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Corporate Information

BOARD OF DIRECTORS

Sri Satya Brata Ganguly	<i>Chairman</i>
Sri Hari Prasad Agarwal	<i>Vice Chairman</i>
Sri Sajjan Bhajanka	<i>Managing Director</i>
Sri Sanjay Agarwal	<i>Jt. Managing Director</i>
Sri Prem Kumar Bhajanka	<i>Jt. Managing Director</i>
Sri Vishnu Khemani	<i>Jt. Managing Director</i>
Sri Ajay Baldawa	<i>Executive Director</i>
Sri Sajan Kumar Bansal	<i>Director</i>
Sri Brij Bhushan Agarwal	<i>Director</i>
Sri Manindra Nath Banerjee	<i>Director</i>
Sri Mangi Lal Jain	<i>Director</i>
Ms. Plistina Dkhar	<i>Director</i>

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 **Twenty-Ninth 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- 700001 on Friday, 27th day of August, 2010 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, 2010 and Profit and Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To confirm declaration and payment of Interim Dividend and to declare Final Dividend for the year ended 31st March, 2010.
3. To appoint a Director in place of Sri Satya Brata Ganguly, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sri Vishnu Khemani, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Sri Sajjan Kumar Bansal, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration, and for the purpose, to pass the following Resolution as 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.”

7. 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.”

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

Arun Kumar Julasaria
Chief Financial Officer and Company Secretary

Registered Office
6, Lyons Range
Kolkata- 700 001
21st July, 2010

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 its meeting held on 21st October, 2009 declared Interim Dividend @ 75 paise per equity share which was duly paid to the members as per record date announced.
5. The Dividend on preference shares shall be paid at coupon rate.
6. The Board of Directors at their meeting held on 28th May, 2010 has recommended payment of final dividend @ 25 paise per equity share. 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, 20th August, 2010 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 Friday, 27th August, 2010, after giving effect to valid transfer requests received on or before Friday, 20th August, 2010.
7. The share transfer books of the Company will remain closed from 21st August, 2010 to 27th August, 2010 (both days inclusive).
8. 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.
9. All documents meant for inspection and referred in 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.
10. Members are required to bring their admission slip along-with copy of the Annual Report at the Annual General Meeting.
11. 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, 2003 or for subsequent years may approach the Company for payment thereof.
12. 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 Satya Brata Ganguly

Sri Satya Brata Ganguly, 68 years, is a Graduate of Chemical Engineering, Fellow Member of Plastics & Rubber (London), Fellow Member of Institute of Chemical Engineers and also a Fellow Member of the Institute of Chemicals. He is having an experience of over 46 years in various industrial fields. Presently, he is the Chairman of Peerless Funds Management Co. Ltd. He is also a Director of West Bengal Industrial Development Corporation Ltd., The Calcutta Stock Exchange Association Ltd., Sundarban Infrastructure Development Corporation Ltd., Emami Ltd. and Paharpur Cooling Towers Ltd. He is also actively associated with a number of educational, technical and research Institutes. Sri Ganguly carries with him significant professional expertise and rich business experience. Sri Ganguly is presently the Non Executive Independent Chairman of the Company and does not hold any share in the Company.

Sri Vishnu Khemani

Sri Vishnu Khemani, 58 years, is a science graduate. He is having an experience of over 32 years in plywood industry. Sri Khemani was a Director of erstwhile Sharon Veneers Pvt. Ltd. and Sharon Wood Industries Pvt. Ltd. which amalgamated with the Company. He is also a Director of Sharon International Services Pvt. Ltd. Sri Khemani is presently Joint Managing Director of the Company and holds 7704130 equity shares and 500000 preference shares in the Company.

Sri Sajan Kumar Bansal

Sri Sajan Kumar Bansal, 52 years, is a commerce graduate. He is having an experience of over 27 years in steel and engineering industry. He is Managing Director of Skipper Ltd. and also Director of Bansal TMT Steels Ltd., Ventex Trade Pvt. Ltd., Cement Manufacturing Co. Ltd., Skipper Tele-Link Ltd., Suviksit Investment Ltd. and Star Cement Meghalaya Ltd. He is holding 4924980 equity shares in the Company.

- 13 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 authorise the Board of Directors to appoint Branch Auditors in consultation with Statutory Auditors of the Company.

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

Arun Kumar Julasaria
Chief Financial Officer and Company Secretary

Registered Office
6, Lyons Range
Kolkata- 700 001
21st July, 2010

DIRECTORS' REPORT TO THE SHAREHOLDERS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2010

Dear Shareholders,

Your Directors have great pleasure in presenting the 29th Annual Report together with the audited Balance Sheet as at 31st March, 2010 and Profit & Loss Account for the year ended on that date.

FINANCIAL RESULTS

(Rs. in Crores)

Particulars	CONSOLIDATED		STAND ALONE	
	2009-10	2008-09	2009-10	2008-09
Gross Income	1343.78	1179.19	849.82	761.32
Net Income	1192.06	1042.69	752.98	670.79
Profit before Depreciation, Interest & Tax	275.16	189.17	128.40	75.28
Depreciation	45.19	39.32	18.92	16.92
Interest & Finance Charges	25.16	29.30	13.00	17.55
Exceptional Items	–	32.67	–	32.67
Profit Before Tax	204.81	87.88	96.48	8.14
Provision for Tax:				
– Current Tax (including FBT)	36.57	12.50	14.00	0.70
– Deferred Tax	1.18	(3.97)	1.35	(4.05)
– for earlier years	0.18	0.37	0.18	0.38
Add: MAT Credit Entitlement	16.30	9.01	–	–
Profit After Tax	183.18	87.99	80.95	11.11
Adjustment relating to earlier years	–	(1.96)	–	–
Net Profit before Minority Interest	183.18	86.03	80.95	11.11
Less : Minority Interest	37.00	28.83	–	–
Net Profit after Minority Interest	146.18	57.20	80.95	11.11
Minority Interest Adjustments	–	14.63	–	–
Profit available for Appropriation	146.18	71.83	80.95	11.11
Dividend (including tax on dividend)	26.97	8.11	23.21	5.60
Transfer to General Reserve	19.00	9.11	9.00	1.11
Profit & Loss Account (Cr.) brought forward	246.75	192.14	87.45	83.05
Profit & Loss Account balance on Amalgamation	–	–	(0.11)	–
Profit & Loss Account balance carried forward	346.96	246.75	136.08	87.45

PERFORMANCE AND OPERATIONS REVIEW

The year under review was an exceptional year of profitability after an exceptional year of turbulences. When we presented the financial results for 2008-09, the economy was passing through grave uncertainties and it was not clear how and when crisis would be over. The financial years 2008-09 and 2009-10 were challenging years for the Indian economy as well as for your Company.

While it is true that India could not remain immune to global meltdown and the impact of global financial crisis on India was stronger than expected, it is also fact that it was first to recover. India was among the first few countries in the world to implement a broad-based counter-cyclic policy package to respond to the negative fall out of the global slowdown. Indian banking system was flooded with funds at reasonable interest rates, which proved to be key driver to growth of infrastructure, real estate and related productive sectors.

If we look at India's turnaround indicators during year under review, we find that Cement sector has grown, Steel sector has shown recovery, the job losses were lowest, interest rates were considerably lowered, availability and liquidity of money was comfortable, rupee strengthened against dollar, stock markets turned around and overall growth rate was satisfactory. Government continued its focus on stimulating demand by ensuring flow of credit to trade, industry, investment in infrastructure, housing and real estate. India again continued to remain a preferred investment destination.

Despite all odds we are proud to state that our economy as well as your Company have weathered the worst crisis and have come out even stronger.

Profitability of the Company's Plywood, Laminate, Logistic and Cement divisions improved substantially. Company's newly setup CFS division started to contribute within the very first year of its operation. However, due to lack of demand and subdued prices, the Company's ferro alloy division could book only reasonable profits. The Company could book substantial gains on account of foreign exchange difference because of weakening of US Dollar against rupee coupled with Company's conscious foreign exchange risk policy.

During the year, your Company achieved Gross Income of Rs. 849.82 crores against Rs. 761.32 crores during the previous year reflecting a growth of over 11%. The net profit increased significantly from Rs. 11.11 crores to Rs. 80.95 crores reflecting a growth of over 628%. 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. 1343.78 crores against Rs. 1179.19 crores during the previous year, reflecting a growth of over 13 %. The Net Profit after minority interest increased from Rs. 57.20 crores to Rs. 146.18 crores, reflecting a growth of over 155%.

DIVIDEND

In view of the improved performance of the Company during the financial year 2009-10, the Board of Directors declared and paid an Interim Dividend @ 75 paise per equity share. The Board of Directors has further recommended Final Dividend @ 25 paise per equity share. 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, 2010, Cement Manufacturing Co. Ltd (CMCL), Auro Sundram Ply & Door Pvt. Ltd. (ASPDPL), Meghalaya Power Ltd. (MPL), Megha Technical & Engineers Pvt. Ltd (MTEPL) and Star Cement

Meghalaya Ltd. (SCML) continued to remain subsidiaries of the Company. During the Financial Year 2009-10, your Company acquired controlling interest in Aegis Business Ltd. (ABL) and as such ABL became a subsidiary of your Company with effect from 6th July, 2009. ABL acquired controlling interest in Aegis Overseas Ltd. (AOL) and as such AOL also became an ultimate subsidiary of your Company with effect from 15th July, 2009. Company's wholly owned subsidiary Cent Ply Pvt. Ltd. amalgamated with the Company with effect from appointed date 1st April, 2009.

CMCL along with its subsidiary MTEPL operates integrated Cement plant at Meghalaya with aggregate annual installed capacity of 1 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 4.20 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 51 MW, 8 MW capacity is already complete.

ABL and AOL are engaged in import and trading of mineral and other commodities. They are exploring feasibility of acquiring mines in Thailand and Middle-east countries to develop this business. Although contribution to revenue during the current financial year was not substantial, their business module holds great potential.

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 order no. 47/311/2010-CL-III dated 21st April, 2010, has granted exemption to your Company for not attaching the above documents of subsidiaries with Annual Report of the Company for the financial year 2009-10. 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 approval 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

The Finance Minister in his recent budget speech stated that the challenge before the nation is to 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 9% 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. 1,73,552 crores has been provided for infrastructure development,

which account for over 46% 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, 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 also increasing its focus on logistic service sector. The Company is already operating a jetty at Falta, South 24 Parganas, West Bengal with Ministry of Commerce, Government of India. The Company has also developed approx 100000 sq.m. area as Container Freight Stations (CFS) near Kolkata Port. Out of this approx 20000 sq.m area was fully operational during current financial year and balance 80000 sq.m area is also ready to commence operations. 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 million MT to 4.20 million MT per annum, with adequate captive power capacity.

DIRECTORS

Sri Banwari Lal Agarwal, Founder and Chairman Emeritus of the Company suddenly expired on 27th May, 2010. He served the Company for more than 25 years and was the key force behind success of the Company. The Board places on record its respect and homage to departed soul.

In accordance with Articles of Association of the Company, Sri Satya Brata Ganguly, Sri Vishnu Khemani and Sri Sajan Kumar Bansal 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 March 31, 2010, the applicable Accounting Standards have been followed and proper explanations were provided for material departures, if any.
- (ii) the Directors had 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;
- (iv) the Directors had prepared the annual accounts for the financial year ended March 31, 2010, on a going concern basis

CORPORATE GOVERNANCE

Your Company has been practicing the principle of good Corporate Governance over the years and it is a continuous and ongoing process. 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 REPORT

The Management Discussion and Analysis, forming part of this report, as required under Clause 49 of the Listing Agreement with the Stock Exchanges 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 gain of Rs. 1895.79 lacs (Net) (Previous year loss of Rs. 2724.86 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 2009-10 also, for the reasons mentioned above and to maintain consistency in accounting policies followed, the gain arising out of foreign exchange has been considered as unallocable income. However, as pointed out by auditors, such treatment has no impact on the Company's profit for the year ended 31st March, 2010. 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 organisations. 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

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 employees employed throughout the financial year and drawing Rs. 24 lacs or more is annexed separately. There was no employee who was employed for part of the financial year, requiring such disclosure.

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 & 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. 24.11 Crores
Foreign Exchange Outgo : Rs. 220.39 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 wish to express their grateful appreciation for the valuable support and cooperation received from lenders, business associates, banks, financial institutions, shareholders, various Statutory Authorities and society at large. Your Directors also place on record, their appreciation for the contribution and hard work of employees of the Company and that of its subsidiaries at all levels.

For and on behalf of the Board of Directors

Sajjan Bhajanka **Hari Prasad Agarwal**
Managing Director *Executive Director*

Kolkata, 28th May, 2010

ANNEXURE - I

Information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Name	Designation	Qualification	Nature of Employment	Nature of duties	Age (Years)	Date of Joining	Experience (Years)	Gross Remuneration (Total) (Rs.)	Previous Employment	Designation at Previous Employment
Sri Sajjan Bhajanka	Managing Director	Commerce Graduate	Permanent	Management & Administration	58	5-Feb-86	31	36,00,000	None	N.A.
Sri Sanjay Agarwal	Jt. Managing Director	Commerce Graduate	Permanent	Marketing & Sales Promotion	49	5-Jan-82	23	36,00,000	None	N.A.
Sri Prem Kumar Bhajanka	Jt. Managing Director	Commerce Graduate	Permanent	Management & Administration	52	16-Apr-08	32	36,00,000	Century Panels Pvt. Ltd.	Managing Director
Sri Vishnu Khemani	Jt. Managing Director	Science Graduate	Permanent	Management & Administration	58	16-Apr-08	32	36,00,000	Sharon Veneers Pvt. Ltd.	Managing Director
Sri Anoop Hoon	President – Marketing & OD	B.A(Economics); PGDM(XLRI Jamshedpur)	Permanent	Marketing & Human Resource	55	1-Mar-08	30	56,01,204	Invigorsys Consultancy Pvt. Ltd.	Director
Sri Abhra Rajib Banerjee	Vice President–Marketing	MA(Economics); MBA (ISWBM, Kolkata)	Permanent	Marketing & Sales Promotion	40	1-Jul-08	15	43,81,608	AKZO Nobel Decorative Coatings	Channel Marketing Controller
Sri Dippaman Samanta	Group Product Category Head (DV, Senzura & Laminates)	B.E. (Mechanical)	Permanent	Marketing & Sales Promotion	38	16-Jun-08	14	25,72,068	Castrol India	Key Accounts Manager

ANNEXURE - II

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, 2010.

Disclosure of particulars with respect to conservation of energy.

Sl. No.	Particulars	2009-10	2008-09
A	Power and fuel Consumption		
	Electricity		
	i Purchased		
	Units (Lacs KWH)	16.03	62.34
	Total Amount (Rs. in Lacs)	72.20	207.08
	Rate/unit (Rs.)	4.50	3.32
	ii Own Generation		
	Through Diesel Generator		
	Units (Lacs KWH)	0.18	0.21
	Unit/Ltr of HSD	4.59	3.89
	Total Amount (Rs in Lacs)	1.20	1.77
	HSD cost/Unit Generated (Rs/unit)	6.81	8.41
	HSD Rate/Litre (Rs)	31.27	32.73
	iii Through Captive Power Unit		
	Units (Lacs KWH)	998.23	802.13
	Total Cost (Rs. in Lacs)	2774.39	2330.91
	Rate/Unit (Rs.)	2.78	2.91
B	Consumption per unit of production		
	Electricity (KWH/T of Ferro Silicon)	8167.51	7611.64
	HSD (Ltr / T of Ferro Silicon)	0.60	0.48

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 ending 31st March, 2010 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 2009-10, 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, 28th May, 2010

Arun Kumar Julasaria

Chief Financial Officer 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 a systemic process by which companies are directed and controlled to enhance their wealth-generating capacity. This process should ensure that resources of the society are utilised in a manner that meets stakeholders' aspirations and society's expectations. Effective Corporate Governance needs to percolate down to all levels of management and adopt a core set of values which will further strengthen the Management and the decision-making process, resulting in creation of value and wealth for the shareholders on sustainable and long-term basis.

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

As on March 31, 2010, the Board consisted of twelve 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. Six 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.

The Board consists 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 Brij Bhushan Agarwal	Director	Yes	No	No
8.	Sri Sajan Kumar Bansal	Director	Yes	No	No
9.	Sri Ajay Baldawa	Executive Director	No	Yes	No
10.	Sri Manindra Nath Banerjee	Director	No	No	Yes
11.	Sri Mangi Lal Jain	Director	No	No	Yes
12.	Ms. Plistina Dkhar	Director	No	No	Yes

Other Directorship, Committee Membership and Chairmanship

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

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

* 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 and Shareholders'/Investors' Grievance Committees.

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. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are circulated well in advance to the Directors. 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

During the financial year ended 31st March, 2010, the Board met six times on 22nd April, 2009, 30th June, 2009, 27th July, 2009, 21st October, 2009, 30th November, 2009 and 21st January, 2010. Attendance at the

Board Meetings during the financial year 2009-10 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	6	Yes
2.	Sri Hari Prasad Agarwal	6	6	Yes
3.	Sri Sajjan Bhajanka	6	5	Yes
4.	Sri Sanjay Agarwal	6	3	Yes
5.	Sri Prem Kumar Bhajanka	6	1	No
6.	Sri Vishnu Khemani	6	–	No
7.	Sri Brij Bhushan Agarwal	6	–	No
8.	Sri Sajjan Kumar Bansal	6	3	Yes
9.	Sri Ajay Baldawa	6	6	No
10.	Sri Manindra Nath Banerjee	6	6	Yes
11.	Sri Mangi Lal Jain	6	6	Yes
12.	Ms Plistina Dkhar	6	–	No

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 2009-10

There was no change in the composition of the Board during the year ended 31st March, 2010.

2. COMMITTEES OF THE BOARD

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

The Audit Committee was re-constituted on 30th June, 2009 with the appointment of Sri Satya Brata Ganguly as 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 46 years. Sri Manindra Nath Banerjee is a retired IAS Officer with over 43 years of experience. Sri Hari Prasad Agarwal is Commerce Graduate with over 37 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

During the financial year ended 31st March, 2010, the Audit Committee met five times on 20th April, 2009, 30th June, 2009, 27th July 2009, 21st October, 2009 and 21st January 2010 and was duly attended by all the members of the Committee. Sri Satya Brata Ganguly, being appointed with effect from 30th June, 2009, was not present in the first two meetings.

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

Terms of reference

Terms of reference of the Audit Committee includes the following:

- a) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- b) Recommending appointment, re-appointment and if required removal/replacement of statutory, branch & internal auditors and recommend their remuneration.
- c) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- d) 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.
- e) 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.
- f) Reviewing, with the management, performance of statutory and internal auditors, adequacy of internal control system.
- g) Reviewing the adequacy of internal audit function and discussion with internal auditors regarding any significant finding and follow up.
- h) 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.

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, on a periodical basis.

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 Remuneration Committee was re-constituted on 30th June, 2009 with the appointment of Sri Satya Brata Ganguly as Member.

The Company Secretary acts as Secretary to the Committee.

Meetings and Attendance

During the year, the Remuneration Committee met only once on 31st July, 2008 and was duly attended by all the members of the Committee.

Details of remuneration paid to Directors

Executive Directors:

Sl.	Name of the Director	Designation	Remuneration Rs.
1.	Sri Sajjan Bhajanka	Managing Director	36,00,000
2.	Sri Sanjay Agarwal	Jt. Managing Director	36,00,000
3.	Sri Prem Kumar Bhajanka	Jt. Managing Director	36,00,000
4.	Sri Vishnu Khemani	Jt. Managing Director	36,00,000
5.	Sri Hari Prasad Agarwal	Executive Director	18,00,000
6.	Sri Ajay Baldawa	Executive Director	18,00,000

* The remuneration shown above is total consolidated salary paid during 2009-10.

Non-Executive Directors

During the year, the Company paid sitting fee of Rs. 7,500/- to Non-Executive Directors for attending each meeting of the Board of the Company. Details of sitting fee paid to Non-Executive Directors during the year 2009-10 together with their shareholdings in the Company are given below:

Sl.	Name of the Non-Executive Director	Designation	Sitting Fee (Rs.)	No. of shares held
1.	Sri Satya Brata Ganguly	Chairman	45,000	Nil
2.	Sri Manindra Nath Banerjee	Director	45,000	Nil
3.	Sri Mangi Lal Jain	Director	45,000	3,000

Besides sitting fees, the Non-Executive Chairman, Sri Satya Brata Ganguly 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. Sri Ganguly carries with him significant professional expertise and rich business experience.

The salient terms of appointment and payment of remuneration to Managing, Joint Managing and Executive Directors :

Period of Appointment	Sri Sajjan Bhajanka	Upto 31st March, 2011
	Sri Sanjay Agarwal	Upto 30th June, 2011
	Sri Ajay Baldawa	Upto 30th June, 2011
	Sri Hari Prasad Agarwal	Upto 31st May, 2012
	Sri Prem Kumar Bhajanka	Upto 31st July, 2013
	Sri Vishnu Khemani	Upto 31st July, 2013
Salary Scale (Maximum)	Sri Sajjan Bhajanka	Rs. 36,00,000/-
	Sri Sanjay Agarwal	Rs. 36,00,000/-
	Sri Ajay Baldawa	Rs. 18,00,000/-
	Sri Hari Prasad Agarwal	Rs. 18,00,000/-
	Sri Prem Kumar Bhajanka	Rs. 36,00,000/-
	Sri Vishnu Khemani	Rs. 36,00,000/-
Perquisites and Allowances (Maximum) (excluding Company's contribution to provident, superannuation & gratuity funds and leave encashment)	Sri Sajjan Bhajanka	Rs. 12,00,000/-
	Sri Sanjay Agarwal	Rs. 12,00,000/-
	Sri Ajay Baldawa	Rs. 12,00,000/-
	Sri Hari Prasad Agarwal	Rs. 12,00,000/-
	Sri Prem Kumar Bhajanka	Rs. 12,00,000/-
	Sri Vishnu Khemani	Rs. 12,00,000/-
Minimum Remuneration in case of inadequacy of profit during any financial year.	To be determined in terms of Schedule XIII of the Companies Act, 1956	
Service Contracts	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	
Severance fees payable by the Company for termination of employment.	There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors.	
Notice Period on either side	Three Calendar Months from either side	
Stock Options	The Company has not issued any Stock Options	

Share Transfer cum Investor Grievance Committee

The Committee, oversees and reviews all matters connected with transfer of securities and also *interalia* approves issue of duplicate, split of Share Certificates, etc. It also ensures speedy redressal of Shareholders/Investors complaints, grievances and queries. It also reviews performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services.

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, 2009, 30th April, 2009, 15th May, 2009, 30th May, 2009, 15th June, 2009, 30th June, 2009, 15th July, 2009, 31st July, 2009, 14th August, 2009, 22nd August, 2009, 15th September, 2009, 30th September, 2009, 15th October, 2009, 31st October, 2009, 16th November, 2009, 30th November, 2009, 15th December, 2009, 31st December, 2009, 15th January, 2010, 30th January, 2010, 15th February, 2010, 27th February, 2010, 15th March, 2010 and 30th March, 2010. 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
26th	31.03.2007	Merchants' Chamber of Commerce 15B, Hemant Basu Sarani, Kolkata-700 001	16.07.2007	11-00 AM
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

Following Special Resolutions were passed in last three Annual General Meetings

At 26th AGM, the following Special Resolutions were passed:

- Alteration of Articles of Association of the Company with respect to maximum number of Directors that may be appointed on the Board of the Company.
- Empowering Board to issue securities including equity shares upto Rupees four hundred crores
- Change of name of the Company

At 27th AGM, no Special Resolution was passed.

At 28th AGM, the following Special Resolutions were passed:

- Remuneration to Sri Sajjan Bhajanka, Sri Sanjay Agarwal, Sri Prem Kumar Bhajanka and Sri Brij Bhushan Agarwal from a subsidiary company
- 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.

During the financial year 2009-10, 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*.

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, 2010. 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, affirmations that they have complied with the Code of Conduct for Directors and Senior Management Executives in respect of financial year 2009-10.

Sajjan Bhajanka
Managing Director & CEO

Kolkata, 28th May, 2010

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 Ek Din. The financial results are also posted on the website of the Company –www.centuryply.com.

8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

9. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting:

Date	27th August, 2010 (Friday)
Time	11.00 A.M
Venue	Indian Chamber of Commerce Auditorium 10th Floor, 4, India Exchange Place, Kolkata -700001
Financial Year	2009-10
Book Closure Date	21st August, 2010 to 27th August, 2010 (Both days inclusive)
Dividend Payment Date	Within statutory period from the date of passing of resolution at the Annual General Meeting.

Listing on Stock Exchanges

The Company's shares are presently listed on the following two Stock Exchanges.

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

The Equity shares of the company have been voluntarily delisted from The Delhi Stock Exchange Association Ltd. with effect from 7th September, 2009.

The Company has paid listing fees to NSE and BSE for the year 2009-10 & 2010-11.

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 2009-10 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
2009						
April	32.50	28.15	71853	33.80	27.15	333224
May	48.40	30.05	126867	46.90	28.50	205012
June	47.90	34.05	268975	50.00	35.10	681355
July	45.50	35.50	479104	45.00	35.70	815627
August	47.55	35.10	685772	47.35	34.50	982008
September	52.00	42.20	1439380	52.00	42.20	2285601
October	48.90	40.30	423374	49.60	40.10	1250803
November	43.20	39.00	125541	43.50	38.00	319334
December	48.75	41.00	888489	48.80	40.75	1768508
2010						
January	50.85	42.25	712629	50.60	42.05	1173616
February	47.95	43.90	323108	48.90	36.00	667082
March	59.40	43.85	4694257	59.40	43.90	9014524

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

Month	BSE Sensex		Company's Shares	
	Closing	%Change	Closing	% Change
2009				
April	11,403.25	17.46	30.00	5.26
May	14,625.25	28.26	42.95	43.17
June	14,493.84	(0.90)	43.70	1.75
July	15,670.31	8.12	41.35	(5.38)
August	15,666.64	(0.02)	46.70	12.94
September	17,126.84	9.32	43.75	(6.32)
October	15,896.28	(7.18)	41.55	(5.03)
November	16,926.22	6.48	41.50	(0.12)
December	17,464.81	3.18	45.45	9.52
2010				
January	16,357.96	(6.34)	44.95	(1.10)
February	16,429.55	0.44	44.00	(2.11)
March	17,527.77	6.68	55.20	25.45

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- 22435029/5809

Fax : 033-22484787

Email : mdpl@cal.vsnl.net.in

Share Transfer System

The Share Transfer cum Investor Grievance Committee approves transfer of shares in physical mode.

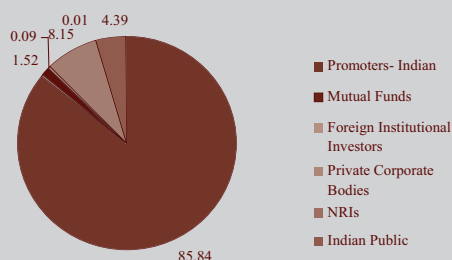
The Company's Registrar transfers the shares within 30 days of receipt of request and the same is approved by the Share Transfer cum Investor Grievance Committee. Transfer of shares in dematerialised form are duly processed by NSDL/CDSL in electronic form through the respective Depository Participants. 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, 2010			
	No. of Shareholders		No. of Shares	
	Total	%	Total	%
1 – 500	3372	62.65	394371	0.18
501 – 1000	353	6.56	309334	0.14
1001 – 2000	453	8.42	713507	0.32
2001 – 3000	508	9.44	1315737	0.59
3001 – 4000	53	0.98	192665	0.09
4001 – 5000	157	2.92	739464	0.33
5001 – 10000	219	4.07	1660720	0.75
10001 – and above	267	4.96	216847192	97.60
TOTAL	5382	100.00	222172990	100.00

Shareholding pattern -Distribution by category



Category	As on 31st March, 2010	
	No. of Shares	% to Share Capital
Promoters- Indian	190724151	85.84
Mutual Funds	3378935	1.52
Foreign Institutional Investors	190355	0.09
Private Corporate Bodies	18101150	8.15
NRIs	24816	0.01
Indian Public	9753583	4.39
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 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 intimate the Concerned Depositing 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, 2010, 217813194 Equity Shares, which form 98.04% 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.
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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**
Managing Director *Executive Director*

Kolkata, 28th May, 2010

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, 2010, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the 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.

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, 28th May 2010

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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 recognised 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 economic slow down of 2008-09 has adversely affected 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. 1,73,552 crores has been provided for infrastructure development, which account for over 46% 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. 10000 crores, with expected growth of 20% year on year basis. The market is highly fragmented, with unorganised sector

controlling major market share. The organised segment is highly concentrated, with only few players constituting around 25% of the market. The unorganised 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% in the recent budget. Narrowing excise differences and the eligibility to claim MODVAT benefits on inputs have put the organised sector not only at par compared to the unorganised sector, but also in an advantageous position due to volume, quality and the brand. Now the growth of organised sector is estimated to be 30% compared to the overall market growth of 20%. Organised sector growth will partly come from conversion of some of unorganised sector players as organised sector players.

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

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.

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 become 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 start 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 localised/regionalised 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 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's cement production capacity will go up from present 1 MTPA to 4.20 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 containerised 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 its 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 its 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 20,000 sq meter area) has already started operation in November 2008. Development of another 80,000 sq meter area is already complete and about to commence operation. This division will be able to handle 150000 20 feet containers 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. 494.45 crores in 2008-09 to Rs. 592.25 crores in 2009-10 showing growth of over 19 %. The profit of this segment increased from Rs. 3.70 crores to Rs. 36.25 crores showing growth of over 879%. 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 'CENTURLAMINATES' the brand under which company's laminates are being sold is today a symbol of quality and is attaining consumer preference. During current financial year this segment earned profit of Rs. 10.11 crores.

Ferro Alloys & Power

Due to lack of demand and subdued prices, the Profit of this segment was reduced from Rs. 20.74 crores to Rs. 1.59 crores.

Cement

The cement capacities run by company's subsidiaries also posted impressive performance. The turnover increased from Rs. 442.20 crores to Rs. 506.12 crores showing growth of over 14%. Segment profit increased from Rs. 126.35 crores to Rs. 133.84 crores showing growth of over 5%.

Logistics

Logistics division also performed quite well. During current financial year this segment earned profit of Rs. 7.80 crores.

Others

Other segments mainly chemicals also performed well during 2009-10.

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. 761.32 crores to Rs. 849.82 crores reflecting growth of over 11%. Profit before Tax increased from Rs. 8.14 crores last year to Rs. 96.48 crores this year reflecting growth of over 1085%. The increase in income reflects company's operational efficiency and increasing market share of its 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, 2010 was 3845.

Cautionary Statement

The statements in the "Management Discussion and Analysis Report" section describing the Company's objectives, projections, estimates, expectations and predictions may be "forward looking statements". 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 **Hari Prasad Agarwal**
Managing Director *Executive Director*

Kolkata, 28th May, 2010

AUDITORS' REPORT

TO THE MEMBERS OF CENTURY PLYBOARDS (INDIA) LIMITED

1. We have audited the attached Balance Sheet of CENTURY PLYBOARDS (INDIA) LIMITED as at 31st March, 2010 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 gain of Rs. 1,895.79 lacs (net) (previous year loss of Rs. 2,724.86 lacs) towards creditors / debtors pertaining to specific segments which has been included as unallocable expenses/income.*
In the previous year our report was similiarly modified for the above:
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 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, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 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, 2010.
 - (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, 28th May 2010

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, 2010]

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification of all fixed assets over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
(c) There was no substantial disposal 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. 1,300 lacs and the year – end balance of loans 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 are not prima facie prejudicial to the interest of the Company.
(c) There were no stipulation for repayments in respect of above loan but the same was stated to be repayable on demand. However, the above loan was fully received back during the year. The payment of interest with respect to the above 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 outstanding amount of such loans during the year was Rs. 5,637.71 lacs and the year-end balance due to such parties was Rs. 1,778.80 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) There are no stipulations for repayment of the above loans but the same are repayable on demand. As informed, the lenders have not demanded repayment of any such loan during the year 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, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.
- 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.
- 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) The Company has generally been regular in depositing 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, cess and other statutory dues with appropriate authorities *though there had been slight delays in certain cases.*

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A 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, customs duty, excise duty, cess and other undisputed 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
Various State Sales Tax /VAT Act	Sales Tax /VAT Penalty /Interest	1990-91, 1991-92 2001-02 2003-04 to 2008-09	355.40	Assistant/Additional Commissioner/Commissioner/Joint Commissioner
Income Tax Act, 1961	Income Tax	2003-04 to 2006-07	99.12	Commissioner Appeals/ Appellate Tribunal
Central Excise Act	Excise duty	2004-05 to 2008-09	15.73	Commissioner of Appeals

- 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 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 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 course of our audit.

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

Kolkata, 28th May 2010

Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	Schedule	As at 31.03.2010	As at 31.03.2009
A. SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	'A'	2,275.27	2,275.27
Reserves & Surplus	'B'	20,602.26	14,599.13
		22,877.53	16,874.40
LOAN FUNDS			
Secured Loans	'C'	17,846.69	19,793.72
Unsecured Loans	'D'	1,778.80	—
		19,625.49	19,793.72
DEFERRED TAX LIABILITY (NET)		170.01	6.69
		42,673.03	36,674.81
B. APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	'E'	20,972.81	17,306.77
Less : Accumulated Depreciation/Amortisation		9,862.19	7,986.84
Net Block		11,110.62	9,319.93
Capital Work in Progress		361.64	44.60
Capital Expenditure on New Projects	'F'	4,290.85	1,872.90
		15,763.11	11,237.43
INVESTMENTS	'G'	5,045.32	4,199.17
CURRENT ASSETS, LOANS & ADVANCES			
Inventories	'H'	14,942.96	12,009.20
Sundry Debtors	'I'	10,590.98	8,395.53
Cash & Bank Balances	'J'	1,556.09	1,863.26
Other Current Assets	'K'	1,081.83	602.75
Loans & Advances	'L'	4,327.22	4,571.83
		32,499.08	27,442.57
Less : CURRENT LIABILITIES & PROVISIONS	'M'		
Current Liabilities		9,845.15	5,394.57
Provisions		789.33	809.79
		10,634.48	6,204.36
NET CURRENT ASSETS		21,864.60	21,238.21
		42,673.03	36,674.81
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, 28th May, 2010

For and on behalf of the Board

Sajjan Bhajanka - *Managing Director*

Hari Prasad Agarwal - *Executive Director*

Arun Kumar Julasaria - *CFO & Company Secretary*

Profit & Loss Account for the year ended 31st March, 2010

(Rs. in Lacs)

	Schedule	2009-10	2008-09
INCOME			
Income from Sales and Services	‘N’	80,475.73	73,821.33
Less : Excise Duty		3,620.36	3,847.38
Less : Sales Tax/VAT		6,064.44	5,204.89
Net Sales		70,790.93	64,769.06
Other Income	‘O’	4,506.82	2,310.45
		75,297.75	67,079.51
EXPENDITURE			
Decrease/(Increase) in stocks	‘P’	(476.31)	369.29
Excise Duty & Cess on Stocks (Refer Note No. 4 on Schedule ‘V’)		116.72	(93.71)
Cost of Materials	‘Q’	40,612.60	40,557.48
Operating, Administrative and Selling Expenses	‘R’	16,631.12	14,000.94
Personnel Expenses	‘S’	5,574.18	4,717.70
Depreciation/Amortisation	‘T’	1,891.57	1,691.86
Interest and Finance Charges	‘U’	1,300.16	1,755.24
		65,650.04	62,998.80
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS		9,647.71	4,080.71
Less : Exceptional Items		–	3,266.61
PROFIT BEFORE TAXATION		9,647.71	814.10
Provision for Tax :			
– Current Tax [including Rs.18.29 Lacs (Rs.38.21 Lacs) for earlier years]		1,418.29	38.21
– Fringe Benefit Tax		–	69.59
– Deferred Tax		134.71	(404.94)
PROFIT AFTER TAX		8,094.71	1,111.24
Add : Balance brought forward from previous year		8,745.18	8,304.99
Add : Profit & Loss Account debit balance transferred from the Amalgamating Company [Refer Note No.1(C)on Schedule ‘V’]		(11.17)	–
PROFIT AVAILABLE FOR APPROPRIATION		16,828.72	9,416.23
Appropriations :			
Transfer to General Reserve		900.00	111.12
Proposed Dividend on Preference shares		4.50	4.50
Proposed Dividend on Equity shares		555.43	555.43
Interim Dividend on Equity Shares		1,666.30	–
Tax on Dividend (Refer Note No.5 on Schedule ‘V’)		94.74	–
Balance Carried to the Balance Sheet		13,607.75	8,745.18
		16,828.72	9,416.23
BASIC & DILUTED EARNING PER SHARE (Rs)		3.64	0.50
(Face value of Re. 1/- each) 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, 28th May, 2010

For and on behalf of the Board

Sajjan Bhajanka – Managing Director

Hari Prasad Agarwal – Executive Director

Arun Kumar Julasaria – CFO & Company Secretary

Cash Flow Statement for the year ended 31st March, 2010

(Rs. in Lacs)

	2009-10	2008-09
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	9,647.71	814.10
Adjustments for:		
Depreciation/Amortisation	1,891.57	1,691.86
Interest and Finance Charges(Net of Capitalisation)	1,074.89	1,379.03
Preliminary Expenses written off	-	19.44
Dividend Income	(2,216.14)	(2,216.78)
Irrecoverable Debts written off	247.76	97.58
Loss on Sale of Fixed Assets	6.98	(8.62)
Profit on Sale of Investments	(1.93)	6.22
Interest Income	(81.96)	(48.05)
Provision for Doubtful Debts	-	179.76
Unrealised Foreign Exchange Fluctuations Gain	(955.01)	1,388.58
Operating Profit before Working Capital changes	9,613.87	3,303.12
Adjustments for :		
Decrease/(Increase) in Trade and other Receivables	(2,023.97)	1,893.16
Decrease/(Increase) in Inventories	(2,604.11)	761.21
(Decrease)/Increase in Trade Payables	4,847.64	(5,474.77)
Cash Generated from Operations	9,833.43	482.72
Direct Taxes Paid (Net of Refunds)	(1,344.15)	(494.30)
Net Cash generated from Operating Activities	8,489.28	(11.58)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(4,383.02)	(3,791.77)
Sales of Fixed Assets	29.14	222.35
Purchase of Investments	(546.16)	(1,000.00)
Sale of Investments	1.93	78.58
Share Application Money	(163.00)	(885.05)
Loans Given/(Refunds) (net)	(1,197.54)	1.16
Fixed Deposits	457.71	(293.71)
Dividend Income	2,216.14	2,216.78
Interest Received	46.21	48.05
Net Cash used in Investing Activities	(3,538.59)	(3,403.61)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Borrowings	2,972.00	9,283.44
Repayment of Loans	(4,579.74)	(3,342.52)
Interest Paid	(981.94)	(1,334.83)
Dividend paid	(2,222.98)	(1,114.27)
Dividend Tax Paid	(1.72)	-
Net Cash used in Financing Activities	(4,814.38)	3,491.82
Net Increase in Cash and Cash Equivalents (A + B + C)	136.31	76.63
*Cash and Cash Equivalents as on 1st April, 2009	1,305.26	1,228.63
Add: Cash Balance transferred from Amalgamating Company (Refer Note No - 1 on Schedule 'V')	14.23	-
	1,319.49	1,228.63
*Cash and Cash Equivalents as on 31st March, 2010	1,455.80 #	1,305.26

* Represents Cash and Bank Balances as indicated in Schedule - 'J' and excludes Rs. 100.29 lacs (Rs. 558 lacs) being Bank Balances with restricted use and with maturity of more than three months.

includes Rs. 11.69 Lacs (Rs. 8.45 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, 28th May, 2010

For and on behalf of the Board

Sajjan Bhajanka - Managing Director

Hari Prasad Agarwal - Executive Director

Arun Kumar Julasaria - CFO & Company Secretary

Schedules to Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 'A'		
SHARE CAPITAL		
Authorised		
55,05,00,000 Equity Shares of Re. 1/- each	5,505.00	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
	5,705.00	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 the date of issue i.e. on 18-09-2002)	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 reserves and Securities Premium.		
SCHEDULE - 'B'		
RESERVES & SURPLUS		
General Reserve		
Balance as per Last Account	1,685.63	1,574.51
Add: Transferred from Profit & Loss Account	900.00	111.12
	2,585.63	1,685.63
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	1,772.75	1,772.75
Add : Capital Investment Subsidy for the year	247.13	–
	2,019.88	1,772.75
Revaluation Reserve		
Balance as per Last Account	185.40	192.16
Less : Depreciation Adjustment	6.57	6.76
	178.83	185.40
Profit & Loss Account Balance	13,607.75	8,745.18
	20,602.26	14,599.13

Schedules to Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 'C'		
SECURED LOANS		
Rupee Term Loans		
– From a Financial Institution	425.00	725.00
– From Banks	1,867.54	1,071.12
FCNRB Term Loan from a Bank	451.40	–
Buyers' Credit from Banks		
– For Capital Expenditure	201.77	–
– For Operational Use	9,094.91	10,287.42
Working Capital Facilities from Banks		
– Cash Credit	1,824.30	4,611.66
– FCNRB Demand Loan	2,257.00	2,547.50
– Short Term Loan	1,000.00	–
Hire Purchase Finance		
– From Banks	50.97	60.34
– From Bodies Corporate	673.80	490.68
	17,846.69	19,793.72

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 (604.05)	Plywood and Laminate units at Kanchowki, Dist.-24 Parganas(S), West Bengal
– (47.00)	Plywood unit at Chinnappolapuram, Gummidipoondi, Tamil Nadu
598.12 (1145.07)	Ferro Alloy Unit at Byrnihat, Meghalaya
1363.77 (–)	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 for the respective units as given below :

Amount (Rs. in Lacs)	Location
13484.54 (16337.79)	Plywood units at Kanchowki, Dist.- 24 Parganas (S), West Bengal; Chinnappolapuram, Gummidipoondi, Tamilnadu; Taraori, Haryana and Laminate unit at Kanchowki, Dist.-24 Parganas (S), West Bengal
739.02 (1108.79)	Ferro Alloy Unit at Byrnihat, Meghalaya
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. 1357.17 Lacs (Rs. 1044.74 Lacs) falling due for payment within one year.

Schedules to Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 'D'		
UNSECURED LOANS (SHORT TERM)		
From Bodies Corporate	1,778.80	—
	1,778.80	—

SCHEDULE - 'E'

FIXED ASSETS

NAME OF ASSETS	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK	
	As at 01.04.2009	Transferred from Amalgamating Company (c)	Additions	Sales/ Adjustments	As at 31.03.2010	Upto 31.03.2009	Transferred from Amalgamating Company (c)	For the Year	Less: On Sales /Adjustments	Upto 31.03.2010	As at 31.03.2010	As at 31.03.2009
A TANGIBLE ASSETS												
Land & Site Development												
– Freehold	563.41	124.51	58.73	—	746.65	—	—	—	—	—	746.65	563.41
– Leasehold	155.38	—	21.86	—	177.24	18.79	—	10.56	—	29.35	147.89	136.59
Factory Buildings	2,637.76	690.55	164.78	—	3,493.09	1,045.54	10.14	217.77	—	1,273.45	2,219.64	1,592.22
Non-Factory Buildings	587.74	65.77	271.77	2.87	922.41	197.16	0.46	46.30	—	243.92	678.49	390.58
Storage Yard	242.40	—	145.42	—	387.82	6.36	—	27.50	—	33.86	353.96	236.04
Plant & Machinery	9,509.41	857.61	425.27	18.70	10,773.59	5,121.32	16.88	996.76	6.64	6,128.32	4,645.27	4,388.09
Electrical Installations	1,152.01	187.52	41.00	—	1,380.53	571.08	4.02	119.28	—	694.38	686.15	580.94
Furniture & Fixtures	271.02	3.80	89.55	10.43	353.94	131.70	0.11	36.21	5.58	162.44	191.50	139.32
Office Equipments	377.32	1.18	62.78	15.18	426.10	135.50	—	39.28	10.10	164.68	261.42	241.81
Computers	451.80	7.84	101.44	3.83	557.25	256.59	0.48	91.61	3.09	345.59	211.66	195.21
Vehicles	1,153.61	0.74	388.83	42.05	1,501.13(b)	406.66	0.07	242.42	31.54	617.61	883.52	746.95
Sub Total (A)	17,101.86	1,939.52	1,771.43	93.06	20,719.75	7,890.70	32.16	1,827.69	56.95	9,693.60	11,026.15	9,211.16
B INTANGIBLE ASSETS												
Computer Softwares	203.93	—	38.15	—	242.08	95.16	—	62.45	—	157.61	84.47	108.77
Trade Marks and Patent Rights	0.98	—	—	—	0.98	0.98	—	—	—	0.98	—	—
Goodwill	—	10.00	—	—	10.00	—	2.00	8.00	—	10.00	—	—
Sub Total (B)	204.91	10.00	38.15	—	253.06	96.14	2.00	70.45	—	168.59	84.47	108.77
C Total (A+B)	17,306.77	1,949.52	1,809.58	93.06	20,972.81	7,986.84	34.16	1,898.14	56.95	9,862.19	11,110.62	9,319.93
D Capital Work in Progress	44.60	161.54	192.41	36.91	361.64	—	—	—	—	—	361.64	44.60
Grand Total (C+D)	17,351.37	2,111.06	2,001.99	129.97	21,334.45	7,986.84	34.16	1,898.14	56.95	9,862.19	11,472.26	9,364.53
Previous Year's Total	15,596.18	—	2,538.76	783.57	17,351.37	6,361.75	—	1,705.37	80.28	7,986.84	9,364.53	—

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 Assets taken on finance lease Rs. 788.25 lacs (Rs. 513.75 lacs) , written down Value Rs. 634.01 Lacs (Rs. 530.25 lacs) [Refer Note no 10(b) on Schedule "V"].
- Refer Note No. 1 on Schedule 'V'.

Schedules to Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

		As at 31.03.2010	As at 31.03.2009	
SCHEDULE - 'F'				
CAPITAL EXPENDITURE ON NEW PROJECTS				
A. Leasehold Land	958.06		958.06	
Less: Amortisation (charged to Pre-operative expenses as below)	<u>(102.02)</u>	856.04	<u>(38.15)</u>	919.91
B. Fixed Assets - Under Erection				
Non-Factory Building	326.25		214.72	
Plant & Machinery	503.21		266.49	
Storage Yard	1609.15		266.97	
Electrical Installations	66.43		22.65	
Furniture & Fixtures	15.16		11.60	
Office Equipments	28.84		0.96	
Vehicles	—		530.14	
Computer Software	25.80		—	
Computers	<u>5.45</u>	2,580.29	<u>33.41</u>	1,346.94
C. Advances against purchase of fixed assets		182.16		227.04
		3,618.49		2,493.89
D. Incidental Expenditure pending allocation to Fixed Assets :				
Interest and Finance Charges	200.61		147.49	
Lease Rent	468.81		203.56	
Licence Fees	116.23		116.23	
Salary & Bonus	15.06		21.83	
Travelling & Conveyance	0.06		13.95	
Consultancy Charges	66.91		8.15	
Miscellaneous Expenses	0.29		15.82	
[Net of Income of Rs. 17.92 lacs (Rs. nil)]				
Amortisation	<u>102.02</u>	969.99	<u>44.90</u>	571.93
		4,588.48		3,065.82
Less : Transferred to Profit and Loss Account		116.23		—
Less : Capitalised/Allocated to Fixed Assets		181.40		1,192.92
		4,290.85		1,872.90

Schedules to Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	Face Value per share Rs.	No. of Shares	As at 31.03.2010	As at 31.03.2009
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
		(1000)		
Mahindra Satyam Computer Services Ltd.	2	100	0.11	–
		(–)		
Tata Steel Ltd.	10	17	0.07	0.03
		(10)		
UCO Bank Ltd.	10	54500	7.95	7.95
Sub Total			9.72	9.57
(b) Quoted Preference Shares				
Tata Steel Ltd		–	–	0.05
	100	(45)		
(c) 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
(d) Unquoted Equity Shares in Subsidiaries				
Cement Manufacturing Company Ltd.	10	29547500	2,954.75	2,954.75
Auro Sundram Ply & Door Pvt. Ltd.	10	510000	231.80	231.80
Cent Ply Pvt. Ltd. **	10	–	–	800.00
		(8000000)		
Meghalaya Power Ltd.	10	5190000	1,795.00	200.00
		(2000000)		
Aegis Business Ltd.	10	510000	51.00	–
		(–)		
Sub Total			5,032.55	4,186.55
B. LONG TERM (TRADE- UNQUOTED)				
Investment in Government Securities				
National Savings Certificate (VII Issue)***			0.05	–
TOTAL			5,045.32	4,199.17
Aggregate Amount of Investments				
Quoted			9.72	9.62
Unquoted			5,035.60	4,189.55
Market Value of Quoted Investments			34.23	15.83

*Includes Bonus Shares received during the year.

**Amalgamated during the year with the company.

***Lodged with Government Departments as Security Deposit.

Note : Besides the above, 10889692 units (valuing Rs. 2200 Lacs) and 14324594 units (valuing Rs. 1700.12 Lacs) of SBI-Magnum Insta Fund and SBI - SHF-Ultra Short fund respectively have been purchased and sold during the year.

Schedules to Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 'H'		
INVENTORIES		
(At Lower of Cost and Net Realisable Value)		
Raw Materials	8,257.34	6,655.79
Stores & Spares Parts, etc.	1,778.67	1,056.68
Work in Progress	1,556.79	817.25
Finished Goods	3,350.16	3,479.48
	14,942.96	12,009.20
SCHEDULE - 'I'		
SUNDRY DEBTORS		
(Unsecured)		
Debts outstanding for a period exceeding six months		
Considered Good	440.62	1,067.91
Considered Doubtful	183.42	181.81
Other Debts		
Considered Good*	10,150.36	7,327.62
Considered Doubtful	-	1.61
	10,774.40	8,578.95
Less: Provision for Doubtful Debts	183.42	183.42
	10,590.98	8,395.53
* Includes amount due from Aegis Overseas Ltd., a subsidiary company	199.69	-
Maximum amount due at any time during the year	199.69	-
SCHEDULE - 'J'		
CASH AND BANK BALANCES		
Cash in hand	61.20	47.09
Cheques/Drafts in hand	512.04	571.62
Balance with Scheduled Banks in		
- Current Accounts	882.56	686.55
- Fixed Deposit Accounts*	100.29	558.00
	1,556.09	1,863.26
* Receipts pledged with Banks as Margin Money		
SCHEDULE - 'K'		
OTHER CURRENT ASSETS		
Subsidies Receivable from Central/State Governments [Including Rs 631.24 Lacs (Rs. 535.49 Lacs) due for more than six months]	1,046.08	602.75
Interest accrued on Loans, Deposits, etc.	35.75	-
	1,081.83	602.75

Schedules to Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 'L'		
LOANS AND ADVANCES (Unsecured, considered good)		
Loans		
– To Bodies Corporate	1,200.00	–
– To Employees (Bearing Interest)	4.51	6.97
Advances recoverable in cash or in kind or for value to be received	915.33	1,478.86
Share Application Money	354.00	1,291.00
Advance Income Tax (Net of Provisions)	376.51	458.06
Deposits	640.11	670.10
Balance with Excise, Customs and Other Government Authorities	836.76	666.84
	4,327.22	4,571.83
Note : The above includes		
a) Advance to Cent Ply Pvt. Ltd, a subsidiary company	–	13.18
Maximum amount due at any time during the year	–	94.59
b) Share Application Money to Meghalaya Power Ltd, a subsidiary company	–	1,100.00
Maximum amount due at any time during the year	1,325.00	1,300.00
c) Loans to Auro Sundram Ply & Door Pvt. Ltd., a subsidiary company	200.00	–
Maximum amount due at any time during the year	200.00	–
d) Amount due from a Director of the company	–	0.70
Maximum amount due at any time during the year	0.70	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')	0.13	–
– Dues to Others*	7,637.25	3,964.21
Investor Education and Protection Fund (Payable when due)		
– Unpaid Dividend	11.69	8.45
Advance from Customers	200.33	126.04
Other Liabilities	1,850.29	1,243.36
Interest accrued but not due on loans	145.46	52.51
	9,845.15	5,394.57
* Includes amount due to Auro Sundram Ply and Door Pvt. Ltd., a subsidiary company	643.45	246.23
b) Provisions		
Retirement Benefits	136.38	242.86
Fringe Benefit Tax (Net)	–	7.00
Proposed Dividend	559.93	559.93
Tax on Dividend	93.02	–
	789.33	809.79

Schedules to Profit & Loss Account for the year ended 31st March, 2010

(Rs. in Lacs)

	2009-10	2008-09
SCHEDULE - 'N'		
INCOME FROM SALES & SERVICES		
Sale of Products	78,426.42	73,273.51
Income from Logistic Services (Gross)	1,995.40	349.28
[TDS Rs. 15.55 Lacs (Rs. 11.40 Lacs)]		
Export Incentives	53.91	198.54
	80,475.73	73,821.33
SCHEDULE - 'O'		
OTHER INCOME		
Dividend (On Long Term Non Trade Investments)	2,216.14	2,216.78
[including Rs 2216.06 Lacs (Rs. 2216.06 Lacs) from a subsidiary company]		
Interest on Fixed Deposits, Loans, etc.(Gross)	81.96	48.05
[TDS Rs. 14.57 Lacs (Rs. 8.22 Lacs)]		
Profit on Sale of Current Investments (Non Trade)	1.93	–
Profit on Fixed Assets Sold /Discarded (Net)	–	8.62
Foreign Exchange Fluctuations (Net)	2,164.82	–
Insurance and Other Claims	20.79	17.57
Miscellaneous Income	21.18	19.43
	4,506.82	2,310.45
SCHEDULE – 'P'		
DECREASE/ (INCREASE) IN STOCK		
Opening Stock		
Finished Goods	3,479.48	4,385.52
Work in Progress	817.25	280.50
	4,296.73	4,666.02
Add : Transferred from the Amalgamating company (Refer Note No -1 on Schedule 'V')		
Finished Goods	133.91	–
	133.91	–
	4,430.64	4,666.02
Closing Stock		
Finished Goods	3,350.16	3,479.48
Work in Progress	1,556.79	817.25
	4,906.95	4,296.73
Decrease/(Increase) in Stock	(476.31)	369.29
SCHEDULE – 'Q'		
COST OF MATERIALS		
a) Raw Materials Consumed		
Opening Stock	6,655.79	7,081.18
Add : Transferred from the Amalgamating company (Refer Note No-1 on Schedule 'V')	164.11	–
Add : Purchases	36,248.39	34,628.54
	43,068.29	41,709.72
Less : Closing Stock	8,257.34	6,655.79
	34,810.95	35,053.93
b) Purchase of Trading Goods	5,801.65	5,503.55
	40,612.60	40,557.48

Schedules to Profit & Loss Account for the year ended 31st March, 2010

(Rs. in Lacs)

	2009-10	2008-09
SCHEDULE - 'R'		
OPERATING, ADMINISTRATIVE & SELLING EXPENSES		
Stores & Spare parts consumed	793.87	1,093.81
Power & Fuel	3,344.26	3,465.37
Insurance Charges	117.79	102.66
Jetty Expenses	56.34	50.29
Container Freight Station Operating Expenses	435.36	80.76
Rent	303.86	295.24
Rates & Taxes	201.42	124.07
Repairs & Maintenance		
– Buildings	38.04	59.74
– Plant & Machinery	553.36	334.28
– Others	271.78	198.22
Transport & Freight	2,234.85	2,278.83
Commission on Sales (Other than Sole Selling Agents)	254.31	207.99
Rebates & Discounts	3,575.14	2,081.29
Advertisement, Publicity and Sales Promotion	1,992.69	1,338.59
Communication Expenses	201.68	222.53
Directors' Remuneration	193.35	145.87
Auditors Remuneration	39.79	26.26
Preliminary Expenses Written off	–	19.44
Charity and Donations	94.80	113.18
Octroi	276.75	230.65
Sales Tax for earlier years	5.35	62.28
Loss on Sale of Long Term Non Trade Investments	–	6.22
Loss on Sale /Discard of Fixed Assets (Net)	6.98	–
Irrecoverable Debts written off	247.76	97.58
Provision for Doubtful Debts	–	179.76
Miscellaneous Expenses	1,391.59	1,186.03
	16,631.12	14,000.94
SCHEDULE- 'S'		
PERSONNEL COST		
Salaries, Wages, Bonus, etc.	5,075.42	4,245.68
Contribution to Provident, Gratuity and other Funds	332.53	312.96
Employees' Welfare Expenses	166.23	159.06
	5,574.18	4,717.70
SCHEDULE- 'T'		
DEPRECIATION/AMORTISATION		
On Fixed Assets	1,898.14	1,705.37
Less : Transferred to Pre-operative expenses	–	6.75
Less : Transferred from Revaluation Reserve	6.75	6.76
	1,891.57	1,691.86
SCHEDULE- 'U'		
INTEREST AND FINANCE CHARGES		
On Fixed Loans	324.56	263.04
On Other Loans	780.95	1,263.48
	1,105.51	1,526.52
Less: Capitalised	30.62	147.49
	1,074.89	1,379.03
Bank Charges	225.27	376.21
	1,300.16	1,755.24

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, 2010)

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

- a) Revenue from sale of goods and services rendered is recognised upon passage of title which generally coincides with delivery of materials and rendering of services to the customers.
- b) Dividend Income is recognised when the shareholders' right to receive the payment is established by the balance sheet date. However, dividend from subsidiaries is recognised 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 recognised 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 capitalised 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 recognised 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. The estimated future cash flows considered for determining the value in use, are discounted to their present value at the weighted average cost of capital.

Schedules forming part of the Account

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 amortised 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 recognised as income or expense 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 amortised as expense or income over the life of the respective contracts. Exchange differences on such contracts are recognised 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 recognised as income or expense for the year.

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.

Schedules forming part of the Account

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

Government Grants and subsidies are recognised when there is a reasonable assurance that the same will be received. Revenue grants/subsidies are recognised in the Profit & Loss Account. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Other capital grants are credited to capital reserve.

xi) Research costs and Development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised over the period of expected future sales from the related project, not exceeding ten years.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicates that the carrying value may not be recoverable.

xii) 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.

xiii) Earning per Share

Basic Earning per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders 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 shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

xiv) 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.

Schedules forming part of the Account

xv) **Borrowing Costs**

Borrowing costs relating to acquisition/construction of qualifying assets are capitalised 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.

xvi) **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 recognised 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 realised. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognised 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 realised.

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 realised. 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 recognised 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. 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.

xvii) **Segment Reporting**

a) **Identification of segments:**

The company has identified that its business segments are the primary segments. The Company's business are organised 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 the customers of the company are located.

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. 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".

Schedules forming part of the Account

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 capitalised 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 recognised as an expense in the profit and loss account.

xix) 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.

xx) Provision

A provision is recognised 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 management estimates.

xxi) 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.

B. NOTES ON ACCOUNTS

1.
 - a) Pursuant to the Scheme of Amalgamation (“the scheme”) as approved by the Hon'ble High Court at Guwahati, by an order dated 17th May, 2010, under section 394 of the Companies Act, 1956, Cent Ply Private Limited (“CPPL”), a wholly owned subsidiary of the Company, has been amalgamated with the Company with effect from 1st April, 2009.
 - b) The Amalgamating Company (CPPL) is engaged in manufacturing of plywood and allied products at its factory at Mirza, Palasbari, Assam.
 - c) The amalgamation has been accounted for under the “pooling of interests” method as prescribed by Accounting Standard (AS-14), “Accounting for Amalgamations”. Pursuant to the Scheme, all the assets, liabilities and reserves of CPPL as at 1st April, 2009 have been transferred at their book values as given below. Though, the Scheme has become effective after the balance sheet date, it is operative from the appointed date i.e. 1st April, 2009 and accordingly, it has been given effect to in these accounts.

Schedules forming part of the Account

Particulars	(Rs. in lacs)
Fixed Assets (net block)	1915.36
Capital Work in Progress	161.55
Current Assets, Loans and Advances	
Inventories	329.65
Cash and Bank Balances	14.23
Loans and Advances	120.28
Current Liabilities and Provisions	
Current Liabilities	225.58
Provisions	3.42
Deferred Tax Liability	28.61
Secured loans	1494.63
Profit and Loss account – Debit balance	11.17

- d) The Investments of Rs. 800 lacs in CPPL as appearing in the books of the Company and the paid up capital of Rs. 800 lacs appearing in books of CPPL stands cancelled.
- e) The title deeds for freehold/leasehold land, buildings, licenses, agreements, loan documents etc. of the amalgamating company are in the process of being transferred in the name of the company.

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
2. Estimated amount of contracts remaining to be executed on Capital Account (net of advances) and not provided for	893.23	410.31
3. Contingent Liabilities not provided for in respect of :-		
a) Demands / Claims by various Government Authorities and others not acknowledged as debts:		
i) Excise Duty	153.06	119.95
ii) Sales Tax/VAT	364.05	249.02
iii) Income Tax	175.19	457.57
Total	692.30	826.54
b) Unredeemed bank guarantees	122.21	197.80
c) Bills discounted with banks	809.64	453.59
d) Letters of credit issued by the banks	947.91	1625.38
e) Custom Duty on import under EPCG Scheme against which Export obligation is to be fulfilled	61.35	29.11

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, interim and final dividend on Equity shares is not subject to tax on dividend to the extent of interim dividend received from a subsidiary company during the year.

Schedules forming part of the Account

6. Details of Directors' Remuneration:

(Rs. in Lacs)

	2009-10	2008-09
Managing Director/Whole Time Directors' Remuneration		
– Salary	180.00	135.77
Non Executive Chairman's Remuneration	12.00	9.00
Sitting fees	1.35	1.10
Total	193.35	145.87

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.

7. The Break- up of Net Deferred Tax Liability as on 31st March, 2010 is as follows:

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
(A) Deferred Tax Liability		
Timing difference on depreciable assets	320.49	330.23
(B) Deferred Tax Asset		
Carried forward unabsorbed depreciation	-	210.79
Expenses allowable against taxable income in future years	150.48	112.75
	150.48	323.54
Net Deferred Tax Liability (A – B)	170.01	6.69

8. Sales Tax /VAT and Excise duty debited to Profit and loss account are net of Subsidy Rs. 104.50 Lacs (Rs.91.18 Lacs) and Rs. 108.52 Lacs (Rs. Nil) 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)

	2009-10	2008-09
i) Principal amount remaining unpaid to any supplier at the end of accounting year (including retention money against performance)	0.13	–
ii) Interest due on above.	–	–
Total of (i) & (ii)	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 due 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 purpose of disallowance as a deductible the expenditure under section 23 of this Act.	–	–

Schedules forming part of the Account

10. (a) Operating Lease

Certain office premises, depots, etc. are obtained on operating lease. The lease term are 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	2009-10	2008-09
Lease payments made for the year*	234.64	245.14

* Excluding lease rent for use of Land Rs. 69.22 lacs (Rs 50.10 lacs)

- (b) Fixed Assets include certain Vehicles obtained on finance lease. The year-wise break-up and future obligation towards minimum lease payments of Rs. 880.29 lacs (Rs. 695.02 Lacs) consisting of present value of lease payments of Rs. 724.77 lacs (Rs. 551.02 Lacs) and financial charges Rs. 155.52 lacs (Rs. 143.99 Lacs) under 155.52 the respective agreements as on 31st March, 2010, 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 31.03.2010	Minimum lease payments	Present value as on 31.03.2010
Finance Lease*	245.98	180.07	634.31	544.70
	(181.71)	(126.21)	(513.31)	(424.81)

* 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 favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

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

(Rs. in Lacs)

Sl. No.		2009-10	2008-09
i)	Net Employee Expense/(benefit)		
	Current service cost	60.96	64.34
	Interest cost on benefit obligation	28.35	22.47
	Expected return on plan assets	(24.61)	(17.24)
	Net Actuarial loss/(gain) recognised in the year	(25.10)	105.84
	Total employer expense	39.60	175.41
ii)	Actual return on plan assets	25.64	17.45
iii)	Benefit Asset / (Liability)		
	Fair Value of Plan Assets	388.37	231.49
	Defined benefit obligation	412.69	363.32
	Benefit Asset / (Liability)	(24.32)	(131.83)
iv)	Movement in benefit liability		
	Opening defined benefit obligation	363.32	198.84
	Opening defined benefit obligation of amalgamating company	0.28	–
	Interest cost	28.35	22.47
	Current service cost	60.96	64.34
	Benefits paid	(16.15)	(28.38)
	Actuarial (gains) / losses	(24.07)	106.05
	Closing benefit obligation	412.69	363.32

Schedules forming part of the Account

(Rs. in Lacs)

Sl. No.		2009-10	2008-09
v)	Movement in fair value of plan assets		
	Opening fair value of plan assets	231.49	183.89
	Expected Return on plan assets	24.61	17.24
	Contribution by employer	147.39	58.53
	Benefits paid	(16.15)	(28.38)
	Actuarial gains / (losses)	1.03	0.21
	Closing fair value of plan assets	388.37	231.49
vi)	The major categories of plan assets as a percentage of the fair value of total plan assets		
	Funded with insurer	100%	100%
	The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled		
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. 214.21 Lacs (Rs. 195.98 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. 85 lacs (Rs.130 Lacs) to Gratuity fund in 2010-2011.

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

(Rs. in Lacs)

	2009-10	2008-09	2007-08
Defined Benefit Obligation	412.69	363.32	198.84
Plan Assets	388.37	231.49	183.89
Surplus/(Deficit)	(24.32)	(131.83)	(14.95)
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 Account

12. Details of Auditors' Remuneration:

(Rs. in Lacs)

	2009-10	2008-09
As Auditors:		
Audit Fees	15.00	12.50
Limited Review Fees	9.00	7.55
In Other Capacity for:		
Certificates and other services	8.60	–
For Expenses	0.73	0.03
Payment to Branch Auditors		
As Auditors	6.46	6.18
Total	39.79	26.26

13. Earning per Share (EPS):

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

(Rs. in Lacs)

	2009-10	2008-09
Profit as per Profit & Loss Account	8094.71	1111.24
Less : Preference dividend for the year (including Tax on Dividend)	5.26	4.50
Profit available for Equity Shareholders	8089.45	1106.74
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)	3.64	0.50

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

(Rs. in Lacs)

Nature of Item	2009-10	2008-09
Secured Loans	2708.04	2547.50
Buyer's credit	9296.68	10287.42
Debtors	566.51	102.63
Creditors	5442.20	2576.92

15. Charity and Donations include Rs. 5.00 Lacs(Rs. Nil) paid to the Bhartiya Janata Party 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.
	Aegis Business Ltd. (with effect from 6th July, 2009)
	Aegis Overseas Ltd. (with effect from 15th July, 2009)
Key Management Personnel	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
	Sri Arun Kumar Julasaria (Chief Financial Officer cum Company Secretary)
Enterprises Owned/ Influenced by Key Management Personnel or their relatives.	Brijdham Merchants Pvt. Ltd.
	Sriram Merchants Pvt. Ltd.
	Sriram Vanijya Pvt. Ltd.
	Sumangal Business Pvt. Ltd.
	Sumangal International Pvt. Ltd.
	Shyam Century Cement Industries Ltd.
	Ara Suppliers Pvt. Ltd.
	Apnapan Viniyog Pvt. Ltd.
	Adonis Vyaper Pvt. Ltd.
	Arham Sales Pvt. Ltd.
	Riangdo Veneers 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 Agarwala (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 Sri Vishnu Khemani)

Schedules forming part of the Account

b) Aggregated Related Party disclosure as at and for the year ended 31st March, 2010

(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	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
1	Purchase of Trading Goods										
	Auro Sundram Ply & Door Pvt. Ltd.	3,116.89	2,542.47	–	–	–	–	–	–	3,116.89	2,542.47
	Riangdo Veneers Pvt. Ltd.	–	–	16.06	140.37	–	–	–	–	16.06	140.37
	Others	–	144.63	–	–	–	–	–	–	–	144.63
2	Sale of Products										
	Cement Manufacturing Co Ltd.	780.90	542.14	–	–	–	–	–	–	780.90	542.14
	Aegis Overseas Ltd.	396.01	–	–	–	–	–	–	–	396.01	–
	Auro Sundram Ply & Door Pvt. Ltd.	32.07	–	–	–	–	–	–	–	32.07	–
	Star Cement Meghalaya Ltd.	2.09	–	–	–	–	–	–	–	2.09	–
	Others	–	108.30	–	7.48	–	–	–	–	–	115.78
3	Income from Logistics Services										
	Star Cement Meghalaya Ltd.	2.70	–	–	–	–	–	–	–	2.70	–
4	Purchase of Capital Goods										
	Cement Manufacturing Company Ltd.	22.68	0.32	–	–	–	–	–	–	22.68	0.32
	Megha Technical & Engineers Pvt. Ltd.	9.23	–	–	–	–	–	–	–	9.23	–
	Sriram Merchants Pvt.Ltd.	–	–	–	1.65	–	–	–	–	–	1.65
5	Sale of Capital Goods										
	Meghalaya Power Ltd.	–	186.05	–	–	–	–	–	–	–	186.05
	Cent Ply Pvt. Ltd.*	–	57.42	–	41.12	–	–	–	–	–	98.54
	Others	–	4.64	–	–	–	–	–	–	–	4.64
6	Loan taken										
	Brijdham Merchants Pvt. Ltd.	–	–	125.50	238.20	–	–	–	–	125.50	238.20
	Sriram Merchants Pvt. Ltd.	–	–	378.50	–	–	–	–	–	378.50	–
	Sriram Vanijya Pvt. Ltd.	–	–	1,786.50	709.50	–	–	–	–	1,786.50	709.50
	Sumangal Business Pvt. Ltd.	–	–	165.00	–	–	–	–	–	165.00	–
	Sumangal International Pvt. Ltd.	–	–	875.00	591.50	–	–	–	–	875.00	591.50
	Cement Manufacturing Co Ltd.	4,150.00	3,045.00	–	–	–	–	–	–	4,150.00	3,045.00
	Others	–	100.00	–	229.00	–	–	–	–	–	329.00
7	Loan Repaid										
	Brijdham Merchants Pvt. Ltd.	–	–	63.00	–	–	–	–	–	63.00	–
	Sriram Merchants Pvt. Ltd.	–	–	30.00	–	–	–	–	–	30.00	–
	Sriram Vanijya Pvt. Ltd.	–	–	785.50	752.87	–	–	–	–	785.50	752.87
	Sumangal Business Pvt. Ltd.	–	–	3.00	–	–	–	–	–	3.00	–
	Sumangal International Pvt. Ltd.	–	–	670.20	690.84	–	–	–	–	670.20	690.84
	Cement Manufacturing Co Ltd.	4,150.00	3,045.00	–	–	–	–	–	–	4,150.00	3,045.00
	Others	–	100.00	–	549.98	–	–	–	–	–	649.98
8	Loan Given										
	Auro Sundram Ply & Door Pvt. Ltd.	200.00	–	–	–	–	–	–	–	200.00	–
	Aegis Business Ltd.	800.00	–	–	–	–	–	–	–	800.00	–
	Cement Manufacturing Co Ltd.	1,300.00	–	–	–	–	–	–	–	1,300.00	–
9	Loan Received Back										
	Aegis Business Ltd.	800.00	–	–	–	–	–	–	–	800.00	–
	Cement Manufacturing Co Ltd.	1,300.00	–	–	–	–	–	–	–	1,300.00	–
10	Share Application Money										
	Shyam Century Cement Industries Ltd.	–	–	163.00	–	–	–	–	–	163.00	–
	Meghalaya Power Ltd.	–	1,060.00	–	–	–	–	–	–	–	1,060.00
	Others	–	–	–	10.00	–	–	–	–	–	10.00
11	Purchase of Investments										
	Smt.Santosh Bhajanka	–	–	–	–	–	–	–	13.80	–	13.80
	Others	–	–	–	–	–	0.10	–	–	–	0.10
12	Sale of Investments										
	Sumangal International Pvt. Ltd.	–	–	–	35.53	–	–	–	–	–	35.53
	Sriram Vanijya Pvt. Ltd.	–	–	–	35.54	–	–	–	–	–	35.54
13	Investments Made										
	Aegis Business Ltd.	51.00	–	–	–	–	–	–	–	51.00	–
	Cent Ply Pvt. Ltd.*	–	800.00	–	–	–	–	–	–	–	800.00
	Meghalaya Power Ltd.	1,595.00	200.00	–	–	–	–	–	–	1,595.00	200.00

Schedules forming part of the Account

(Rs. in Lacs)

SI No.	Type of Transactions	Subsidiaries		Enterprises owned/ Influenced by Key Management Personnel or their relatives		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
14	Interest Paid										
	Brijdham Merchants Pvt. Ltd.	–	–	4.32	–	–	–	–	–	4.32	–
	Sriram Merchants Pvt. Ltd.	–	–	18.57	–	–	–	–	–	18.57	–
	Sriram Vanijya Pvt. Ltd.	–	–	65.31	24.05	–	–	–	–	65.31	24.05
	Sumangal Business Pvt. Ltd.	–	–	8.02	–	–	–	–	–	8.02	–
	Sumangal International Pvt. Ltd.	–	–	15.18	15.75	–	–	–	–	15.18	15.75
	Cement Manufacturing Co Ltd.	37.62	170.38	–	–	–	–	–	–	37.62	170.38
	Others	–	5.36	–	19.49	–	–	–	–	–	24.85
15	Interest Received										
	Auro Sundram Ply & Door Pvt. Ltd.	10.93	–	–	–	–	–	–	–	10.93	–
	Aegis Business Ltd.	3.68	–	–	–	–	–	–	–	3.68	–
	Cement Manufacturing Co Ltd.	2.47	–	–	–	–	–	–	–	2.47	–
16	Dividend Received										
	Cement Manufacturing Co Ltd.	2,216.06	2,216.06	–	–	–	–	–	–	2,216.06	2,216.06
17	Dividend Paid										
	Sri Sajjan Bhajanka	–	–	–	–	223.21	111.60	–	–	223.21	111.60
	Sri Sanjay Agarwal	–	–	–	–	189.22	94.61	–	–	189.22	94.61
	Smt.Divya Agarwal	–	–	–	–	–	–	167.50	83.75	167.50	83.75
	Sri Prem Kumar Bhajanka	–	–	–	–	158.09	79.04	–	–	158.09	79.04
	Others	–	–	377.90	188.94	108.79	85.30	275.15	141.74	761.84	415.98
18	Remuneration Paid										
	Sri Sajjan Bhajanka	–	–	–	–	36.00	28.00	–	–	36.00	28.00
	Sri Sanjay Agarwal	–	–	–	–	36.00	28.00	–	–	36.00	28.00
	Sri Hari Prasad Agarwal	–	–	–	–	18.00	16.00	–	–	18.00	16.00
	Sri Ajay Baldawa	–	–	–	–	18.00	15.33	–	–	18.00	15.33
	Sri Prem Kumar Bhajanka	–	–	–	–	36.00	24.00	–	–	36.00	24.00
	Sri Vishnu Khemani	–	–	–	–	36.00	24.00	–	–	36.00	24.00
	Others	–	–	–	–	28.12	15.18	–	–	28.12	15.18
19	Guarantees Obtained										
	Sri Sajjan Bhajanka	–	–	–	–	35,757.05	25,799.12	–	–	35,757.05	25,799.12
	Sri Sanjay Agarwal	–	–	–	–	35,757.05	21,904.05	–	–	35,757.05	21,904.05
	Sri Hari Prasad Agarwal	–	–	–	–	35,757.05	21,904.05	–	–	35,757.05	21,904.05
	Others	–	–	–	–	–	4,817.07	–	–	–	4,817.07
20	Balance Outstanding on account of										
A	Receivable/(Payable)										
	Auro Sundram Ply & Door Pvt. Ltd.	(643.45)	(243.72)	–	–	–	–	–	–	(643.45)	(243.72)
	Riangdo Veneers Pvt. Ltd.	–	–	(2.00)	–	–	–	–	–	(2.00)	–
	Aegis Overseas Ltd.	199.69	–	–	–	–	–	–	–	199.69	–
	Others	–	13.18	–	(2.18)	–	–	–	–	–	11.00
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
	Meghalaya Power Ltd.	–	1,100.00	–	–	–	–	–	–	–	1,100.00
C	Loans (including interest)										
	Auro Sundram Ply & Door Pvt. Ltd.	(209.84)	–	–	–	–	–	–	–	(209.84)	–
	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	Remuneration										
	Sri Prem Kumar Bhajanka	–	–	–	–	–	1.98	–	–	–	1.98
	Sri Arun Kumar Julasaria	–	–	–	–	–	1.23	–	–	–	1.23

* Amalgamated with the Company during the year

Schedules forming part of the Account

17. The Company's segment information as at and for the Year ended 31st March, 2010 are as below:

(Rs. in Lacs)

Sl		Plywood	Laminate	Ferro Alloys	Power	Logistic	Others	Total
A	Revenue (Gross)							
	External Sales	59225.05 (49445.15)	12072.25 (12757.76)	4086.71 (8849.71)	1870.69 (936.21)	1995.40 (117.63)	1225.63 (1,714.87)	80475.73 (73821.33)
	Inter-segment Sales	– (–)	– (–)	– (–)	1784.49 (2541.57)	47.45 (–)	– (–)	1831.94 (2541.57)
	Total Revenue (Gross)	59225.05 (49445.15)	12072.25 (12757.76)	4086.71 (8849.71)	3655.18 (3477.78)	2042.85 (117.63)	1225.63 (1714.87)	82307.67 (76362.90)
B	Result							
	Segment Results	3624.59 (369.62)	1011.12 (538.15)	158.59 (2074.27)	974.17 (480.98)	780.46 (–137.00)	82.33 (191.83)	6631.26 (3517.85)
	Unallocated Income/ Expenses (–)(Net)							4091.34 (–1324.72)
	Operating Profit							10722.60 (2193.13)
	Interest Expense							1074.89 (1379.03)
	Provision for Taxation							1418.29 (38.21)
	Fringe Benefit Tax							– (69.59)
	Deferred Tax							134.71 (–404.94)
	Net Profit							8094.71 (1111.24)
Other Information								
A	Total Assets							
	Segment Assets	24835.00 (18961.80)	7716.30 (7220.38)	2542.58 (2951.30)	3344.79 (3409.77)	7248.54 (3717.11)	539.49 (662.52)	46226.70 (36922.88)
	Unallocated Corporate/Other Assets							7080.81 (5956.29)
								53307.51 (42879.17)
B	Total Liabilities							
	Segment Liabilities	8053.15 (4152.71)	920.10 (986.92)	186.54 (108.26)	174.51 (45.49)	389.97 (39.48)	97.89 (242.73)	9822.16 (5575.59)
	Unallocated Corporate/ Other Liabilities							20607.82 (20429.18)
								30429.98 (26004.77)

Schedules forming part of the Account

(Rs. in Lacs)

Sl		Plywood	Laminate	Ferro Alloys	Power	Logistic	Others	Total
C	Capital Expenditure	940.32 (654.04)	132.25 (140.07)	11.64 (5.74)	18.05 (58.61)	3279.63 (2938.74)	1.15 (1.33)	4383.04 (3798.53)
D	Depreciation /Amortisation	798.18 (700.18)	321.94 (362.46)	112.36 (130.65)	338.27 (397.41)	319.35 (96.58)	1.47 (4.58)	1891.57 (1691.86)
E	Geographical Segment							
	i. Revenue (Gross)							
	India							78064.90 (71544.29)
	Overseas							2410.83 (2277.04)
	ii. Carrying amount of Segment Assets							
	India							45660.13 (36823.30)
	Overseas							566.57 (99.58)

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 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. Foreign Exchange gain of Rs. 1895.79 lacs (Previous Year loss of Rs. 2724.86 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.

Schedules forming part of the Account

19. 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	122420 (100820)	6,037 (6,214)	1,702.02* (1,500.22)	92,657 (76,742)	23,584 (24,021)	4,578.70 (4,574.40)	116,763 (101,266)	52,690.33 (42,536.67)	5,515 (5,711)	1,674.07 (1,568.11)
ii)	Veneer	CBM	Not Applicable	149000 (149000)	713 (1,408)	430.85 (260.40)	71,643 (a) (73,732)	- (80)	- (31.16)	25,738 (26,370)	6,077.56 (6,703.52)	936 (713)	289.61 (430.85)
iii)	Laminate Sheets	Nos.	Not Applicable	2400000 (2400000)	276,630 (359,478)	1,131.27 (1,267.36)	1,804,273 (1,953,507)	- (-)	- (-)	1,822,774 (2,036,355)	10,451.59 (10,625.60)	258,129 (276,630)	955.10 (1,131.27)
iv)	Pre-Laminated Boards	SQM	Not Applicable	800000 (800000)	3,656 (20,672)	11.41 (41.14)	374,989 (273,108)	- (-)	- (-)	372,466 (290,124)	1,336.93 (1,108.71)	6,179 (3,656)	20.32 (11.41)
v)	Ferro Silicon	MT	Not Applicable	10620 (10620)	270 (557)	95.71 (244.59)	6,339 (10,214)	- (-)	- (-)	6,153 (10,501)	3,806.58 (7,898.09)	456 (270)	189.47 (95.71)
vi)	Silicon Manganese	MT			45 (-)	16.32 (-)	546 (1,145)	- (-)	- (-)	517 (1,100)	280.14 (951.62)	74 (45)	28.76 (16.32)
vii)	Power	MW	Not Applicable	13.80 (13.80)	- (-)	- (-)	99,823 (a) (108,604)	- (-)	- (-)	35,754 (17,664)	1,870.69 (936.21)	- (-)	- (-)
viii)	Adhesives	MT	Not Applicable	2000 (2000)	3 (104)	1.52 (58.11)	- (435)	- (-)	- (-)	2(a) (536)	0.24 (494.02)	1 (3)	0.53 (1.52)
ix)	MDF/PPB	CBM			606 (1,019)	90.30 (140.95)	- (-)	819 (4,318)	128.00 (630.08)	1,074 (4,731)	219.96 (891.59)	352 (606)	55.86 (90.30)
x)	Chemicals	MT			40 (710)	83.21 (773.84)	- (-)	273 (170)	449.04 (191.05)	269 (840)	761.41 (862.01)	44 (40)	82.94 (83.21)
xi)	Pest Control Kits	PCS			57,561 (111,738)	30.40 (50.49)	- (-)	198,586 (215,515)	66.41 (76.86)	173,312 (269,692)	78.90 (127.20)	82,835 (57,561)	53.50 (30.40)
xii)	Timber	CBM			167 (301)	20.38 (36.83)	- (-)	- (-)	- (-)	167(a) (134)	- (10.98)	- (167)	- (20.38)
xii)	Others				- (-)	- (11.59)	- (-)	- (-)	579.50 (-)	- (-)	852.10 (127.29)	- (-)	- (-)
						3,613.39* (4,385.52)			5,801.65 (5,503.55)		78,426.42 (73,273.51)		3,350.16 (3,479.48)

a) Includes 45682 CBM (48137 CBM) of Veneer, 1MT(Nil) of Adhesive, 167CBM(Nil) of Timber, 64069 MW (90939 MW) of power and NIL MT (487MT) chemicals for own consumption.

b) Includes Excise duty and Sales tax/ VAT.

* Includes Rs. 133.91 lacs (326 CBM) transferred from the amalgamating company.

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

b) Raw Materials Consumed

Sl	Particulars	Unit	2009-10		2008-09	
			Quantity	Value (Rs. in Lacs)	Quantity	Value (Rs. in Lacs)
i	Timber Logs	CBM	114437	18150.81	118191	19370.90
ii	Veneer	CBM	113899	7073.32	91068	4285.23
iii	Chemicals	KGS/LTR	12889005	4239.54	12670099	5104.29
iv	Paper	KGS	5614060	3617.03	5652161	3683.61
v	Particle Board	CBM	381603	587.39	283588	509.62
vi	Coal/Charcoal/Lame Coke	MT	6264	548.14	1737	179.80
vii	Super Screen Coal	MT	3952	259.47	14372	814.53
viii	Quartz	MT	12420	147.45	19521	200.89
ix	Mill Scale	MT	2593	69.82	3592	101.19
x	Manganese Ore/Slag	MT	1205	108.74	2823	700.41
xi	Others			9.24		103.46
	Total			34810.95		35053.93

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)

	2009-10		2008-09	
	Value	%	Value	%
Raw Materials				
– Imported	24732.54	71.05	25049.02	71.46
– Indigenous	10078.41	28.95	10004.91	28.54
Total	34810.95	100.00	35053.93	100.00
Stores & Spare parts, etc.				
– Imported	8.93	1.12	9.97	0.91
– Indigenous	784.94	98.88	1083.84	99.09
Total	793.87	100.00	1093.81	100.00

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

	2009-10	2008-09
Raw Materials	20396.39	21678.43
Capital goods	618.87	450.87
Purchase of Finished Goods	600.04	55.82
Stores & Spares	65.30	19.95

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

	2009-10	2008-09
Travelling Expenses	27.98	27.30
Interest	192.18	102.30
Others	138.00	28.55
Total	358.16	158.15

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

	2009-10	2008-09
Export (FOB Value)	2410.83	2177.47

20. Figures given in brackets are for the previous year and the same have been regrouped and/or rearranged, wherever necessary. Further, the current year figures being inclusive of the figures of Cent Ply Private Limited amalgamated with the company w.e.f. 1st April, 2009 (Pursuant to a scheme of amalgamation), are not comparable with the previous year's figures

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, 28th May, 2010

For and on behalf of the Board

Sajjan Bhajanka - *Managing Director*

Hari Prasad Agarwal - *Executive Director*

Arun Kumar Julasaria - *CFO & Company Secretary*

BALANCE SHEET ABSTRACT AND COMPANY'S BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No. State Code

Balance Sheet Date

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

Public Issue Rights Issue

Bonus Issue Private Placement

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

Total Liabilities Total Assets

Sources of Funds

Paid Up Capital Reserves & Surplus

Secured Loans Unsecured Loans

Deferred Tax Liability

Application of Funds

Net Fixed Assets Investments

Net Current Assets Miscellaneous Expenditure

Accumulated Losses

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

Turnover Total Expenditure

Other Income Profit After Tax

Profit Before Tax

Earnings per Share in Rs. . Dividend %

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

Item Code No.(ITC Code) .

Product Description

Item Code No.(ITC Code) .

Product Description

Item Code No.(ITC Code) .

Product Description

Item Code No.(ITC Code)

Product Description

For and on behalf of the Board

Sajjan Bhajanka - *Managing Director*

Hari Prasad Agarwal - *Executive Director*

Arun Kumar Julasaria - *CFO & Company Secretary*

Statement Pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Companies (As on 31st March, 2010)

Sl	Particulars	Name of the Subsidiaries						
		Direct Subsidiaries				Ultimate Subsidiaries		
		Cement Manufacturing Co. Ltd.	Auro Sundram Ply & Door Pvt. Ltd.	Aegis Business Ltd.	Meghalaya Power Ltd.	Megha Technical & Engineers Pvt. Ltd.	Star Cement Meghalaya Ltd.	Aegis Overseas Ltd.
1	Financial year of the Subsidiary ended on	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010	31.03.2010
2	Date from which they became Subsidiary	01.10.2005	20.12.2006	06.07.2009	14.07.2008	23.03.2006	02.06.2007	15.07.2009
3	Shares of the Subsidiary held by the Company/Direct Subsidiary as on 31st March, 2010							
	a) Number of Shares	2,95,47,500	5,10,000	5,10,000	1,03,80,000	2,73,36,400	1,31,37,500	10
	b) Face value of Shares	Rs.10/-	Rs.10/-	Rs. 10/-	Rs. 10/-	Rs.10/-	Rs.10/-	USD1000(Rs. 45140)
	c) Extent of Holding	70.48 %	51%	51%	99.52%	99.96%	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
	a) Not dealt with in the Holding Company's accounts							
	i) For the financial year ended 31st March, 2010	6746.63	18.98	(2.48)	3.10	2893.00	NIL	88.85
	ii) Upto the previous financial years of the Subsidiary Company.	16543.70	40.26	7.04	NIL	2476.67	NIL	NIL
	b) Dealt with in the Holding Company's accounts							
	i) For the financial year ended 31st March, 2010	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	ii) For the previous financial year of the Subsidiary Company since they became the Holding Company' subsidiaries.	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Figures in brackets indicate loss.

The Ministry of Corporate Affairs, Government of India vide its letter no. 47/311/2010-CL-III dated 21st April, 2010 has exempted the company 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:

(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.	Meghalaya Power Ltd.	Megha Technical & Engineers Pvt. Ltd.	Star Cement Meghalaya Ltd.	Aegis Overseas Ltd.
1	Capital	4192.14	100.00	100.00	1043.00	2734.64	1293.75	4.51
2	Reserves	30237.85	510.17	1.35	2555.13	6381.24	5600.00	79.82
3	Total Assets	46990.51	1920.44	124.40	11336.78	16509.41	10021.84	102.83
4	Total Liabilities	46990.51	1920.44	124.40	11336.78	16509.41	10021.84	102.83
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	–	–	–	–
	– Gold Coins	–	–	1.18	–	–	–	–
6	Gross Turnover (including other income)	33555.84	3368.34	81.22	1428.64	29419.35	–	1183.84
7	Profit Before Taxation	9565.98	41.27	(3.93)	24.71	3483.97	–	91.88
8	Provision for Taxation	(6.43)	5.03	0.94	21.59	589.81	–	–
9	Profit/(Loss) after Taxation	9572.41	36.24	(4.87)	3.12	2894.16	–	91.88
10	Proposed Dividend	–*	–	–	–	–	–	–**

* Cement Manufacturing Co. Ltd. has paid Rs. 3144.10 Lacs as Interim Dividend during the Financial Year 2009-10

** Aegis Overseas Ltd. has paid Rs. 9.03 Lacs as Interim Dividend during the Financial Year 2009-10

For and on behalf of the Board
Sajjan Bhajanka - Managing Director
Hari Prasad Agarwal - Executive Director
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, 2010 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. 72,744.90 lacs as at 31st March, 2010 and total revenues of Rs. 51,131.87 lacs and net cash flows of Rs. (-)290.90 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 gain of Rs. 2,306.05 lacs (net) (previous year loss of Rs. 2,724.86 lacs) towards creditors/debtors pertaining to specific segments of the Company which has been included as unallocable expenses/income.
In the previous year our report was similiarly modified for the above:*
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, 2010;
 - (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, 28th May 2010

Consolidated Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	Schedule	As at 31.03.2010	As at 31.03.2009
A. SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	'A'	2,275.27	2,275.27
Reserves & Surplus	'B'	46,394.47	34,233.33
		48,669.74	36,508.60
MINORITY INTEREST		12,396.09	9,725.67
LOAN FUNDS			
Secured Loans	'C'	38,726.71	39,633.49
Unsecured Loans	'D'	3,315.74	1,024.00
		42,042.45	40,657.49
DEFERRED TAX LIABILITY (NET)		141.47	23.34
		103,249.75	86,915.10
B. APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	'E'	54,551.26	45,690.15
Less : Accumulated Depreciation/Amortisation		19,599.60	15,438.15
Net Block		34,951.66	30,252.00
Capital Work in Progress		3,654.55	1,991.72
Capital Expenditure on New Projects	'F'	13,120.34	9,300.07
		51,726.55	41,543.79
INVESTMENTS	'G'	49.94	37.16
CURRENT ASSETS LOANS & ADVANCES			
Inventories	'H'	21,048.27	16,987.57
Sundry Debtors	'I'	12,856.93	10,947.31
Cash & Bank Balances	'J'	4,954.65	3,902.22
Other Current Assets	'K'	13,738.50	12,886.60
Loans & Advances	'L'	13,803.07	10,605.49
		66,401.42	55,329.19
Less : Current Liabilities & Provisions	'M'		
Current Liabilities		14,030.38	9,125.88
Provisions		914.60	907.99
		14,944.98	10,033.87
NET CURRENT ASSETS		51,456.44	45,295.32
MISCELLANEOUS EXPENDITURE (To the extent not written off/adjusted)	'N'	16.82	38.83
		103,249.75	86,915.10
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, 28th May, 2010

For and on behalf of the Board

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

Consolidated Profit & Loss Account for the year ended 31st March, 2010

(Rs. in Lacs)

	Schedule	2009-10	2008-09
INCOME			
Income from Sales and Services	'O'	131,420.09	117,627.55
Less : Excise Duty		5,190.10	5,165.34
Less : Sales Tax/VAT		9,981.78	8,485.36
Net Sales		116,248.21	103,976.85
Other Income	'P'	2,958.19	291.66
		119,206.40	104,268.51
EXPENDITURE			
Decrease/(Increase) in stocks	'Q'	(858.46)	425.94
Excise Duty & Cess on Stocks (Refer Note No. 4 on Schedule 'W')		177.38	(143.59)
Cost of Materials	'R'	47,451.84	43,793.29
Operating, Administrative and Selling Expenses	'S'	36,664.63	34,167.10
Personnel Expenses	'T'	8,255.21	7,108.36
Depreciation/Amortisation	'U'	4,518.89	3,932.48
Interest and Finance Charges	'V'	2,515.66	2,930.50
		98,725.15	92,214.08
PROFIT BEFORE TAX, EXCEPTIONAL AND PRIOR PERIOD ITEMS		20,481.25	12,054.43
Less : Exceptional Items		–	3,266.61
PROFIT BEFORE TAXATION AND PRIOR PERIOD ITEMS		20,481.25	8,787.82
Less : Provision for Taxation			
- Current Tax [including Rs.18.29 Lacs (Rs.36.59 Lacs) for earlier years]		3,674.57	1,174.15
- Fringe Benefit Tax		–	112.46
- Deferred Tax		118.13	(396.83)
Add : MAT Credit Entitlement		1,629.75	901.13
PROFIT AFTER TAXATION (BEFORE PRIOR PERIOD ITEMS)		18,318.30	8,799.17
Less : Prior period Items (Net)		0.25	195.93
PROFIT AFTER TAX (BEFORE MINORITY INTEREST)		18,318.05	8,603.24
Less : Minority Interest		3,699.65	2,883.20
PROFIT AFTER TAX (AFTER MINORITY INTEREST)		14,618.40	5,720.04
Add : Balance brought forward from previous year		24,674.81	19,213.89
Dividend for 2007-2008 on Long term investments from a subsidiary		–	738.68
Minority Interest adjustment		–	724.32
PROFIT AVAILABLE FOR APPROPRIATION		39,293.21	26,396.93
Appropriations :			
Transfer to General Reserve		1,900.00	911.12
Proposed Dividend on Preference shares		4.50	4.50
Proposed Dividend on Equity shares		555.43	555.43
Interim Dividend on Equity shares		1,666.30	–
Tax on Dividend (Refer Note No 5 on schedule 'W')		471.35	251.07
Balance Carried to the Balance Sheet		34,695.63	24,674.81
		39,293.21	26,396.93
BASIC & DILUTED EARNING PER SHARE (Rs)		6.58	2.57
(Face value of Re. 1/- each)			
Refer Note No.14 on Schedule 'W'			
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, 28th May, 2010

For and on behalf of the Board

Sajjan Bhajanka – Managing Director

Hari Prasad Agarwal – Executive Director

Arun Kumar Julasaria – CFO & Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2010

(Rs. in Lacs)

	2009-10	2008-09
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax (after prior period items)	20,481.00	8,591.89
Adjustments for :		
Depreciation	4,518.89	3,932.48
Interest Expenses	2,232.10	2493.55
(Profit)/Loss on Fixed Assets sold/discarded	6.98	(8.62)
(Profit)/Loss on Sale of Investments	(10.02)	6.22
Preliminary Expenses Written Off	22.15	34.35
Irrecoverable Debts written off	247.76	97.58
Provision for Doubtful Debts	15.93	179.76
Unrealised Forex Exchange Fluctuations	(1,111.02)	2,000.49
Dividend Income	(0.07)	(0.72)
Interest Income	(97.25)	(62.64)
Operating Profit before Working Capital Changes	26,306.45	17,264.34
Adjustments for :		
Increase / (Decrease) in Trade Payables	5,577.97	(4,029.13)
Increase in Trade & Other Receivables	(4,634.21)	(848.67)
Decrease / (Increase) in Inventories	(4,047.70)	1,120.17
	(3,103.94)	(3,757.63)
Cash Generated from Operations :	23,202.51	13,506.71
Direct Taxes paid (net)	(3,345.61)	(1,676.18)
Net Cash Flow from Operating Activities	19,856.90	11,830.53
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Investments	9.17	78.58
Purchase of Investments	(51.00)	(24.47)
Share Application Money	(163.00)	(960.00)
Sale of Fixed Assets	437.42	253.79
Dividend Received	0.07	0.72
Fixed Deposits	(1,097.85)	(532.67)
Loans Given/Refunds (Net)	(997.54)	1.16
Interest Received	71.34	62.64
Purchase of Fixed Assets	(14,991.39)	(11,231.86)
Net Cash Flow used in Investing Activities	(16,782.78)	(12,352.11)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	7,994.63	10,939.65
Repayment of Loans	(6,478.41)	(3,897.77)
Interest Paid	(2,143.61)	(2,445.26)
Share Application money Refunded	-	(15.00)
Dividend Paid	(2,222.99)	(2,041.80)
Tax on Dividend	(378.33)	(534.38)
Net Cash Flow from Financing Activities	(3,228.71)	2,005.44
Net Changes in Cash & Cash Equivalents (A+B+C)	(154.59)	1,483.86
* Cash & Cash Equivalents on 1st April, 2009	3,064.70	1,435.05
Add: Cash Balance of Subsidiary Companies acquired during the year	109.17	145.79
	3,173.87	1,580.84
* Cash & Cash Equivalents on 31st March, 2010	3,019.28#	3,064.70

* Represents Cash and Bank Balances as indicated in Schedule - 'J', and excludes Rs. 1,935.37 lacs (Rs. 837.52 lacs) being Bank Balances with restrictive use and maturity of more than three months.
includes Rs. 11.69 Lacs (Rs. 8.45 Lacs) lying in Unpaid Dividend Account.

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

Firm Registration No. 301003E
Chartered Accountants

Per **R.K. Agrawal**
a Partner
Membership No. 16667
Kolkata, 28th May, 2010

For and on behalf of the Board

Sajjan Bhajanka - Managing Director
Hari Prasad Agarwal - Executive Director
Arun Kumar Julasaria - CFO & Company Secretary

Schedules to Consolidated Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 'A'		
SHARE CAPITAL		
Authorised		
55,05,00,000 Equity Shares of Re. 1/- each	5,505.00	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
	5,705.00	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 the date of issue i.e. on 18-09-2002)	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 reserves and Securities Premium		
SCHEDULE - 'B'		
RESERVES & SURPLUS		
General Reserve		
Balance as per Last Account	3,485.63	2,574.51
Add :Transferred from Profit & Loss Account	1,900.00	911.12
	5,385.63	3,485.63
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	3,677.29	4,103.79
Add :Capital Investment Subsidy for the year	247.13	-
Less : Capital Subsidy Written off	2.00	426.50
	3,922.42	3,677.29
Revaluation Reserve		
Balance as per Last Account	185.43	192.19
Less : Depreciation Adjustment	6.57	6.76
	178.86	185.43
Foreign Currency Translation Reserve		
Arisen on Consolidation	1.76	-
Profit & Loss Account Balance	34,695.63	24,674.81
	46,394.47	34,233.33

Schedules to Consolidated Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 'C'		
SECURED LOANS		
Rupee Term Loans		
From Financial Institution	1,389.72	2,185.23
From Banks	16,325.06	13,325.40
FCNRB Term Loan from a Bank	1,478.84	2,553.06
Buyers' Credit from Banks		
For Capital Expenditure	384.59	165.89
For Operational Use	9,094.91	10,326.99
Working Capital Facilities from Banks		
Cash Credit	5,610.06	6,280.98
FCNRB Demand Loan	2,649.72	4,054.18
Short Term Loan	1,000.00	—
Hire Purchase Finance		
From Banks	109.30	138.65
From Bodies Corporate	684.51	599.63
Interest Accrued and due	—	3.48
	38,726.71	39,633.49

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 (604.05)	Plywood and Laminate units at Kanchowki, Dist.-24 Parganas(S), West Bengal
— (47.00)	Plywood unit at Chinnappolapuram, Gummidipoondi, Tamil Nadu
598.12 (1145.07)	Ferro Alloy Unit at Byrnihat, Meghalaya
1363.77 (1491.15)	Plywood Unit at Mirza, Assam
4266.35 (4046.99)	Power Unit at Lumsnong, Meghalaya
126.02 (178.85)	Plywood Unit at Roorkee, Uttaranchal
12057.31 (10550.58)	Cement Units at Lumsnong, Meghalaya

- 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
13484.54 (16337.79)	Plywood units at Kanchowki, Dist.-24 Parganas (S), West Bengal; Chinnappolapuram, Gummidipoondi, Tamilnadu; Taraori, Haryana and Laminate unit at Kanchowki, Dist.-24 Parganas (S), West Bengal
739.02 (1108.79)	Ferro Alloy Unit at Byrnihat, Meghalaya
154.42 (—)	Plywood Unit at Mirza, Assam
570.27 (538.30)	Plywood Unit at Roorkee, Uttaranchal
3608.21 (2637.70)	Cement Units at Lumsnong, Meghalaya
— (39.57)	Power Units at Lumsnong, Meghalaya

Further, (i) Buyers Credit of Rs. 35.21 lacs (Rs. Nil) from a Bank, availed against Letter of Credit issued by the Bank, is secured against fixed deposit with the Bank, and

(ii) Buyers Credit of Rs. 147.61 lacs (Rs. 165.89 lacs) from a Bank, availed against Letter of Credit issued by the Bank, is secured by first charge on fixed assets of the Company's cement plant on pari passu basis.

- Term Loans and working capital facilities from Banks/Financial Institutions are also guaranteed by five 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. 3598.17 Lacs (Rs. 5064.91 Lacs) falling due for payment within one year.

Schedules to Consolidated Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 'D'		
UNSECURED LOANS		
From Bodies Corporate	1,974.70	—
Security Deposits	1,341.04	1,024.00
	3,315.74	1,024.00

SCHEDULE - 'E' FIXED ASSETS

	NAME OF ASSETS	GROSS BLOCK				DEPRECIATION/AMORTISATION					NET BLOCK	
		As at 01.04.09	Additions on Conso- lidation (b)	Sales / Additions	As at 31.03.10	Upto 31.03.09	Addition on Conso- lidation (b)	For the Year	Less: On Sales / Adjustments	Upto 31.03.10	As at 31.03.10	As at 31.03.09
A	TANGIBLE ASSETS											
	Land & Site Development											
	– Freehold	1,658.06	–	301.26	–	1,959.32 (c)	–	–	–	–	1,959.32	1,658.06
	– Leasehold	155.38	–	21.86	–	177.24	18.79	–	10.56	–	29.35	147.89
	Factory Buildings	8,602.40	–	1,244.30	–	9,846.70	2,226.63	–	687.42	–	2,914.05	6,932.65
	Non-Factory Buildings	3,168.07	–	626.54	2.87	3,791.74	404.11	–	169.11	–	573.22	3,218.52
	Storage Yard	242.40	–	145.42	–	387.82	6.36	–	27.50	–	33.86	353.96
	Plant & Machinery	24,468.10	0.18	4,715.44	568.19	28,615.53	9,769.19	0.05	2,569.28	291.90	12,046.62	16,568.91
	Electrical Installations	2,671.45	–	394.65	–	3,066.10	1,268.28	–	354.59	–	1,622.87	1,443.23
	Furniture & Fixtures	595.19	5.91	174.85	11.09	764.86	245.40	2.33	84.65	5.77	326.61	438.25
	Office Equipments	574.23	3.44	235.79	15.58	797.88	181.51	0.99	76.11	10.20	248.41	549.47
	Computers	728.72	4.01	160.60	3.83	889.50	426.71	2.35	137.95	3.09	563.92	325.58
	Vehicles	1,855.49	20.09	1,448.17	359.07	2,964.68 (d)	736.21	4.25	458.50	205.27	993.69	1,970.99
	Mines & Mines Development	676.42	–	256.57	–	932.99	–	–	–	–	–	932.99
	Sub Total (A)	45,395.91	33.63	9,725.45	960.63	54,194.36	15,283.19	9.97	4,575.67	516.23	19,352.60	34,841.76
B	INTANGIBLE ASSETS											
	Computer Softwares	275.04	–	43.70	–	318.74	150.34	–	77.46	–	227.80	90.94
	Trade Marks and Patent Rights	0.98	–	–	–	0.98	0.98	–	–	–	0.98	–
	Goodwill	18.22	–	18.96	–	37.18 (e)	3.64	–	14.58	–	18.22	14.58
	Sub Total (B)	294.24	–	62.66	–	356.90	154.96	–	92.04	–	247.00	109.90
C	Total (A+B)	45,690.15	33.63	9,788.11	960.63	54,551.26	15,438.15	9.97	4,667.71	516.23	19,599.60	34,951.66
D	Capital Work in Progress	1,991.72	–	2,057.91	395.08	3,654.55	–	–	–	–	–	3,654.55
	GRAND TOTAL (C+D)	47,681.87	33.63	11,846.02	1,355.71	58,205.81	15,438.15	9.97	4,667.71	516.23	19,599.60	38,606.21
	Previous Year's Total	40,492.34	1,167.74	12,234.59	6,212.80	47,681.87	11,503.90	10.45	4,030.83	107.03	15,438.15	32,243.72

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.
- Additions on Consolidation represents balances from pre-acquisition period of subsidiary companies acquired during the year.
- Includes Rs. 485.17 Lacs (Rs 247.14 lacs) in respect of Land whose registration in the Subsidiary Company's name is pending.
- Include Assets taken on finance lease Rs 788.25 lacs (Rs. 513.75 lacs), written down Value Rs. 646.78 lacs (Rs. 541.65 lacs) [Refer Note no 11(b) on Schedule "W"]
- Includes Rs. 18.96 lacs (Rs. 8.22 lacs) arisen on consolidation.

Schedules to Consolidated Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

		As at 31.03.2010	As at 31.03.2009	
SCHEDULE - 'F'				
CAPITAL EXPENDITURE ON NEW PROJECTS				
A. Leasehold Land	958.06		958.06	
Less: Amortisation (charged to Pre-operative expenses as below)	(102.02)	856.04	(38.15)	919.91
B. Land Development Expenses		280.57		144.67
C. Fixed Assets - Under Erection				
Factory Building	2,455.30		648.17	
Non-Factory Building	801.10		362.20	
Plant & Machinery	5,346.88		3,014.75	
Storage Yard	1,609.15		266.97	
Mines Development	26.72		–	
Electrical Installations	302.35		232.72	
Furniture & Fixtures	17.85		12.82	
Office Equipments	28.84		0.96	
Vehicles	–		530.14	
Computer Software	25.79		–	
Computers	5.45	10,619.43	33.41	5,102.14
D. Advances against purchase of fixed assets		3,506.89	–	2,505.24
		15,262.93		8,671.96
E. Incidental Expenditure pending allocation to Fixed Assets:				
Interest and Finance Charges	793.50		516.94	
Power and Fuel	822.69		91.58	
Foreign Exchange Fluctuations	36.29		36.29	
Lease Rent	468.81		203.56	
Repairs & Maintenance	75.51		63.95	
Licence Fees	116.23		116.23	
Rates & Taxes	38.24		17.07	
Salary & Bonus	505.80		288.23	
Director's Remuneration	23.28		21.45	
Travelling & Conveyance	53.55		46.84	
Consultancy Charges	229.93		8.15	
Miscellaneous Expenses	386.90		270.57	
[Net of Income of Rs. 17.92 lacs (Rs. Nil)]				
Depreciation/Amortisation	327.66	3,878.39	140.18	1,821.03
		19,141.32		10,492.99
Less : Trial Run Sales (Power)		1,204.56		–
Less : Transferred to Profit and Loss Account		116.23		–
Capitalised / Allocated to Fixed Assets		4,700.19		1,192.92
		13,120.34		9,300.07

Schedules to Consolidated Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	Face Value per share Rs.	No. of Shares	As at 31.03.2010	As at 31.03.2009
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
		(1000)		
Mahindra Satyam Computer Services Ltd.	2	100	0.11	–
		(–)		
Tata Steel Ltd.	10	17	0.07	0.03
		(10)		
UCO Bank Ltd.	10	54500	7.95	7.95
Reliance Industries Ltd.	10	464	6.69	–
		(–)		
Tata Chemicals Ltd.	10	498	2.12	–
		(–)		
Infomedia 18 Ltd.	10	985	2.64	–
		(–)		
Sub Total			45.71	34.11
(b) Quoted Preference Shares				
Tata Steel Ltd.		–	–	0.05
	100	(45)		
			0.00	0.05
(c) 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
(d) Gold Coins				
		7	1.18	–
		(–)		
B. LONG TERM (TRADE- UNQUOTED)				
Investment in Government Securities				
National Savings Certificate (VII Issue)**			0.05	0.00
			0.05	0.00
TOTAL				
			49.94	37.16
Aggregate Amount of Investments				
Quoted			45.71	34.16
Unquoted			4.23	3.00
Market Value of Quoted Investments			54.20	24.73

* Includes Bonus Shares received during the year.

** Lodged with Government Departments as Security Deposit.

Note : Besides the above, the following investment were purchased and sold during the year:

Fund Name	Units	Value(Rs.in Lacs)
SBI-Magnum Insta Fund	10889692	2200.00
SBI-SHF-Ultra Short Fund	14324594	1700.12
Reliance Money Manager Fund	1854333	400.00
Baroda Pioneer Liquid Fund	14121598	1450.00
SBI-Ultra Short Term Fund	8573033	1700.00

Schedules to Consolidated Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 'H'		
INVENTORIES		
(At Lower of Cost and Net Realisable Value)		
Raw Materials	9,190.37	7,438.74
Stores & Spares Parts, etc.	6,362.03	4,922.57
Work in Progress	1,874.13	1,018.35
Finished Goods	3,621.74	3,607.91
	21,048.27	16,987.57
SCHEDULE - 'I'		
SUNDRY DEBTORS		
Debts outstanding for a period exceeding six months		
Secured, considered good	31.35	8.50
Unsecured, Considered Good	490.55	1,398.16
Unsecured, Considered Doubtful	208.14	190.60
Other Debts		
Secured, considered good	443.75	393.62
Unsecured, Considered Good	11,891.28	9,147.03
Unsecured, Considered Doubtful	–	1.61
	13,065.07	11,139.52
Less: Provision for Doubtful Debts	208.14	192.21
	12,856.93	10,947.31
SCHEDULE - 'J'		
CASH AND BANK BALANCES		
Cash in hand	108.01	95.31
Cheques/Drafts in hand	1,318.31	1,367.72
Balance with Scheduled Banks on		
– Current Accounts	1,589.91	1,573.46
– Fixed Deposit Accounts*	1,935.37	837.52
Balance with Non Scheduled Banks in		
– Current Accounts	3.05	28.21
Meghalaya Rural Bank		
Maximum Amount due during the year Rs 81.72 Lacs (Rs. 99.42 Lacs)		
	4,954.65	3,902.22
* Includes Fixed Deposit pledged with banks as Margin Money amounting to Rs. 1916.61 lacs (Rs. 637.52 lacs)		
SCHEDULE - 'K'		
Other Current Assets		
Subsidies Receivable from Central/State Governments [Including Rs. 8244.50 lacs (Rs. 7336.50 lacs) due for more than six months]	13,712.59	12,886.60
Interest accrued on Loans, Deposits, etc.	25.91	–
	13,738.50	12,886.60

Schedules to Consolidated Balance Sheet as at 31st March, 2010

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - 'L'		
LOANS AND ADVANCES		
(Unsecured, considered good)		
Loan to Bodies Corporate	1,000.00	–
Loan to Employees (Bearing Interest)	4.51	6.97
Advances recoverable in cash or in kind or for value to be received *	5,641.84	5,063.77
Share Application Money	354.00	191.00
Advance Income Tax (Net of Provisions)	380.89	414.33
MAT Credit Entitlement	3,302.52	1,981.41
Deposits	770.24	784.28
Balance with Excise, Customs and Other Government Authorities	2,349.07	2,163.73
	13,803.07	10,605.49
*Amount due from a Director of the company	–	0.70
Maximum amount due at any time during the year	0.70	0.70
SCHEDULE - 'M'		
CURRENT LIABILITIES & PROVISIONS		
a) CURRENT LIABILITIES		
Sundry Creditors		
– Dues to Micro and Small Enterprises (Refer Note No. 10 on Schedule 'W)	0.13	–
– Dues to Others	7,310.53	4,211.31
Investor Education and Protection Fund (Payable when due)		
– Unpaid Dividend	11.69	8.45
Advance from Customers	302.33	593.87
Other Liabilities	6,259.64	4,258.16
Interest accrued but not due on loans	146.06	54.09
	14,030.38	9,125.88
b) PROVISIONS		
Retirement Benefits	261.65	336.73
Fringe Benefit Tax (Net)	–	11.33
Proposed Dividend	559.93	559.93
Tax on Dividend	93.02	–
	914.60	907.99
SCHEDULE - 'N'		
MISCELLANEOUS EXPENDITURE		
(to the extent not written off/adjusted)		
Preliminary Expenses	16.82	38.83
	16.82	38.83

Schedules to Consolidated Profit & Loss Account for the year ended 31st March, 2010
(Rs. in Lacs)

	2009-10	2008-09
SCHEDULE - 'O'		
INCOME FROM SALES & SERVICES		
Sale of Products*	1,29,369.89	1,17,079.73
Income from Logistic & Other Services (Gross) [TDS Rs. 15.65 Lacs (Rs. 11.40 Lacs)]	1,996.29	349.28
Export Incentives	53.91	198.54
	1,31,420.09	1,17,627.55
* Includes Rs. 169.12 Lacs (Rs. 116.98 Lacs) for items capitalised		
SCHEDULE - 'P'		
OTHER INCOME		
Dividend (On Long Term Non Trade Investments)	0.07	0.72
Interest on Fixed Deposits, Loans, etc.(Gross) [TDS Rs 25.25 Lacs (Rs 11.20 Lacs)]	97.25	62.64
Profit on Sale of Current Investments (Non Trade)	10.02	—
Profit on Fixed Assets Sold /Discarded (Net)	—	8.62
Foreign Exchange Fluctuations (Net)	2,571.18	—
Insurance and Other Claims	67.88	62.02
Miscellaneous Income	211.79	157.66
	2,958.19	291.66
SCHEDULE - 'Q'		
DECREASE/ (INCREASE) IN STOCK		
Opening Stock		
Finished Goods	3,607.91	4,526.98
Work in Progress	1,018.35	525.22
	4,626.26	5,052.20
Add : Stocks pertaining to a company which became subsidiary during the year		
– Finished Goods	11.15	—
	11.15	—
	4,637.41	5,052.20
Closing Stock		
Finished Goods	3,621.74	3,607.91
Work in Progress	1,874.13	1,018.35
	5,495.87	4,626.26
Decrease/(Increase) in Stock	(858.46)	425.94
SCHEDULE - 'R'		
COST OF MATERIALS		
a) Raw Materials Consumed		
Opening Stock	7,438.74	7,819.87
Add : Stocks pertaining to a company which became subsidiary during the year	1.85	—
Add : Purchases	45,807.10	41,089.16
	53,247.69	48,909.03
Less : Closing Stock	9,190.37	7,438.74
	44,057.32	41,470.29
b) Purchase of Trading Goods	3,394.52	2,323.00
	47,451.84	43,793.29

Schedules to Consolidated Profit & Loss Account for the year ended 31st March, 2010
(Rs. in Lacs)

	2009-10	2008-09
SCHEDULE - 'S'		
OPERATING, ADMINISTRATIVE & SELLING EXPENSES		
Stores & Spare parts consumed	2,505.18	2,802.94
Power & Fuel	10,197.50	11,144.64
Insurance Charges	193.25	171.26
Jetty Expenses	56.34	50.29
Container Freight Station Operating Expenses	435.36	80.76
Rent	418.19	386.90
Rates & Taxes	374.92	240.95
Repairs & Maintenance		
– Buildings	196.45	141.38
– Plant & Machinery	1,381.19	683.02
– Others	379.18	291.52
Transport & Freight	8,808.38	7,931.97
Commission on Sales (Other than Sole Selling Agents)	1,439.04	1,418.55
Rebates & Discounts	3,575.16	2,082.22
Advertisement, Publicity and Sales Promotion	2,726.97	2,176.44
Communication Expenses	282.89	314.07
Directors' Remuneration	425.27	344.85
Auditors Remuneration	53.14	34.60
Research and Development Expenses	11.79	14.91
Preliminary Expenses Written off	22.15	34.35
Charity and Donations	265.85	218.41
Octroi	276.75	230.65
Exchange Rate Fluctuations	–	955.88
Sales Tax for earlier years	5.35	62.28
Loss on Sale of Long Term Non Trade Investments	–	6.22
Loss on Sales/Discard of Fixed Assets (Net)	6.98	–
Irrecoverable Debts written off	247.76	97.58
Provision for Doubtful Debts	15.93	179.76
Miscellaneous Expenses	2,363.66	2,070.70
	36,664.63	34,167.10
SCHEDULE - 'T'		
PERSONNEL COST		
Salaries, Wages, Bonus, etc.	7,586.76	6,482.59
Contribution to Provident, Gratuity and other Funds	399.55	372.52
Employees' Welfare Expenses	268.90	253.25
	8,255.21	7,108.36
SCHEDULE - 'U'		
Depreciation/Amortisation		
On Fixed Assets	4,667.71	4,030.83
Less : Transferred to Pre-operative expenses	142.25	91.59
Less : Transferred from Revaluation Reserve	6.57	6.76
	4,518.89	3,932.48
SCHEDULE - 'V'		
INTEREST AND FINANCE CHARGES		
On Fixed Loans	1,846.30	1,560.52
On Other Loans	1,060.18	1,449.97
	2,906.48	3,010.49
Less: Capitalised	674.38	516.94
	2,232.10	2,493.55
Bank Charges	283.56	436.95
	2,515.66	2,930.50

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, 2010)

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 unrealised 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 recognised 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 31.03.2010
Cement Manufacturing Company Limited	India	70.48
Megha Technical & Engineers Private Limited	India	99.96
Star Cement Meghalaya Limited	India	100.00
Auro Sundram Ply & Door Private Limited	India	51.00
Meghalaya Power Limited	India	99.52
Aegis Business Limited*	India	51.00
Aegis Overseas Limited**	UAE	100.00

* became subsidiary with effect from 6th July, 2009

** became subsidiary with effect from 15th July, 2009

- 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**

- a) Revenue from sale of goods and services rendered is recognised upon passage of title which generally coincides with delivery of materials and rendering of services to the customers.
- b) Dividend Income is recognised when the shareholders' right to receive the payment is established by the balance sheet date.
- c) Interest income is recognised 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 capitalised 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 recognised 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. The estimated future cash flows considered for determining the value in use, are discounted to their present value at the weighted average cost of capital.

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.

Schedules forming part of the Consolidated Account

- 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 amortised 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 recognised 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 amortised as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognised 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 recognised as income or expense for the year.

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.

Schedules forming part of the Consolidated Account

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

Government Grants and subsidies are recognised when there is a reasonable assurance that the same will be received. Revenue grants/subsidies are recognised in the Profit & Loss Account. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Other capital grants are credited to capital reserve.

xi) Research Costs and Development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised over the period of expected future sales from the related project, not exceeding ten years.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicates that the carrying value may not be recoverable.

xii) 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.

xiii) Miscellaneous Expenditure

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

xiv) Earning per Share

Basic Earning per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders 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 shareholders 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 capitalised 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.

Schedules forming part of the Consolidated Account

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 recognised 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 realised. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognised 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 realised.

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 realised. 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 recognised 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. 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.

xviii) Segment Reporting

a) Identification of segments

The company has identified that its business segments are the primary segments. The Company's business are organised 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 the customers of the company are located.

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.

xix) 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 capitalised 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 recognised 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.

Schedules forming part of the Consolidated Account

xxi) Provision

A provision is recognised 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 management 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

C. NOTES ON ACCOUNTS

1. (a) Pursuant to the Scheme of Amalgamation (“the scheme”) as approved by the Hon'ble High Court at Guwahati, by an order dated 17th May, 2010, under section 394 of the Companies Act, 1956, Cent Ply Private Limited (“CPPL”), a wholly owned subsidiary of the Company, has amalgamated with the Company with effect from 1st April, 2009.
- (b) The Amalgamating Company (CPPL) is engaged in manufacturing of plywood and allied products at its factory at Mirza. Palasbari, Assam.

(Rs. in Lacs)

	As at 31.03.2010	As at 31.03.2009
2. Estimated amount of contracts remaining to be executed on Capital Account (net of advances) and not provided for	21,671.29	15,182.68
3. Contingent Liabilities not provided for in respect of :-		
(a) Demands/Claims by various Government Authorities and others not acknowledged as debts:		
(i) Excise Duty	221.21	167.30
(ii) Sales Tax/VAT	364.05	249.02
(iii) Income Tax	739.05	835.81
Total	1,324.31	1,252.13
(b) Unredeemed bank guarantees	1,263.40	869.80
(c) Bills discounted with banks	809.64	453.59
(d) Letters of credit issued by the banks	7,662.61	1,625.38
(e) Custom Duty on import under EPCG Scheme against which Export obligation is to be fulfilled	734.00	738.47
(f) Guarantee provided to a corporate body on behalf of contractor	671.83	243.27

Schedules forming part of the Consolidated Account

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/expenses in Profit & Loss Account.
5. In terms of Section 115-O of the Income Tax Act, 1961, interim and final dividend on Equity shares is not subject to tax on dividend to the extent of interim dividend to received from a subsidiary company during the year.
6. The financial position as at the year end and the results for the period from 6th July, 2009 to 31st March, 2010 and from 15th July, 2009 to 31st March, 2010 in respect of Aegis Business Limited and Aegis Overseas Limited, respectively which have become subsidiary of the Company during the year on the above respective dates, are as follows:

Liabilities	Rs. in lacs
Secured Loans	9.32
Current Liabilities	31.16
Assets	
Fixed Assets	19.22
Investments	12.63
Inventories	8.93
Cash and Bank Balances	139.69
Loans & Advances	7.26
Miscellaneous Expenditure	0.07
Income	
Sale of Products	1209.45
Other Income	39.90
Expenses	
Other Expenses	1142.73
Depreciation	4.45
Interest	11.69
Profit for the period	90.48

The above is after eliminating intra group transactions and balances.

7. a) Details of Directors' Remuneration:

	(Rs. in Lacs)	
	2009-10	2008-09
Managing Director / Whole Time Directors' Remuneration		
- Salary*	417.79	346.25
Non Executive Chairman's Remuneration	12.00	9.00
Sitting fees	1.35	1.10
Total	431.14	356.35

*Including Rs. 5.87 lacs (Rs. 11.50 lacs) included in pre-operative expenses.

Note: As the provision of gratuity and leave encashment 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 Consolidated Account

8. The Break-up of Net Deferred Tax Liability as on 31st March, 2010 is as follows:

(Rs. in Lacs)

		As at 31.03.2010	As at 31.03.2009
(A)	Deferred Tax Liability		
	Timing difference on depreciable assets	346.17	379.41
(B)	Deferred Tax Asset		
	Carried forward unabsorbed depreciation	–	210.79
	Expenses allowable against taxable income in future years	204.70	145.28
		204.70	356.07
	Net Deferred Tax Liability (A – B)	141.47	23.34

9. (a) Sales Tax/VAT and Excise duty debited to Profit and loss account are net of Subsidy Rs. 104.50 lacs (Rs. 91.18 Lacs) and Rs.108.52 Lacs (Rs. Nil) respectively.
- (b) Raw Material consumption and Transport & Freight are net of Subsidy of Rs. 2333.24 lacs (Rs. 2019 lacs) and Rs. 2905.37 lacs (Rs. 3011 lacs) respectively in respect of a subsidiary company
10. 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)

		2009-10	2008-09
i)	Principal amount remaining unpaid to any supplier at the end of accounting year (including retention money against performance)	0.13	–
ii)	Interest due on above.	–	–
	Total of (i) & (ii)	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 due 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

11. (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	2009-10	2008-09
Lease payments made for the year*	348.97	336.80

* Excluding lease rent for use of Land Rs. 69.22 lacs (Rs. 50.10 lacs)

- (b) Fixed Assets include certain Vehicles obtained on finance lease. The year-wise break-up and future obligation towards minimum lease payments of Rs. 975.92 lacs (Rs. 896.65 Lacs) consisting of present value of lease payments Rs 793.81 lacs (Rs. 738.28 Lacs) and finance charges Rs. 182.11 lacs (Rs.158.37 Lacs) under the respective agreements as on 31st March, 2010, 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 31.03.2010	Minimum lease payments	Present value as on 31.03.2010
Finance Lease*	304.57 (324.04)	235.46 (263.16)	671.35 (572.61)	558.35 (475.12)

* Rate of Interest – 10.00 % – 11.25%

12. 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 favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

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

(Rs. in Lacs)

Sl. No.		2009-10	2008-09
i)	Net Employee Expense/(benefit)		
	Current service cost	80.94	80.74
	Interest cost on benefit obligation	33.13	25.66
	Expected return on plan assets	(24.61)	(17.24)
	Net Actuarial loss/(gain) recognised in the year	(29.46)	106.45
	Total employer expense	60.00	195.61
ii)	Actual return on plan assets	25.64	17.45
iii)	Benefit Asset / (Liability)		
	Fair Value of Plan Assets	388.37	231.49
	Defined benefit obligation	481.30	413.57
	Benefit Asset / (Liability)	(92.93)	(182.08)

Schedules forming part of the Consolidated Account

(Rs. in Lacs)

Sl. No.		2009-10	2008-09
iv)	Movement in benefit liability		
	Opening defined benefit obligation	413.57	228.88
	Interest cost	33.13	25.66
	Current service cost	80.94	80.74
	Benefits paid	(17.91)	(28.38)
	Actuarial (gains)/losses	(28.43)	106.67
	Closing benefit obligation	481.30	413.57
v)	Movement in fair value of plan assets		
	Opening fair value of plan assets	231.49	183.89
	Expected Return on plan assets	24.61	17.24
	Contribution by employer	149.15	58.53
	Benefits paid	(17.91)	(28.38)
	Actuarial gains/(losses) on obligation	1.03	(0.21)
	Closing fair value of plan assets	388.37	231.49
vi)	The major categories of plan assets as a percentage of the fair value of total plan assets		
	Funded with insurer	100%	100%
	The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled		
vii)	The Principal actuarial assumptions are as follows:		
	Discount rate	8%	8%
	Expected Return on plan assets	8%	8%
	Salary Increase	5% - 6%	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. 281.15 Lacs (Rs. 254.61 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. 180 lacs) to Gratuity fund in 2010-2011.
- xi) The details for the current periods and previous periods are as follows:

(Rs. in Lacs)

	2009-10	2008-09	2007-08
Defined Benefit Obligation	481.30	413.57	228.88
Plan Assets	388.37	231.49	183.89
Surplus / (Deficit)	(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

13. Details of Auditor's Remuneration:

(Rs. in Lacs)

	2009-10	2008-09
As Auditors		
Audit Fees*	22.56	17.53
For Limited Reviews	9.00	7.55
Tax Audit Fees	1.39	1.11
In Other Capacity for:		
Certificates and other services	12.89	2.02
For Expenses	0.88	0.40
Payment to Branch Auditors:		
As Auditors	6.46	6.18
Total	53.18	34.79

* Including Auditor's remuneration amounting to Rs. 0.04 lacs (Rs. 0.19 lacs) included in pre-operative expenses.

14. Earning per Share (EPS):

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

(Rs. in Lacs)

	2009-10	2008-09
Profit as per Profit & Loss Account	14618.40	5720.04
Less : Preference dividend for the year (including Tax on Dividend)	5.26	4.50
Profit available for Equity Shareholders	14613.14	5715.54
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.)	6.58	2.57

15. Charity and Donations includes Rs. 5.00 Lacs (Previous Year Rs. Nil) paid to the Bhartiya Janata Party for political purposes.

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

(Rs. in Lacs)

Nature of Item	2009-10	2008-09
Secured Loans	4128.56	6607.24
Buyer's credit	9479.50	10492.88
Debtors	566.51	102.63
Creditors	5442.20	2576.92

Schedules forming part of the Consolidated Account

17. Related Party Disclosures

a) Name of the related parties:

Key Management Personnel	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 Arun Kumar Julasaria (Chief Financial Officer cum Company Secretary)
	Sri Brij Bhusan Agarwal (Vice Chairman)
	Sri S. B. Roongta (Managing Director)
	Sri Rajendra Chamaria (Vice Chairman & Managing Director)
	Sri Pankaj Kejrwal (Executive Director)
	Smt. Payal Agrawal (Bhajanka) (Executive Director)
	Sri Sanjay Kumar Gupta (Chief Financial Officer)
	Sri Rangbahduh Khonglh
	Sri Lamshwa Kyndoh
	Sri Carmel Suja
	Sri Girish Agarwal
	Sri Shambhu Nath Choudhary
	Sri Anil Kumar Choudhary
	Sri Ashok Kumar Choudhary
Smt. Sunita Choudhary	
Enterprises Owned/ Influenced by Key Management Personnel	Brijdham Merchants Pvt. Ltd.
	Sriram Merchants Pvt. Ltd.
	Sriram Vanijya Pvt. Ltd.
	Sumangal Business Pvt. Ltd.
	Sumangal International Pvt. Ltd.
	Ara Suppliers Pvt. Ltd.
	Apnapan Viniyog Pvt. Ltd.
	Adonis Vyaper Pvt. Ltd.
	Arham Sales Pvt. Ltd.
	Skipper Ltd.
	Riangdo Veneers Pvt. Ltd.
	Shyam Sel & Power Ltd.
	Shyam Energy Ltd.
	Star India Cement Ltd.
	Shyam DRI Power Ltd.
	Shyam Century Cement Industries 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 Agarwala (Wife of Sri Hari Prasad Agarwal)
	Smt. Yash Bhajanka (Wife of Sri Prem Kumar Bhajanka)
	Smt. Mittu Agarwala (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, 2010

(Rs. in Lacs)

SI No.	Type of Transactions	Enterprises owned/ Influenced by Key Management Personnel		Key Management Personnel		Relatives of Key Management Personnel		Total	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
1	Purchase of Trading Goods								
	Riangdo Veneers Pvt. Ltd.	16.06	140.37	–	–	–	–	16.06	140.37
	Shyam Sel & Power Ltd.	–	24.55	–	–	–	–	–	24.55
	Others	–	15.60	–	–	–	–	–	15.60
2	Purchase of Capital Goods								
	Shyam DRI Power Ltd.	12.75	–	–	–	–	–	12.75	–
	Shyam Century Cement Industries Ltd.	–	173.30	–	–	–	–	–	173.30
	Shyam Sel & Power Ltd.	58.34	–	–	–	–	–	58.34	–
	Skipper Ltd.	71.44	–	–	–	–	–	71.44	–
	Others	–	1.65	–	–	–	–	–	1.65
3	Sale of Capital Goods								
	Cent Ply Pvt. Ltd.	–	41.12	–	–	–	–	–	41.12
	Shyam Sel & Power Ltd.	18.18	6.02	–	–	–	–	18.18	6.02
	Shyam DRI Power Ltd.	–	88.27	–	–	–	–	–	88.27
4	Loan Taken								
	Sriram Vanijya Pvt. Ltd.	1,786.50	709.50	–	–	–	–	1,786.50	709.50
	Sumangal International Pvt. Ltd.	875.00	591.50	–	–	–	–	875.00	591.50
	Brijdham Merchants Pvt. Ltd.	125.50	238.20	–	–	–	–	125.50	238.20
	Sriram Merchants Pvt. Ltd.	378.50	–	–	–	–	–	378.50	–
	Sumangal Business Pvt. Ltd.	165.00	–	–	–	–	–	165.00	–
	Sri Girish Agarwal	–	–	10.50	–	–	–	10.50	–
	Others	–	229.00	–	–	–	–	–	229.00
5	Loan Repaid								
	Sriram Vanijya Pvt. Ltd.	785.50	752.87	–	–	–	–	785.50	752.87
	Sumangal International Pvt. Ltd.	670.20	690.84	–	–	–	–	670.20	690.84
	Brijdham Merchants Pvt. Ltd.	63.00	320.98	–	–	–	–	63.00	320.98
	Sumangal Business Pvt. Ltd.	3.00	–	–	–	–	–	3.00	–
	Sriram Merchants Pvt. Ltd.	30.00	–	–	–	–	–	30.00	–
	Sri Girish Agarwal	–	–	10.50	–	–	–	10.50	–
	Others	–	229.00	–	–	–	–	–	229.00
6	Loan Given								
	Skipper Ltd.	500.00	–	–	–	–	–	500.00	–
7	Advance Given								
	Shyam DRI Power Ltd.	110.94	–	–	–	–	–	110.94	–
	Shyam Sel & Power Ltd.	32.55	–	–	–	–	–	32.55	–
8	Service Charges Paid								
	Shyam DRI Power Ltd.	5.16	–	–	–	–	–	5.16	–
9	Service Charges Received								
	Shyam DRI Power Ltd.	3.19	–	–	–	–	–	3.19	–
	Shyam Sel & Power Ltd.	0.43	–	–	–	–	–	0.43	–
10	Share Application Money								
	Shyam Century Cement Industries Ltd.	163.00	–	–	–	–	–	163.00	–
	Puri Ports Ltd.	–	10.00	–	–	–	–	–	10.00
11	Purchase of Investments								
	Smt. Santosh Bhajanka	–	–	–	–	–	13.80	–	13.80
	Others	–	–	–	0.10	–	–	–	0.10

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	
		2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
12	Sale of Investments								
	Sumangal International Pvt. Ltd.	–	35.53	–	–	–	–	–	35.53
	Sriram Vanijya Pvt. Ltd.	–	35.54	–	–	–	–	–	35.54
13	Interest Paid								
	Sriram Vanijya Pvt. Ltd.	65.31	24.05	–	–	–	–	65.31	24.05
	Sumangal International Pvt. Ltd.	15.18	15.75	–	–	–	–	15.18	15.75
	Brijdham Merchants Pvt. Ltd.	4.32	10.96	–	–	–	–	4.32	10.96
	Sriram Merchants Pvt. Ltd.	18.57	–	–	–	–	–	18.57	–
	Sumangal Business Pvt. Ltd.	8.02	–	–	–	–	–	8.02	–
	Others	–	8.53	0.26	–	–	–	0.26	8.53
14	Interest Received								
	Skipper Ltd.	17.00	–	–	–	–	–	17.00	–
15	Remuneration Paid								
	Sri Sajjan Bhajanka	–	–	72.00	64.00	–	–	72.00	64.00
	Sri Sanjay Agarwal	–	–	72.00	64.00	–	–	72.00	64.00
	Sri Prem Kumar Bhajanka	–	–	72.00	60.00	–	–	72.00	60.00
	Others	–	–	249.40	185.65	–	–	249.40	185.65
16	Dividend Paid								
	Sri Sajjan Bhajanka	–	–	510.90	203.47	–	–	510.90	203.47
	Sriram Vanijya Pvt. Ltd.	85.02	153.51	–	–	–	–	85.02	153.51
	Sriram Merchants Pvt. Ltd.	67.40	127.07	–	–	–	–	67.40	127.07
	Sri Sanjay Agarwal	–	–	189.22	–	–	–	189.22	–
	Sri Prem Kumar Bhajanka	–	–	158.09	–	–	–	158.09	–
	Others	225.48	112.73	276.29	270.94	442.65	225.49	944.42	609.16
17	Guarantees Obtained								
	Sri Sajjan Bhajanka	–	–	48,964.92	45,117.73	–	–	48,964.92	45,117.73
	Sri Sanjay Agarwal	–	–	44,698.57	36,855.67	–	–	44,698.57	36,855.67
	Sri Brij Bhusan Agarwal	–	–	13,207.87	21,963.68	–	–	13,207.87	21,963.68
	Sri Hari Prasad Agarwal	–	–	35,757.05	21,904.05	–	–	35,757.05	21,904.05
	Others	–	–	21,639.16	47,026.86	–	–	21,639.16	47,026.86
18	Balance Outstanding on account of								
A	Receivable/(Payable)								
	Riangdo Veneers Pvt. Ltd.	(2.00)	(2.18)	–	–	–	–	(2.00)	(2.18)
	Shyam DRI Power Ltd.	(3.19)	–	–	–	–	–	(3.19)	–
	Star India Cement Ltd.	75.00	–	–	–	–	–	75.00	–
	Skipper Ltd.	(3.96)	–	–	–	–	–	(3.96)	–
B	Share Application								
	Adonis Vyaper Pvt. Ltd.	47.50	47.50	–	–	–	–	47.50	47.50
	Apnapan Vinayog 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
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)	–
	Sri Girish Agarwal	1.04	–	–	–	–	–	1.04	–
D	Remuneration								
	Sri Prem Kumar Bhajanka	–	–	–	1.98	–	–	–	1.98
	Sri Arun Kumar Julasaria	–	–	–	1.23	–	–	–	1.23

Schedules forming part of the Consolidated Account

18. The Company's segment information as at and for the Year ended 31st March, 2010 are as below:

SI		Plywood	Laminate	Ferro Alloys	Power	Logistic	Cement	Others	Total
A	Revenue(Gross)								
	External Sales	59,463.69 (49,031.07)	12,072.25 (12,757.76)	4,086.71 (8,849.71)	1,150.62 (936.21)	1,995.40 (117.63)	50,612.21 (44,220.30)	2,039.21 (1,714.87)	1,31,420.09 (1,17,627.55)
	Inter-segment Sales	– (–)	– (–)	– (–)	3,927.77 (2,541.57)	47.45 (–)	– (–)	– (–)	3,975.22 (2,541.57)
	Total Revenue (Gross)	59,463.69 (49,031.07)	12,072.25 (12,757.76)	4,086.71 (8,849.71)	5,078.39 (3,477.78)	2,042.85 (117.63)	50,612.21 (44,220.30)	2,039.21 (1,714.87)	1,35,395.31 (1,20,169.12)
B	Result								
	Segment Results	3,769.07 (320.33)	1,011.12 (538.15)	158.59 (2,074.27)	1,208.03 (480.98)	780.46 (–137.00)	13,384.35 (12,634.85)	196.39 (191.83)	20,508.01 (16,103.41)
	Unallocated Income/ (Expenses) (–) (Net)								2,205.34 (–4,822.04)
	Operating Profit								22,713.35 (11,281.37)
	Interest Expense								2,232.10 (2,493.55)
	Prior Period Items								0.25 (195.93)
	Provison for Taxation								3,674.57 (1,174.15)
	MAT Credit Entitlement								1,629.75 (901.13)
	Fringe Benefit Tax								– (112.46)
	Deferred Tax								118.13 (–396.83)
	Net Profit (before minority interest)								18,318.05 (8,603.24)
	Other Information								
A	Total Assets								
	Segment Assets	26,104.70 (22,604.42)	7,716.31 (7,220.38)	2,542.58 (2,951.30)	12,569.80 (10,942.23)	7,248.54 (3,717.11)	56,141.22 (46,179.84)	755.19 (662.52)	1,13,078.34 (94,277.80)
	Unallocated Corporate/Other Assets								5,099.57 (2,632.34)
									1,18,177.91 (96,910.14)

Schedules forming part of the Consolidated Account

Sl		Plywood	Laminate	Ferro Alloys	Power	Logistic	Cement	Others	Total
B	Total Liabilities								
	Segment Liabilities	7,608.27 (4,190.38)	920.10 (986.92)	186.54 (108.26)	506.48 (425.23)	389.97 (39.48)	4,391.65 (3,406.19)	129.05 (242.73)	14,132.07 (9,399.19)
	Unallocated Corporate/ Other Liabilities								42,996.83 (41,315.51)
									57,128.90 (50,714.70)
C	Capital Expenditure	997.22 (2,041.64)	132.25 (140.07)	11.64 (5.74)	1907.30 (4,700.49)	3,279.63 (2,938.74)	8,901.68 (2,677.59)	41.49 (1.33)	15,271.21 (12,505.61)
D	Depreciation/ Amortisation	887.46 (787.98)	321.94 (362.46)	112.36 (130.65)	743.64 (397.41)	319.35 (96.58)	2,128.22 (2,152.82)	5.92 (4.58)	4,518.89 (3,932.48)
E	Geographical Segment								
	i. Revenue (Gross)								
	India								1,27,844.97 (1,15,350.51)
	Overseas								3,575.12 (2,277.04)
	ii. Carrying amount of Segment Assets								
	India								1,12,608.63 (94,178.22)
	Overseas								469.71 (99.58)

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 .

Schedules forming part of the Consolidated Account

- 19 Foreign Exchange gain of Rs. 2306.05 lacs (Previous Year Loss of Rs. 2724.86 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. During the year, a subsidiary Company namely Meghalaya Power Limited has successfully implemented the project of 8 MW Thermal Power Plant, which commenced operations from 23rd September, 2009. An amount of Rs. 5361.00 lacs was capitalised towards the cost of above project which includes cost over-run of Rs. 1400.00 lacs due to delay in implementation of the project.
21. Figures given in brackets are for the previous year and the same have been regrouped and/or rearranged, wherever necessary. Further, the current year figures being inclusive of the figures of Aegis Business Ltd and Aegis Overseas Ltd which became subsidiaries during the year w.e.f. 6th July, 2009 and 15th July, 2009 respectively, are not comparable with the previous 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, 28th May, 2010

For and on behalf of the Board

Sajjan Bhajanka - *Managing Director*

Hari Prasad Agarwal - *Executive Director*

Arun Kumar Julasaria - *CFO & Company Secretary*

