

CENTURY ENKA LIMITED

PHONE : +91-22-4321 5300 / 2202 7375
FAX : +91-22-4321 5353 / 2287 3952
E-mail : celmum.admin@birlacentury.com
Website : www.centuryenka.com
CIN : L24304PN1965PLC139075



MUMBAI OFFICE :
INDUSTRY HOUSE, 3RD FLOOR,
159, CHURCHGATE RECLAMATION,
MUMBAI-400 020.

9th June, 2020

<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 - 400 051</u> Tel.No.22-2659 8100 Fax No.022-2659 8120 Thru: NEAPS Stock Code: CENTENKA</p>	<p>Listing Department BSE Limited 25th Floor, Phiroze Jeejeebhoy Towers Dalal Street, Fort <u>Mumbai - 400 001</u> Tel.No. 022-2272 3121 Fax No. 022-2272 1919 Thru: BSE Listing Stock Code: 500280</p>
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Dear Sir

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, enclosed herewith please find a Statement of Audited Annual Accounts of the Company for the financial year ended 31st March, 2020 and for the quarter ended on that date, approved by the Board of Directors at its meeting held today i.e. 9th June, 2020 along with Auditors' Report thereon. This is for your kind information and record.

The Board of Directors has also recommended a dividend at the rate of 80% (i.e. Rs.8/- per Equity Share of Rs.10/- each) for the financial year ended 31st March, 2020.

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

The Meeting commenced at 12.15 Noon and concluded at 01:45 p.m.

Thanking you,

Yours faithfully
For CENTURY ENKA LIMITED

(C.B. Gagrani)
Company Secretary

Encl: as above

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DECLARATION

9th June, 2020

Re : Century Enka Limited - Unmodified Audit Report

This is to certify that the Board of Directors of Century Enka Limited at its meeting held on 9th June, 2020 has approved the financial results of the Company for the quarter ended 31st March, 2020 and year to date results (i.e. Financial Year ended 31st March, 2020).

The figures for the quarter ended 31st March, 2020 and corresponding quarter ended 31st March, 2019 in the previous year as reported in the financial results are the balancing figures between the audited figures in respect of full financial year and published year to date figure upto the end of third quarter of the current and previous financial year respectively. The figures upto the end of third quarter of respective financial year had only been reviewed and not subjected to an audit.

The Auditor's Report on quarterly financial results ended 31st March, 2020 and year to date financial results is unmodified. The report has one matter of emphasis.

For CENTURY ENKA LIMITED

(K.G. Ladsaria)
Chief Financial Officer

CENTURY ENKA LIMITED

Statement of Audited Financial Results for Three Months & Year Ended 31st March, 2020



Rs. in Lacs

S.No.	Particulars	Three Months Ended			Year Ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
		Audited (Refer Note 11)	Unaudited	Audited (Refer Note 11)	Audited	Audited
I	Revenue From Operations	34,427	36,956	43,457	142,348	179,138
II	Other Income	1,557	679	492	4,223	2,163
III	Total Income (I+II)	35,984	37,635	43,949	146,571	181,301
IV	EXPENSES					
	Cost of materials consumed	18,658	19,788	27,794	86,067	116,757
	Purchases of Stock-in-Trade	850	831	465	1,977	484
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	832	3,627	723	(68)	(357)
	Employee benefits expense	2,639	2,471	2,511	9,961	9,445
	Power and Fuel	4,621	4,646	5,124	19,240	21,946
	Finance costs	145	62	87	349	346
	Depreciation and amortization expense	1,106	1,127	1,135	4,550	4,504
	Other expenses	4,304	3,693	4,407	15,850	15,812
	Total expenses (IV)	33,155	36,245	42,246	137,926	168,937
V	Profit before exceptional items and tax (III- IV)	2,829	1,390	1,703	8,645	12,364
VI	Exceptional Items Income/(Loss) (Refer Note 5)	-	-	-	-	(454)
VII	Profit before tax (V+VI)	2,829	1,390	1,703	8,645	11,910
VIII	Tax expense (Refer Note 8):					
	(i) Current tax	555	245	608	1,974	4,360
	(ii) (Excess)/Short Provision of Tax relating to earlier years	-	-	-	(4)	(84)
	(iii) Deferred tax Liability/ (Assets)	86	228	41	(2,878)	(24)
IX	Profit for the period (VII-VIII)	2,188	917	1,054	9,553	7,658
X	Other Comprehensive Income					
	(i) Items that will not be reclassified to profit or loss	(644)	242	(333)	(722)	(369)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	22	(38)	49	-	(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	Total Comprehensive Income for the period (IX+X)	1,566	1,121	770	8,831	7,242
XII	Paid-up Equity Share Capital (Face value of Rs. 10 each)	2,185	2,185	2,185	2,185	2,185
XIII	Other Equity				100,289	93,302
XIV	Earnings per Share (of Rs. 10 each) (Not Annualised):					
	(1) Basic	10.01	4.20	4.82	43.72	35.05
	(2) Diluted	10.01	4.20	4.82	43.72	35.05



CENTURY ENKA LIMITED



Statement of Audited Financial Results for Three Months & Year Ended 31st March, 2020

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 9th June, 2020. 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 Director have recommended dividend @ Rs. 8 per equity share for the year ended 31st March, 2020 at their meeting held on 9th June, 2020 (Previous Year Rs.7.00 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 demand amount. The Company had filed an appeal before the Appellate Tribunal (CESTAT), which had been admitted on pre-deposit of Rs.700 Lacs and granted stay against the recovery.
In this matter, the Company has received CESTAT order dated 20th December, 2019, wherein it has, upheld the denial of aforesaid notification and remanded back the matter to Central Excise Department to redetermine the assessable value after deducting admissible deduction and compute the quantum of duty short paid after considering admissible CENVAT/MODVAT credit and for imposition of equal amount of penalty consequent to redetermination of duty demand and applicable interest.
The Company has filed an appeal against the order of CESTAT in the Supreme Court on 22nd February, 2020 and await for admission. 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.
- Exceptional item represents write down in carrying value of Machinery not in use for the year ended 31st March, 2019.

6) Statement of Assets and Liabilities

Rs. in Lacs

S.No.	Particulars	As at 31-Mar-20 (Audited)	As at 31-Mar-19 (Audited)
(A)	ASSETS		
	Non-current assets		
	Property, Plant and Equipment	51,545	54,289
	Capital work-in-progress	316	173
	Right-of-use Assets	771	-
	Other Intangible Assets	441	548
	Financial assets		
	Investments	315	1,039
	Others	219	207
	Other non current assets	1,127	938
	Total Non Current Assets	54,734	57,194
	Current assets		
	Inventories	23,241	21,709
	Financial assets		
	Investments	25,874	15,806
	Trade Receivables	15,236	20,492
	Cash and Cash Equivalents	418	478
	Bank balances other than Cash & Cash Equivalents	190	178
	Others	1,530	135
	Current tax Assets	28	491
	Other current assets	3,953	4,943
	Total Current Assets	70,470	64,232
	Assets held for Sale	1,183	1,696
	TOTAL ASSETS	126,387	123,122
(B)	EQUITY AND LIABILITIES		
	Equity		
	Equity Share Capital	2,185	2,185
	Other Equity	100,289	93,302
	Total Equity	102,474	95,487
	Non-current liabilities		
	Financial liabilities		
	Borrowings	974	2,102
	Lease Liabilities	495	-
	Others	257	234
	Provisions	985	961
	Deferred tax liabilities (Net)	8,275	11,153
	Other Non Current Liabilities	277	292
	Total Non-Current Liabilities	11,263	14,742
	Current liabilities		
	Financial liabilities		
	Borrowings	22	-
	Trade payables		
	i) Total outstanding dues of Micro, Small and Medium Enterprises	403	295
	ii) Total outstanding dues of Vendors other than above	10,002	9,041
	Lease Liabilities	44	-
	Others #	1,378	2,560
	Other current liabilities	572	628
	Provisions	207	194
	Current tax liabilities (Net)	22	175
	Total Current Liabilities	12,650	12,893
	TOTAL EQUITY AND LIABILITIES	126,387	123,122

Includes Current Maturity of Long term Debts of Rs. 728 lacs (As at 31st March, 2019 Rs. 1,733 lacs).



CENTURY ENKA LIMITED

Statement of Audited Financial Results for Three Months & Year Ended 31st March, 2020



7) Statement of Cashflow

Rs. in Lacs

S.No.	Particulars	Year Ended 31-Mar-20 (Audited)	Year Ended 31-Mar-19 (Audited)
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax	8,645	11,910
	Adjustment for:		
	Depreciation and amortisation	4,550	4,504
	Finance cost	349	346
	Unrealised Exchange Loss / (Gain)	98	(78)
	Allowances for Credit Losses on debts	177	
	Fair value movement in derivative instruments	(310)	156
	Interest Income	(3)	(473)
	Dividend Received on Mutual Funds	(56)	(27)
	Fair Value of Investments through Statement of Profit and Loss	(1,057)	(161)
	Profit on sale of Current Investments (Net)	(370)	(782)
	Liabilities/Provisions no longer required written back	(93)	(49)
	Amortization of Govt. Grant (TUF Capital Subsidy)	(15)	(15)
	(Profit) / Loss on sale / write off of PPE (Net)	(347)	(67)
	Exceptional Item (Refer Note 5)	-	454
	Operating Profit Before Working Capital Changes	11,568	15,718
	Adjustment for:		
	Trade payable and other liability	1,191	2,381
	Trade Receivables	5,090	213
	Inventories	(1,532)	167
	Financial and other Assets	(196)	(1,810)
	Cash Generated From Operations	15,821	16,669
	Direct Taxes Paid (net of refunds)	(1,660)	(4,423)
	Net Cash From Operating Activities	14,161	12,246
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of PPE including Finance Lease	(2,823)	(3,941)
	Sale of Property, Plant and Equipments	970	168
	Interest received	3	473
	Dividend Received on Mutual Funds	56	27
	Deposit with Bank (Maturity period more than 12 Months)	(12)	
	(Purchase)/Sale of Non-Current Investments	2	(3)
	(Purchase)/Sale of Current Investments (Net)	(8,641)	(7,743)
	Net Cash From Investing Activities	(10,445)	(11,019)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Long Term Borrowings	500	910
	Repayment of Long Term Borrowings	(2,054)	(1,769)
	Repayment of Lease Liability	(40)	-
	Changes in Short Term Borrowings (Net)	22	(1)
	Payment of Interest on Lease Liability	(46)	
	Payment of Interest on Borrowings	(314)	(356)
	Equity Dividends paid (Including Dividend Distribution Tax)	(1,844)	(1,844)
	Net Cash From Financing Activities	(3,776)	(3,060)
D.	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(60)	(1,833)
	Closing Balance of Cash and Cash Equivalents	418	478
	Opening Balance of Cash and Cash Equivalents	478	2,311

- 8) 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 reduce 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.
- 9) The Company has adopted Ind AS 116 'Leases' from 1st April, 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. 798 Lacs from Property, Plant and Equipment to Right-of-use Assets.
- 10) The spread of COVID-19 has affected the business from mid-march 2020, which culminated into suspension of plant operations, post imposition of national lock down. The Company had taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included closing of manufacturing facilities, warehouses and adopting work from home policy for employees across locations. Pursuant to the relaxed lockdown guidelines by Central and State Governments, the Company has resumed its manufacturing operations as allowed in strict compliance with Government advisories. Given the uncertainty of quick turnaround to normalcy post lifting of the lock down, the Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future. Since the situation is continuously evolving, the impact assessed may be different from the estimates made as at the date of approval of these financial results. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.



CENTURY ENKA LIMITED

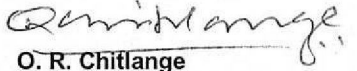


Statement of Audited Financial Results for Three Months & Year Ended 31st March, 2020

- 11) The figures for three months ended 31st March, 2020 and 31st March, 2019 are arrived at as difference between audited figures in respect of the full financial year and published figures upto nine months of relevant financial year.
- 12) 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

Place : Mumbai
Date : 9th June, 2020


O. R. Chitlange
(Managing Director)

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



CENTURY ENKA LIMITED



Extract of Audited Financial Results for Three Months and Year Ended 31st March, 2020

Rs. in Lacs

S. No.	Particulars	Three Months Ended		Year Ended	
		31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
		Audited	Audited	Audited	Audited
1	Total Income from Operations	35,984	43,949	146,571	181,301
2	Net Profit for the period (Before Tax, Exceptional and/ or Extraordinary Items)	2,829	1,703	8,645	12,364
3	Net Profit before Tax (after Exceptional and/ or Extraordinary Items)	2,829	1,703	8,645	11,910
4	Net Profit after Tax (after Exceptional and/ or Extraordinary Items)	2,188	1,054	9,553	7,658
5	Total Comprehensive Income for the period [Comprising Profit for the period (after Tax) and Other Comprehensive Income (after Tax)]	1,566	770	8,831	7,242
6	Paid-up Equity Share Capital (Face value of Rs. 10 each)	2,185	2,185	2,185	2,185
7	Earnings Per Share (of Rs. 10/- each) :				
	- Basic	10.01	4.82	43.72	35.05
	- Diluted	10.01	4.82	43.72	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 9th June, 2020.
- The Board of Director have recommended dividend @ Rs. 8/- per equity share for the year ended 31st March, 2020 at their meeting held on 9th June, 2020.
- 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 reduce 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.
- 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 Directors

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

Place : Mumbai
 Date : 9th June, 2020

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

Chartered Accountants

Independent Auditors' Report

To the Board of Directors of
Century Enka Limited

Report on the audit of the Financial Results

Opinion

We have audited the accompanying financial results of Century Enka Limited ("the Company") for the three months and year ended 31 March 2020 ("financial results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the three months and year ended 31 March 2020

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 results 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial results.

Emphasis of Matter

We draw attention to Note 4 of the financial results regarding the CESTAT order dated 20 December 2019 relating to the excise duty demand aggregating Rs.22,927 lakh plus interest thereon and penalty equivalent to demand amount. CESTAT in its order, upheld the denial of applicability of notification No. 6/2000 dated 01 March 2000 and remanded back the matter to Central Excise Department to redetermine the assessable value and applicable interest and penalty. The Company has filed an appeal against the order of CESTAT in the Supreme Court on 22 February 2020 and await for admission. Based on expert legal advice and merits of the case, no provision has been considered necessary by the Company. Our opinion is not modified in respect of this matter.



Khimji Kunverji & Co LLP

Chartered Accountants

Management's and Board of Directors' Responsibilities for the Financial Results

These financial results have been prepared on the basis of the financial statements.

The Company's Management and Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 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 Regulation 33 of 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 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 financial annual results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Management and 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.

The Company's Management and Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the 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 financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.
- 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 financial statements in place and the operating effectiveness of such controls.



Khimji Kunverji & Co LLP

Chartered Accountants

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and 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 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.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

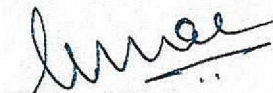
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 Matter

The figures for the three months ended 31 March 2020 are the balancing figures between the audited figures with respect to full financial year and the published unaudited year to date figures upto the third quarter of the current financial year which were subject to limited review by us.

For Khimji Kunverji & Co LLP
(formerly Khimji Kunverji & Co)
Chartered Accountants
(FRN: 105146W/ W100621)



Gautam V Shah
Partner (F-117348)
ICAI UDIN : 20117348AAAAAJ9408



Place: Mumbai
Date: 09 June 2020