

## Limited Review Report

To  
Board of Directors of  
**Century Enka Limited**

We have reviewed the accompanying statement of unaudited financial results of Century Enka Limited ("the Company") for the quarter ended September 30, 2019 and the year-to-date results for the period from April 01, 2019 to September 30, 2019 ("the Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on November 07, 2019. Our responsibility is to issue a report on this statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountant of India (ICAI). This standard require 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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

We draw attention to Note 3 of the Statement regarding the Company's appeal heard by CESTAT, Mumbai against the excise duty demand aggregating Rs.22,927 lakh plus interest thereon and penalty of Rs.22,927 lakh. Based on expert legal advice and merits of the case, no provision has been considered necessary by the Company. The final determination of the cash outflow, if any, would depend upon receipt of order of the appropriate authorities. Our conclusion is not modified in respect of this matter.

For **Khimji Kunverji & Co LLP**  
(Formerly Khimji Kunverji & Co – 105146W)  
Chartered Accountants

*Kamlesh R. Jagetia*

Kamlesh R. Jagetia  
Partner (F-139585)

ICAI UDIN: 19139585 AAAA005568



Place: Mumbai

Date: November 07, 2019

## CENTURY ENKA LIMITED

## Statement of Unaudited Financial Results for the Quarter &amp; Half Year Ended 30th September, 2019



Rs. in Lacs

S.No.	Particulars	Three Months Ended			Six Month Ended		Year Ended
		30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue From Operations	33,441	37,524	47,908	70,965	88,495	179,138
II	Other Income	1,473	514	419	1,987	754	2,163
III	<b>Total Income (I+II)</b>	<b>34,914</b>	<b>38,038</b>	<b>48,327</b>	<b>72,952</b>	<b>89,249</b>	<b>181,301</b>
IV	<b>EXPENSES</b>						
	Cost of materials consumed	23,018	24,603	30,393	47,621	56,124	116,757
	Purchases of Stock-in-Trade	271	25	2	296	2	484
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	(2,833)	(1,694)	1,169	(4,527)	187	(357)
	Employee benefits expense	2,461	2,390	2,331	4,851	4,591	9,445
	Power and Fuel	4,935	5,038	5,748	9,973	11,135	21,946
	Finance costs	68	74	94	142	175	346
	Depreciation and amortization expense	1,146	1,171	1,127	2,317	2,231	4,504
	Other expenses	4,323	3,530	3,880	7,853	7,570	15,812
	<b>Total expenses (IV)</b>	<b>33,389</b>	<b>35,137</b>	<b>44,744</b>	<b>68,526</b>	<b>82,015</b>	<b>168,937</b>
V	<b>Profit before exceptional items and tax (III- IV)</b>	<b>1,525</b>	<b>2,901</b>	<b>3,583</b>	<b>4,426</b>	<b>7,234</b>	<b>12,364</b>
VI	Exceptional Items Income/(Loss) (Refer Note 4)	-	-	-	-	-	(454)
VII	<b>Profit before tax (V+VI)</b>	<b>1,525</b>	<b>2,901</b>	<b>3,583</b>	<b>4,426</b>	<b>7,234</b>	<b>11,910</b>
VIII	Tax expense (Refer Note 7):						
	(i) Current tax	158	1,016	1,272	1,174	2,540	4,360
	(ii) (Excess)/Short Provision of Tax relating to earlier years	(4)	-	-	(4)	-	(84)
	(iii) Deferred tax Liability/ (Assets)	(3,229)	37	(12)	(3,192)	126	(24)
IX	<b>Profit for the period (VII-VIII)</b>	<b>4,600</b>	<b>1,848</b>	<b>2,323</b>	<b>6,448</b>	<b>4,568</b>	<b>7,658</b>
X	Other Comprehensive Income						
	(i) Items that will not be reclassified to profit or loss	(226)	(94)	(286)	(320)	(381)	(369)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	28	(12)	27	16	(71)	(47)
	(i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
XI	<b>Total Comprehensive Income for the period (IX+X)</b>	<b>4,402</b>	<b>1,742</b>	<b>2,064</b>	<b>6,144</b>	<b>4,116</b>	<b>7,242</b>
XII	<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>	<b>2,185</b>	<b>2,185</b>
XIII	<b>Other Equity</b>						<b>93,302</b>
XIV	<b>Earnings per Share (of Rs. 10 each) (Not Annualised):</b>						
	(1) Basic	21.05	8.46	10.63	29.51	20.91	35.05
	(2) Diluted	21.05	8.46	10.63	29.51	20.91	35.05

*Handwritten signature/initials*



CENTURY ENKA LIMITED



Statement of Unaudited Financial Results for the Quarter & Half Year Ended 30th September, 2019

**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 7th Nov, 2019. 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 demand amount. The Company has filed an appeal before Appellate Tribunal (CESTAT), which has been admitted on pre-deposit of Rs.700 Lacs and granted stay against the recovery. 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 accounts. Hearing in the matter has been completed by the CESTAT and order is reserved.
- 4) Exceptional item represents Rs.454 Lacs towards write down in carrying value of Machinery not in use for the year ended 31st March, 2019.
- 5) Statement of Assets and Liabilities

Rs. in Lacs

S.No.	Particulars	As at 30-Sep-19 (Unaudited)	As at 31-Mar-19 (Audited)
<b>(A)</b>	<b>ASSETS</b>		
	<b>Non-current assets</b>		
	Property, Plant and Equipment	52,015	54,289
	Capital work-in-progress	317	173
	Right-of-use Assets	784	-
	Other Intangible Assets	488	548
	<b>Financial assets</b>		
	Investments	779	1,039
	Others	206	207
	Other non current assets	948	938
	<b>Total Non Current Assets</b>	<b>55,537</b>	<b>57,194</b>
	<b>Current assets</b>		
	Inventories	24,720	21,709
	<b>Financial assets</b>		
	Investments	20,125	15,806
	Trade Receivables	13,466	20,492
	Cash and Cash Equivalents	118	478
	Bank balances other than Cash & Cash Equivalents	182	178
	Others	706	135
	Current tax Assets	741	491
	Other current assets	3,675	4,943
	<b>Total Current Assets</b>	<b>63,733</b>	<b>64,232</b>
	<b>Assets held for Sale</b>	<b>1,183</b>	<b>1,696</b>
	<b>TOTAL ASSETS</b>	<b>120,453</b>	<b>123,122</b>
<b>(B)</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Equity Share Capital	2,185	2,185
	Other Equity	97,602	93,302
	<b>Total Equity</b>	<b>99,787</b>	<b>95,487</b>
	<b>Non-current liabilities</b>		
	<b>Financial liabilities</b>		
	Borrowings	845	2,102
	Lease Liabilities	517	-
	Others	234	234
	Provisions	1,102	961
	Deferred tax liabilities (Net)	7,962	11,153
	Other Non Current Liabilities	284	292
	<b>Total Non-Current Liabilities</b>	<b>10,944</b>	<b>14,742</b>
	<b>Current liabilities</b>		
	<b>Financial liabilities</b>		
	Borrowings	-	-
	Trade payables		
	i) Total outstanding dues of Micro and Small enterprises	264	295
	ii) Total outstanding dues of Vendors other than above	6,432	9,041
	Lease Liabilities	42	-
	Others #	2,324	2,560
	Other current liabilities	444	628
	Provisions	216	194
	Current tax liabilities (Net)	-	175
	<b>Total Current Liabilities</b>	<b>9,722</b>	<b>12,893</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>120,453</b>	<b>123,122</b>

# Includes Current Maturity of Long term Debts of Rs. 1,693 lacs (As at 31st March 2019 Rs. 1,733 lacs).

*[Handwritten signatures]*



## CENTURY ENKA LIMITED

Statement of Unaudited Financial Results for the Quarter &amp; Half Year Ended 30th September, 2019



## 6) Statement of Cashflow

Rs. in Lacs

S.No.	Particulars	6 Months Ended 30-Sep-19 (Unaudited)	6 Months Ended 30-Sep-18 (Unaudited)
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>Net Profit Before Tax</b>	<b>4,426</b>	<b>7,234</b>
	<b>Adjustment for:</b>		
	Depreciation and amortisation	2,317	2,231
	Finance cost	142	175
	Unrealised Exchange Loss / (Gain)	23	87
	Fair value movement in derivative instruments	(94)	(129)
	Interest Income	(31)	(9)
	Dividend Received on Mutual Funds	(26)	(7)
	Fair Value of Investments through P&L	(428)	(73)
	Profit on sale of Current Investments (Net)	(253)	(316)
	Liabilities/Provisions no longer required written back	(19)	(1)
	Amortization of Govt. Grant (TUF Capital Subsidy)	(8)	(8)
	(Profit) / Loss on sale / write off of PPE (Net)	(233)	(52)
	<b>Adjustment for:</b>		
	Other Comprehensive Income	(62)	202
	<b>Operating Profit Before Working Capital Changes</b>	<b>5,754</b>	<b>9,334</b>
	<b>Adjustment for:</b>		
	Trade payable and other liability	(2,703)	6,515
	Trade Receivables	7,028	(3,277)
	Inventories	(3,011)	(718)
	Financial and other Assets	712	355
	<b>Cash Generated From Operations</b>	<b>7,780</b>	<b>12,209</b>
	Direct Taxes Paid (net of refunds)	(1,579)	(1,785)
	<b>Net Cash From Operating Activities</b>	<b>6,201</b>	<b>10,424</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of PPE including Finance Lease	(1,032)	(1,905)
	Sale of Property, Plant and Equipments	778	74
	Interest received	31	9
	Dividend Received on Mutual Funds	26	7
	(Purchase)/Sale of Non-Current Investments	2	(3)
	(Purchase)/Sale of Current Investments (Net)	(3,638)	(7,861)
	<b>Net Cash From Investing Activities</b>	<b>(3,833)</b>	<b>(9,679)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Repayment of Long Term Borrowings	(718)	(777)
	Repayment of Lease Liability	(20)	-
	Changes in Short Term Borrowings ( Net )	-	(1)
	Interest paid	(146)	(179)
	Equity Dividends paid (incl. Dividend Distribution Tax)	(1,844)	(1,844)
	<b>Net Cash From Financing Activities</b>	<b>(2,728)</b>	<b>(2,801)</b>
<b>D.</b>	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(360)</b>	<b>(2,056)</b>
	<b>Closing Balance of Cash and Cash Equivalents</b>	<b>118</b>	<b>255</b>
	<b>Opening Balance of Cash and Cash Equivalents</b>	<b>478</b>	<b>2,311</b>

- 7) 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 the said section and accordingly computed tax expenses for the three months and six months ended 30th September, 2019. The Company has also re-measured its Deferred Tax Liability resulting in reduction by Rs.3,120 Lacs.
- 8) The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 - Leases and related interpretation and guidance. Accordingly, the company has reclassified lease hold land and assets under finance lease aggregating to Rs. 784 Lacs from Property, Plant and Equipment to Right-of-use Assets as at 30th September, 2019.
- 9) The figures for the previous periods have been regrouped or reclassified to conform current period classification, wherever necessary.

Place : Mumbai  
Date : 7th November, 2019



For and on behalf of Board of Directors

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

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

CIN : L24304PN1965PLC139075. Website : www.centuryenka.com

**CENTURY ENKA LIMITED**



**Extract of Unaudited Financial Results for the Quarter and Half Ended 30th September, 2019**

Rs. in Lacs

S. No.	Particulars	Three Months Ended			Six Months Ended		Year Ended
		30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Total Income from Operations	34,914	38,038	48,327	72,952	89,249	181,301
2	Net Profit for the period (Before Tax, Exceptional and/ or Extraordinary Items)	1,525	2,901	3,583	4,426	7,234	12,364
3	Net Profit before Tax (after Exceptional and/ or Extraordinary Items)	1,525	2,901	3,583	4,426	7,234	11,910
4	Net Profit after Tax (after Exceptional and/ or Extraordinary Items)	4,600	1,848	2,323	6,448	4,568	7,658
5	Total Comprehensive Income for the period [Comprising Profit for the period (after Tax) and Other Comprehensive Income (after Tax)]	4,402	1,742	2,064	6,144	4,116	7,242
6	Paid-up Equity Share Capital (Face value of Rs. 10 each)	2,185	2,185	2,185	2,185	2,185	2,185
7	Earnings Per Share (of Rs. 10/- each) :						
	- Basic	21.05	8.46	10.63	29.51	20.91	35.05
	- Diluted	21.05	8.46	10.63	29.51	20.91	35.05

- 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 7th November, 2019.
  - 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 the said section and accordingly computed tax expenses for three months and six months ended 30th September, 2019. The Company has also re-measured its Deferred Tax Liability resulting in reduction by Rs.3,120 Lacs.
  - 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)).



For and on behalf of Board of Directors

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

Place : Mumbai  
Date : 7th November, 2019

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