



3rd November 2023

<p>Listing Department National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G-Block Bandra Kurla Complex, Bandra (East), Mumbai - 400051</p> <p>Symbol: CENTENKA</p>	<p>Listing Department BSE Limited 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001</p> <p>Scrip Code: 500280</p>
---	--

Sub: Earnings Presentation of Century Enka Limited ('the Company')

Ref: Regulation 30 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

As informed vide our communication dated 21st October 2023 regarding Earnings Conference Call to be held on Friday, 3rd November 2023 to discuss Q2/H1-FY24 earnings, please find attached herewith the Earnings Presentation Q2/H1-FY24 of the Company pursuant to Regulation 30 of the Listing Regulations.

This is for the information of the investors and for your records.

Thanking you,

For Century Enka Limited

(Rahul Dubey)

Company Secretary

Membership No: FCS 8145

Century Enka Ltd.

Factory & Regd. Office: Plot No. 72 & 72-A, M.I.D.C., Bhosari, Pune - 411026.

T: +91 20 66127 304 | F: +91 20 2712 0113

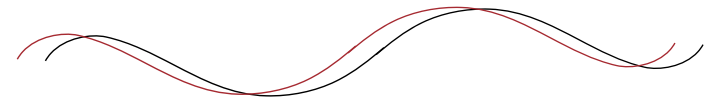
E: cel.investor@adityabirla.com | W: www.centuryenka.com

Corporate ID No. (CIN): L24304PN1965PLC139075



Century Enka Limited

Earnings Presentation – Q2/H1-FY24



Company Overview

- Century Enka Limited was established in 1965 by Late Shri B. K. Birla in collaboration with AKZO Nobel of Netherlands.
- The company has grown to become one of the largest producers of Nylon Filament Yarn (NFY) and Nylon Tyre Cord Fabric (NTCF) in India.
- It also produces a wide range of High-Quality Nylon Yarns used for varied applications including fish-twines, conveyor belts, sports and active wear, sarees, intimate and foundation wear, etc.
- The company makes customised Nylon tyre cord fabric for reinforcement of tyres which are used in motorcycles, scooters, light commercial vehicles (LCVs), medium & heavy commercial vehicles (MHCVs) farm and off the road (OTR) vehicles.
- The Company's two state-of-the-art manufacturing facilities are located in Pune, Maharashtra and Bharuch, Gujarat, with a capacity of ~86,000 MTPA.
- The company's brand 'Enkalon' stands a testimony to the high quality of material which gives a soft, lustrous and elegant feel to the finished fabric.

2

Plants

5

Locations

34⁺

Dealers

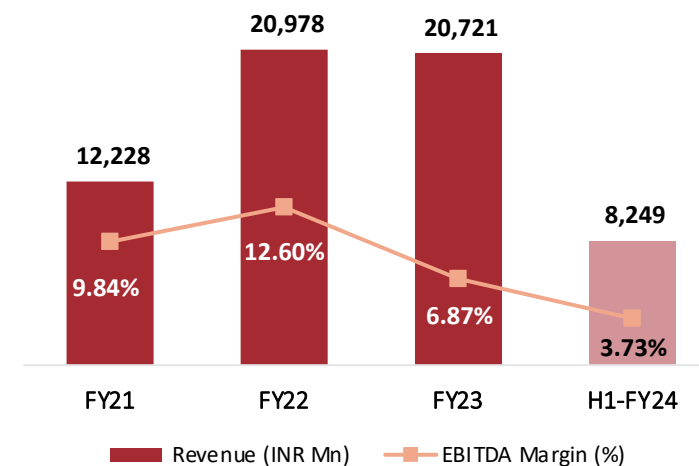
25%

NFY Domestic Market Share

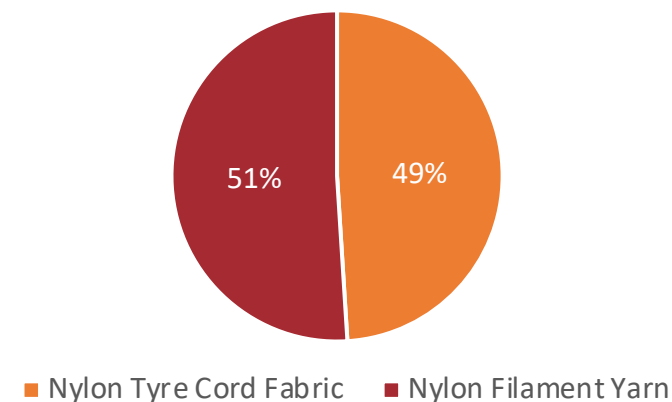
23%

NTCF Domestic Market Share

Operational Revenue (INR Mn) & EBITDA Margins (%)



H1-FY24 Product-wise Sales (%)





Q2/H1-FY24 FINANCIAL OVERVIEW

Q2/H1-FY24 Financial Highlights

Q2-FY24 Financial Performance

INR 3,964 Mn

Revenue from
Operations

INR 93 Mn

EBITDA

2.35%

EBITDA Margin

INR 43 Mn

Net Profit

1.08%

PAT Margin

INR 1.96

Basic/Diluted EPS
(On FV of INR 10)

H1-FY24 Financial Performance

INR 8,249 Mn

Revenue from
Operations

INR 308 Mn

EBITDA

3.73%

EBITDA Margin

INR 178 Mn

Net Profit

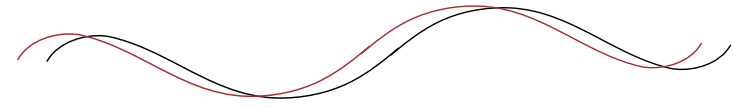
2.16%

PAT Margin

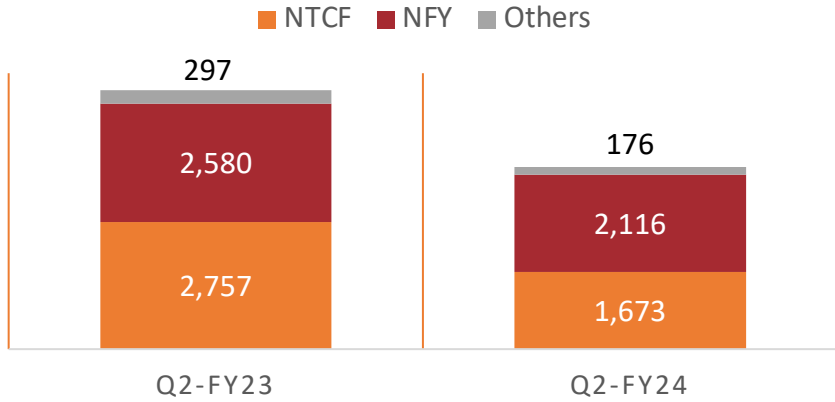
INR 8.15

Basic/Diluted EPS
(On FV of INR 10)

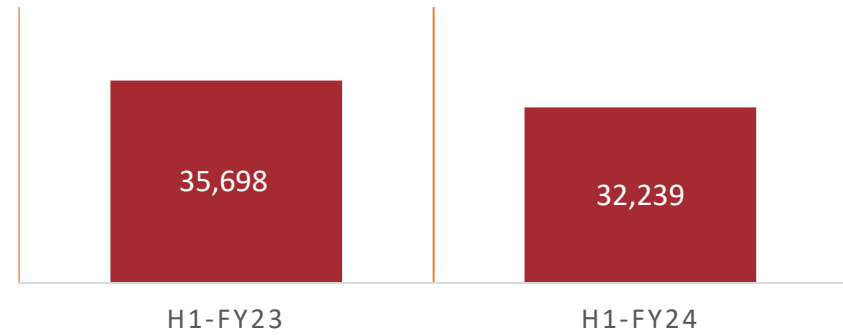
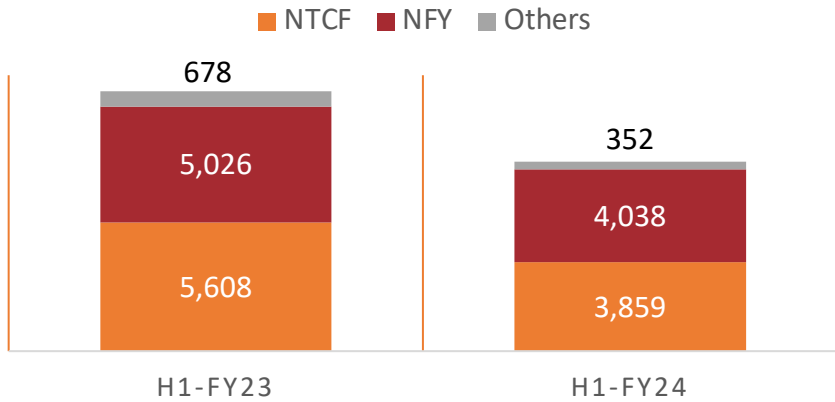
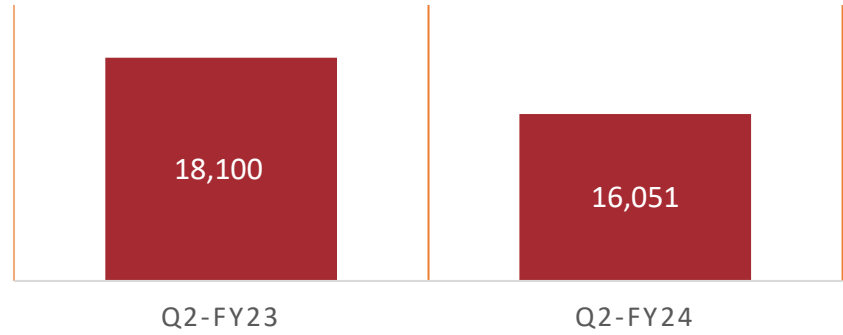
Business Performance



Product wise Revenue (INR Mn)



Volume Performance (MT)



Q2/H1-FY24 Operational Highlights

Nylon Tyre Cord Fabric (NTCF)

➤ Following factors impacted the NTCF demand in India:

- Slowdown in replacement market and rural demand having larger impact on Bias Tyres
- Lower exports of Tyres
- Muted growth in wholesale sales of commercial vehicles and degrowth in tractors sales
- Two-wheeler sales still trails pre-covid levels
- Increasing trend in Radialisation in commercial vehicles
- Increase in cheap imports from China against advance licences. This also had impact on margins

We expect revival in demand from Q3-FY24 onwards

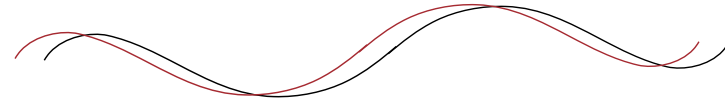
Nylon Filament Yarn (NFY)

- Overall lower demand for textiles particularly in rural areas
- Lower demand in China and consequent dumping into India, impacting demand and margin
- Focus is to increase value added product portfolio and cost reduction

Prices of Key Raw Materials

- Caprolactam prices range bound, prices moved up from \$1,570/MT in Jun-23 to \$1,643/MT in Sep-23
- Electricity rates at elevated levels. Commissioning of group captive hybrid power plant for Bharuch plant helped in containing cost.
- Moderation in chemicals and packing cost.

CAPEX Update



- Cash outflow of Rs. 847 million in H1-FY24 on ongoing Capex programmes
- Polyester Tyre Cord Fabric (PTCF) capacities are expected to be commissioned in Q4-FY24
- Expansion in NFY capacity is expected to be completed by Q4-FY24
- Dipping project commissioned in Q2-FY24
- 10.5 MW (Wind + Solar Hybrid) power project executed under Group captive policy of Gujarat has commissioned in July 2023

Consolidated Quarterly Financial Performance

PARTICULARS (INR Mn)	Q2-FY24	Q2-FY23	Y-o-Y	Q1-FY24	Q-o-Q
Revenue from Operations	3,964	5,634	(29.6) %	4,285	(7.5) %
Total Expenses	3,871	5,255	(26.3) %	4,070	(4.9) %
EBITDA	93	379	(75.5) %	215	(56.7) %
EBITDA Margins (%)	2.35%	6.73%	(438) Bps	5.02%	(267) Bps
Other Income	118	47	NA	87	35.6%
Depreciation	133	94	41.5%	112	18.8%
Finance Cost	14	4	NA	11	27.3%
Share in profit / loss of associate	(2)	(1)	NA	(2)	NA
PBT	62	327	(81) %	177	(65) %
Tax	19	71	(73.2) %	42	(54.8) %
PAT	43	256	(83.2) %	135	(68.1) %
PAT Margins (%)	1.08%	4.54%	(346) Bps	3.15%	(207) Bps
Other Comprehensive Income	53	26	NA	1	NA
Total Comprehensive Income	96	282	(66) %	136	(29.4) %
Basic/Diluted EPS (INR)	1.96	11.70	(83.2) %	6.19	(68.3) %

YTD Consolidated Financial Performance

PARTICULARS (INR Mn)	H1-FY24	H1-FY23	Y-o-Y
Revenue from Operations	8,249	11,312	(27.1) %
Total Expenses	7,941	10,322	(23.1) %
EBITDA	308	990	(68.9) %
EBITDA Margins (%)	3.73%	8.75%	(502) Bps
Other Income	205	80	NA
Depreciation	245	195	25.6%
Finance Cost	25	7	NA
Share in profit / loss of associate	(4)	(1)	NA
PBT	239	867	(72.4) %
Tax	61	208	(70.7) %
PAT	178	659	(73.0) %
PAT Margins (%)	2.16%	5.83%	(367) Bps
Other Comprehensive Income	54	(5)	NA
Total Comprehensive Income	232	654	(64.5) %
Basic/Diluted EPS (INR)	8.15	30.14	(73.0) %



Historical Financial Overview

Consolidated Income Statement

PARTICULARS (INR Mn)	FY21	FY22	FY23	H1-FY24
Operational Revenue	12,228	20,978	20,721	8,249
Total Expenses	11,025	18,335	19,297	7,941
EBITDA	1,203	2,643	1,424	308
EBITDA Margins (%)	9.84%	12.60%	6.87%	3.73%
Other Income	220	206	190	205
Depreciation	409	396	412	245
Finance Cost	15	12	24	25
Share in profit / loss of associate	-	-	(1)	(4)
Exceptional Items	(82)	-	-	-
PBT	917	2,441	1,177	239
Tax	208	599	274	61
PAT	709	1,842	903	178
PAT Margins (%)	5.80%	8.78%	4.36%	2.16%
Other Comprehensive Income	107	(49)	26	54
Total Comprehensive Income	816	1,793	929	232
Basic/Diluted EPS (INR)	32.46	84.28	41.34	8.15

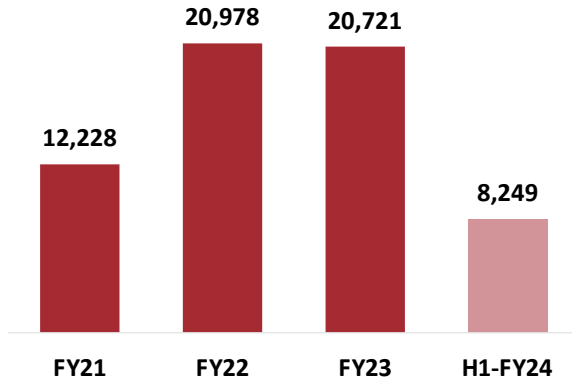
Consolidated Balance Sheet

PARTICULARS (INR MN)	FY22	FY23	H1-FY24
ASSETS			
Non-current Assets	5,968	8,022	8,471
(A) Property, Plant & Equipment	4,669	6,370	7,153
(B) Capital Work In Progress	683	1,062	846
(C) Right Of Use Assets	72	69	67
(D) Intangible Assets	21	9	4
(E) Financial Assets			
(i) Investments	260	371	267
(ii) Others	23	24	23
(F) Other Non Current Assets	240	117	111
Assets Held for Sale	90	-	-
Current Assets	9,167	8,204	7,539
Inventories	3,080	2,434	3,013
Financial Assets			
(a) Investments	2,338	3,068	2,517
(b) Trade Receivable	2,393	2,170	1,332
(c) Cash And Cash Equivalent	56	27	17
(d) Other Bank Balances	665	133	31
(e) Others	37	38	88
Current Tax Assets Net	-	-	
Other Current Assets	598	334	541
GRAND TOTAL – ASSETS	15,226	16,226	16,010

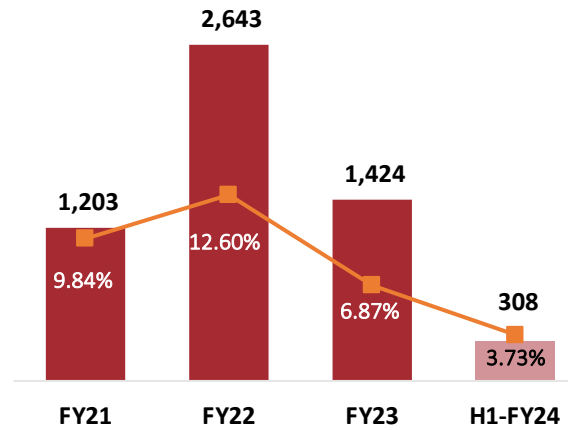
PARTICULARS (INR MN)	FY22	FY23	H1-FY24
EQUITY & LIABILITIES			
Equity	12,507	13,217	13,230
(A) Share Capital	219	219	219
(B) Other Equity	12,288	12,998	13,011
Non-current Liabilities	999	1,498	1,516
Financial Liabilities:			
(a) Borrowings	62	487	487
(b) Lease Liabilities	41	35	32
(c) Others	24	25	26
Provisions	113	135	123
Deferred Tax Liabilities (Net)	732	721	734
Other Non Current Liabilities	27	95	114
Current Liabilities	1,720	1,511	1,264
Financial Liabilities:			
(a) Borrowings	42	151	150
(b) Trade Payables:			
Total OS to Micro and Small Ent	64	67	43
Total OS to creditors	1,141	1,010	782
(c) Lease Liabilities	5	5	6
(d) Others	338	138	128
Other Current Liabilities	92	105	115
Provisions	25	32	37
Current Tax Liabilities	13	3	3
GRAND TOTAL - EQUITIES & LIABILITES	15,226	16,226	16,010

Financial Performance

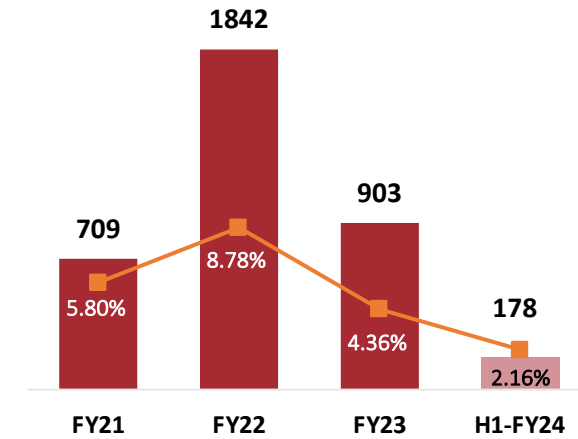
Operational Income (INR Mn)



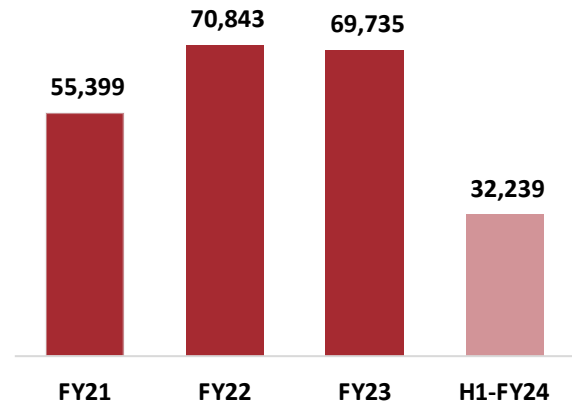
EBITDA (INR Mn) & EBITDA Margins (%)



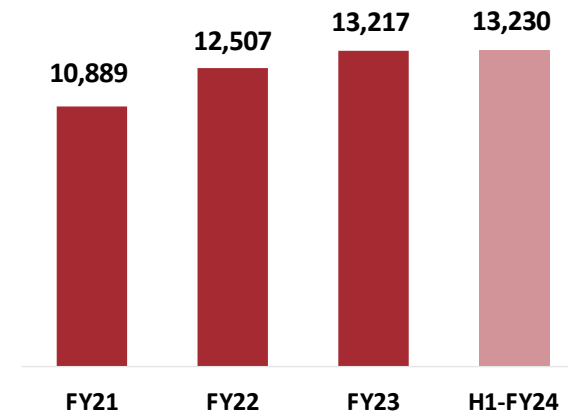
PAT (INR Mn) and PAT Margins (%)



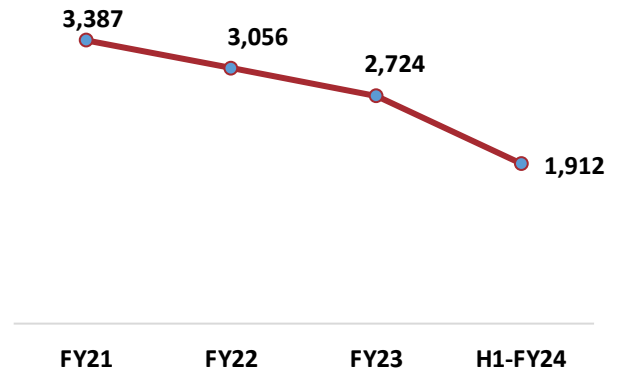
Sales Volume (MT)



Net Worth (INR Mn)

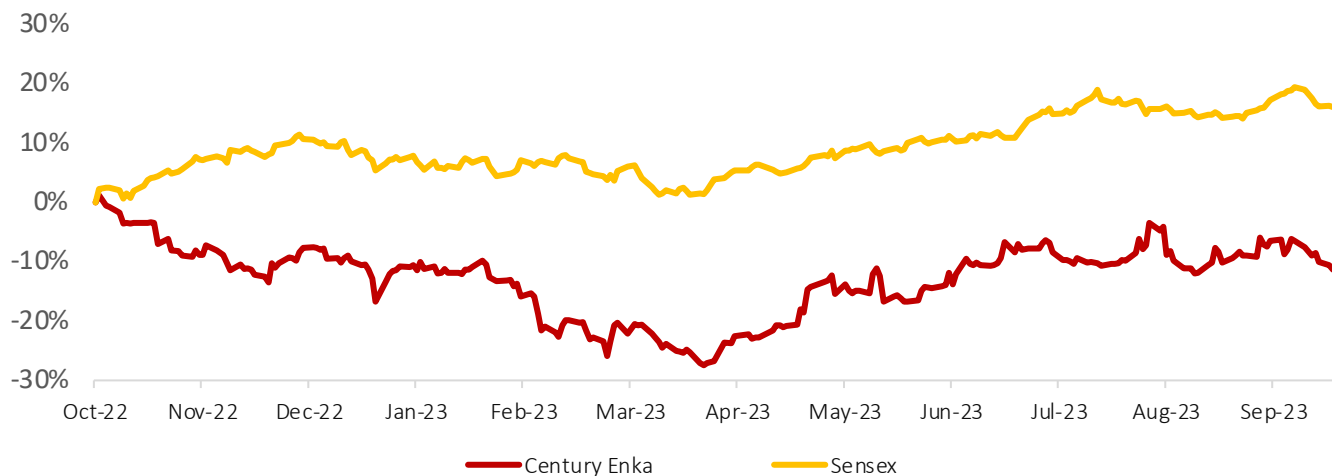


Net Surplus Cash on Balance Sheet (INR Mn)

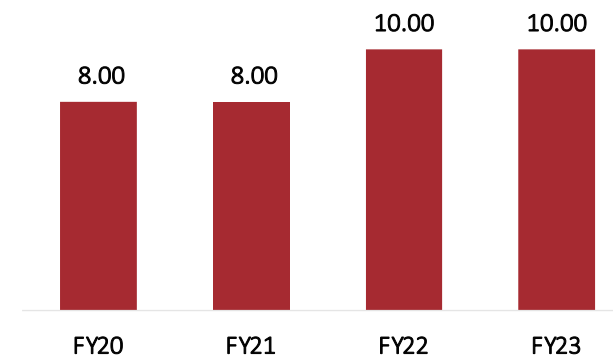


Capital Market Information

Share Price Performance

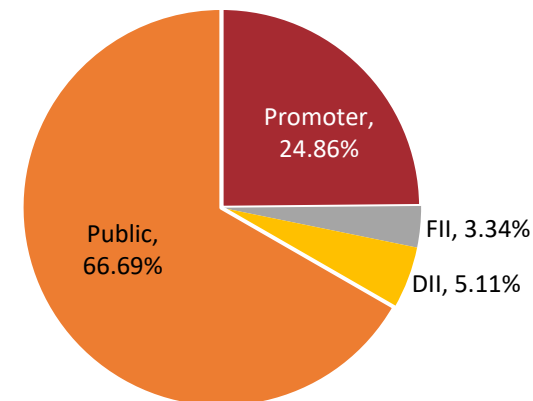


Dividend (INR/share)

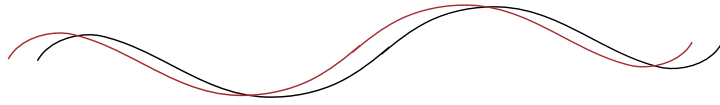


Price Data (As on 30 th September 2023)	INR
Face Value	10.00
CMP	418.60
52 Week H/L	486.35/340.00
Market Cap (INR Mn)	9,146.66
No. of Share outstanding (Mn)	21.85
1 Year Avg. Trading Volume ('000)	48.78

Shareholding Pattern (As on 30th September 2023)



Disclaimer



*No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management of **Century Enka Ltd.**, which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.*

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from.

This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.

For further information please contact our Investor Relations Representatives:



Valorem Advisors

Mr. Anuj Sonpal, CEO

Tel: +91-22-49039500

Email: enka@valoremadvisors.com



Thank You