

CENTURY ENKA LIMITED

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Website : www.centuryenka.com
Company CIN : L24304PN1965PLC139075



Communicate at
Post Box No. 17,
Plot No. 72 & 72 - A, MIDC,
Bhosari, Pune - 411 026.

28th October, 2020

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

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith please find a Statement of Unaudited Financial Results of the Company for the quarter and half year ended 30th September, 2020 which has been approved by the Board of Directors at its Meeting held today i.e. 28th October, 2020. This is for your kind information and record.

We shall appreciate if you kindly display a copy of the Unaudited Financial Results of the Company on your Notice Board and Website for information of your members.

The Meeting commenced at 12.00 Noon and concluded at 1.34 P.M.

Thanking you,

For Century Enka Limited

Rahul Dubey
Company Secretary
Membership No: FCS 8145

Regd. Office : Plot No. 72 & 72 - A, M.I.D.C., Bhosari, Pune-411 026.
Mumbai Office : Industry House, 3rd Floor, 159-Churchgate Reclamation, Mumbai - 400 020.
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An ISO 9001 : 2015, ISO14001 : 2015
& BS OHSAS 18001 : 2007
Certified Company

CENTURY ENKA LIMITED



Statement of Unaudited Financial Results for the Quarter & Six Months Ended 30th September, 2020

Rs. in Lacs

S.No.	Particulars	Three Months Ended			Six Months Ended		Year Ended
		30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
		(Unaudited)			(Unaudited)		(Audited)
I	Revenue From Operations	27,548	10,242	33,441	37,790	70,965	1,42,348
II	Other Income	550	753	1,473	1,303	1,987	4,223
III	Total Income (I+II)	28,098	10,995	34,914	39,093	72,952	1,46,571
IV	EXPENSES						
	Cost of materials consumed	14,011	4,848	23,018	18,859	47,621	86,067
	Purchases of Stock-in-Trade	333	916	271	1,249	296	1,977
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	1,685	1,995	(2,833)	3,680	(4,527)	(68)
	Employee Benefits Expense	2,333	2,199	2,461	4,532	4,851	9,961
	Power and Fuel	4,017	1,733	4,935	5,750	9,973	19,240
	Finance Costs	42	38	68	80	142	349
	Depreciation and Amortization Expense	984	1,022	1,146	2,006	2,317	4,550
	Other Expenses	3,019	1,647	4,323	4,666	7,853	15,850
	Total Expenses (IV)	26,424	14,398	33,389	40,822	68,526	1,37,926
V	Profit/ (Loss) before tax (III-IV)	1,674	(3,403)	1,525	(1,729)	4,426	8,645
VI	Tax Expense/(Credit) (Refer Note 6):						
	(i) Current Tax	481	(979)	158	(498)	1,174	1,974
	(ii) (Excess)/Short Provision of Tax relating to earlier years	(196)	-	(4)	(196)	(4)	(4)
	(iii) Deferred Tax	(89)	66	(3,229)	(23)	(3,192)	(2,878)
VII	Profit/ (Loss) for the period (V-VI)	1,478	(2,490)	4,600	(1,012)	6,448	9,553
VIII	Other Comprehensive Income						
	(i) Items that will not be reclassified to profit or loss	(52)	791	(226)	739	(320)	(722)
	(ii) Income tax relating to items that will not be reclassified to profit/loss	(64)	8	28	(56)	16	-
	(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
IX	Total Comprehensive Income/(Loss) for the period (VII+VIII)	1,362	(1,691)	4,402	(329)	6,144	8,831
X	Paid-up Equity Share Capital (Face value of Rs. 10 each)	2,185	2,185	2,185	2,185	2,185	2,185
XI	Other Equity						1,00,289
XII	Earnings per Share (of Rs. 10 each) (Not Annualised):						
	(1) Basic	6.77	(11.40)	21.05	(4.63)	29.51	43.72
	(2) Diluted	6.77	(11.40)	21.05	(4.63)	29.51	43.72



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CENTURY ENKA LIMITED

Statement of Unaudited Financial Results for the Quarter & Six Months Ended 30th September, 2020



NOTES :

- The above results have been reviewed and recommended for approval by the Audit Committee to the Board of Directors and have been approved by the Board of Directors at its meeting held on 28th October, 2020. The Statutory Auditors have carried out limited review of the above financial results and their report contains emphasis with respect to matter disclosed in note 3 below.
- The Company's business activity falls within a single operating segment i.e. "Synthetic Yam".
- Excise Department had issued an order dated 31st December, 2013 denying the applicability of Notification No. 6/2000 dated 1st March, 2000 and raised a demand of Rs.22,927 lacs plus interest thereon and penalty equivalent to duty demand amount. In this matter, CESTAT in its order dated 20th December, 2019, upheld the denial of aforesaid notification and remanded back the matter to Central Excise Department to redetermine quantum of duty short paid, imposition of equal amount of penalty on redetermined amount of duty demand and applicable interest. The Commissioner, CGST & Central Excise, Raigad Commissionerate has re-determined assessable value pursuant to order of CESTAT and confirmed the demand amounting to Rs.730 lacs (as against above demand of Rs.22,927 lacs), interest at appropriate rate on the duty and equal amount of penalty vide its order dated 8th September, 2020. The Company's appeal in the matter is pending before the hon'ble Supreme Court of India. The Company has deposited the amount of duty of Rs.730 Lacs under protest. The Company has been advised by legal experts that it has a fair chance of ultimately succeeding in the matter and accordingly no provision is required to be made in the accounts.

4) Statement of Assets and Liabilities

Rs. in Lacs

S.No.	Particulars	As at 30-Sep-20 (Unaudited)	As at 31-Mar-20 (Audited)
(A)	ASSETS		
	Non-current assets		
	Property, Plant and Equipment	50,353	51,545
	Capital work-in-progress	262	316
	Right-of-use Assets	757	771
	Other Intangible Assets	379	441
	Financial assets		
	Investments	1,131	315
	Others	249	219
	Other non current assets	1,185	1,127
	Total Non Current Assets	54,296	54,784
	Current assets		
	Inventories	16,103	23,241
	Financial assets		
	Investments	27,775	25,874
	Trade Receivables	13,902	15,236
	Cash and Cash Equivalents	254	418
	Bank balances other than Cash & Cash Equivalents	1,697	190
	Others	541	1,530
	Current tax Assets	974	28
	Other current assets	2,090	3,953
	Total Current Assets	63,336	70,470
	Assets held for Sale	1,183	1,183
	TOTAL ASSETS	1,18,816	1,26,387
(B)	EQUITY AND LIABILITIES		
	Equity		
	Equity Share Capital	2,185	2,185
	Other Equity	98,212	1,00,289
	Total Equity	1,00,397	1,02,474
	Non-current liabilities		
	Financial liabilities		
	Borrowings	794	974
	Lease Liabilities	481	495
	Others	280	257
	Provisions	955	985
	Deferred tax liabilities (Net)	8,252	8,275
	Other Non Current Liabilities	269	277
	Total Non-Current Liabilities	11,011	11,263
	Current liabilities		
	Financial liabilities		
	Borrowings	89	22
	Trade payables		
	i) Total outstanding dues of Micro, Small and Medium Enterprises	329	403
	ii) Total outstanding dues of Vendors other than above	5,071	10,002
	Lease Liabilities	45	44
	Others #	948	1,378
	Other current liabilities	708	572
	Provisions	217	207
	Current tax liabilities (Net)	-	22
	Total Current Liabilities	7,407	12,650
	TOTAL EQUITY AND LIABILITIES	1,18,816	1,26,387

Includes Current Maturities of long-term debts of Rs.313 lacs (As at 31st March, 2020 Rs. 726 lacs).



Signature

CENTURY ENKA LIMITED



Statement of Unaudited Financial Results for the Quarter & Six Months Ended 30th September, 2020

5) Statement of Cashflow

Rs. in Lacs

S.No.	Particulars	Six Months ended	Six Months ended
		30-Sep-20	30-Sep-19
(Unaudited)			
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit/ (Loss) Before Tax	(1,729)	4,426
	Adjustment for:		
	Depreciation and amortisation	2,006	2,317
	Finance cost	80	142
	Unrealised Exchange Loss / (Gain)	(38)	23
	Fair value movement in derivative instruments	179	(94)
	Interest Income	(62)	(31)
	Dividend Received on Mutual Funds	(1)	(26)
	Fair Value of Investments through Statement of Profit and Loss	(718)	(428)
	Profit on sale of Current Investments (Net)	(277)	(253)
	Liabilities/Provisions no longer required written back	(20)	(19)
	Amortization of Govt. Grant (TUF Capital Subsidy)	(8)	(8)
	(Profit) / Loss on sale / write off of PPE (Net)	(2)	(233)
	Operating Profit/ (Loss) Before Working Capital Changes	(590)	5,816
	Adjustment for:		
	Trade payable and other liability	(4,687)	(2,765)
	Trade Receivables	1,328	7,028
	Inventories	7,138	(3,011)
	Financial and other Assets	2,816	712
	Cash Generated From Operations	6,005	7,780
	Direct Taxes Paid (net of refunds)	(330)	(1,579)
	Net Cash From Operating Activities	5,675	6,201
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of PPE including Finance Lease	(746)	(1,032)
	Sale of Property, Plant and Equipments	2	778
	Interest received	13	31
	Dividend Received	1	26
	Deposits with Banks	(1,528)	-
	Deposits with Other Corporate Bodies	(2,641)	-
	(Purchase)/Sale of Non-Current Investments	-	2
	(Purchase)/Sale of Current Investments (Net)	1,434	(3,638)
	Net Cash From Investing Activities	(3,465)	(3,933)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Repayment of Long Term Borrowings	(585)	(718)
	Repayment of Lease Liability	(13)	(20)
	Proceeds from Short Term Borrowings (Net)	67	-
	Payment of Interest on Lease Liability	(13)	(23)
	Payment of Interest on Borrowings	(72)	(123)
	Equity Dividends paid (including Dividend Distribution Tax)	(1,748)	(1,844)
	Net Cash From Financing Activities	(2,374)	(2,728)
D.	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(164)	(368)
	Closing Balance of Cash and Cash Equivalents	254	118
	Opening Balance of Cash and Cash Equivalents	418	478

- 6) The Government of India, on 20th September, 2019 vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961 which provides an option to the Company for paying income tax at reduced rates subject to compliance of the conditions stipulated therein. The Company has opted for reduce rate of Tax in September, 2019 and accordingly computed tax expenses. The Company has also re-measured its Deferred Tax Liability resulting in reduction by Rs. 3120 Lacs for the quarter and half year ended 30th September 2019 and year ended 31st March 2020
- 7) The COVID-19 outbreak has caused significant disturbances and slowdown in economic activity. The Company's operation were impacted due to suspension of operations at both the sites in March, 2020 pursuant to government directives of lockdown. The operations were recommenced gradually at Bharuch site by the end of April, 2020 and Pune site by the end of May, 2020 on receipt of approvals from various regulatory authorities. The operations were also impacted due to shortage of workforce, lower demand and to ensure safety across all areas of operations. The Company has considered the possible impact of COVID-19 in preparation of the above results. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.
- 8) The figures for the previous periods have been regrouped or reclassified to conform current period classification, wherever necessary.

Place : Pune
Date : 28th October, 2020



For and on behalf of Board of Directors

Suresh Sodani
Suresh Sodani
(Managing Director)

Regd. office : Century Enka Limited, Plot No. 72 & 72A, MIDC, Bhosari, Pune - 411026.
CIN : L24304PN1985PLC139075, Website : www.centuryenka.com

CENTURY ENKA LIMITED



Extract of Unaudited Financial Results for the Quarter and Six Months Ended 30th September, 2020

Rs. in Lacs

S. No.	Particulars	Three Months Ended		Six Months Ended	
		30-Sep-20	30-Sep-19	30-Sep-20	30-Sep-19
		Unaudited	Unaudited	Unaudited	Unaudited
1	Total Income from Operations	28,098	34,914	39,093	72,952
2	Net Profit/ (Loss) before Tax (after Exceptional and/ or Extraordinary Items)	1,674	1,525	(1,729)	4,426
3	Net Profit/ (Loss) after Tax (after Exceptional and/ or Extraordinary Items)	1,478	4,600	(1,012)	6,448
4	Total Comprehensive Income for the period [Comprising Profit for the period (after Tax) and Other Comprehensive Income (after Tax)]	1,362	4,402	(329)	6,144
5	Paid-up Equity Share Capital (Face value of Rs. 10 each)	2,185	2,185	2,185	2,185
6	Earnings Per Share (of Rs. 10/- each) :				
	- Basic	6.77	21.05	(4.63)	29.51
	- Diluted	6.77	21.05	(4.63)	29.51

Notes:

- The above results have been reviewed and recommended for approval by the Audit Committee to the Board of Directors and have been approved by the Board of Directors at its meeting held on 28th October, 2020.
- The Government of India, on 20th September, 2019 vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961 which provides an option to the Company for paying income tax at reduced rates subject to compliance of the conditions stipulated therein. The Company has opted for reduce rate of Tax in September, 2019 and accordingly computed tax expenses. The Company has also re-measured its Deferred Tax Liability resulting in reduction by Rs. 3120 Lacs for the quarter and half year ended 30th September 2019 and year ended 31st March 20
- The above is an extract of the detailed format of Quarterly Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Results are available on the Stock Exchange website (www.nseindia.com and www.bseindia.com) and on Company's website (www.centuryenka.com).



For and on behalf of Board of Directors

Suresh Sodani
Suresh Sodani
(Managing Director)

Place : Pune
Date : 28th October, 2020

Regd. office : Century Enka Limited, Plot No.72 & 72A, MIDC, Bhosari, Pune - 411026.

CIN : L24304PN1965PLC139076. Website : www.centuryenka.com

Limited review report on unaudited quarterly and year-to-date financial results of Century Enka Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
Century Enka Limited

- 1 We have reviewed the accompanying statement of unaudited financial results of Century Enka Limited ("the Company") for the quarter ended September 30, 2020 and for the year-to-date period from April 01, 2020 to September 30, 2020 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
- 2 This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ("Ind AS") 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
- 3 We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 4 Based on our review conducted as above and procedures performed as stated in paragraph 3, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Ind AS and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Khimji Kunverji & Co LLP

Chartered Accountants

- 5 We draw attention to Note No. 3 of the financial results stating that the excise department had issued an order dated December 31, 2013 denying the applicability of Notification No. 6/2000 dated March 01, 2000 and raised a demand of Rs.22,927 lacs plus interest thereon and penalty equivalent to duty demand amount. In this matter, CESTAT in its order dated December 20, 2019, upheld the denial of aforesaid notification and remanded back the matter to Central Excise Department to redetermine quantum of duty short paid, imposition of equal amount of penalty on redetermined amount of duty demand and applicable interest. The Commissioner, CGST & Central Excise, Raigad Commissionerate has re-determined assessable value pursuant to order of CESTAT and confirmed the demand amounting to Rs.730 lacs (as against above demand of Rs.22,927 lacs), interest at appropriate rate on the duty and equal amount of penalty vide its order dated September 08, 2020. The Company's appeal in the matter is pending before the Hon'ble Supreme Court of India. The Company has deposited the amount of duty of Rs.730 Lacs under protest. The Company has been advised by legal experts that it has a fair chance of ultimately succeeding in the matter and accordingly no provision is made in the accounts. Our conclusion on the Statement is not modified in respect of the above matter.

For Khimji Kunverji & Co LLP

Chartered Accountants

FRN: 105146W/W100621

GAUTAM VELJI SHAH
Digitally signed by
GAUTAM VELJI
SHAH
Date: 2020.10.28
13:36:40 +05'30'



Gautam V Shah

Partner

Membership No. 117348

UDIN: 20117348AAAADU2424

Place: Mumbai

Date: October 28, 2020