

The Board of Directors
Century Enka Limited
Century Arcade, 2nd Floor,
Narangi Baug Road,
Pune – 411 001

1. We have reviewed the statement of unaudited financial results (the “Statement”) of Century Enka Limited (the “Company”) for the quarter ended December 31, 2015. The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations, 2015”), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company’s management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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 Statement is free of material misstatement.
3. 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 Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to Note 3 of the Statement regarding the Company’s appeal pending before CESTAT, Mumbai against the excise duty demand aggregating Rs. 22,927 lacs plus interest thereon and penalty of Rs. 22,927 lacs. Based on expert legal advice and merits of the case, no provision has been considered necessary by the Company. The final determination and cash outflow, if any, would depend upon the final decision of the appropriate authorities in the future. Our conclusion is not qualified in respect of this matter.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Mumbai
February 2, 2016

Jeetendra Mirchandani
Partner
Membership Number 48125

CENTURY ENKA LIMITED

PART I - STATEMENT OF FINANCIAL RESULTS

(UNAUDITED FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2015)

(Rs/Lacs Excluding Earning Per Share)

| Sr No. | Particulars | Quarter Ended | | | Nine Months Ended | | Year Ended |
|------------|---|----------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | | 31st Dec 2015 Unaudited | 30th Sept 2015 Unaudited | 31st Dec 2014 Unaudited | 31st Dec 2015 Unaudited | 31st Dec 2014 Unaudited | 31st March 2015 Audited |
| 1. | Income from Operations | | | | | | |
| | (a) Net Sales / Income from Operations (Net of Excise Duty) | 26795 | 28917 | 29103 | 85888 | 90506 | 121267 |
| | (b) Other Operating Income | 133 | 128 | 168 | 414 | 466 | 586 |
| | Total Income from Operations (Net) | 26928 | 29045 | 29271 | 86302 | 90972 | 121853 |
| 2. | Expenses | | | | | | |
| | (a) Cost of Materials Consumed | 14673 | 16811 | 20638 | 47393 | 60092 | 77427 |
| | (b) Purchases of Stock - in - Trade | 2 | 9 | 20 | 11 | 164 | 174 |
| | (c) Changes in Inventories of Finished Goods, Work - in - Progress and Stock - in - Trade | 470 | 636 | -3,001 | 2737 | -4,465 | -1,498 |
| | (d) Employee Benefits Expense | 1796 | 1808 | 1671 | 5355 | 5156 | 7130 |
| | (e) Power and Fuel | 3915 | 4418 | 4247 | 12669 | 12708 | 16725 |
| | (f) Depreciation and Amortisation Expense | 1006 | 1046 | 924 | 2981 | 3309 | 4275 |
| | (g) Other Expenses | 2688 | 2635 | 2534 | 8022 | 7482 | 10328 |
| | Total Expenses | 24550 | 27363 | 27033 | 79168 | 84446 | 114561 |
| 3. | Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2) | 2378 | 1682 | 2238 | 7134 | 6526 | 7292 |
| 4. | Other Income | 97 | 49 | 277 | 198 | 591 | 702 |
| 5. | Profit from Ordinary Activities before Finance Costs and Exceptional Items (3+4) | 2475 | 1731 | 2515 | 7332 | 7117 | 7994 |
| 6. | Finance Costs | 205 | 227 | 455 | 749 | 1344 | 1732 |
| 7. | Profit from Ordinary Activities after Finance Costs but before Exceptional Items (5 - 6) | 2270 | 1504 | 2060 | 6583 | 5773 | 6262 |
| 8. | Exceptional items (See Note 4) | - | - | - | 754 | - | - |
| 9. | Profit From Ordinary Activities Before Tax (7-8) | 2270 | 1504 | 2060 | 5829 | 5773 | 6262 |
| 10. | Tax Expense | 755 | 389 | 663 | 1836 | 2257 | 2605 |
| 11. | Net Profit From Ordinary Activities After Tax (9-10) | 1515 | 1115 | 1397 | 3993 | 3516 | 3657 |
| 12. | Extraordinary Items (Net of Tax Expense) | - | - | - | - | - | - |
| 13. | Net Profit For The Period (11-12) | 1515 | 1115 | 1397 | 3993 | 3516 | 3657 |
| 14. | Paid -up Equity Share Capital (Face value Rs.10/- each share) | 2185 | 2185 | 2185 | 2185 | 2185 | 2185 |
| 15. | Reserves Excluding Revaluation Reserves | - | - | - | - | - | 68555 |
| 16. | Earnings Per Share (EPS) | | | | | | |
| | Basic/Diluted EPS before and after extraordinary items for the period (Rs.) | 6.93 | 5.10 | 6.39 | 18.27 | 16.09 | 16.74 |

NOTES :

- 1) The above results have been reviewed and recommended for adoption by the Audit Committee to the Board of Directors and have been approved by the Board at its meeting held on 2nd Feb 2016. The Statutory Auditors have carried out a limited review of the above financial results and their limited review report contains emphasis of matter with respect to disclosure made under point 3 below.
- 2) The Company has only one reportable Business Segment (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 which allowed payment of duty at specific rate instead of advaloram basis and raised a demand of Rs. 22,927 lacs plus interest thereon and penalty of Rs. 22,927 lacs against which the Company had filed an appeal before Appellate Tribunal (CESTAT). The CESTAT has admitted the appeal on 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.
- 4) Production in Continuous Process Plant at Bharuch producing Polyester Yarn was suspended in November 2013. A part of the said plant was converted to non-continuous and put in to operation. Remaining portion of the said plant is in the process of evaluation and conversion to non-continuous. During the quarter ended June 30,2015 the Management, based on the business scenario with respect to the Continuous Polymerisation Unit (CPU), concluded that the carrying amount of CPU and related building needed to be written down by Rs. 754 lacs with no further write down expected. The write down has been classified as an Exceptional Item.
- 5) Figures for the previous period /year have been regrouped wherever necessary.

For Century Enka Limited

Place : Mumbai

Date : 2nd February, 2016

G.M.Singhvi
(Whole-time Director)