

CENTURY ENKA LIMITED

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Website : www.centuryenka.com
Company CIN : L24304PN1965PLC139075



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

2nd February 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) <u>Mumbai - 400051</u></p> <p>Thru. NEAPS Stock Code : CENTENKA</p>	<p>Listing Department BSE Limited 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort <u>Mumbai - 400001</u></p> <p>Thru : BSE Listing Stock Code : 500280</p>
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Dear Sirs,

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith please find a Statement of Unaudited Financial statements of the Company for the quarter ended 31st December, 2020 which has been approved by the Board of Directors at its Meeting held today i.e. 2nd February, 2021. This is for your kind information and record.

We shall appreciate if you kindly display a copy of the Unaudited Financial Statements of the Company on your Notice Board and Website for information of the members.

The Meeting commenced at 12.41 PM and concluded at 1.15 P.M.

Thanking you,

Yours faithfully,
For **Century Enka Limited**

(Rahul Dubey)
Company Secretary
Membership No: FCS 8145



Regd. Office : Plot No. 72 & 72 - A, M.I.D.C., Bhosari, Pune-411 026.
Mumbai Office : Industry House, 3rd Floor, 159-Churchgate Reclamation, Mumbai - 400 020.
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**An ISO 9001 : 2015, ISO14001 : 2015
& BS OHSAS 18001 : 2007
Certified Company**

CENTURY ENKA LIMITED

Statement of Unaudited Financial Results for Three & Nine Months Ended 31st December, 2020



S.No.	Particulars	Three Months Ended			Nine Month Ended		Rs. in Lacs
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	Year Ended
		(Unaudited)			(Unaudited)		(Audited)
I	Revenue From Operations	39,835	27,548	36,956	77,625	1,07,921	1,42,348
II	Other Income	630	550	667	1,933	2,654	4,223
III	Total Income (I+II)	40,465	28,098	37,623	79,558	1,10,575	1,46,571
IV	EXPENSES						
	Cost of materials consumed	20,029	14,011	19,788	38,888	67,409	86,067
	Purchases of Stock-in-Trade	1,196	333	831	2,445	1,127	1,977
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	886	1,685	3,627	4,566	(900)	(68)
	Employee Benefits Expense	2,869	2,333	2,471	7,401	7,322	9,961
	Power and Fuel	4,527	4,017	4,646	10,277	14,619	19,240
	Finance Costs	37	42	62	117	204	349
	Depreciation and Amortization Expense	1,094	984	1,127	3,100	3,444	4,550
	Other Expenses	4,537	3,019	3,681	9,203	11,534	15,850
	Total Expenses (IV)	35,175	26,424	36,233	75,997	1,04,759	1,37,926
V	Profit before exceptional items and tax (III- IV)	5,290	1,674	1,390	3,561	5,816	8,645
VI	Exceptional Items (Refer Note 4)	(819)	-	-	(819)	-	-
VII	Profit before tax (V-VI)	4,471	1,674	1,390	2,742	5,816	8,645
VIII	Tax Expense/(Credit) (Refer Note 5):						
	(i) Current Tax	1,598	481	245	1,100	1,419	1,974
	(ii) (Excess)/Short Provision of Tax relating to earlier years	-	(196)	-	(196)	(4)	(4)
	(iii) Deferred Tax	(374)	(89)	228	(397)	(2,964)	(2,878)
IX	Profit for the period (VII-VIII)	3,247	1,478	917	2,235	7,365	9,553
X	Other Comprehensive Income						
	(i) Items that will not be reclassified to profit or loss	343	(52)	242	1,082	(78)	(722)
	(ii) Income tax relating to items that will not be reclassified to profit/loss	39	(64)	(38)	(17)	(22)	-
XI	Total Comprehensive Income for the period (IX+X)	3,629	1,362	1,121	3,300	7,265	8,831
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						1,00,289
XIV	Earnings per Share (of Rs. 10 each) (Not Annualised):						
	(1) Basic	14.86	6.77	4.20	10.23	33.71	43.72
	(2) Diluted	14.86	6.77	4.20	10.23	33.71	43.72

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CENTURY ENKA LIMITED



Statement of Unaudited Financial Results for Three & Nine Months Ended 31st December, 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 2nd February, 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 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 8th September, 2020. 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 the three and nine months ended 31st December, 2020 represents impairment provision of Rs.819 Lacs on some Polyester spinning machines at Bharuch Plant.
- 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 reduced 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 nine months ended 31st December 2019 and year ended 31st March 2020.
- 6) The figures for the previous periods have been regrouped or reclassified to conform current period classification, wherever necessary.

For and on behalf of Board of Directors

Suresh Sodani

**Suresh Sodani
(Managing Director)**

Place : Pune
Date : 2nd February, 2021

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



Extract of Unaudited Financial Results for Three and Nine Months Ended 31st December, 2020

Rs. in Lacs

S. No.	Particulars	Three Months Ended	Nine Months Ended	Three Months Ended
		31-Dec-20	31-Dec-20	31-Dec-19
		Unaudited	Unaudited	Unaudited
1	Total Income from Operations	40,465	79,558	37,623
2	Net Profit before Tax and Exceptional Items	5,290	3,561	1,390
3	Net Profit before Tax and after Exceptional Items	4,471	2,742	1,390
4	Net Profit after Tax and Exceptional Items	3,247	2,235	917
5	Total Comprehensive Income for the period [Comprising Profit for the period (after Tax) and Other Comprehensive Income (after Tax)]	3,629	3,300	1,121
6	Paid-up Equity Share Capital (Face value of Rs. 10 each)	2,185	2,185	2,185
7	Earnings Per Share (of Rs. 10/- each) :			
	- Basic	14.86	10.23	4.20
	- Diluted	14.86	10.23	4.20

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 2nd February, 2021.
- 2) 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 reduced 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 nine months ended 31st December 2019 and year ended 31st March 2020.
- 3) Exceptional Item for the three and nine months ended 31st December, 2020 represents impairment provision of Rs.819 Lacs on some Polyester spinning machines at Bharuch Plant.
- 4) 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 and www.bseindia.com) and on Company's website (www.centuryenka.com).

For and on behalf of Board of

Suresh Sodani

Suresh Sodani
(Managing Director)

Place : Pune

Date : 2nd February, 2021

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 December 31, 2020 and for the year-to-date period from April 01, 2020 to December 31, 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 ("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 of the Statement 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'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 made in the accounts. 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: 2021.02.02
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Gautam V Shah

Partner

Membership No. 117348

UDIN: 21117348AAAAAI4243



Place: Mumbai

Date: February 02, 2021