the Companies Act, 1956. However, in case of fixed assets whose life is determined by the valuer to be less than their useful life under section 205, depreciation is provided at higher rate, to ensure the write off of these assets over their useful life.
- d) Depreciation on fixed assets added/disposed of during the year is provided on pro-rata basis with reference to the date of addition/disposal.
- e) Leasehold properties are depreciated over the primary period of lease or their respective useful lives, whichever is shorter.
- f) Intangible assets are amortized on a written down value method over a period of 5 years except in case of subsidiary companies where the same is written off over a period of 3 years.
- g) In case of impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

vii) Foreign Currency Transactions

a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction, and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

c) Exchange Differences

Exchange differences arising on the settlement/conversion of monetary items are recognized as income or expenses in the year in which they arise.

d) Forward Exchange Contracts not entered for trading or speculation purpose

The premium or discount arising at the inception of forward exchange contracts is amortized as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognized as income or expense for the year.

Schedules forming part of the Consolidated Account

viii) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and market value on individual investment basis. Long Term Investments are considered at cost, unless there is an "other than temporary" decline in value, in which case adequate provision is made for the diminution in the value of Investments.

ix) Inventories

Raw Materials, stores and spares are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Work in progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials & labour and a part of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Cost of Inventories is computed on weighted average basis/FIFO.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

x) Government Grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

When the grant or subsidy relates to an asset, it is deducted from the gross value of the asset concerned in arriving at the carrying amount of related asset.

Government grants of the nature of promoter's contribution are credited to capital reserve and treated as a part of the shareholders funds.

xi) Retirement and other employee benefits

a) Retirement benefit in the form of Provident Fund is a defined contribution scheme and is charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. The Company has no obligations other than the contribution payable to the respective funds.

b) Gratuity liability, being a defined benefit obligation, is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

c) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method at the end of each financial year.

d) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

xii) Miscellaneous Expenditure

Preliminary expenses in respect of subsidiary companies are written off over a period of five years after commencement of commercial production.

Schedules forming part of the Consolidated Account

xiii) Earning per Share

Basic Earning per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deductible preference dividend and attributable taxes) by the weighted number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, net profit or loss for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

xv) Excise Duty and Custom Duty

Excise duty on finished goods stock lying at the factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the balance sheet date. Similarly, customs duty on imported material in transit/lying in bonded warehouse is accounted for at the time of import/ bonding of materials.

xvi) Borrowing Costs

Borrowing costs relating to acquisition/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

xvii) Taxation

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income for the year and reversal of timing differences of earlier years

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantially enacted as of the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

The carrying amounts of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of deferred tax assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendation contained in guidance note issued by the Institute of Chartered Accountants of India, the said assets is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The company reviews the carrying amount of MAT at each Balance Sheet date and writes

Schedules forming part of the Consolidated Account

down MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal income-tax during specified period.

xvii)Segment Reporting

a) Identification of segments

The company has identified that its business segments are the primary segments. The Company's business are organized and managed separately according to the nature of products/services, with each segment representing a strategic business unit that offers different product/services and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

b) Inter-segment transfers

The Company generally accounts for inter-segment sales and transfers at current market prices.

c) Allocation of Common Costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenues and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated".

The accounting policies adopted for segment reporting are in line with those of the Company's accounting policies.

xviii)Fixed Assets acquired under Lease

a) Finance Lease

Assets acquired under lease agreements which effectively transfer to the company substantially all the risk and benefits incidental to ownership of the leased items, are capitalized at the lower of the fair value and present value of minimum lease payment at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and the reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of their liability. Finance charges are charged directly to the expenses account.

b) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of the ownership of the leased assets are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account.

xx) Cash and Cash equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

xxi)Provision

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions made in terms of Accounting Standard 29 are not discounted to its present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

xxii)Contingencies

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of notes to the accounts.

Schedules forming part of the Consolidated Account

C. NOTES ON ACCOUNTS

(Rs. in Lacs)

	As at 31.03.2011	As at 31.03.2010
1. Estimated amount of contracts remaining to be executed on Capital Account (net of advances) and not provided for	20,750.63	21,671.29
2. Contingent Liabilities not provided for in respect of :—		
(a) Demands/Claims by various Government Authorities and others not acknowledged as debts:		
(i) Excise Duty /Service Tax	672.79	221.21
(ii) Sales Tax/VAT	316.20	364.05
(iii) Income Tax	1,091.52	739.05
(iv) Others	34.32	—
Total	2,114.83	1,324.31
(b) Unredeemed bank guarantees	1,111.48	1,263.40
(c) Bills discounted with banks	751.31	809.64
(d) Letters of credit issued by the banks	13,011.44	7,662.61
(e) Custom Duty on import under EPCG Scheme against which Export obligation is to be fulfilled	1,253.55	734.00
(f) Guarantee provided to a corporate body on behalf of contractor	2,477.30	671.83

3. There is a diminution of Rs. 66.30 lacs (Rs. Nil) in the value of a quoted investment based on the last quoted price. The above investment being long term and strategic in nature, the said diminution, in the opinion of the management, is temporary in nature and hence no provision is considered necessary.
4. Excise Duty on sales has been reduced from sales in Profit & Loss Account and excise duty on increase/decrease in stocks has been considered as income/expense in Profit & Loss Account.
5. In terms of Section 115-O of the Income Tax Act, 1961, dividend on Equity shares is not subject to corporate tax on dividend to the extent of dividend received from a subsidiary company during the year.
6. a) Details of Directors' Remuneration:

(Rs. in Lacs)

	2010-11	2009-10
Managing Director / Whole Time Directors' Remuneration		
— Salary*	490.36	417.79
Non Executive Chairman's Remuneration	12.00	12.00
Sitting fees	1.43	1.35
Total	503.79	431.14

* Including Rs. 4.20 lacs (Rs. 5.87 lacs) included in pre-operative expenses.

Note: As the provision for gratuity and leave encashment is made on an actuarial basis for the company as a whole, the amount pertaining to directors' is not included above.

Schedules forming part of the Consolidated Account

7. The Break- up of Net Deferred Tax Liability as on 31st March, 2011 is as follows:

(Rs. in Lacs)

		As at 31.03.2011	As at 31.03.2010
(A)	Deferred Tax Liability		
	Timing difference on depreciable assets	349.07	346.17
(B)	Deferred Tax Asset		
	Expenses allowable against taxable income in future years	281.68	204.70
	Net Deferred Tax Liability (A – B)	67.39	141.47

8. (a) Sales Tax/VAT and Excise duty debited to Profit and loss account are Net of Subsidy Rs. 152.02 lacs (Rs. 104.50 lacs) and Rs. 436.67 lacs (Rs. 108.52 lacs) respectively.
- (b) Raw Material consumption and Transport & Freight are Net of Subsidy of Rs. 2,055.43 lacs (Rs. 2,333.24 lacs) and Rs. 2,584.22 lacs (Rs. 2,905.37 lacs) respectively in respect of a subsidiary company
9. Based on the information / documents available with the Company, information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(Rs. in Lacs)

		2010-11	2009-10
i)	Principal amount remaining unpaid to any supplier at the end of accounting year (including retention money against performance)	5.69	0.13
ii)	Interest due on above.	—	—
	Total of (i) & (ii)	5.69	0.13
iii)	Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act.	—	—
iv)	Amount paid to the suppliers beyond the respective appointed date.	—	—
v)	Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	—	—
vi)	Amount of interest accrued and remaining unpaid at the end of accounting year.	—	—
vii)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	—	—

Schedules forming part of the Consolidated Account

10. (a) Operating Lease:

Certain office premises, depots, etc. are obtained on operating lease. The lease term is for 1-3 years and renewable for further period either mutually or at the option of the Company. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements. There are no subleases. The leases are cancellable.

(Rs. in Lacs)

Particulars	2010-11	2009-10
Lease payments made for the year*	377.18	348.97

* Excluding lease rent for use of Land Rs. 269.31 lacs (Rs. 69.22 lacs).

- (b) Fixed Assets include certain vehicles obtained on finance lease. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements.

The year-wise break-up and future obligation towards minimum lease payments of Rs.983.55 lacs (Rs. 975.92 lacs) consisting of present value of lease payments Rs.854.71 lacs (Rs. 793.81 lacs) and finance charges Rs. 128.84 lacs (Rs. 182.11 lacs) under the respective agreements as on 31st March, 2011 is given below:

(Rs. in Lacs)

Particulars	Not later than 1 year		Later than 1 year but not later than 5 years	
	Minimum lease payments	Present value as on 31.03.2011	Minimum lease payment	Present value as on 31.03.2011
Finance Lease*	348.78 (304.57)	278.05 (235.46)	634.77 (671.35)	576.66 (558.35)

* Rate of Interest – 10.00 % – 11.25%

11. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

The following tables summarize the components of net benefit expenses recognized in the Profit & Loss Account and the funded status and amounts recognized in the balance sheet for the Gratuity.

(Rs. in Lacs)

Sl. No.		2010-11	2009-10
i)	Net Employee Expense/(benefit)		
	Current service cost	101.32	80.94
	Interest cost on benefit obligation	44.70	33.13
	Expected return on plan assets	(36.98)	(24.61)
	Net Actuarial (gains)/losses recognized in the year	70.77	(29.46)
	Total employer expense	179.81	60.00
ii)	Actual return on plan assets	37.02	25.64
iii)	Benefit Asset/(Liability)		
	Fair Value of Plan Assets	508.47	388.37
	Defined benefit obligation	678.20	481.30
	Benefit Asset/(Liability)	(169.73)	(92.93)

Schedules forming part of the Consolidated Account

(Rs. in Lacs)

Sl. No.		2010-11	2009-10
iv)	Movement in benefit liability		
	Opening defined benefit obligation	481.30	413.57
	Interest cost	44.70	33.13
	Current service cost	101.32	80.94
	Benefits paid	(19.93)	(17.91)
	Actuarial (gains)/losses	70.81	(28.43)
	Closing benefit obligation	678.20	481.30
v)	Movement in fair value of plan assets		
	Opening fair value of plan assets	388.37	231.49
	Expected Return on plan assets	36.98	24.61
	Contribution by employer	102.45	149.15
	Benefits paid	(19.37)	(17.91)
	Actuarial gains / (losses) on obligation	0.04	1.03
	Closing fair value of plan assets	508.47	388.37
vi)	The major categories of plan assets as a percentage of the fair value of total plan assets		
	Funded with insurer	100.00%	100.00%
vii)	The Principal actuarial assumptions are as follows:		
	Discount rate	8%	8%
	Expected Return on plan assets	8%	8%
	Salary Increase	5%	5%- 6%
	Withdrawal rates (Varying between per annum depending upon the duration and age of the employees)	1%-2%	1%-2%

- viii) Amount incurred as expense for defined contribution to Provident Fund is Rs. 344.84 Lacs (Rs. 281.15 lacs).
- ix) The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- x) The Company expects to contribute Rs. 175 lacs (Rs. 125 Lacs) to Gratuity fund in 2011-2012.
- xi) The details for the current periods and previous periods are as follows:

(Rs. in Lacs)

	2010-2011	2009-2010	2008-2009	2007-2008
Defined Benefit Obligation	678.20	481.30	413.57	228.88
Plan Assets	508.47	388.37	231.49	183.89
Surplus / (Deficit)	(169.73)	(92.93)	(182.08)	(44.99)
Experience adjustments on plan liabilities*				
Experience adjustments on plan assets*				

* The management has relied on the overall actuarial valuation conducted by the actuary. However, experience adjustments on plan liabilities and assets are not readily available and hence not disclosed.

Schedules forming part of the Consolidated Account

12. Details of Auditor's Remuneration:

(Rs. in Lacs)

	2010-11	2009-10
As Auditors		
Audit Fees*	23.84	22.56
For Limited Reviews	9.00	9.00
Tax Audit Fees	1.98	1.39
In Other Capacity for:		
Certificates and other services	5.20	12.89
For Expenses	0.64	0.88
Payment to Branch Auditors:		
As Auditors	5.17	6.46
Total	45.83	53.18

* Including Auditor's remuneration amounting to Rs Nil (Rs 0.04 lacs) included in pre-operative expenses.

13. Earning per Share (EPS):

In terms of Accounting Standard - 20, the calculation of EPS is given below:

	2010-11	2009-10
Profit as per Profit & Loss Account (Rs. in lacs)	15,458.36	14,618.40
Less: Preference dividend for the year (including Dividend Distribution Tax) (Rs. in lacs)	5.23	5.26
Profit available for Equity Shareholders	15,453.13	14,613.14
Weighted average number of Equity Shares outstanding during the year	222172990	222172990
Nominal value of equity shares (Re.)	1	1
Basic and Diluted earnings per share (EPS) (Rs.)	6.96	6.58

14. Charity and Donations includes Rs. 75.00 lacs (Rs 5 lacs) paid to the following political parties for political purposes.

(Rs. in Lacs)

Paid To	2010-11	2009-10
Bhartiya Janta Party	10.00	5.00
WB Pradesh Congress Committee	5.00	—
Assam Gana Parishad	10.00	—
Indian National Congress	50.00	—
Total	75.00	5.00

15. The following foreign currency exposures are not hedged as on the balance sheet date:

(Rs. in Lacs)

Nature of Item	2010-11	2009-10
Foreign Currency Term Loan	3,820.50	4,128.56
Buyer's credit	14,366.58	9,479.50
Debtors	405.09	566.51
Creditors	9,010.84	5,442.20

Schedules forming part of the Consolidated Account

16. Related Party Disclosures

a) Name of the related parties:

Key Management Personnel	Sri Satya Brata Ganguly (Chairman)
	Sri Sajjan Bhajanka (Managing Director)
	Sri Sanjay Agarwal (Joint Managing Director)
	Sri Prem Kumar Bhajanka (Joint Managing Director)
	Sri Vishnu Khemani (Joint Managing Director)
	Sri Hari Prasad Agarwal (Vice Chairman)
	Sri Ajay Baldawa (Executive Director)
	Sri Brij Bhushan Agarwal (Director)
	Sri Arun Kumar Julasaria (Chief Financial Officer cum Company Secretary)
	Sri S.B. Roongta (Managing Director)
	Sri Rajendra Chamaria (Vice Chairman & Managing Director)
	Sri Pankaj Kejriwal (Executive Director)
	Smt. Payal Agarwal (Bhajanka) (Executive Director)
	Sri Sanjay Kumar Gupta (Chief Financial Officer)
	Sri Carmel Suja
	Sri Clara Suja
	Sri Rangbahduh Khonglah
	Sri Lamshwa Kyndoh
	Sri Girish Agarwal
	Sri Sambhu Nath Choudhary
	Sri Anil Kumar Choudhary
	Sri Ashok Kumar Choudhary
	Smt. Sunita Choudhary
Enterprises Owned/ Influenced by Key Management Personnel	Adonis Vyaper Pvt. Ltd.
	Amul Boards Pvt.Ltd.
	Apnapan Viniyog Pvt Ltd.
	Ara Suppliers Pvt Ltd.
	Arham Sales Pvt. Ltd.
	Brijdham Merchants Pvt. Ltd.
	Namchic Tea Estate Pvt. Ltd.
	Pacific Plywoods Pvt. Ltd.
	Riangdo Veneers Pvt. Ltd.
	Shyam Century Cement Industries Ltd.
	Sriram Merchants Pvt. Ltd.
	Sriram Vanijya Pvt. Ltd.
	Sumangal Business Pvt. Ltd.
	Sumangal International Pvt. Ltd.
	Shyam Metallic & Energy Ltd.
	Skipper Ltd.
	Shyam Energy Ltd.
	Star India Cement Ltd.
	Shyam Sel & Power Ltd.
Relatives of Key Management Personnel	Smt. Santosh Bhajanka (Wife of Sri Sajjan Bhajanka)
	Smt. Divya Agarwal (Wife of Sri Sanjay Agarwal)
	Smt. Sumitra Devi Agarwal (Wife of Sri Hari Prasad Agarwal)
	Smt. Yash Bhajanka (Wife of Sri Prem Kumar Bhajanka)
	Smt. Mittu Agarwal (Wife of Sri Brij Bhushan Agarwal)
	Smt. Sudha Khemani (Wife of Sri Vishnu Khemani)

Schedules forming part of the Consolidated Account

b) Aggregated Related Party disclosure as at and for the year ended 31st March,2011

(Rs. in Lacs)

Sl No.	Type of Transactions	Enterprises owned/ Influenced by Key Management Personnel		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
1	Purchase of Trading Goods								
	Riangdo Veneers Pvt. Ltd.	33.74	16.06	—	—	—	—	33.74	16.06
	Shyam Sel & Power Ltd.	398.85	10.89	—	—	—	—	398.85	10.89
	Skipper Steel Ltd.	233.19	43.11	—	—	—	—	233.19	43.11
	Shyam Metallic & Energy Ltd.	157.13	47.45	—	—	—	—	157.13	47.45
2	Sale of Trading Goods								
	Namchic Tea Estate Pvt. Ltd.	2.87	—	—	—	—	—	2.87	—
3	Purchase of Capital Goods								
	Shyam Metallic & Energy Ltd.	—	12.75	—	—	—	—	—	12.75
	Shyam Sel & Power Ltd.	—	58.34	—	—	—	—	—	58.34
	Skipper Ltd.	—	71.44	—	—	—	—	—	71.44
4	Sale of Capital Goods								
	Shyam Sel & Power Ltd.	—	18.18	—	—	—	—	—	18.18
5	Loan taken								
	Sriram Vanijya Pvt. Ltd.	673.50	1,786.50	—	—	—	—	673.50	1,786.50
	Sumangal International Pvt. Ltd.	483.54	875.00	—	—	—	—	483.54	875.00
	Brijdham Merchants Pvt. Ltd.	75.50	125.50	—	—	—	—	75.50	125.50
	Sriram Merchants Pvt. Ltd.	346.50	378.50	—	—	—	—	346.50	378.50
	Sumangal Business Pvt. Ltd.	23.00	165.00	—	—	—	—	23.00	165.00
	Others	—	—	6.00	10.50	—	—	6.00	10.50
6	Loan repaid								
	Sriram Vanijya Pvt. Ltd.	1,790.64	785.50	—	—	—	—	1,790.64	785.50
	Sumangal International Pvt. Ltd.	712.66	670.20	—	—	—	—	712.66	670.20
	Brijdham Merchants Pvt. Ltd.	144.49	63.00	—	—	—	—	144.49	63.00
	Sumangal Business Pvt. Ltd.	202.36	3.00	—	—	—	—	202.36	3.00
	Sriram Merchants Pvt. Ltd.	733.63	30.00	—	—	—	—	733.63	30.00
	Others	—	—	6.00	10.50	—	—	6.00	10.50
7	Loan Given								
	Skipper Ltd.	1,500.00	500.00	—	—	—	—	1,500.00	500.00
8	Advance Taken								
	Pacific Plywoods Pvt. Ltd.	190.00	—	—	—	—	—	190.00	—
9	Advance Refunded								
	Pacific Plywoods Pvt. Ltd.	190.00	—	—	—	—	—	190.00	—
10	Services Charges Paid								
	Shyam Metallic & Energy Ltd.	—	5.16	—	—	—	—	—	5.16
11	Services Charges Received								
	Shyam Metallic & Energy Ltd.	—	3.19	—	—	—	—	—	3.19
	Shyam Sel & Power Ltd.	—	0.43	—	—	—	—	—	0.43
12	Share Application Money								
	Shyam Century Cement Industries Ltd.	79.00	163.00	—	—	—	—	79.00	163.00
13	Interest Paid								
	Sriram Vanijya Pvt. Ltd.	57.36	65.31	—	—	—	—	57.36	65.31
	Sumangal International Pvt. Ltd.	10.66	15.18	—	—	—	—	10.66	15.18
	Brijdham Merchants Pvt. Ltd.	2.60	4.32	—	—	—	—	2.60	4.32
	Sriram Merchants Pvt. Ltd.	21.92	18.57	—	—	—	—	21.92	18.57
	Sumangal Business Pvt. Ltd.	10.15	8.02	—	—	—	—	10.15	8.02
	Others	—	—	0.20	0.29	—	—	0.20	0.29

Schedules forming part of the Consolidated Account

(Rs. in Lacs)

Sl No.	Type of Transactions	Enterprises owned/ Influenced by Key Management Personnel		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
14	Interest Received								
	Skipper Ltd.	39.29	17.00	—	—	—	—	39.29	17.00
15	Remuneration Paid								
	Sri Prem Kumar Bhajanka	—	—	96.00	72.00	—	—	96.00	72.00
	Sri Sajjan Bhajanka	—	—	72.00	72.00	—	—	72.00	72.00
	Sri Sanjay Agarwal	—	—	72.00	72.00	—	—	72.00	72.00
	Others	—	—	317.01	243.10	7.10	6.30	324.11	249.40
16	Dividend Paid								
	Sri Sajjan Bhajanka	—	—	55.80	510.90	—	—	55.80	510.90
	Sri Sanjay Agarwal	—	—	47.31	189.22	—	—	47.31	189.22
	Sri Prem Kumar Bhajanka	—	—	39.52	158.09	—	—	39.52	158.09
	Others	98.32	225.48	36.32	108.79	170.81	610.15	305.46	944.42
17	Rent Paid								
	Smt. Manju Agarwal	—	—	—	—	1.20	1.20	1.20	1.20
	Sri Anil Kumar Choudhary	—	—	3.00	3.00	—	—	3.00	3.00
18	Salary Paid								
	Smt. Bindu Devi Chowdhary	—	—	—	—	—	3.60	—	3.60
19	Guaranteed Obtained								
	Sri Sajjan Bhajanka	—	—	62,527.88	48,964.92	—	—	62,527.88	48,964.92
	Sri Brij Bhusan Agarwal	—	—	26,770.83	13,207.87	—	—	26,770.83	13,207.87
	Sri Sanjay Agarwal	—	—	45,418.68	44,698.57	—	—	45,418.68	44,698.57
	Sri Prem Kumar Bhajanka	—	—	23,661.63	626.02	—	—	23,661.63	626.02
	Sri Hari Prasad Agarwal	—	—	35,757.05	35,757.05	—	—	35,757.05	35,757.05
	Others	—	—	19,323.26	21,013.14	—	—	19,323.26	21,013.14
20	Balance Outstanding on account of								
A	Receivable/(Payable)								
	Riangdo Veneers Pvt. Ltd.	(10.35)	(2.00)	—	—	—	—	(10.35)	(2.00)
	Shyam Metallic & Energy Ltd.	(157.13)	(3.19)	—	—	—	—	(157.13)	(3.19)
	Namchic Tea Estate Pvt. Ltd.	0.42	—	—	—	—	—	0.42	—
	Star India Cement Ltd.	—	75.00	—	—	—	—	—	75.00
	Skipper Ltd.	(6.61)	(3.96)	—	—	—	—	(6.61)	(3.96)
B	Share Application								
	Adonis Vyaper Pvt. Ltd.	47.50	47.50	—	—	—	—	47.50	47.50
	Apnapan Viniyog Pvt. Ltd.	47.50	47.50	—	—	—	—	47.50	47.50
	Ara Suppliers Pvt. Ltd.	48.50	48.50	—	—	—	—	48.50	48.50
	Arham Sales Pvt. Ltd.	47.50	47.50	—	—	—	—	47.50	47.50
	Shyam Century Cement Industries Ltd.	242.00	163.00	—	—	—	—	242.00	163.00
C	Loans								
	Brijdham Merchants Pvt. Ltd.	—	(66.39)	—	—	—	—	—	(66.39)
	Sriram Merchants Pvt. Ltd.	—	(365.21)	—	—	—	—	—	(365.21)
	Sumangal Business Pvt. Ltd.	—	(169.21)	—	—	—	—	—	(169.21)
	Sriram Vanijya Pvt. Ltd.	—	(1,059.78)	—	—	—	—	—	(1,059.78)
	Sumangal International Pvt. Ltd.	—	(218.46)	—	—	—	—	—	(218.46)
	Others	—	—	0.55	1.04	—	—	0.55	1.04

Schedules forming part of the Consolidated Account

17. The Company's segment information as at and for the Year ended 31st March, 2011 are as below:

(Rs. in Lacs)

SI		Plywood	Laminate	Logistics	Ferro Alloys	Power	Cement	Others	Total
A	Revenue(Gross)								
	External Sales	78,197.92 (59,463.69)	15,803.90 (12,072.25)	4,478.91 (1,995.40)	7,911.16 (4,086.71)	1,325.15 (1,150.62)	55,018.03 (50,612.21)	1,092.04 (2,039.21)	1,63,827.11 (1,31,420.09)
	Inter-segment Sales	— —	— —	49.41 (47.45)	— —	7,084.41 (3,927.77)	— —	314.91 (77.65)	7,448.73 (4,052.87)
	Total Revenue (Gross)	78,197.92 (59,463.69)	15,803.90 (12,072.25)	4,528.32 (2,042.85)	7,911.16 (4,086.71)	8,409.56 (5,078.39)	55,018.03 (50,612.21)	1,406.95 (2,116.86)	1,71,275.84 (1,35,472.96)
B	Result								
	Segment Results	3,722.58 (3,769.07)	1,073.75 (1,011.12)	938.85 (780.46)	1,119.23 (158.59)	2,257.63 (1,208.03)	11,334.21 (13,384.35)	131.69 (196.39)	20,577.94 (20,508.01)
	Unallocated Income/Expenses (-) (Net of Unallocated Expenses/Income)								— 233.42 (2,205.34)
	Operating Profit								20,344.52 (22,713.35)
	Interest Expense								1,957.67 (2,232.10)
	Prior Period Items								4.13 (0.25)
	Provision for Taxation								3,797.95 (3,674.57)
	Deferred Tax								—74.08 (118.13)
	MAT Credit Entitlement (-)								— 4,310.29 (—1629.75)
	Net Profit (before minority interest)								18,969.14 (18,318.05)
	Other Information								
A	Total Assets								
	Segment Assets	28,957.00 (26,104.70)	9,727.37 (7,716.31)	8,488.49 (7,248.54)	3,110.79 (2,542.58)	19,363.32 (12,569.80)	77,373.30 (56,141.22)	573.79 (755.19)	1,47,594.06 (1,13,078.34)
	Unallocated Corporate/ Other Assets								11,321.97 (5,099.57) 1,58,916.03 (1,18,177.91)
B	Total Liabilities								
	Segment Liabilities	6,515.88 (7,608.27)	2,582.25 (920.10)	671.92 (389.97)	293.22 (186.54)	5,116.00 (506.48)	3,671.94 (4,391.65)	140.37 (129.05)	18,991.58 (14,132.06)
	Unallocated Corporate/ Other Liabilities								61,460.05 (42,996.83) 80,451.63 (57,128.90)

Schedules forming part of the Consolidated Account

(Rs. in Lacs)

SI		Plywood	Laminate	Logistics	Ferro Alloys	Power	Cement	Others	Total
C	Capital Expenditure	1,470.81 (997.22)	799.43 (132.25)	1,600.95 (3,279.63)	130.98 (11.64)	3,974.97 (1,907.30)	23,902.18 (8,901.68)	11.53 (41.49)	31,890.85 (15,271.21)
D	Depreciation/ Amortisation	1,020.57 (887.46)	337.29 (321.94)	726.02 (319.35)	106.34 (112.36)	1,011.97 (743.64)	1,870.85 (2,128.22)	5.77 (5.92)	5,078.81 (4,518.89)
E	Geographical Segment								
	i. Revenue (Gross)								
	India								1,60,769.48 (1,27,844.97)
	Overseas								3,057.63 (3,575.12)
	ii. Carrying amount of Segment Assets								
	India								1,47,063.36 (1,12,608.63)
	Overseas								530.70 (469.71)

* Excluding Rs. 98.97 lacs (Rs. Nil) on unallocated corporate assets

Notes:

- (a) Business Segments: The business segments have been identified on the basis of the products of the Company. Accordingly, the Company has identified following business segments:

Plywood	–	Plywood, Block-Board, Veneer & Timber
Laminate	–	Decorative Laminates & Pre-laminated Boards
Ferro-Alloys	–	Ferro Silicon
Power	–	Generation of Power
Cement	–	Cement & Clinker
Logistic	–	Container Freight Station (CFS) and Jetty
Others	–	Mainly Trading of Chemicals and Minerals

- (b) Geographical Segments: The Company primarily operates in India and therefore the analysis of geographical segments is demarcated into India and overseas operations.
- (c) The company has common fixed assets for producing goods for domestic and overseas market. Hence separate figures for fixed assets/additions to fixed assets have not been furnished
18. The Company has paid anti dumping duty amounting to Rs. 74.88 lacs on import of phenol which in opinion of the management is in excess of actual margin of dumping of said materials and accordingly refundable in terms of Section 9AA of Custom Tariff Act, 1975 and hence the same is considered as receivable and included under the head Loans & Advances.

Schedules forming part of the Consolidated Account

19. Foreign Exchange Loss of Rs. 142.05 lacs (Previous Year Gain of Rs. 2306.05 lacs) (Net) towards creditors/debtors pertaining to specific segments has been included as unallocable income/expenses instead of the relevant segments results as the amount of such exchange gain/loss for different segments is not ascertainable.
20. Previous year figures including those given in brackets, have been regrouped and/or rearranged, wherever necessary. Further, the previous year figures being inclusive of the figures of Aegis Business Ltd. and Aegis Overseas Ltd., for a part of the year, are not comparable with the current year's figures.

Signatures to Schedules 'A' to 'W'

For **S.R. Batliboi & Co.**

Firm Registration No. 301003E

Chartered Accountants

Per **R.K. Agrawal**

a Partner

Membership No. 16667

Kolkata, 24th May, 2011

For and on behalf of the Board

Sajjan Bhajanka – *Managing Director*

Hari Prasad Agarwal – *Vice Chairman*

Arun Kumar Julasaria – *CFO & Company Secretary*



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