

CENTURY TEXTILES AND INDUSTRIES LTD.**PRESS RELEASE ON FINANCIAL RESULTS FOR THE YEAR 2004-05****1. Overall Review:**

We have pleasure in mentioning that profitability of the Company has shown improvement during the year under review. Better performance of the Cement Divisions has contributed to the profitability. The drive for economy in expenses continues unabated and it is gratifying to mention that the interest cost has further gone down by about 36% during 2004-05 as compared to previous year, as a result of continuing financial restructuring exercise and better financial management. The total interest paid in the year 2000-01 which amounted to about Rs.189 crore has, in just four years, reduced to about Rs.44 crore, which is a note worthy reduction.

2. Exports :

The total exports of the Company amounted to Rs. 391 crore which represents about 16 per cent of the Net Sales.

3. Expansion & Modernisation :**a) Cement**

- i) Expansion is being undertaken by increasing the Cement manufacturing capacity from present 6.3 Million tonnes per annum to 7.8 Million tonnes per annum by technological upgradation and installation of balancing equipments which would include close circuiting of Cement Mills, suitable modifications in kilns, and augmentation of the capacity of auxiliary units and other measures. The project work will involve a total outlay of about Rs.150 crore and the increased capacity is expected to be operational by third quarter of 2006-07.

ii) In view of the high power cost of grid and frequent load shedding, it has been decided to install a thermal power plant of 10 MW capacity at Century Cement Unit at an estimated cost of about Rs.45 crore. This 10 MW captive thermal power plant is likely to be commissioned during the first half of the Financial Year 2006-07.

b) Pulp & Paper

As informed earlier in January, 2005, it has been decided to install a 211 tonnes per day Paper Plant based on waste paper/non-conventional raw material and a 15 M.W. Turbine with an estimated investment of about Rs.385 Crore. Orders for major machineries have been placed. The new Paper Plant is proposed to be installed adjacent to the existing Plant and the same is expected to be commissioned by the end of the Financial Year 2006-07.

Two new digesters involving an investment of about Rs.17 Crores are also being installed for processing wood chips to make pulp. This will serve as an alternative in case of non-availability of sufficient quantity of bagasse. These digesters will also help in availability of higher quantum of Pulp, by which production in existing Bagasse plant can be augmented.

c) Century Denim

As informed earlier in January, 2005, it has been decided to expand the manufacturing capacity of denim fabric by 10 Million meters per annum inclusive of the installation of 4 MW Power Generating Set at a total outlay of about Rs.140 crore which is expected to be operational before March, 2006.

d) General

Thrust on modernisation and technological upgradation programme continues, to face competition and enhance the quality of our products. Expenses in this regard would continue to the extent necessary and as required.
