

CENTURY ENKA LIMITED

(Factory : Bhosari, Pune 411 026)

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Company CIN : L24304PN1965PLC139075



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

26th October, 2021

<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) Mumbai - 400051</p> <p>Thru.: NEAPS Stock Code: CENTENKA</p>	<p>Listing Department BSE Limited 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai - 400001</p> <p>Thru.: BSE Listing Stock Code: 500280</p>
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Dear Sirs,

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Statement of Unaudited Financial Results of the Company together with Limited Review Report by the Auditors of the Company for the quarter and half year ended on 30th September 2021 which has been duly approved by the Board of Directors at its Meeting held today i.e. 26th October, 2021. 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 2.35 P.M.

Thanking you,

Yours faithfully,
For **Century Enka Limited**


(Rahul Dubey)
Company Secretary
Membership No: FCS 8145





26th October 2021

Century Enka Limited

“Credible and Confident”

Results for the Second Quarter and Half Year Ended September 30, 2021

Key Highlights

- ✓ YoY Sales nearly double in Q2 
- ✓ YoY EBIDTA up by 144% in Q2 
- ✓ YoY PAT up by 180% in Q2 
- ✓ Performance of Q2 & H1 last year was impacted by the COVID related disturbances, in current year operations returned to normalcy.

Particulars	Rs.in Crores			
	Q2 FY22	Q2 FY21*	H1 FY22	H1 FY21*
Revenue from Operations	537	275	960	378
EBIDTA	66	27	132	4
PAT	41	15	84	(10)

Business Performance

The Company achieved stellar business performance in Q2 FY22, supported by higher volumes and realizations. Overall volumes were up by 39%. Sales of Nylon Tyre Cord Fabric (NTCF) continued to be robust supported by pick-up in demand of Medium and Heavy Commercial Vehicles (MHCV). With pick-up in vaccination and economy opening-up after second wave of COVID-19, sales of Nylon Filament Yarn (NFY) also picked-up from August'21. Proactive inventory management helped the Company in largely mitigating the impact on production of severe supply chain issues. Higher efficiencies and volumes helped in offsetting the impact of cost increases.

Uncertainties related to cost and supply chain disturbances remain. The Company is taking suitable steps to mitigate impact of these challenges.

Progress on Capex Plans

Expansion plans announced by the Company are on schedule. Orders for all the long delivery items has been placed. We expect partial commissioning of the projects in Q4 FY23 and balance in FY24

Registered Office: Plot No.72 & 72A, MIDC, Bhosari, Pune – 411 026

Website: www.centuryenka.com



CENTURY ENKA LIMITED

Statement of Unaudited Financial Results for the Quarter & Six Months Ended 30th September, 2021



S.No.	Particulars	Three Months Ended			Six Months Ended		Rs. in Lacs
		30-Sep-21	30-Jun-21	30-Sep-20	30-Sep-21	30-Sep-20	Year Ended
		Unaudited			Unaudited		Audited
I	Revenue From Operations	53,696	42,328	27,548	96,024	37,790	1,22,082
II	Other Income	839	458	550	1,297	1,303	2,400
III	Total Income (I+II)	54,535	42,786	28,098	97,321	39,093	1,24,482
IV	EXPENSES						
	Cost of materials consumed	31,131	28,579	14,011	59,710	18,859	64,714
	Purchases of Stock-in-Trade	1,860	1,842	333	3,702	1,249	3,609
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	2,422	(5,497)	1,685	(3,075)	3,680	3,199
	Employee Benefits Expense	2,788	2,600	2,333	5,388	4,532	10,121
	Power and Fuel	5,144	4,783	4,017	9,927	5,750	14,687
	Finance Costs	28	30	42	58	80	155
	Depreciation and Amortization Expense	1,001	944	984	1,945	2,006	4,088
	Other Expenses	4,613	3,882	3,019	8,495	4,666	13,915
	Total Expenses (IV)	48,987	37,163	26,424	86,150	40,822	1,14,488
V	Profit/ (Loss) before exceptional items and tax (III- IV)	5,548	5,623	1,674	11,171	(1,729)	9,994
VI	Exceptional Items (Refer Note 4)	-	-	-	-	-	(819)
VII	Profit/ (Loss) before tax (V-VI)	5,548	5,623	1,674	11,171	(1,729)	9,175
VIII	Tax Expense/(Credit):						
	(i) Current Tax	1,508	1,547	481	3,055	(498)	2,741
	(ii) (Excess)/Short Provision of Tax relating to earlier years	-	-	(196)	-	(196)	(196)
	(iii) Deferred Tax	(99)	(178)	(89)	(277)	(23)	(462)
IX	Profit/ (Loss) for the period (VII-VIII)	4,139	4,254	1,478	8,393	(1,012)	7,092
X	Other Comprehensive Income						
a	(i) Items that will not be reclassified to profit or loss	(595)	464	(52)	(131)	739	1,093
	(ii) Income tax relating to items that will not be reclassified to profit or loss	36	(25)	(64)	11	(56)	(22)
b	(i) Items that will be reclassified to profit or loss	(87)	25	-	(62)	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	22	(6)	-	16	-	-
XI	Total Comprehensive Income/ (Loss) for the period (IX+X)	3,515	4,712	1,362	8,227	(329)	8,163
XII	Paid-up Equity Share Capital (Face value of Rs. 10 each)	2,185	2,185	2,185	2,185	2,185	2,185
XIII	Other Equity						1,06,704
XIV	Basic & Diluted Earnings Per Share (of Rs.10 each) (Not Annualised)	18.94	19.47	6.77	38.41	(4.63)	32.46



CENTURY ENKA LIMITED



Statement of Unaudited Financial Results for the Quarter & Six Months Ended 30th September, 2021

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 26th October, 2021. 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. 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.
- 4) Exceptional Item for year ended 31st March, 2021 represents impairment provision of Rs.819 Lacs on some Polyester spinning machines at Bharuch Plant.

5) Statement of Assets and Liabilities

Rs. in Lacs

S.No.	Particulars	As at 30-Sep-21 (Unaudited)	As at 31-Mar-21 (Audited)
(A)	ASSETS		
	Non-current assets		
	Property, Plant and Equipment	46,600	48,096
	Capital work-in-progress	1,066	176
	Right-of-use Assets	730	743
	Other Intangible Assets	264	322
	Intangible Assets Under Development	-	-
	Financial assets		
	Investments	1,242	1,321
	Others	261	209
	Other non current assets	2,608	1,100
	Total Non Current Assets	52,771	51,967
	Current assets		
	Inventories	23,615	19,100
	Financial assets		
	Investments	22,546	28,888
	Trade Receivables	24,919	23,236
	Cash and Cash Equivalents	1,445	826
	Bank balances other than Cash & Cash Equivalents	7,064	5,162
	Others	696	619
	Current tax Assets (Net)	1	297
	Other current assets	4,932	2,747
	Total Current Assets	85,218	80,875
	Non-current Assets Classified as held for Sale	1,100	1,100
	TOTAL ASSETS	1,39,089	1,33,942
(B)	EQUITY AND LIABILITIES		
	Equity		
	Equity Share Capital	2,185	2,185
	Other Equity	1,13,265	1,06,704
	Total Equity	1,15,450	1,08,889
	Non-current liabilities		
	Financial liabilities		
	Borrowings	497	497
	Lease Liabilities	432	457
	Others	245	264
	Provisions	1,300	1,147
	Deferred tax liabilities (Net)	7,522	7,813
	Other Non Current Liabilities	254	262
	Total Non-Current Liabilities	10,250	10,440
	Current liabilities		
	Financial liabilities		
	Borrowings	303	314
	Lease Liabilities	49	47
	Trade payables		
	i) Total outstanding dues of Micro, Small and Medium Enterprises	624	629
	ii) Total outstanding dues of Creditors other than above	10,113	12,092
	Others	1,119	714
	Other current liabilities	763	630
	Provisions	220	187
	Current tax liabilities (Net)	198	-
	Total Current Liabilities	13,389	14,613
	TOTAL EQUITY AND LIABILITIES	1,39,089	1,33,942



CENTURY ENKA LIMITED



Statement of Unaudited Financial Results for the Quarter & Six Months Ended 30th September, 2021

6) Statement of Cash Flow

Rs. in Lacs

S.No.	Particulars	Six Months ended	Six Months ended
		30-Sep-21	30-Sep-20
Unaudited			
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit Before Tax	11,171	(1,729)
	Adjustment for:		
	Depreciation and amortisation	1,945	2,006
	Finance cost	58	80
	Unrealised Exchange Loss	39	(38)
	Bad Debts Written-off	101	-
	Fair value movement in derivative instruments	(43)	179
	Interest Income	(337)	(62)
	Dividend Received on Mutual Funds and Shares	-	(1)
	Fair Value of Investments through Statement of Profit and Loss	768	(718)
	Profit on sale of Current Investments (Net)	(1,215)	(277)
	Liabilities/Provisions no longer required written back	(6)	(20)
	Amortization of Govt. Grant (TUF Capital Subsidy)	(8)	(8)
	Profit on sale / write off of Property, Plant and Equipment (PPE) (Net)	(258)	(2)
	Operating Profit Before Working Capital Changes	12,215	(590)
	Adjustment for:		
	Trade payable and other liability	(1,676)	(4,687)
	Trade Receivables	(1,783)	1,328
	Inventories	(4,515)	7,138
	Financial and other Assets	(2,188)	2,816
	Cash Generated From Operations	2,053	6,005
	Direct Taxes Paid (net of refunds)	(2,550)	(330)
	Net Cash From Operating Activities (A)	(497)	5,675
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of PPE	(2,521)	(746)
	Sale of Property, Plant and Equipments	373	2
	Interest received	220	13
	Dividend Received on Mutual Funds and Shares	-	1
	Deposit with Bank (Maturity period upto 12 Months)	(1,902)	(1,528)
	Deposits with Financial Institutions	(960)	(2,641)
	Sale of Non-Current Investments	(3)	-
	(Purchase)/Sale of Current Investments (Net)	7,749	1,434
	Net Cash From Investing Activities (B)	2,956	(3,465)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Repayment of Long Term Borrowings	-	(595)
	Repayment of Lease Liability	(23)	(13)
	Proceeds/(Repayments) from Short Term Borrowings (Net)	(11)	67
	Payment of Interest on Lease Liability	(20)	(13)
	Payment of Interest on Borrowings	(38)	(72)
	Equity Dividends paid (Including Dividend Distribution Tax)	(1,748)	(1,748)
	Net Cash From Financing Activities (C)	(1,840)	(2,374)
D.	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	619	(164)
	Closing Balance of Cash and Cash Equivalents	1,445	254
	Opening Balance of Cash and Cash Equivalents	826	418

7) The figures for the previous periods have been regrouped or reclassified to confirm current period classification, wherever necessary.

Place : Pune
Date : 26th October, 2021

For and on behalf of Board of Directors

Suresh Sodani
(Managing Director)
DIN: 08789604

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

CIN : L24304PN1965PLC139075. Website : www.centuryenka.com

Khimji Kunverji & Co LLP

Chartered Accountants

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, 2021 and for the year-to-date period from April 01, 2021 to September 30, 2021 ("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.



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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 has deposited the amount of duty of Rs.730 Lacs under protest. 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. 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

GAUTA

M VELJI

SHAH

Gautam V Shah

Partner

Membership No: 117348

UDIN: 21117348AAAAC7714



Place: Mumbai

Date: October 26, 2021