



9<sup>th</sup> August, 2023

<p>Listing Department <b>National Stock Exchange of India Limited</b> 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 <b>BSE Limited</b> 25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001</p> <p>Scrip Code: 500280</p>
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**Sub: Earnings Presentation of Century Enka Limited ('the Company')**

**Ref: Regulation 30 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations')**

As informed vide our communication dated 4<sup>th</sup> August 2023 regarding Earnings Conference Call to be held on Thursday, 10<sup>th</sup> August 2023 to discuss Q1-FY24 earnings, please find attached herewith the Earnings Presentation Q1-FY24 of the Company pursuant to Regulation 30 of the Listing Regulations.

This is for the information of the investors and for your records.

Thanking you,

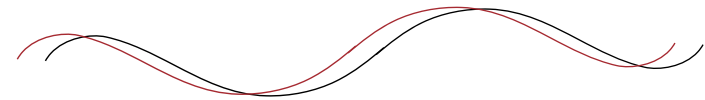
**For Century Enka Limited**

(Rahul Dubey)  
**Company Secretary**  
Membership No: FCS 8145



# Century Enka Limited

Earnings Presentation – Q1-FY24



# Company Overview

- Century Enka Limited was established in 1965 by Late Shri B. K. Birla in collaboration with AKZO Nobel of Netherlands.
- The company has grown to become one of the largest producers of Nylon Filament Yarn (NFY) and Nylon Tyre Cord Fabric (NTCF) in India.
- It also produces a wide range of High-Quality Nylon Yarns used for varied applications including fish-twines, conveyor belts, sports and active wear, sarees, intimate and foundation wear, etc.
- The company makes customised Nylon tyre cord fabric for reinforcement of tyres which are used in motorcycles, scooters, light commercial vehicles (LCVs), medium & heavy commercial vehicles (MHCVs) farm and off the road (OTR) vehicles.
- The Company's two state-of-the-art manufacturing facilities are located in Pune, Maharashtra and Bharuch, Gujarat, with a capacity of ~86,000 MTPA.
- The company's brand 'Enkalon' stands a testimony to the high quality of material which gives a soft, lustrous and elegant feel to the finished fabric.

2

Plants

5

Locations

33<sup>+</sup>

Dealers

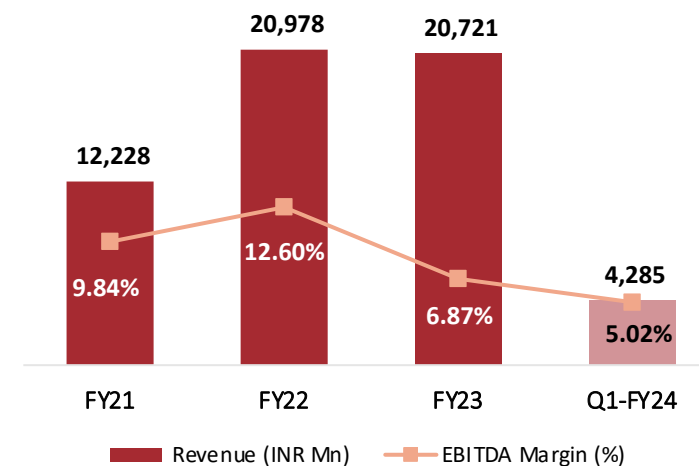
25%

NFY Domestic Market Share

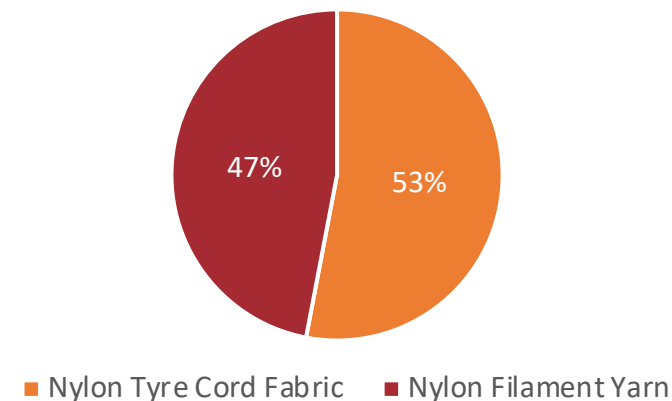
23%

NTCF Domestic Market Share

Operational Revenue (INR Mn) & EBITDA Margins (%)



Q1-FY24 Product-wise Sales (%)





# **Q1-FY24 FINANCIAL OVERVIEW**

# Q1-FY24 Financial Highlights

## Q1-FY24 Financial Performance

**INR 4,285 Mn**

Revenue from Operations

**INR 215 Mn**

EBITDA

**5.02%**

EBITDA Margin

**INR 135 Mn**

Net Profit

**3.15%**

PAT Margin

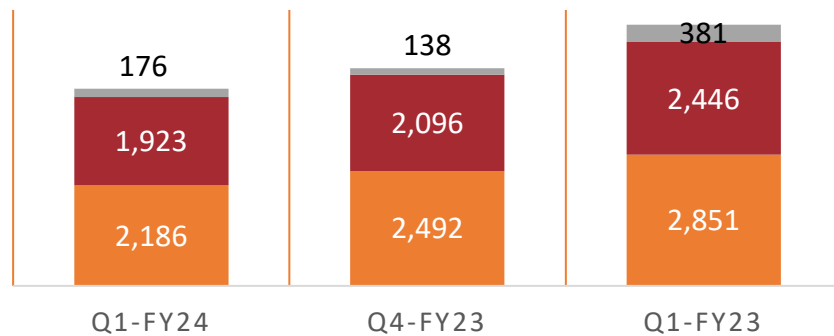
**INR 6.19**

Basic/Diluted EPS

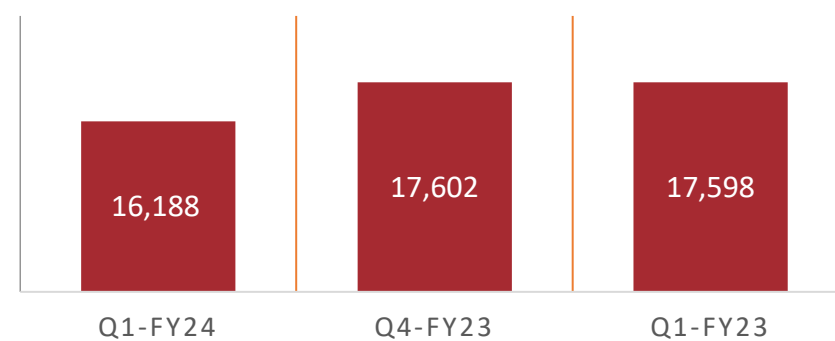
(On FV of INR 10)

## Product wise Revenue (INR Mn)

■ NTCF ■ NFY ■ Others



## Volume Performance (MT)



# Q1-FY24 Operational Highlights

## Nylon Tyre Cord Fabric (NTCF)

- Following factors impacted the NTCF demand in India:
  - Subdued replacement demand for Bias tyres
  - Lower exports of tyres
  - Slowdown in wholesale sales of commercial vehicles and tractors
  - Two-wheeler sales still trails pre-covid levels
  - Increase in imports from China

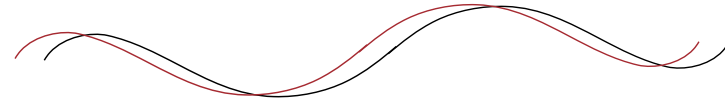
## Nylon Filament Yarn (NFY)

- Lower demand for garments and dumping by China at cheaper prices impacted volume
- Focus is to rationalize the portfolio and reduction in costs

## Prices of Key Raw Materials

- Significant volatility in Caprolactam prices. Caprolactam prices reduced to \$1,570/MT in Jun-23 compared to \$1,723/MT in the previous quarter
- Prices of chips also corrected in line with Caprolactam prices
- Month-over-month drop in raw material prices led to losses on inventory in hand and impacted margins
- Electricity rates remained at an elevated level, Commissioning of group captive hybrid power plant should help in the reduction of power cost from Q2-FY24 onward

# CAPEX Update



- Cash outflow of Rs. 467 million in Q1-FY24 on ongoing Capex programmes
- Polyester Tyre Cord Fabric (PTCF) capacities are expected to be commissioned in Q4-FY24
- Expansion in NFY capacity is expected to be completed by Q4-FY24
- Started trial runs from the Dipping project, commission in Q2-FY24
- 10.5 MW (Wind + Solar Hybrid) power project being executed under Group captive policy of Gujarat has been commissioned in July 2023

# Consolidated Quarterly Financial Performance

PARTICULARS (INR Mn)	Q1-FY24	Q1-FY23	Y-o-Y	Q4-FY23	Q-o-Q
<b>Revenue from Operations</b>	<b>4,285</b>	<b>5,678</b>	<b>(24.5)%</b>	<b>4,726</b>	<b>(9.3)%</b>
Total Expenses	4,070	5,067	(19.7)%	4,499	(9.5)%
<b>EBITDA</b>	<b>215</b>	<b>611</b>	<b>(64.8)%</b>	<b>227</b>	<b>(5.3)%</b>
<b>EBITDA Margins (%)</b>	<b>5.02%</b>	<b>10.76%</b>	<b>(574)Bps</b>	<b>4.80%</b>	<b>22Bps</b>
Other Income	87	33	NA	72	20.8%
Depreciation	112	101	10.9%	117	(4.3)%
Finance Cost	11	3	NA	13	(15.4)%
Share in profit / loss of associate	(2)	-	NA	0	NA
<b>PBT</b>	<b>177</b>	<b>540</b>	<b>(67.2)%</b>	<b>169</b>	<b>4.7%</b>
Tax	42	137	(69.3)%	24	75.0%
<b>PAT</b>	<b>135</b>	<b>403</b>	<b>(66.5)%</b>	<b>145</b>	<b>(6.9)%</b>
<b>PAT Margins (%)</b>	<b>3.15%</b>	<b>7.10%</b>	<b>(395)Bps</b>	<b>3.07%</b>	<b>8Bps</b>
Other Comprehensive Income	1	(31)	NA	(43)	NA
<b>Total Comprehensive Income</b>	<b>136</b>	<b>372</b>	<b>(63.4)%</b>	<b>102</b>	<b>33.3%</b>
Basic/Diluted EPS (INR)	6.19	18.44	(66.4)%	6.63	(6.6)%





## **Historical Financial Overview**

# Consolidated Income Statement

PARTICULARS (INR Mn)	FY21	FY22	FY23	Q1-FY24
<b>Operational Revenue</b>	<b>12,228</b>	<b>20,978</b>	<b>20,721</b>	<b>4,285</b>
Total Expenses	11,025	18,335	19,297	4,070
<b>EBITDA</b>	<b>1,203</b>	<b>2,643</b>	<b>1,424</b>	<b>215</b>
<b>EBITDA Margins (%)</b>	<b>9.84%</b>	<b>12.60%</b>	<b>6.87%</b>	<b>5.02%</b>
Other Income	220	206	190	87
Depreciation	409	396	412	112
Finance Cost	15	12	24	11
Share in profit / loss of associate	-	-	(1)	(2)
Exceptional Items	(82)	-	-	-
<b>PBT</b>	<b>917</b>	<b>2,441</b>	<b>1,177</b>	<b>177</b>
Tax	208	599	274	42
<b>PAT</b>	<b>709</b>	<b>1,842</b>	<b>903</b>	<b>135</b>
<b>PAT Margins (%)</b>	<b>5.80%</b>	<b>8.78%</b>	<b>4.36%</b>	<b>3.15%</b>
Other Comprehensive Income	107	(49)	26	1
<b>Total Comprehensive Income</b>	<b>816</b>	<b>1,793</b>	<b>929</b>	<b>136</b>
Basic/Diluted EPS (INR)	32.46	84.28	41.34	6.19

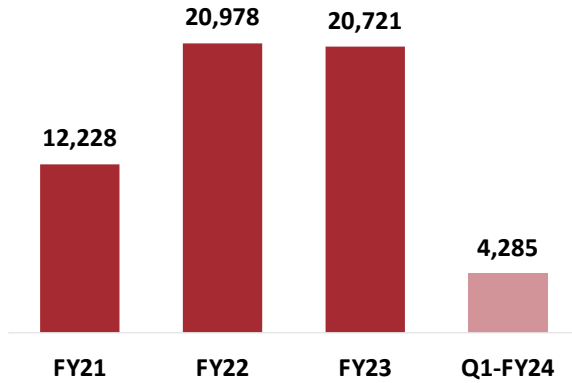
# Consolidated Balance Sheet

PARTICULARS (INR MN)	FY21	FY22	FY23
<b>ASSETS</b>			
<b>Non-current Assets</b>	<b>5,197</b>	<b>5,968</b>	<b>8,022</b>
(A) Property, Plant & Equipment	4,810	4,669	6,370
(B) Capital Work In Progress	18	683	1,062
(C) Right Of Use Assets	74	72	69
(D) Intangible Assets	32	21	9
(E) Financial Assets			
(i) Investments	132	260	371
(ii) Others	21	23	24
(F) Other Non Current Assets	110	240	117
<b>Assets Held for Sale</b>	<b>110</b>	<b>90</b>	<b>-</b>
<b>Current Assets</b>	<b>8,095</b>	<b>9,167</b>	<b>8,204</b>
Inventories	1,910	3,080	2,434
<b>Financial Assets</b>			
(a) Investments	2,889	2,338	3,068
(b) Trade Receivable	2,324	2,393	2,170
(c) Cash And Cash Equivalent	83	56	27
(d) Other Bank Balances	516	665	133
(e) Others	62	37	38
Current Tax Assets Net	30	-	-
Other Current Assets	282	598	334
<b>GRAND TOTAL – ASSETS</b>	<b>13,402</b>	<b>15,226</b>	<b>16,226</b>

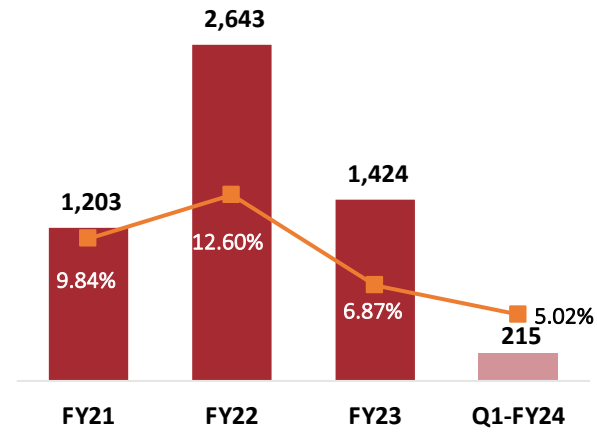
PARTICULARS (INR MN)	FY21	FY22	FY23
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>	<b>10,889</b>	<b>12,507</b>	<b>13,217</b>
(A) Share Capital	219	219	219
(B) Other Equity	10,670	12,288	12,998
<b>Non-current Liabilities</b>	<b>1,044</b>	<b>999</b>	<b>1,498</b>
<b>Financial Liabilities:</b>			
(a) Borrowings	50	62	487
(b) Lease Liabilities	46	41	35
(c) Others	26	24	25
Provisions	115	113	135
Deferred Tax Liabilities (Net)	781	732	721
Other Non Current Liabilities	26	27	95
<b>Current Liabilities</b>	<b>1,469</b>	<b>1,720</b>	<b>1,511</b>
<b>Financial Liabilities:</b>			
(a) Borrowings	31	42	151
(b) Trade Payables:			
Total OS to Micro and Small Ent	63	64	67
Total OS to creditors	1,209	1,141	1,010
(c) Lease Liabilities	5	5	5
(d) Others	71	338	138
Other Current Liabilities	71	92	105
Provisions	19	25	32
Current Tax Liabilities	-	13	3
<b>GRAND TOTAL - EQUITIES &amp; LIABILITES</b>	<b>13,402</b>	<b>15,226</b>	<b>16,226</b>

# Financial Performance

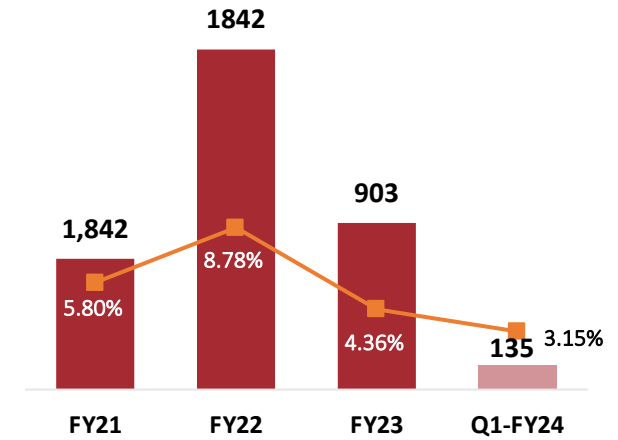
Operational Income (INR Mn)



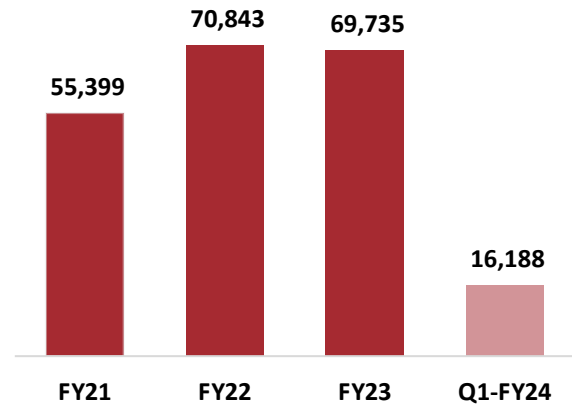
EBITDA (INR Mn) & EBITDA Margins (%)



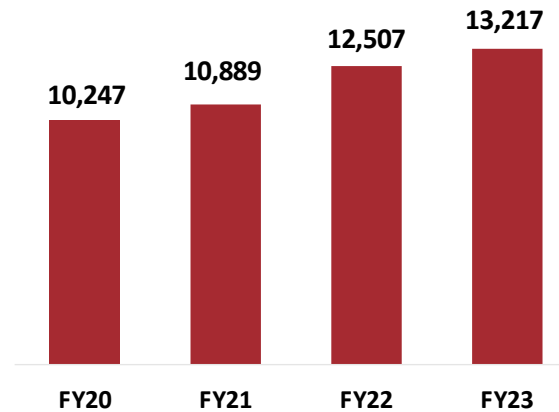
PAT (INR Mn) and PAT Margins (%)



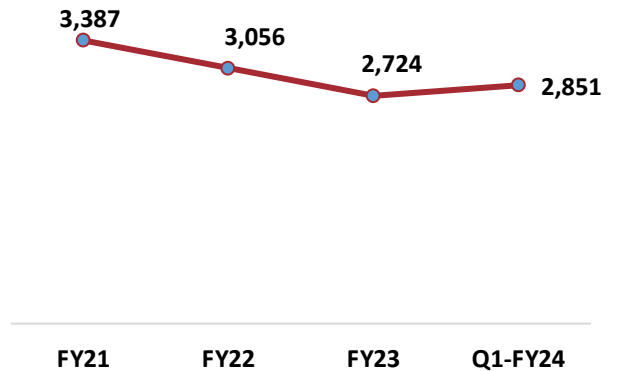
Sales Volume (MT)



Net Worth (INR Mn)

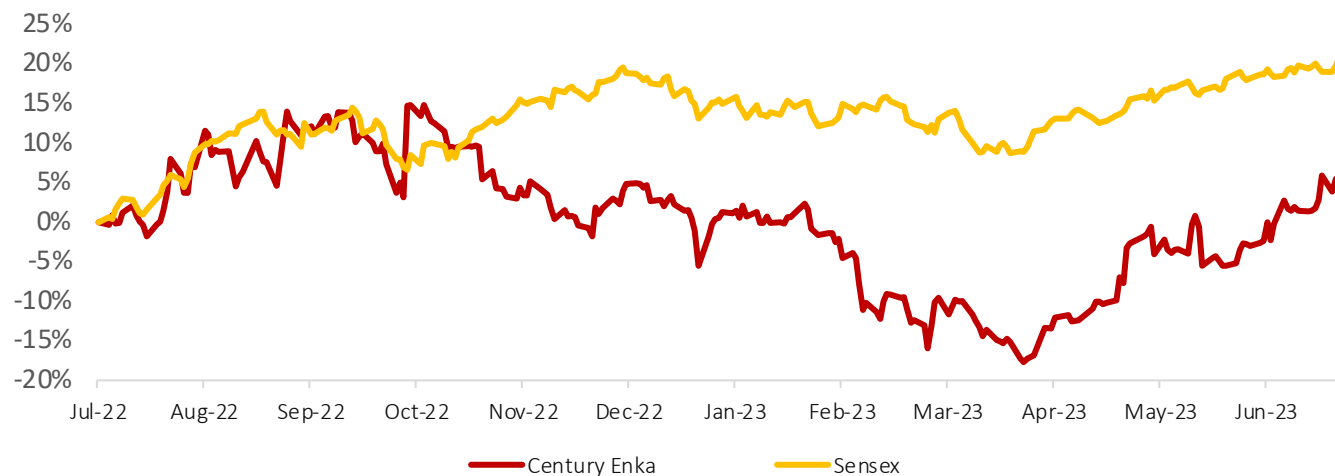


Net Surplus Cash on Balance Sheet (INR Mn)

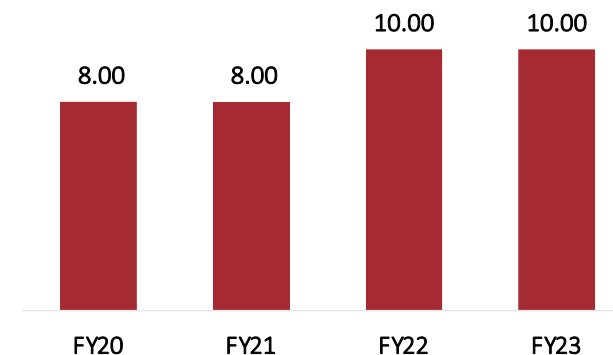


# Capital Market Information

### Share Price Performance

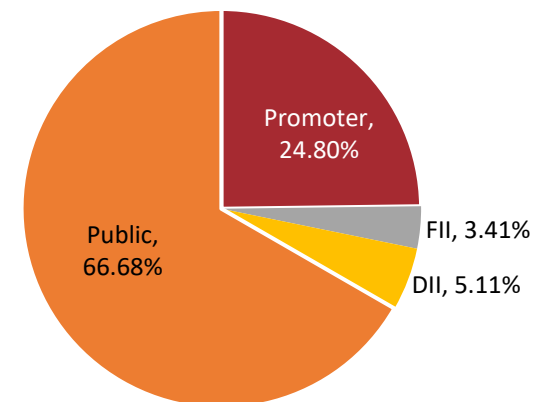


### Dividend (INR/share)

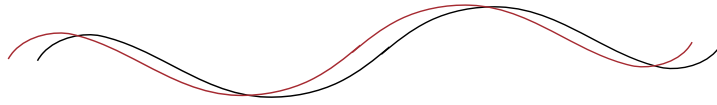


Price Data (As on 30 <sup>th</sup> June 2023)	INR
Face Value	10
CMP	433.15
52 Week H/L	489.9/340.0
Market Cap (INR Mn)	9,464.33
No. of Share outstanding (Mn)	21.85
1 Year Avg. Trading Volume ('000)	66.43

### Shareholding Pattern (As on 30<sup>th</sup> June 2023)



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**Thank You**