



18th May 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: Outcome of the meeting of Board of Directors

Dear Sirs,

Pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we are pleased to enclose the following:

- Audited Financial Results (standalone and consolidated) for the quarter and financial year ended on 31st March 2023 together with Auditor's Report thereon as approved by the Board of Directors in its meeting held today i.e., 18th May 2023.
- Declaration on Auditor's Report (standalone and consolidated) with unmodified opinion pursuant to the Regulation 33(3)(d) of Listing Regulations.

Further, the Board of Directors has also recommended a dividend at the rate of 100% (i.e., Rs.10/- per Equity Share of Rs.10/- each) for the financial year ended on 31st March 2023.

This is for your kind information and records.

The Meeting commenced at 12:00 Noon and concluded at 2.36 P.M.

Thanking you,

For **Century Enka Limited**

(Rahul Dubey)

Company Secretary

Membership No: FCS 8145



18th May 2023

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

Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.r.t Audit Report with Unmodified Opinion

Pursuant to the provisions of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we hereby confirm that the Statutory Auditors of the Company, have issued an Audit Report with unmodified opinion in respect of the Annual Audited Financial Results (standalone and consolidated) of the Company for the financial year ended 31st March 2023. The Auditors Report for standalone Financial Results for the financial year ended 31st March 2023 has one matter of emphasis.

Thanking You,

For Century Enka Limited

(Krishna Gopal Ladsaria)
Chief Financial Officer

Century Enka Ltd.

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

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Corporate ID No.: L24304PN1965PLC139075

CENTURY ENKA LIMITED

Statement of Audited Financial Results for Three Months and Year Ended 31st March, 2023



Rs. in Lacs

| S.No. | Particulars | Standalone | | | | | Consolidated | | |
|-------|---|---------------------|---------------|---------------------|-----------------|-----------------|---------------------|---------------|-----------------|
| | | Three Months Ended | | | Year Ended | | Three Months Ended | | Year Ended |
| | | 31-Mar-23 | 31-Dec-22 | 31-Mar-22 | 31-Mar-23 | 31-Mar-22 | 31-Mar-23 | 31-Dec-22 | 31-Mar-23 |
| | | Audited (Note 8) | Unaudited | Audited (Note 8) | Audited | | Audited (Note 8) | Unaudited | Audited |
| I | Revenue From Operations | 47,262 | 46,825 | 57,241 | 2,07,205 | 2,09,783 | 47,262 | 46,825 | 2,07,205 |
| II | Other Income | 717 | 388 | 480 | 1,904 | 2,063 | 717 | 388 | 1,904 |
| III | Total Income (I+II) | 47,979 | 47,213 | 57,721 | 2,09,109 | 2,11,846 | 47,979 | 47,213 | 2,09,109 |
| IV | EXPENSES | | | | | | | | |
| | Cost of materials consumed | 28,944 | 28,285 | 35,147 | 1,29,154 | 1,29,454 | 28,944 | 28,285 | 1,29,154 |
| | Purchases of Stock-in-Trade | 1,010 | 1,961 | 1,553 | 8,826 | 8,820 | 1,010 | 1,961 | 8,826 |
| | Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress | 1,458 | 1,180 | 54 | 493 | (5,574) | 1,458 | 1,180 | 493 |
| | Employee Benefits Expense | 3,061 | 2,937 | 3,072 | 11,994 | 11,529 | 3,061 | 2,937 | 11,994 |
| | Power and Fuel | 5,620 | 6,335 | 5,545 | 24,753 | 20,786 | 5,620 | 6,335 | 24,753 |
| | Finance Costs | 125 | 39 | 29 | 235 | 124 | 125 | 39 | 235 |
| | Depreciation and Amortization | 1,166 | 1,005 | 1,041 | 4,122 | 3,962 | 1,166 | 1,005 | 4,122 |
| | Other Expenses | 4,904 | 4,060 | 5,062 | 17,752 | 18,339 | 4,904 | 4,060 | 17,752 |
| | Total Expenses (IV) | 46,288 | 45,802 | 51,503 | 1,97,329 | 1,87,440 | 46,288 | 45,802 | 1,97,329 |
| V | Profit before Share in Loss of Associate and Tax (III- IV) | 1,691 | 1,411 | 6,218 | 11,780 | 24,406 | 1,691 | 1,411 | 11,780 |
| VI | Share in Loss of Associate (net of tax) | - | - | - | - | - | (2) | - | (12) |
| VII | Profit before Tax (V- VI) | 1,691 | 1,411 | 6,218 | 11,780 | 24,406 | 1,689 | 1,411 | 11,768 |
| VIII | Tax Expense: | | | | | | | | |
| | (i) Current Tax | 634 | 393 | 1,531 | 3,041 | 6,501 | 634 | 393 | 3,041 |
| | (ii) (Excess)/Short Provision of Tax relating to earlier years | (69) | - | (127) | (69) | (127) | (69) | - | (69) |
| | (iii) Deferred Tax | (325) | 21 | (151) | (236) | (384) | (325) | 21 | (236) |
| IX | Profit after Tax (VII-VIII) | 1,451 | 997 | 4,965 | 9,044 | 18,416 | 1,449 | 997 | 9,032 |
| X | Other Comprehensive Income | | | | | | | | |
| | (i) Items that will not be reclassified to profit or loss | (423) | 196 | (47) | (130) | (142) | (423) | 196 | (130) |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | 102 | (31) | (34) | 11 | (30) | 102 | (31) | 11 |
| | (i) Items that will be reclassified to profit or loss | (139) | 756 | (134) | 501 | (423) | (139) | 756 | 501 |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | 35 | (190) | 33 | (126) | 106 | 35 | (190) | (126) |
| XI | Total Comprehensive Income for the period (IX+X) | 1,026 | 1,728 | 4,783 | 9,300 | 17,927 | 1,024 | 1,728 | 9,288 |
| XII | Paid-up Equity Share Capital (Face value of Rs. 10 each) | 2,185 | 2,185 | 2,185 | 2,185 | 2,185 | 2,185 | 2,185 | 2,185 |
| XIII | Other Equity | | | | 1,29,998 | 1,22,883 | | | 1,29,986 |
| XIV | Basic & Diluted Earnings Per Share (of Rs.10 each) (Not Annualised) | 6.64 | 4.56 | 22.72 | 41.39 | 84.28 | 6.63 | 4.56 | 41.34 |

* Amount Less than Rs 1 Lac



Suresh Adani

CENTURY ENKA LIMITED

Statement of Audited Financial Results for Three Months and Year Ended 31st March, 2023

**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 18th May, 2023. The Statutory Auditors have carried out statutory audit of the above financial results and their report contains emphasis with respect to matter disclosed in note 4 below.
- The Board of Directors have recommended dividend @ Rs.10 per equity share for the year ended 31st March, 2023 at their meeting held on 18th May 2023 (Previous Year Rs.10 per equity share)
- The Company's business activity falls within a single operating segment i.e. "Synthetic Yarn".
- 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 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. Against the said order of the Commissioner, CGST & Central Excise, Raigad, Department has filed an appeal before the Appellate Tribunal. 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.

5) Statement of Assets and Liabilities

| S.No. | Particulars | Rs. in Lacs | | |
|-------|--|---------------------------------|---------------------------------|---------------------------------|
| | | Standalone | | Consolidated |
| | | As at 31-Mar-23 (Audited) | As at 31-Mar-22 (Audited) | As at 31-Mar-23 (Audited) |
| (A) | ASSETS | | | |
| | Non-current assets | | | |
| | Property, Plant and Equipment | 63,704 | 46,689 | 63,704 |
| | Capital work-in-progress | 10,617 | 6,834 | 10,617 |
| | Right-of-use Assets | 689 | 716 | 689 |
| | Other Intangible Assets | 92 | 211 | 92 |
| | Financial assets | | | |
| | Investments | 3,725 | 2,602 | 3,713 |
| | Others | 236 | 234 | 236 |
| | Other Non Current Assets | 1,168 | 2,399 | 1,168 |
| | Total Non Current Assets | 80,231 | 59,685 | 80,219 |
| | Current assets | | | |
| | Inventories | 24,336 | 30,799 | 24,336 |
| | Financial assets | | | |
| | Investments | 30,678 | 23,385 | 30,678 |
| | Trade Receivables | 21,704 | 23,933 | 21,704 |
| | Cash and Cash Equivalents | 270 | 559 | 270 |
| | Bank balances other than Cash & Cash Equivalents | 1,332 | 6,652 | 1,332 |
| | Others | 375 | 369 | 375 |
| | Other Current Assets | 3,347 | 5,977 | 3,347 |
| | Total Current Assets | 82,042 | 91,674 | 82,042 |
| | Non-current Assets Classified as held for Sale | - | 900 | - |
| | TOTAL ASSETS | 1,62,273 | 1,52,259 | 1,62,261 |
| (B) | EQUITY AND LIABILITIES | | | |
| | Equity | | | |
| | Equity Share Capital | 2,185 | 2,185 | 2,185 |
| | Other Equity | 1,29,998 | 1,22,883 | 1,29,986 |
| | Total Equity | 1,32,183 | 1,25,068 | 1,32,171 |
| | Non-current liabilities | | | |
| | Financial liabilities | | | |
| | Borrowings | 4,870 | 616 | 4,870 |
| | Lease Liabilities | 351 | 406 | 351 |
| | Others | 251 | 245 | 251 |
| | Provisions | 1,352 | 1,131 | 1,352 |
| | Deferred tax liabilities (Net) | 7,213 | 7,323 | 7,213 |
| | Other Non Current Liabilities | 945 | 266 | 945 |
| | Total Non-Current Liabilities | 14,982 | 9,987 | 14,982 |
| | Current liabilities | | | |
| | Financial liabilities | | | |
| | Borrowings | 1,508 | 419 | 1,508 |
| | Lease Liabilities | 55 | 51 | 55 |
| | Trade payables | | | |
| | i) Total outstanding dues of Micro, Small and Medium Enterprises | 674 | 645 | 674 |
| | ii) Total outstanding dues of Creditors other than above | 10,099 | 11,415 | 10,099 |
| | Others | 1,375 | 3,381 | 1,375 |
| | Other Current Liabilities | 1,045 | 920 | 1,045 |
| | Provisions | 319 | 247 | 319 |
| | Current Tax Liabilities (Net) | 33 | 126 | 33 |
| | Total Current Liabilities | 15,108 | 17,204 | 15,108 |
| | TOTAL EQUITY AND LIABILITIES | 1,62,273 | 1,52,259 | 1,62,261 |



Arunab Adani

CENTURY ENKA LIMITED

Statement of Audited Financial Results for Three Months and Year Ended 31st March, 2023



6) Statement of Cash Flow

| S.No. | Particulars | Standalone | | Consolidated |
|-------------|---|-----------------|----------------|-----------------|
| | | Year ended | Year ended | Year ended |
| | | 31-Mar-23 | 31-Mar-22 | 31-Mar-23 |
| Rs. in Lacs | | | | |
| A. | CASH FLOW FROM OPERATING ACTIVITIES | | | |
| | Profit Before Tax | 11,780 | 24,406 | 11,768 |
| | Adjustment for: | | | |
| | Depreciation and Amortisation | 4,122 | 3,962 | 4,122 |
| | Finance Cost | 235 | 124 | 235 |
| | Unrealised Exchange Loss /(Gain) | 6 | (39) | 6 |
| | Loss on impairment of Investments | 4 | - | 4 |
| | Bad Debts Written-off | - | 101 | - |
| | Fair value movement in Derivative Instruments | 13 | 12 | 13 |
| | Interest Income | (779) | (797) | (779) |
| | Fair Value of Investments through Statement of Profit and Loss | 808 | 505 | 808 |
| | Profit on sale of Current Investments (Net) | (1,508) | (1,279) | (1,508) |
| | Liabilities/Provisions no longer required written back | (68) | (24) | (68) |
| | Amortization of Govt. Grant (TUF Capital Subsidy) | (19) | (15) | (19) |
| | Profit on sale / write off of Property, Plant and Equipment (PPE) (Net) | (131) | (309) | (131) |
| | Impairment loss on Asset Held for Sale | - | 200 | - |
| | Share in (Profit) / Loss on equity accounted investment | - | - | 12 |
| | Operating Profit Before Working Capital Changes | 14,463 | 26,847 | 14,463 |
| | Adjustment for: | | | |
| | Trade payable and other liability | (829) | (148) | (829) |
| | Trade Receivables | 2,229 | (802) | 2,229 |
| | Inventories | 6,463 | (11,699) | 6,463 |
| | Financial and other Assets | 2,655 | (2,661) | 2,655 |
| | Cash Generated From Operations | 24,981 | 11,537 | 24,981 |
| | Direct Taxes Paid (net of refund) | (3,054) | (5,981) | (3,054) |
| | Net Cash From Operating Activities (A) | 21,927 | 5,556 | 21,927 |
| B. | CASH FLOW FROM INVESTING ACTIVITIES | | | |
| | Purchase of Property, Plant and Equipments | (23,890) | (8,577) | (23,890) |
| | Sale of Property, Plant and Equipments | 340 | 472 | 340 |
| | Interest received | 760 | 729 | 760 |
| | (Investment)/Maturity of deposit with Banks | 5,320 | (1,485) | 5,320 |
| | Deposits with Financial Institutions | (930) | (1,911) | (930) |
| | Government Grant (Capital Subsidy) | 144 | - | 144 |
| | Purchase of Non-Current Investments | (885) | (344) | (885) |
| | (Purchase)/Sale of Current Investments (Net) | (5,993) | 6,988 | (5,993) |
| | Net Cash From Investing Activities (B) | (25,134) | (4,128) | (25,134) |
| C. | CASH FLOW FROM FINANCING ACTIVITIES | | | |
| | Proceeds from Long Term Borrowings | 6,160 | 520 | 6,160 |
| | Repayment of Long Term Borrowings | (817) | (297) | (817) |
| | Repayment of Lease Liability | (51) | (47) | (51) |
| | Proceeds/(Repayments) from Short Term Borrowings (Net) | - | 1 | - |
| | Payment of Interest on Lease Liability | (35) | (39) | (35) |
| | Payment of Interest on Borrowings | (154) | (85) | (154) |
| | Equity Dividend paid | (2,185) | (1,748) | (2,185) |
| | Net Cash From Financing Activities (C) | 2,918 | (1,695) | 2,918 |
| D. | NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | (289) | (267) | (289) |
| | Closing Balance of Cash and Cash Equivalents | 270 | 559 | 270 |
| | Opening Balance of Cash and Cash Equivalents | 559 | 826 | 559 |

7) During the quarter ended 30th June, 2022, the Company has subscribed to 26% of equity share capital in ABREL Century Energy Limited and accordingly, ABREL Century Energy Limited is considered as associate. Pursuant to this the company has prepared its consolidated financial results and figures of the three months ended 31st March 2023, 31st December 2022, and year ended 31st March, 2023 is given in the above results.

8) The figures for the three months ended 31st March, 2023 and 31st March, 2022 are arrived as difference between audited figures in respect of the full financial year and published figures upto nine months of relevant financial year.

9) During the quarter ended 31st March, 2023, company has commissioned additional Nylon Tyre Cord Fabric capacity

For and on behalf of Board of Directors

Suresh Sodani

Suresh Sodani
(Managing Director)
DIN: 08789604

Place : Mumbai
Date : 18/05/2023

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

CIN : L24304PN1965PLC139075. Website : www.centuryenka.com



kkc & associates llp

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Independent Auditor's report on annual standalone 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

Introduction

1. We have audited the accompanying standalone financial results of Century Enka Limited ('the Company') for the year ended 31 March 2023, 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. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
 - 2.1. are presented in accordance with the requirements of the Listing Regulations in this regard; and
 - 2.2. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standards ('Ind AS') and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2023.

Basis for Opinion

3. We conducted our audit in accordance with the Standard on Auditing ('SAs') specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to the fact that Note No. 4 of the standalone financial results wherein it is stated that, the Excise department had issued an order dated 31 December 2013 denying the applicability of Notification No. 6/2000 dated 01 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 20 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 re-determined 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 08 September 2020. Against the said order of the Commissioner, CGST & Central Excise, Raigad, Department has filed an appeal before the Appellate Tribunal. The Company's appeal in the matter is pending before the Honourable Supreme Court of India. The Company has deposited the amount of duty of Rs.730 Lacs under protest. Based on expert legal advice and merits of the case, no provision has been considered necessary by the Company. Our opinion on the standalone financial results is not modified in respect of the above matter.



Board of Directors' responsibilities for the Standalone Financial Results

5. These standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net profit after tax and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the standalone financial results by the Directors of the Company, as aforesaid.
6. In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

8. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 9.1. Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - 9.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
 - 9.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.



kkc & associates llp

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

- 9.4. Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 9.5. Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represents the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

12. The standalone financial results includes the result for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Kamlesh R Jagetia

Partner

ICAI Membership No: 139585

UDIN: 23139585BGXMDS9860



Place: Mumbai

Date: 18 May 2023

kkc & associates llp

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Independent Auditor's report on annual consolidated 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

Introduction

1. We have audited the accompanying consolidated financial results of Century Enka Limited ('the Holding' or 'the Company') and its associate for the year ended 31 March 2023, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of our reports on separate audited financial results of the associate the aforesaid consolidated financial results:
 - 2.1. include the annual financial results of the following entities :

| Sr. No. | Name of the Entity | Relationship |
|---------|------------------------------|--------------|
| 1 | Century Enka Limited | Parent |
| 2 | ABRel Century Energy Limited | Associate |

- 2.2. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- 2.3. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS'), and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Company for the year ended 31 March 2023.

Basis for opinion

3. We conducted our audit in accordance with the Standard on Auditing ('SAs') specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Company and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matter

4. We draw attention to the fact that Note No. 4 of the consolidated financial results wherein it is stated that, the Excise department had issued an order dated 31 December 2013 denying the applicability of Notification No. 6/2000 dated 01 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 20 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 re-determined 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 08 September 2020. Against the said order of the Commissioner, CGST & Central Excise, Raigad, Department has filed an appeal before the Appellate Tribunal. The Company's appeal in the matter is pending before the Honourable Supreme Court of India. The Company has deposited the amount of duty of Rs.730 Lacs under protest. Based on expert legal advice and merits of the case, no provision has been considered necessary by the Company. Our opinion on the consolidated financial results is not modified in respect of the above matter.

Board of Director's responsibilities for the Consolidated Financial Results

5. These consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the consolidated net profit after tax and other comprehensive income and other financial information of the Company including its associate in accordance with the recognition and measurement principles laid down in Ind AS prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. The respective Board of Directors of the companies included in the Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial result that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.
6. In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Company and of its associate are responsible for assessing the ability of the Company and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the companies included in the Company and of its associate are responsible for overseeing the financial reporting process of the Company and of its associate.



Auditor's Responsibilities for the Audit of the Consolidated Financial Results

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial results are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 9.1. Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - 9.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
 - 9.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - 9.4. Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associate to cease to continue as a going concern.
 - 9.5. Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represents the underlying transactions and events in a manner that achieves fair presentation.
 - 9.6. Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Company and its associate to express an opinion on the consolidated financial results. We are responsible for the direction, supervision, and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors.
10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



kkc & associates llp

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

12. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

13. The consolidated financial results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621



Kamlesh R Jagetia

Partner

ICAI Membership No: 139585

UDIN: 23139585BGXMDT9655



Place: Mumbai

Date: 18 May 2023