

CERTIFIED TO BE TRUE
For CENTURY ENKA LIMITED

The Board of Directors
Century Enka Limited
Century Arcade, 2nd Floor,
Narangi Baug Road,
Pune - 411 001



Secretary

1. We have reviewed the results of Century Enka Limited (the "Company") for the quarter ended September 30, 2014 which are included in the accompanying 'Unaudited financial results for the quarter and half year ended 30th September 2014' and the statement of assets and liabilities as on that date (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 statements are free of material misstatement.
3. 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. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to Note 5 of the Statement regarding the Company's appeal pending before CESTAT, Mumbai against the excise duty demand aggregating Rs. 22,927 lacs plus interest thereon and penalty of Rs. 22,927 lacs. Based on expert legal advice and merits of the case, no provision has been considered necessary by the Company. The final determination and cash outflow, if any, would depend upon the final decision of the appropriate authorities in the future. Our conclusion is not qualified in respect of this matter.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants



Jeetendra Mirchandani
Partner
Membership Number 48125

Pune
October 31, 2014

CENTURY ENKA LIMITED

PART I - STATEMENT OF FINANCIAL RESULTS

(UNAUDITED FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2014)

(Rs/Lacs Excluding Earning Per Share)

Sr No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30th Sept 2014 Unaudited	30th June 2014 Unaudited	30th Sept 2013 Unaudited	30th Sept 2014 Unaudited	30th Sept 2013 Unaudited	31st March 2014 Audited
1.	Income from Operations						
	(a) Net Sales / Income from Operations (Net of Excise Duty)	31060	30343	38978	61403	79474	146043
	(b) Other Operating Income	157	141	148	298	299	636
	Total Income from Operations (Net)	31217	30484	39126	61701	79773	146679
2.	Expenses						
	(a) Cost of Materials Consumed	19592	19862	27002	39454	52176	94487
	(b) Purchases of Stock - in - Trade	117	27	208	144	381	1415
	(c) Changes in Inventories of Finished Goods, Stock - in - Process and Stock - in - Trade	(490)	(974)	(1,501)	(1,464)	1280	371
	(d) Employee Benefits Expense	1626	1859	1426	3485	2848	5579
	(e) Power and Fuel	4325	4136	4287	8461	8562	16442
	(f) Depreciation and Amortisation Expense (See Note 4)	736	1649	1725	2385	3473	7071
	(g) Other Expenses	2566	2382	2148	4948	4577	10297
	Total Expenses	28472	28941	35295	57413	73297	135662
3.	Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	2745	1543	3831	4288	6476	11017
4.	Other Income	143	171	286	314	486	1236
5.	Profit from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	2888	1714	4117	4602	6962	12253
6.	Finance Costs	383	506	632	889	1169	2452
7.	Profit from Ordinary Activities after Finance Costs but before Exceptional Items (5 - 6)	2505	1208	3485	3713	5793	9801
8.	Exceptional items (See Note 3)	-	-	220	-	220	220
9.	Profit From Ordinary Activities Before Tax (7-8)	2505	1208	3265	3713	5573	9581
10.	Tax Expenses	1252	342	1108	1594	1895	3288
11.	Net Profit From Ordinary Activities After Tax (9-10)	1253	866	2157	2119	3678	6293
12.	Extraordinary Items (Net of Tax Expenses)	-	-	-	-	-	-
13.	Net Profit For The Period (11-12)	1253	866	2157	2119	3678	6293
14.	Paid -up Equity Share Capital (Face value Rs.10/- each share)	2185	2185	2185	2185	2185	2185
15.	Reserves excluding Revaluation Reserves	-	-	-	-	-	66891
16.	Earnings per Share (EPS)						
	Basic/Diluted EPS before and after extraordinary items for the period (Rs.)	5.74	3.96	9.87	9.70	16.83	28.80



PART II - SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2014

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30th Sept 2014	30th June 2014	30th Sept 2013	30th Sept 2014	30th Sept 2013	31st March 2014
A	PARTICULARS OF SHAREHOLDING						
1.	Public shareholding						
	- Number of shares	14991861	14991861	14991861	14991861	14991861	14991861
	- Percentage of shareholding (%)	68.61	68.61	68.61	68.61	68.61	68.61
2.	Promoters and Promoter Group Shareholding						
a)	Pledged / Encumbered						
	- Number of Shares	1340680	1340680	NIL	1340680	NIL	1340680
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	19.55	19.55	NIL	19.55	NIL	19.55
	- Percentage of Shares (as a % of the total share capital of the company)	6.14	6.14	NIL	6.14	NIL	6.14
b)	Non - encumbered						
	- Number of Shares	5518048	5518048	6858728	5518048	6858728	5518048
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	80.45	80.45	100.00	80.45	100.00	80.45
	- Percentage of Shares (as a % of the total share capital of the company)	25.25	25.25	31.39	25.25	31.39	25.25

Particulars	3 months ended 30th Sept 2014
B INVESTOR COMPLAINTS	
Pending at the Beginning of the Quarter	Nil
Received during the Quarter	1
Disposed off during the Quarter	Nil
Remaining Unresolved at the end of the Quarter	1

STATEMENT OF ASSETS AND LIABILITIES

(Rs Lacs)

Particulars	Half Year Ended	Year Ended
	as on 30.09.2014 Unaudited	as on 31.03.2014 Audited
A EQUITY AND LIABILITIES		
1. SHAREHOLDERS' FUNDS		
(a) Share Capital	2185	2185
(b) Reserves and Surplus	69617	67928
Sub Total - Shareholders' Funds	71802	70113
2. NON - CURRENT LIABILITIES		
(a) Long - Term Borrowings	7286	4822
(b) Deferred Tax Liabilities (Net)	9824	9406
(c) Other Long - Term Liabilities	215	278
(d) Long - Term Provisions	984	944
Sub Total - Non - Current Liabilities	18309	15450
3. CURRENT LIABILITIES		
(a) Short - Term Borrowings	7649	12768
(b) Trade Payables	5985	3714
(c) Other Current Liabilities	3118	2772
(d) Short - Term Provisions	466	2183
Sub Total - Current Liabilities	17218	21437
TOTAL - EQUITY AND LIABILITIES	107329	107000
B ASSETS		
1. NON - CURRENT ASSETS		
(a) Fixed Assets	61580	61799
(b) Non - Current Investments	852	852
(c) Long - Term Loans and Advances	992	1041
(d) Other Non - Current Assets	776	776
Sub Total - Non - Current Assets	64200	64468
2. CURRENT ASSETS		
(a) Inventories	23850	21205
(b) Trade Receivables	16927	19063
(c) Cash and Cash Equivalents	492	611
(d) Short - Term Loans and Advances	1489	1090
(e) Other Current Assets	371	563
Sub Total - Current Assets	43129	42532
TOTAL - ASSETS	107329	107000



NOTES :

- 1) The above results have been reviewed and recommended for adoption by the Audit Committee to the Board of Directors and have been approved by the Board at its meeting held on 31st Oct 2014. The Statutory Auditors have carried out a limited review of the above financial results and their limited review report contains emphasis of matter with respect to matter disclosed in point 5 below.
- 2) The Company has only one reportable Business Segment (Synthetic Yarn).
- 3) Exceptional item of Rs 220 Lacs for the quarter and half year ended 30th September 2013 and year ended 31st March, 2014 represents loss on disposal of certain fixed assets consequent to closure of operations at Mahad net of write back of provision created as of 31st March 2013 consequent to the finalisation of the liability.
- 4) The Company during the current quarter, has adopted the useful lives of the fixed assets as those specified in Part C of Schedule II to the Companies Act,2013 ('the Act') effective 1st April, 2014. Accordingly carrying amount of assets, for which the useful lives as per the revised estimate are completed as of 1st April, 2014 have been charged off to the retained earning as on that date. For the other assets, the carrying amount as of 1st April, 2014 will be amortised over the remaining useful lives of the assets.
As a result :
 - a) an amount of Rs 419 Lacs (Net of Deferred tax Credit of Rs 216 Lacs) has been charged to the opening retained earning as of 1st April, 2014
 - b) the depreciation expense for the quarter and half year ended 30th September, 2014 is lower by Rs.535 Lacs and Rs. 1021 Lacs respectively on account of the revision.
 - c) the depreciation of the quarter ended 30th September, 2014 is also lower by Rs.483 Lacs on account of excess depreciation charged for the quarter ended 30th June,2014 which was based on the earlier depreciation rates.
- 5) Excise Department has issued an order dated 31st December, 2013 denying the applicability of Notification No. 6/2000 dated 1st March, 2000 which allowed payment of duty at specific rate instead of advalorem basis and consequently raising a demand of Rs. 22927 Lacs plus interest thereon and penalty of Rs. 22927 lacs against which the Company has filed an appeal with the Customs Excise and Service Tax Appellate Tribunal (CESTAT). The Hon'ble (CESTAT) has passed an order on 12th September, 2014 to grant a stay against the demand and admit the appeal on a pre deposit of Rs. 700 Lacs before 18th November, 2014. The Company has been advised by legal experts that it has a fair chance of ultimately succeeding in the matter and accordingly no provision has been made in the accounts. The Company is in process of filing a writ petition before Bombay high court against the order of CESTAT.
- 6) The Continuous Process Polymer lines at Bharuch producing Polyester Yarn were suspended in November 2013. Part of these lines were successfully converted into non-continuous and put into operation to manufacture Nylon Textile Yarn. Some more lines are under active consideration for conversion. In view of the modification referred above, the operation of the remaining Polyester lines would continue to remain unviable. The Company has therefore decided to continue suspension of remaining continuous process polymer lines to protect overall profitability of the Company for the time being.
- 7) Figures for the previous period /year have been regrouped wherever necessary.

Place : Mumbai
Date : 31st October, 2014

For Century Enka Limited


G.M. Singhvi
(Whole-time Director)

Regd. office : Century Arcade, 2nd Floor Narangi Baug Road, Pune -411001.



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FOR CENTURY ENKA LIMITED



Secretary