

CENTURY TEXTILES AND INDUSTRIES LTD.**PRESS RELEASE ON FINANCIAL RESULTS FOR THE YEAR 2009-10****1. Overall Review:**

The profitability of the Company has increased satisfactorily as compared to the previous year, mainly because of better performance of the Cement Divisions. The Paper Business was under severe pressure due to a substantial increase in the prices of raw materials and reduced demand. The production at the new Textile Unit of the Company, "Birla Century" in District Bharuch of Gujarat has now almost stabilized. However, in the textile segment, which includes rayon yarn, tyre record etc., the prices of all inputs had gone up which could not be passed on to the end users in view of adverse market conditions prevailing during the major part of the year coupled with low demand. Therefore, the performance of textile segment remained depressed.

2. Land Development at Worli, Mumbai :

Construction of commercial buildings meant for leasing at Worli, Mumbai where Century Mill was earlier situated has commenced on part of the land by awarding the required contracts. Construction of one more office building behind Century Bhavan, Worli, Mumbai has also commenced. Thus, two buildings having constructed area of about eleven lac square feet including parking spaces etc. should be completed within a period of 12 to 15 months. Regarding the dispute with the existing lessor in respect of about 10 acres of leasehold land at Worli, Mumbai, the matter is subjudice.



3. EXPANSION & MODERNISATION:

a) Cement

i) Cement Grinding Unit at Sagardighi, West Bengal

The orders have been placed for the main plant and machinery for the grinding unit with a capacity of 1.5 million tpa at Sagardighi, Dist. Murshidabad, West Bengal. The contract for civil construction work has been finalized and work is planned to start from October, 2010. The project activities are progressing on schedule. The grinding unit is expected to be operational by the last quarter of 2011-12. The total outlay on the project is estimated at Rs.425 crore.

ii) Manikgarh Cement expansion – 2.5 Million tonnes capacity per annum and 40 MW Captive Thermal Power Plant

On account of the slowdown both globally and to some extent in India, placing of orders for Manikgarh Cement Expansion was deferred. Now that the economy looks brighter and the growth forecast is close to double digits in the relatively near term, orders for all main cement manufacturing equipment and for the captive thermal power plant will be placed before June/July 2010. The total outlay on the project is estimated to be about Rs.1600 crore. The enhanced capacity should be on stream by the end of the calendar year 2012.

After upgradation and expansion, the cement manufacturing capacity will stand at 12.5 million tpa by the end of calendar year 2012 (currently 7.8 million tpa).



b) Pulp and Paper

Civil work for the Fibreline (Pulp Plant) and Multilayer Packaging Board Project including 43 MW Turbine is in full swing. Main equipments have already been ordered and have started arriving at the site. Erection of the main machinery and recovery plant is in progress. Orders for auxiliary and balancing equipment are being finalized. Capital outlay on the above projects is estimated to be Rs.1660 crore. Completion of the project is scheduled for December, 2010.

c) General

Modernisation and technological upgradation programmes continue at all the units of the Company to maintain competitiveness and achieve better quality. Stringent cost control measures remain in place in all possible areas and are constantly reviewed.

4. SHIPPING BUSINESS:

Considering the present better trend in the shipping industry, it has been decided to restart the shipping business in which the Company has considerable experience. Various formalities required to be complied with are being undertaken, including, obtaining the approval of the Shareholders at the ensuing Annual General Meeting of the Company.

