

# CENTURY ENKA LIMITED

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CIN : L24304PN1965PLC139075



MUMBAI OFFICE :  
INDUSTRY HOUSE, 3RD FLOOR,  
159, CHURCHGATE RECLAMATION,  
MUMBAI-400 020.

4<sup>th</sup> August, 2020

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 - 400 051</u> Tel.No.022-2659 8100 Fax No.022-2659 8120  Thru : NEAPS Stock Code : CENTENKA	Listing Department BSE Limited 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort <u>Mumbai - 400001.</u> Tel. No. 022-2272 3121 Fax No. 022-2272 1919  Thru : BSE Listing Stock Code : 500280
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Dear Sir

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, enclosed herewith please find a Statement of Unaudited Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 2020 which has been approved by the Board of Directors at its Meeting held today i.e. 4<sup>th</sup> August, 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 12.15 P.M. and concluded at 01.40 PM

Thanking you

Yours faithfully  
For CENTURY ENKA LIMITED

(C.B.Gagrani)  
Company Secretary

**CENTURY ENKA LIMITED**



**Statement of Unaudited Financial Results for the Quarter Ended 30th June, 2020**

Rs. in Lacs

S.No.	Particulars	Three Months Ended			Year Ended
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		Unaudited	Audited (Refer Note 6)	Unaudited	Audited
I	Revenue From Operations	10,242	34,427	37,524	142,348
II	Other Income	753	1,557	514	4,223
III	<b>Total Income (I+II)</b>	<b>10,995</b>	<b>35,984</b>	<b>38,038</b>	<b>146,571</b>
IV	<b>EXPENSES</b>				
	Cost of materials consumed	4,848	18,658	24,628	86,067
	Purchases of Stock-in-Trade	916	850	-	1,977
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	1,995	832	(1,694)	(68)
	Employee benefits expense	2,199	2,639	2,390	9,961
	Power and Fuel	1,733	4,621	5,038	19,240
	Finance costs	38	145	74	349
	Depreciation and amortization expense	1,022	1,106	1,171	4,550
	Other expenses	1,647	4,304	3,530	15,850
	<b>Total expenses (IV)</b>	<b>14,398</b>	<b>33,155</b>	<b>35,137</b>	<b>137,926</b>
V	<b>Profit/ (Loss) before tax (III-IV)</b>	<b>(3,403)</b>	<b>2,829</b>	<b>2,901</b>	<b>8,645</b>
VI	Tax expense/ (Credit) (Refer Note 5):				
	(i) Current Tax	(979)	555	1,016	1,974
	(ii) (Excess)/Short Provision of Tax relating to earlier years	-	-	-	(4)
	(iii) Deferred Tax	66	86	37	(2,878)
VII	<b>Profit/ (Loss) for the period (V-VI)</b>	<b>(2,490)</b>	<b>2,188</b>	<b>1,848</b>	<b>9,553</b>
VIII	Other Comprehensive Income				
	(i) Items that will not be reclassified to profit or loss	791	(644)	(94)	(722)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	8	22	(12)	-
	(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	<b>Total Comprehensive Income for the period (VII+VIII)</b>	<b>(1,691)</b>	<b>1,566</b>	<b>1,742</b>	<b>8,831</b>
X	<b>Paid-up Equity Share Capital (Face value of Rs. 10 each)</b>	<b>2,185</b>	<b>2,185</b>	<b>2,185</b>	<b>2,185</b>
XI	<b>Other Equity</b>				<b>100,289</b>
XII	<b>Earnings per Share (of Rs. 10 each) (Not Annualised):</b>				
	(1) Basic	(11.40)	10.01	8.46	43.72
	(2) Diluted	(11.40)	10.01	8.46	43.72



# CENTURY ENKA LIMITED



## Statement of Unaudited Financial Results for the Quarter Ended 30th June, 2020

### NOTES :

- 1) 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 4th August, 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.
- 2) The Company's business activity falls within a single operating segment i.e. "Synthetic Yarn".
- 3) 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. The Company had filed an appeal before the Appellate Tribunal (CESTAT), which had been admitted on pre-deposit of Rs.700 Lacs and granted stay against the recovery.  
In this matter, the Company has received CESTAT order dated 20th December, 2019, wherein it has, upheld the denial of aforesaid notification and remanded back the matter to Central Excise Department to redetermine the assessable value after deducting admissible deduction and compute the quantum of duty short paid after considering admissible CENVAT/MODVAT credit, imposition of equal amount of penalty on redetermined amount of duty demand and applicable interest.  
The Company has filed an appeal against the order of CESTAT before the hon'ble Supreme Court of India. 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) 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.
- 5) 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 year ended 31st March, 2020.
- 6) The figures for three months ended 31st March, 2020 is arrived at as difference between audited figures in respect of the full financial year and published figures upto nine months of relevant financial year.
- 7) The figures for the previous periods have been regrouped or reclassified to conform current period classification, wherever necessary.

Place : Mumbai  
Date : 4th August, 2020



For and on behalf of Board of Directors

*O. R. Chittange*  
O. R. Chittange  
(Managing Director)

Regd. office : Century Enka Limited, Plot No.72 & 72A, MIDC., Bhosari, Pune - 411026.  
CIN : L24304PN1965PLC139075. Website : www.centuryenka.com

**CENTURY ENKA LIMITED**



**Extract of Unaudited Financial Results for the Quarter Ended 30th June, 2020**

Rs. in Lacs

S. No.	Particulars	Three Months Ended			Year Ended
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		Unaudited	Audited	Unaudited	Audited
1	Total Income from Operations	10,995	35,984	38,038	146,571
2	Net Profit/ (Loss) for the period (Before Tax, Exceptional and/ or Extraordinary Items)	(3,403)	2,829	2,901	8,645
3	Net Profit/ (Loss) before Tax (after Exceptional and/ or Extraordinary Items)	(3,403)	2,829	2,901	8,645
4	Net Profit/ (Loss) after Tax (after Exceptional and/ or Extraordinary Items)	(2,490)	2,188	1,848	9,553
5	Total Comprehensive Income for the period [Comprising Profit/ (Loss) for the period (after Tax) and Other Comprehensive Income (after Tax)]	(1,691)	1,566	1,742	8,831
6	Paid-up Equity Share Capital (Face value of Rs. 10 each)	2,185	2,185	2,185	2,185
7	Earnings Per Share (of Rs. 10/- each) :				
	- Basic	(11.40)	10.01	8.46	43.72
	- Diluted	(11.40)	10.01	8.46	43.72

**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 4th August, 2020.
- 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](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)) and on Company's website ([www.centuryenka.com](http://www.centuryenka.com)).

Place : Mumbai  
Date : 4th August, 2020



For and on behalf of Board of Directors

*O.R. Chitlange*  
O.R. Chitlange  
(Managing Director)

Regd. office : Century Enka Limited, Plot No.72 & 72A, MIDC., Bhosari, Pune - 411026.  
CIN : L24304PN1965PLC139075. Website : [www.centuryenka.com](http://www.centuryenka.com)

# **Khimji Kunverji & Co LLP**

Chartered Accountants

## **Limited review report on unaudited quarterly 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 June 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 ("the Listing Regulations"). Attention is drawn to the fact that the figures for the three months ended March 31, 2020, as reported in the Statement, are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of the previous financial year had only been reviewed and not subjected to audit.
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, 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 regarding the CESTAT order dated December 20, 2019 relating to the excise duty demand aggregating Rs.22,927 lakh plus interest thereon and penalty equivalent to demand amount. CESTAT in its order, upheld the denial of applicability of notification No. 6/2000 dated March 01, 2000 and remanded back the matter to Central Excise Department to redetermine the assessable value and applicable interest and penalty. The Company has filed an appeal against the order of CESTAT before the hon'ble Supreme Court of India. Based on expert legal advice and merits of the case, no provision has been considered necessary by the Company. 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: 2020.08.04  
12:51:19 +05'30'



**Gautam V Shah**  
Partner  
Membership No: [F-117348]  
UDIN: 20117348AAAAAZ8144

Place: Mumbai  
Date: August 04, 2020