

CENTURY ENKA LIMITED

(Factory : Bhosari, Pune 411 026)

Phone : +91-20-66127300
Telefax : +91-20-27120113
Email : celpune.reception@birlacentury.com
Company CIN : L24304PN1965PLC139075



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

15th July, 2021

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

Thru. NEAPS
Stock Code : CENTENKA

Listing Department
BSE Limited
25th Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai - 400001

Thru : BSE Listing
Stock Code : 500280

Dear Sirs,

Sub : **55th Annual Report 2020-2021 of the Company**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith please find 55th Annual Report of the Company for the Financial Year 2020-21 along with the Notice of the 55th Annual General Meeting. The Annual Report is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrars and Transfer Agent/Depositories. The Annual Report is available on the website of the Company at <https://www.centuryenka.com>.

We shall appreciate if you kindly display a copy of the Annual Report on your Notice Board and Website for information of your members.

Thanking you

Yours faithfully
For Century Enka Limited

(Rahul Dubey)
Company Secretary
FCS 8145



Regd. Office : Plot No. 72 & 72 - A, M.I.D.C., Bhosari, Pune-411 026.

Website : www.centuryenka.com

An ISO 9001 : 2015, ISO14001 : 2015
& BS OHSAS 18001 : 2007
Certified Company



Century Enka Limited



**CREDIBLE
AND
CONFIDENT**

55th Annual Report
2020-21

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Investor information

Market Capitalisation as at 31 March, 2021	₹ 55,391 lacs
CIN	L24304PN1965PLC139075
BSE Code	500280
NSE Code	CENTENKA
Dividend Declared	80% i.e. ₹ 8/- per equity share of ₹ 10/- each
Book Closure for Dividend	Tuesday, 3rd August, 2021 to Thursday, 5th August, 2021
Record date (Cut-off date) for E-voting	Friday, 6th August, 2021
AGM Date	Friday, 13th August, 2021 at 2.30 PM
AGM Mode	Audio visual means



Please find our online version at
[<https://www.centuryenka.com/investor-relations/annual-reportarchive.html>]

Or simply scan to download



Disclaimer:

This document contains statements about expected future events and financials of Century Enka Limited, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management's Discussion and Analysis of this Annual Report.

Tribute to a Legend



लोकाः समस्ताः सुखिनो भवन्तु

May all beings in the world be happy

Shri Basant Kumar Birla

(January 12, 1921 to July 3, 2019)

FORMER CHAIRMAN
CENTURY ENKA LIMITED



A visionary. A humanitarian. A legend.
His life was a rich tapestry of business acumen,
arts, culture and philanthropy.
He was always a beacon of inspiration.
We live by his values.



CHAIRPERSON'S MESSAGE



The management has laid out aggressive expansion plans for reinforcement products, which will enable your Company scale newer heights.



Dear Shareholders,

The year 2020-21 has been awfully challenging for each one of us. The COVID-19 pandemic upended the world and caused unprecedented disruption in more ways than one could have imagined. And yet, this year will define, for many years to come, the strength of our collective will, which saw us through. I have no doubt that this strength will help us face what lies ahead.

The world has been fighting the Covid-19 pandemic for over a year. In 2020, the global economy contracted by 3.3%, the largest contraction on record, at least since World War-II. Much of it was concentrated in the first half of our fiscal year FY21, as several countries enforced strict lockdowns. Economies bounced back in subsequent quarters, on the back of large fiscal stimulus packages and improved confidence levels following the start of the vaccination programme.

The latest IMF forecast suggests a strong 6% growth in global GDP in 2021. The occurrence of the second and third waves of Covid-19 in different parts of the world and reports of virus mutations have created downside risks to the outlook of a strong growth rebound.

India's Covid-19 case load has been the highest. We are all collectively struggling, to stem this extremely challenging, and huge calamity. The Government, NGOs, corporates and other key stakeholders, have coalesced to bring Covid-19 relief measures. Even at the cost of being repetitive, let us acknowledge our nation's doctors, medical and paramedical workers. They have and continue, to go beyond the line of duty, to bring succor to the Covid-19 afflicted. Our population and the size of our country is beyond comparison. Enormous challenges confront us. We can overcome them with a strong sense of solidarity.

The double-digit GDP growth expectations for India in FY22 have been pared. Disruptions to production and supply chains have, however, been far less severe during the second wave than during the first wave. Vaccination is expected to pick up pace in the coming months, which would support normalisation of mobility levels and of related economic activities. Continued accommodative monetary policy of the RBI and the expected increase in capex from the Government will be the other facilitating factors, helping the economy to steer through this difficult phase.

Quite in contrast to the near-term challenges, the longer-term prospects for the Indian economy continue to be robust. Various initiatives, including privatisation of public sector enterprises, monetisation of assets, implementation of National Infrastructure Pipeline, targeted investment incentives through the Production-Linked Incentives Scheme and the new Labour Code, are likely to spur a virtuous cycle of investments and growth in the medium-term.

Your Company's Performance

Your Company traversed the uncharted economic and social landscape drawn by Covid-19 remarkably well. Your Company's performance in the year 2020-21 was in fact better than the previous year.

The performance of your Company in the first half of the financial year was severely impacted as operations were suspended for nearly two months pursuant to Government directives of lockdown. The recovery in the second half was impressive. Your Company achieved record production and sales volume both in Nylon Tyre Cord Fabric (NTCF) and Nylon Filament Yarn (NFY). This became possible because of Proactive management of Covid-19. Your Company focused on several measures among which were training on Covid-19 appropriate behaviour, ensuring social distancing at workplace, appropriate change in shift schedules, work from home (WFH) wherever possible, frequent sanitisation, vaccination camps for employees and mass rapid tests to identify asymptomatic cases. The support, dedication, commitment and discipline of employees at every level was the key enabler in your Company achieving this remarkable operating performance even in tough times.

The second wave of Covid-19 has been a nightmare. Again, your Company's employees demonstrated amazing resilience and helped minimise the impact on performance. Besides our colleagues, we extended every effort to help communities fight Covid-19.

The sudden spurt in demand globally resulting in shortage of material for imports, restriction on tyre imports, anti-dumping duty on truck and bus radials bolstered the local demand for tyres. A good monsoon and increased Government spending on infrastructure boosted demand for farm and OTR (Off-the road) tyres. These factors resulted in an overwhelming demand for NTCF. Demand for NFY was also encouraging aided by empty pipelines and global supply disruption.

Like all other commodities, prices of our major raw materials rose significantly. Furthermore, robust demand for both NTCF and NFY enabled your Company pass on this increase to the customers. Given this notable performance, the management has laid out aggressive expansion plans for reinforcement products, which will enable your Company scale newer heights.

Transcending business, your Company's CSR initiatives are fixated on a holistic model encompassing education, healthcare, sustainable livelihood, inclusive of rural development and women empowerment processes. We remain deeply invested in making a difference to the lives of the underprivileged, as well as inclusive growth.

I most sincerely appreciate the guidance accorded by our Board of Directors. Our gratitude goes to all our stakeholders for reposing their faith in your Company. A special applause is in order for the entire team at Century Enka, all of whom have enabled us reach this far.

Here's wishing you and your loved ones good health for all times to come.

Best regards,

Rajashree Birla



COMPANY AT A GLANCE

Established in the year 1965, Century Enka Limited produces Nylon Tyre Cord Fabric (NTCF) for the tyre industry, High Tenacity Yarn (HTY) for technical textiles and Nylon Filament Yarn (NFY) for the apparel industry. The Company is the largest producer of nylon yarn in India and quality leader in all the product categories. The Company's two manufacturing facilities, one at Pune (Maharashtra) and the other at Bharuch (Gujarat), run on the best-in-class technologies. The Company is not only known for its advanced facilities and premium products, but also for being financially strong to overcome adversity. This credibility of the Company gets reflected in the confidence shown by a credit rating agency. A healthy corporate governance and reciprocating to societal and environmental needs form the core of the Company's sustainability agenda.

CRISIL
A+/STABLE (REAFFIRMED)
LONG-TERM RATING ▲

CRISIL
A1+ (REAFFIRMED)
SHORT-TERM RATING ▲

CREDIBILITY IN VALUE CREATION



Mission

- ▶ We aim to provide innovative, cost-effective and sustainable solutions, while following fair commercial practices
- ▶ By implementing total quality management, we ensure complete customer and stakeholder satisfaction



Vision

We aspire to be a leading and reliable organisation in the business of tyre reinforcement and man-made textile yarn.

RECENT STRATEGIC INITIATIVES



HEALTHY OPERATING PROFIT MARGINS

The Company through in-house re-engineering, has converted one of the idle polyester POY machine into Nylon Textile yarn and High Tenacity Nylon Yarn Machine.



MODERNISATION AND EXPANSION

The Company has approved the capital investment of ₹ 309 Crs to strengthen its competitive position in tyre reinforcement market through modernisation of plant and augmenting capacity by ~30% and ₹ 23 Crs to increase the capacity of draw texturised yarn and mother yarn.

The Company is also making efforts to develop export market for Nylon Filament Yarn (NFY) made from Green Polymer .

QUALITY PRODUCTS

NYLON TYRE CORD FABRIC (NTCF)

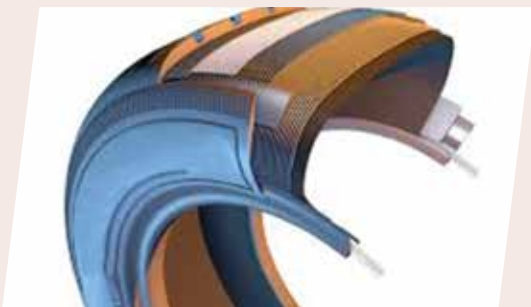
Applications: Bias tyres

58%

CONTRIBUTION TO THE REVENUE ▲

~23%

DOMESTIC MARKET SHARE ▲



NYLON FILAMENT YARN (NFY)

Applications: Apparel, saree, dupatta and dress material

42%

CONTRIBUTION TO THE REVENUE ▲

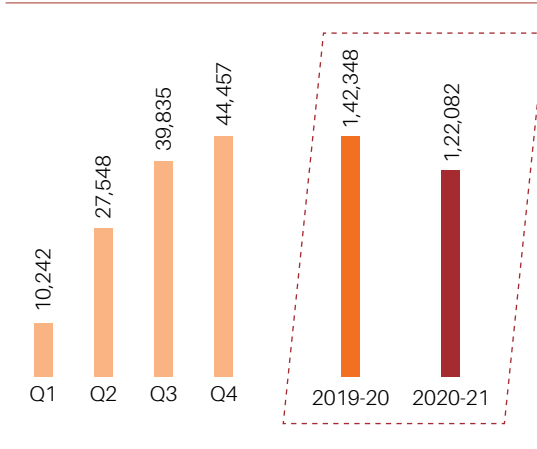
~25%

DOMESTIC MARKET SHARE ▲

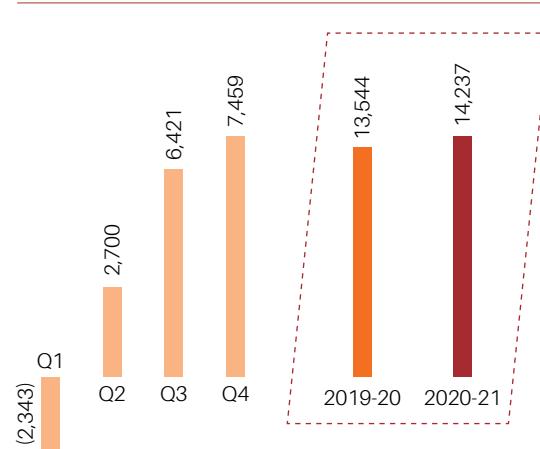


NUMBERS THAT GIVE US CONFIDENCE

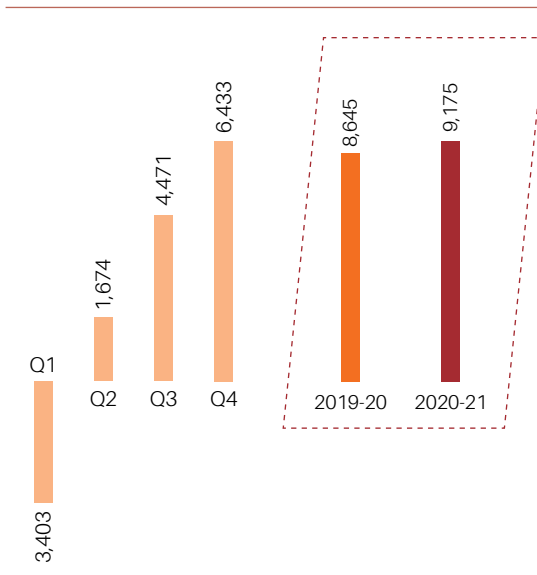
Revenue (₹/Lacs)



EBITDA* (₹/Lacs)



PBT** (₹/Lacs)

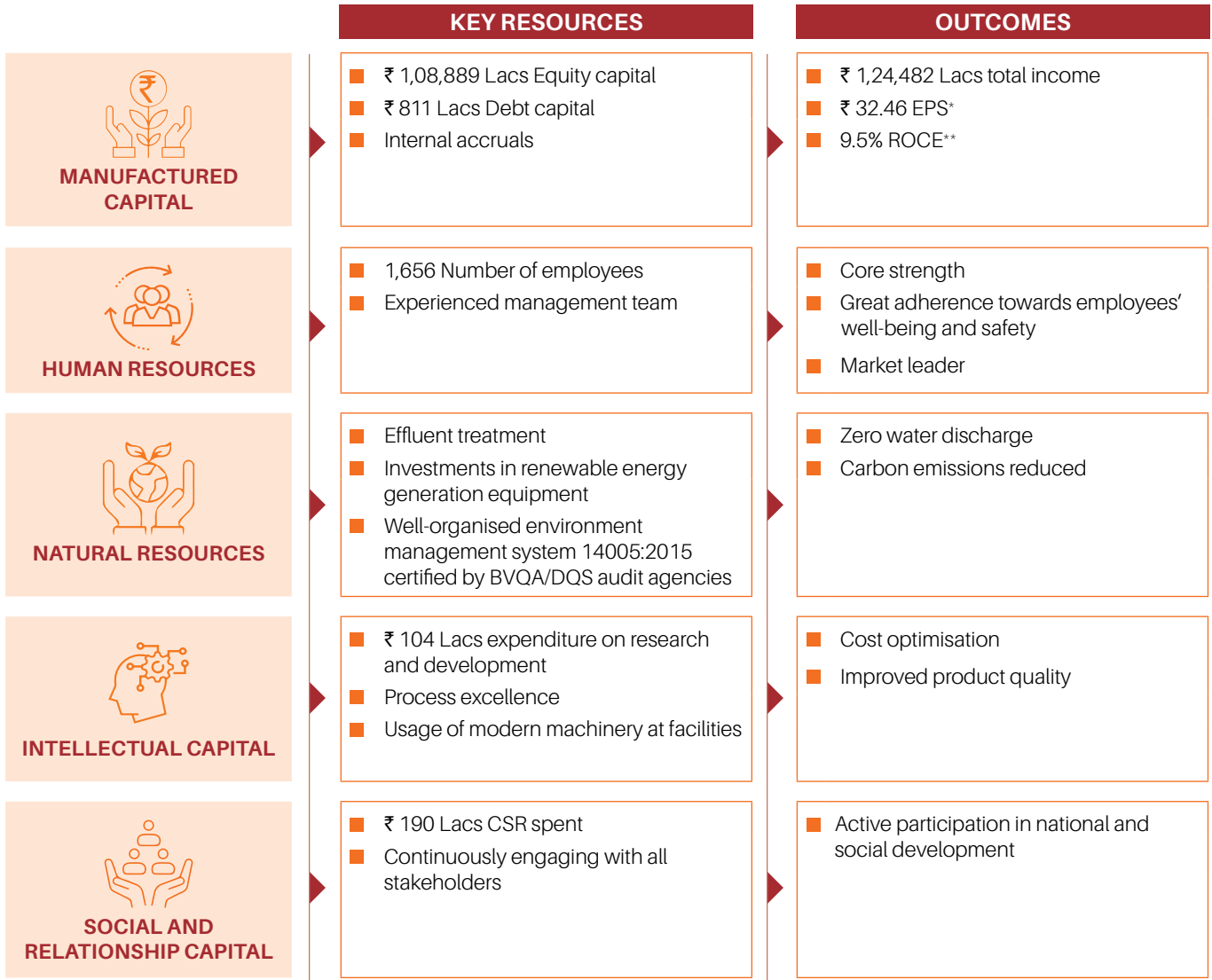


Fully Drawn Yarn (FDY) Machine

*EBITDA : Earnings Before Interest, Tax, Depreciation and amortisation

**PBT : Profit Before Tax

CONFIDENTLY ENHANCING VALUE ACROSS VALUE CHAIN



VALUES SHARED WITH

SHAREHOLDERS

₹ **8**
Dividend declared per share

SUPPLIERS

₹ **63,509** Lacs
Worth of raw material procured for manufacturing

EMPLOYEES

₹ **10,121** Lacs
Salary paid

ENVIRONMENT REGULATORS

Environment regulators
Fully compliant with all regulations
Sustainable livelihood approach

GOVERNMENT

₹ **19,121** Lacs
Taxes paid

*EPS: Earning Per Share. **ROCE: Return on Capital Employed

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

ESG is a vital part of business practices. The Company believes it leads to longevity, as it helps in attracting conscious investors to look at parameters that go beyond financial performance.



Environment



Social



Governance



ENVIRONMENT

Century Enka Limited is continuously taking initiatives to protect the environment. Some of the measures taken are mentioned below, along with its benefits:



Effluent treatment plant

Water saved with recycling of treated water



Recycling nylon waste to convert into Caprolactam

Protected environment



Installation of solar power panels and LEDs

Savings of natural resources



Installation of briquette-based boiler for steam generation

Reduced carbon emission



Installation of ultrasonic humidifier

Savings of natural resources



Conversion of green waste into manure

Organic manure for gardening

SOCIAL

Vocational training, promotion of education and upgradation of school infrastructure:

- ▶ Constructed overhead shed on a school's pathway in vicinity of the Bharuch site
- ▶ Distributed uniforms and stationery to 232 school students
- ▶ Provided 30 laptops to teachers for virtual teaching
- ▶ Provided financial support for the construction of classrooms in a Government primary school situated in a tribal area
- ▶ Facilitated Wi-Fi installation on a school premises
- ▶ Provided financial assistance to meet a part of the cost of teaching staff and workshop consumables of a vocational training institute



₹ **117.52** Lacs ▲



Healthcare, medical facilities and drinking water:

- ▶ Provided medical equipment to a hospital near the Bharuch site, benefitting around 45,000 people
- ▶ Organised eye check-up and cataract operation camp
- ▶ Constructed 85 toilets in the nearby villages of the Bharuch site, benefitting around 350 villagers
- ▶ Provided water cooler and R.O. system in two Government hospitals
- ▶ Distributed 12,500 sanitary napkins to 625 women
- ▶ Set up a dispensary for the benefit of locals, surrounding the Pune site
- ▶ Provided ambulance with movable hospital facilities to nearby villages of the Pune site

₹ **32.67** Lacs ▲



Supporting disaster management:

- ▶ Distributed Personal Protective Equipment (PPEs) kits, food kits, grocery kits in 29 villages and quarantine centres
- ▶ Extended financial support for building a quarantine centre

₹ **18.86** Lacs ▲



Rural infrastructure development other than health, education and sustainable livelihood:

- ▶ Six flood light towers and 25 LEDs for benefit of 4,000 villagers near the Bharuch site
- ▶ Constructed 717 meters of Plain Cement Concrete road in two villages in the vicinity of the Bharuch site, benefitting around 800 people
- ▶ Constructed drainage line near the primary school of Umalla village



₹ **20.93** Lacs ▲



GOVERNANCE

The core value of the Company's business practices stands on the pillars of trusteeship (transparency, adequate disclosure and fairness to all) and independent monitoring and supervision. By adhering to this core value, the Company has brought quite a few honours home.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mrs. Rajashree Birla

Chairperson - Non-Executive

Mr. S. K. Jain

Independent Director

Mr. K. S. Thar

Independent Director

Mrs. Krupa R. Gandhi

Independent Director

Mr. Devajyoti N. Bhattacharya

Non-Independent Director

Mr. Suresh Sodani

Managing Director

KEY MANAGERIAL PERSONNEL

Mr. K.G. Ladsaria

Chief Financial Officer

Mr. Rahul Dubey

Company Secretary

AUDITORS

Messrs. Khimji Kunverji & Co LLP.

REGISTERED OFFICE

Plot No. 72 & 72-A, MIDC,
Bhosari, Pune 411 026
Tel. No. 020-66127300/27120423
Fax No. 020-27120113

SURAT OFFICE

D-519,523 International Trade Center
Ring Road, Majura Gate, Surat 395 002
Tel. No. 0261-2465032/33/39
Fax No. 0261-2465036

FACTORIES

Bhosari, Pune 411 026, Maharashtra
Tel. No. 020-66127300/27120423
Fax No. 020-27120113

Rajashree Polyfil, Rajashree Nagar,
Post: Umalla 393 120, District: Bharuch, Gujarat
Tel. No. 02640-308555/02645-208555
Fax No. 02640-308510

Raigad Processors (Not in Production)
Plot No. C-61, Part-A, MIDC Area,
Mahad 402 309, District: Raigad, Maharashtra
Tel. No. 02145-232136

Konkan Synthetic Fibres (Not in Production)
Plot No. C-61, Part-B, MIDC Area,
Mahad 402 309, District: Raigad, Maharashtra
Tel. No. 02145-232137

SHARE TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai 400 083
Tel. No. 022-49186270
Fax No. 022-49186060



DIRECTORS' REPORT For the Year Ended 31st March, 2021

Dear Shareholders,

The Directors present the 55th Annual Report and Audited Financial Statements of the Company for the year ended 31st March, 2021.

FINANCIAL RESULTS

	₹ / lacs	
Particulars	This Year	Previous Year
Net Revenue from Operations	1,22,082	1,42,348
Profit before Depreciation, Finance Cost, Exceptional Item and Tax	14,237	13,544
Add/(Less):		
Depreciation	(4,088)	(4,550)
Finance Cost	(155)	(349)
Exceptional Item (Note 1)	(819)	--
Taxation (Net)	(2,083)	908
Net Profit	7,092	9,553

Note 1: Exceptional item represents impairment provision on some polyester spinning machines at Bharuch Plant.

DIVIDEND

The Company recommends a dividend at the rate of 80% (i.e. ₹ 8 per equity share of ₹ 10 each) for the year ended 31st March, 2021 (Previous year dividend at the rate of 80% i.e. ₹ 8 per equity share of ₹ 10 each). In terms of the provisions of the Finance Act 2020, dividend shall be taxed in the hands of shareholders at applicable rates of tax and the Company shall withhold tax at source appropriately.

TRANSFER TO RESERVES

The Company has proposed to transfer ₹ 1000 lacs (previous year ₹ 1,000 lacs) to General Reserve.

FINANCIAL PERFORMANCE

The net revenue from operations is lower at ₹ 1,22,082 lacs compared to ₹ 1,42,348 lacs, mainly on account of lower volume in case of Nylon Filament Yarn (NFY) and lower realisation. The profit before interest, depreciation, exceptional item and tax (PBIDT) is, however, higher at ₹ 14,237 lacs compared to ₹ 13,544 lacs in previous year due to better margins. The net profit decreased by 26% from ₹ 9,553 lacs to ₹ 7,092 lacs as previous year's net profit included ₹ 3,120 lacs being write-back of deferred tax liability on lowering of corporate income tax rate by the Government.

IMPACT OF COVID-19

The Covid-19 outbreak has caused significant disturbances. The Company's operations were impacted due to suspension of processes at both the sites in March 2020 pursuant to Government directives of lockdown. The operations were recommenced

gradually at Bharuch site by the end of April 2020 and Pune site by the end of May 2020. The Board places on record its appreciation for all the employees for commendable performance and resilience shown by them in these difficult times.

Excise Duty Demand

The Customs, Excise and Service Tax Appellate Tribunal (Appellate Tribunal), vide its order dated 20th December, 2019, passed in the Company's Appeal against the order of the Commissioner of Central Excise Raigad, in the Excise duty demand of ₹ 22,927 lacs plus equal amount of penalty and interest on duty amount for the clearance of the processed yarn from Mahad Site (Konkan Synthetic Fibres - Processed Yarn) upheld the denial of the benefit of Notification No. 6/2000 CE dated 01st March, 2000, which permitted concessional excise duty at specific rate of ₹ 2.87 per kg on texturised yarn (without benefit of MODVAT/CENVAT) as against ad-velorem duty at the rate of 36.80% with CENVAT/MODVAT benefit. The Appellate Tribunal, having denied the benefit of above notification, remanded the proceedings to the Commissioner of Central Excise with a direction to compute the correct assessable value, allow the permissible deductions and determine the excise duty payable and allow the credit of CENVAT/ MODVAT. As regard the penalty, to continue that would be equal to demand of excise duty recomputed and interest on recomputed excise duty demand.

The Company has preferred an appeal against the order of the Appellate Tribunal denied the benefit of Notification No 6/2000 CE dated 01st March, 2000 before the Hon'ble Supreme Court of India on 22nd February, 2020 the Hon'ble Supreme Court of India tagged the matter with other appeals before it involving dispute of similar nature. An application has also been filed for stay on the recovery of interest and penalty.

The Commissioner, pursuant to the aforesaid order of the Appellate Tribunal, passed an order dated 8th September, 2020, recomputed the Excise duty and confirmed the duty demand of ₹ 730 lacs, (as against the original Excise duty demand of ₹ 22,927 lacs) imposed penalty equal to recomputed duty demand and interest on recomputed duty demand.

The Department of Central Excise, has filed an appeal on 22nd January, 2021, before the Appellate Tribunal against the order of Commissioner dated 8th September, 2020, for not following the procedure in recomputing the excise duty, granting CENVAT/ MODVAT credit and permissible expenditure.

The Company has been advised by legal experts that it has a reasonably good case to succeed before the Hon'ble Supreme Court of India.

EXPANSION AND MODERNISATION

The year 2020-21 was impacted by Covid-19 related disruptions and the Company's focus was on smooth operation and accordingly Capex was incurred only on energy conservation schemes, modernisation and de-bottlenecking.

The Company has planned Capex of ₹ 309 Crs to strengthen its competitive position in tyre reinforcement market by modernising the plant and augmenting capacity by ~30% and ₹ 23 Crs to increase capacity of draw texturised yarn and mother yarn.

ENVIRONMENT

Both the Company plant sites are environment compliant in terms of environment regulations.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are set out in a separate statement and annexed hereto as Annexure-I and forms a part of the report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms a part of the Annual Report.

CORPORATE GOVERNANCE

The Board of Directors reaffirm their continued commitment towards good corporate governance practices and has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance, pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms a part of the Annual Report.

Policy on Directors' Appointment

Policy on Directors' appointment is to follow the criteria as laid down under the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Emphasis is given to people from diverse fields or professions.

Policy on Remuneration

Guiding policy on remuneration of directors, key managerial personnel and employees of the Company is that:

- a) Remuneration to unionised workmen is based on the periodical settlement with the workmen union.
- b) Remuneration to key managerial personnel, senior executives, managers, staff, and workmen (non-unionised) is industry driven in which it is operating, taking into account the performance leverage and such factors so as to attract and retain quality talent.
- c) For Directors, it is based on the shareholders resolutions pursuant to the provisions of the Companies Act, 2013, and rules framed

thereunder, circulars and guidelines issued by the Central Government and other authorities from time to time.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board Of Directors has laid down the manner in which formal annual evaluation of the performance of the Board, its Committees and Individual Directors has to be made. It includes circulation of evaluation templates to respective Directors for evaluation of the Board and its Committees, Independent Directors/non Independent Directors/ Executive Directors and the Chairman of the Company. The results of the evaluation were satisfactory and adequate and meets the requirement of the Company.

DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS

The Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, and Regulation 16(1)(b) and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct. The Company's Board is of the opinion that the Independent Directors possess requisite qualifications, experience, and expertise of the industry and they hold highest standards of integrity. All Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, in the preparation of the annual accounts for the year ended on 31st March, 2021, and states that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates, that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the profit of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;
- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



DIRECTORS

The details of Directors resigned and appointed during the year under review are as under:

APPOINTMENT OF DIRECTORS:

Mr. Suresh Sodani (DIN:08789604), on the recommendation of Nomination and Remuneration Committee, has been appointed as a Director as well as Managing Director of the Company with effect from 1st September, 2020 in the meeting of the Board of Directors of the Company held on 14th July, 2020. His appointment has also been confirmed by the members of the Company in the Annual General Meeting of the Company held on 13th August, 2020.

Mrs. Krupa R. Gandhi (DIN-00294629), on the recommendation of Nomination and Remuneration Committee, has been appointed as an Independent Director of the Company by the Board of Directors with effect from 14th August, 2020, subject to approval of members in General Meeting. She meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and has given her consent to act as an Independent Director of the Company.

Mr. Devajyoti N. Bhattacharya (DIN-00868751), pursuant to Section 161(1) of the Companies Act, 2013, ("the Act") read with Rule 8, 9, 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and Article 101-B of the Article of Association of the Company, has been appointed as an Additional Director of the Company on the recommendation of Nomination and Remuneration Committee of Directors by the Board of Directors on 12th October, 2020. He will hold the office up to the ensuing Annual General Meeting and will be appointed as Non-Executive Non Independent Director subject to approval of members in Annual General Meeting.

RETIRING BY ROTATION AND RE-APPOINTMENT AS DIRECTOR:

Mrs. Rajashree Birla (DIN:00022995), pursuant to Section 152 of the Companies Act 2013 and the Articles of Association of the company, retires by rotation and being eligible offers herself for re-appointment. Further, in terms of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, a special resolution would require to be passed for her re appointment as she has attained the age of 75 years.

RESIGNATION OF DIRECTORS:

Mrs. Usha Sangwan (DIN02609263) resigned with effect from 16th May, 2020 due to personal and health reason.

Mr. B. S. Mehta (DIN:00035019) resigned as Director from 14th August, 2020, due to personal reasons.

Mr. O. R. Chitlange (DIN:00952072) resigned from the position of Director as well as Managing Director with effect from 1st September, 2020 due to opportunity of much wider role in VFY business.

The Board places on record its appreciation for their valuable contribution and the services rendered during the tenure with the Company.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the year, 7 (Seven) Board meetings were convened and held. The details thereof are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

A meeting of the Independent Directors, during the year ended 31st March, 2021, was held on 5th March, 2021.

DETAILS OF COMMITTEES OF DIRECTORS

Composition of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Share Transfer Committee and Risk Management Committee of Directors, number of meetings held of each Committee during the financial year 2020-21 and meetings attended by each member of the Committee, as required under the Companies Act, 2013, are provided in Corporate Governance Report, forms a part of the Annual Report.

The recommendations of the Audit Committee, as and when made to the Board have been accepted by it.

KEY MANAGERIAL PERSONNEL

Following are the key managerial personnel of the Company:

Mr. O.R. Chitlange: Managing Director (resigned w.e.f. 1st September, 2020)

Mr. Suresh Sodani: Managing Director (appointed w.e.f. 1st September, 2020)

Mr. K.G. Ladsaria: Chief Financial Officer

Mr. C.B. Gagrani: Company Secretary (resigned w.e.f. 18th August, 2020)

Mr. Rahul Dubey: Company Secretary (appointed w.e.f. 18th August, 2020)

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no transactions with related parties which require disclosure under Section 134(3)(h) of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014.

LOANS, INVESTMENTS AND GUARANTEES BY THE COMPANY

There are no loans or guarantees given or securities provided by the Company to any entity, under Section 186 of the Companies Act, 2013. However, the Company has invested surplus fund of the Company in Intercompany Deposits after due compliance with the provisions of the Companies Act, 2013.

INTERNAL FINANCIAL CONTROLS

The Company has put in place adequate internal financial control systems that are commensurate with the size of its operations. Internal financial control systems and procedures are periodically reviewed to keep pace with the Company's operations.

FIXED DEPOSITS

The Company has not accepted any fixed deposits from the public during the financial year ended 31st March, 2021, and there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company is in compliance with the Secretarial Standards specified by the Institute of Company Secretaries of India.

RISK MANAGEMENT

The Company has well-defined policies and mechanism to mitigate the risk. The Company reviews the policies/mechanism periodically,

to align with the changes. A dedicated Risk Management Committee of Senior Executives has been appointed by the Company, to evaluate the risk and mitigation plan and monitor them regularly. Based on their evaluation, there is no element of risk identified by the Management that may, in the opinion of the Board, threaten the existence of the Company.

The Board in compliance with the SEBI Circular dated 5th May, 2021, has constituted a Risk Management Committee of Directors

WHISTLE BLOWER MECHANISM

The Company has in place a Whistle Blower Mechanism for Directors and employees to report genuine concerns about any wrongful and unethical conduct with respect to the Company or its business. The detailed vigil mechanism is given in Corporate Governance Report.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

During the year under review, the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company, in compliance with the provisions under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have in place an Internal Complaint Committee.

CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee of Directors. The composition and terms of reference of the CSR Committee are provided in the Corporate Governance report, which forms a part of the report. The particulars required to be disclosed pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014, are given in 'Annexure II' and forms a part of the Report.

Chief Financial Officer has given a certificate to the Board that the funds so disbursed have been utilised for the purposes and in the manner as approved by the Board.

ANALYSIS OF REMUNERATION

Pursuant to Rule 5 of the Companies (Appointment and Remuneration) Rules, 2014, a disclosure on remuneration related information of employees, key managerial personnel and directors is annexed herewith as Annexure-III and forms a part of the Report.

AUDITORS

M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, (ICAI Firm Registration No. FRN 105146W/W100621), has been appointed as the Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of 50th Annual General Meeting held on 15th July, 2016, until the conclusion of the 55th Annual General Meeting of the Company.

The Board, on the recommendation of the Audit Committee, in its meeting held on 18th May, 2021, has considered and recommended the reappointment of M/s. Khimji Kunverji & Co. LLP, Chartered Accountants,

(ICAI Firm Registration No. FRN 105146W/W100621), as Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of 55th Annual General Meeting until the conclusion of the 60th Annual General Meeting for approval of members of the Company in the Annual General Meeting to be held on 13th August, 2021.

COST AUDITORS

The Board of Directors of the Company, Pursuant to Section 148 (3) of the Companies Act, 2013, read with Rule 14 of Companies (Audit & Auditor Rules), 2014, has appointed M/s. M.R. Dudani & Co., Cost Accountants, for conducting the audit of cost records of the products Nylon and Polyester maintained by the Company for the financial year ended 31st March, 2021.

The Company maintained the cost records as specified by the Central Government under Sub-section (1) of Section 148 of the Companies Act, 2013.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Sanjay Sangani & Co., Company Secretaries in practice (CP No. 3847), to undertake the Secretarial Audit of the Company for the year ended 31st March, 2021. The Secretarial Audit Report for the year ended 31st March, 2021, forms a part of the Report. The Secretarial Audit Report does not contain any adverse qualification, reservation or remark.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other Particulars of employees drawing remuneration in excess of the limits as required under Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed here with as Annexure IV. and forms a part of the Report.

ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Companies Act, 2013, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return under Section 92 of the Act, is available on the Company's website, https://www.centuryenka.com/investor-relations/#parentHorizontalTab6%7CChildVerticalTab_211

BUSINESS RESPONSIBILITY REPORT

A Business Responsibility Report as required under Regulation 34(2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms a part of the Report.

For and on behalf of the Board of Directors

S.K. Jain

Director

DIN: 02843676

Suresh Sodani

Managing Director

DIN: 08789604

Place : Pune,

Date : 18th May 2021



ANNEXURE TO THE DIRECTORS' REPORT

(ANNEXURE -I)

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

(A) CONSERVATION OF ENERGY

The Company is engaged in the continuous process of energy conservation through improved operational and maintenance practices:

i) Steps taken and impact of conservation of energy:

Steps taken	Impact (Annualised Savings)
Electricity	KWh (in Lacs)
a. Installation of centrifugal compressor in place of reciprocating compressor.	8.60
b. Installed demand control system for compressed air system	4.00
c. Installed timer with solenoid valves on compressed air line to Cable Corder machine hand aspirator	4.00
d. Installed Air washer spray pumps of low head, low flow in place of high head, high flow pumps	2.94
Steam	Tons
a. Use of Lactam recovery evaporation heat for heating Boiler feed water (Demineralised water) for boilers	875

ii) Steps taken for Utilisation of alternate sources of energy

- Replacement of heating system from Electrical to Thermic fluid in Industrial Yarn spinning.

iii) Capital investments on energy conservation

equipments during the year 2020-21 was ₹ 185 Lacs (Previous year ₹ 143 Lacs).

(B) Technology Absorption

(i) Efforts made for technology absorption:

- Replacement of old and obsolete winders with new winders of latest technology.

- Developed control system for cutter control system which was obsolete.
- Development of control system for Barmag winder test bench.
- Obsolete Drives and control systems replaced with latest system.

(ii) Benefits derived as a result of the above efforts:

- New Product development
- Improvement of safety, quality, and operating performance
- Cost reduction
- Technology upgradation

(iii) Information regarding imported technology (imported during the last three years (from the beginning of the financial year)

- Technology imported: NIL
- Year of import: Not applicable
- Has the technology been fully absorbed: Not applicable

(iv) Expenditure on Research and Development

Particulars	₹ / lacs	
	2020-21	2019-20
1. Capital	See Note Below	
2. Revenue	104	174
3. Total	104	174

Note: The company has not spent any amount during the financial year 2020-21 (Previous year ₹ 113 Lacs and shown as normal capital expenditure, although it is also used for R&D activities).

(C) Foreign Exchange Earning and Outgo

Total foreign exchange used ₹ 36,619 Lacs (Previous year ₹ 61,207 Lacs) and earned ₹ 3,539 Lacs (Previous year ₹ 3,793 Lacs)

ANNEXURE TO THE DIRECTORS' REPORT

(ANNEXURE -II)

ANNUAL REPORT ON CSR ACTIVITIES (FORMING PART OF THE BOARD'S REPORT) FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

1. Brief outline on CSR Policy of the Company:

The Company's Corporate Social Responsibility (CSR) Policy is a multifaceted to cover projects and programmes in the field of education, healthcare, rural infrastructure and development, disaster management, sanitation and environment. The Company's CSR projects and programmes are carried out within the CSR policy framework.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. S.K. Jain (appointed as Chairman w.e.f 14-08-2020)	Chairman, Independent Director	2	2
2	Mrs. Krupa R. Gandhi (appointed w.e.f 14-08-2020)	Member, Independent Director	1	1
3	Mr. Suresh Sodani (appointed w.e.f 01-09-2020)	Member, Managing Director	1	1
4	Mr. B. S. Mehta (ceased w.e.f 14-08-2020)	Chairman, Independent Director	1	1
5	Mr. O. R. Chitlange (ceased w.e.f 01-09 -2020)	Member, Managing Director	1	1

- The Composition of CSR :committee, CSR Policy and CSR projects approved by the Board of Directors are disclosed on the Company's https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6%7CChildVerticalTab_214
- Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).- NA
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any-

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set- off for the financial year, if any (in ₹)
1	2020 - 21	NIL	NIL

- Average net profit of the company as per section 135(5) : ₹ 9471 lacs
- Two percent of average net profit of the company as per section 135(5) : ₹ 190 lacs
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - NIL
 - Amount required to be set off for the financial year if any- NIL
 - Total CSR obligation for the financial year (7a+7b- 7c) : ₹ 190 lacs
- CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ / lacs)	Amount Unspent (₹ / lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
2020 -21	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
190	NIL	NIL	NIL	NIL	NIL



(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (₹/lacs).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR Registration number.
1.	a) Vocational Training								
	i) Machine, Tools & Equipments	(ii)	Yes	Gujarat	Bharuch	7.26	No	Cenka Samaj Kalyan Sanstha	CSR00005188
	ii) Cost of Teaching Staff (75%) and workshop consumables	(ii)	Yes	Gujarat	Bharuch	17.65	No	Cenka Samaj Kalyan Sanstha	CSR00005188
	b) For Promotion of School Education:								
	i) Support to meet school fee of students	(ii)	Yes	Gujarat	Bharuch	9.26	Yes		
	ii) Engagement of Teachers (Volunteers) for Assisting Government Primary Schools & Posanvahninis for Anganwadi	(ii)	Yes	Gujarat	Bharuch	9.82	Yes		
	iii) Upgradation of School Infrastructure - In Government Primary Schools Classroom construction - Installation of Over head shed on Schools children's pathway	(ii) (ii)	Yes Yes	Gujarat Gujarat	Bharuch Bharuch	8.00 9.57	Yes No	Cenka Samaj Kalyan sanstha	CSR00005188
	iv) Distribution of School Stationery & Uniforms.	(ii)	Yes	Maharashtra	Thane	13.46	Yes	-	-
	v) Computer Lab & Interactive Boards.	(ii)	Yes	Maharashtra	Thane	7.61	Yes	-	-
	vi) Virtual Classroom	(ii)	Yes	Maharashtra	Thane	34.89	Yes	-	-
2	Health Care, Medical facility & drinking water								
	- Eye Check-up & Treatment, Blood donation, General Medical camp, Gynaecology camps.	(i)	Yes	Gujarat	Bharuch	0.37	Yes	-	-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (₹/lacs).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR Registration number.
	- Support in construction of toilets	(i)	Yes	Gujarat	Bharuch	6.85	Yes	-	-
	- Drinking water facility (Bore well / Water cooler)	(i)	Yes	Gujarat	Bharuch	1.24	Yes	-	-
	- Medical Facility	(i)	Yes	Maharashtra	Pune	15.53	Yes	-	-
	- Medical Equipment to Hospital	(i)	Yes	Gujarat	Bharuch	7.68	Yes	-	-
	- Sanitary napkins for women	(i)	Yes	Gujarat	Bharuch	1.00	Yes	-	-
3	Environment and sustainability								
	- Tree Plantation & maintenance	(iv)	Yes	Gujarat	Bharuch	0.02	Yes	-	-
4	Disaster Management								
	- Food kit, PPE distribution. (COVID-19)	(xii)	Yes	Gujarat	Bharuch	7.03	Yes	-	-
	- Food kit, PPE distribution. (COVID-19)	(xii)	Yes	Gujarat	Surat	1.00	Yes	-	-
	- Food kit, PPE distribution. (COVID-19)	(xii)	Yes	Maharashtra	Pune	5.83	Yes	-	-
	- Contribution for Quarantine Centre at MIDC Pune	(xii)	Yes	Maharashtra	Pune	5.00	No	MCCIA	CSR00005065
5	Rural Infrastructure Development other than for the purpose of Health / Education / Sustainable Livelihood								
	- Street light in villages	(x)	Yes	Gujarat	Bharuch	3.94	Yes	-	-
	- Approach roads others infrastructure	(x)	Yes	Gujarat	Bharuch	12.71	Yes	-	-
	- Drain Construction	(x)	Yes	Gujarat	Bharuch	4.28	Yes	-	-
	Total					190.00			

- (d) Amount spent in Administrative Overheads : Nil
- (e) Amount spent on Impact Assessment, if applicable : NA
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 190 lacs
- (g) Excess amount for set off, if any :

Sl. No.	Particular	Amount (₹ lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	190
(ii)	Total amount spent for the Financial Year	190
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-



9 (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding financial year	Amount transferred to unspent CSR Account Under Section 135 (6) (₹/ Lacs)	(4) Amount spent in the reporting financial year (₹/ Lacs)	Amount transferred to any fund specified under schedule VII as per Section 135(6) if any			Amount remaining to be spent in Succeeding financial year (₹ / lacs)
				Name of the fund	Amount (₹ / Lacs)	Date of transfer	
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (₹ / lacs)	Amount spent on the project in the reporting Financial Year (₹ / lacs)	Cumulative amount spent at the end of reporting Financial Year (₹ / lacs)	Status of the project Completed/ Ongoing.
1.	-	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

- (a) Date of creation or acquisition of the capital asset(s). - None
- (b) Amount of CSR spent for creation or acquisition of capital asset. - Nil
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). - Not Applicable

Suresh Sodani

(Managing Director).
DIN 08789604

S. K. Jain

(Chairman CSR Committee).
DIN 02843676

Place : Pune

Date : 18th May, 2021

ANNEXURE TO THE DIRECTORS' REPORT

(ANNEXURE - III)

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 are as under:

Sr. No.	Name of Director / KMP	Designation	2020-21 (₹ / Lacs)			2019-20 (₹ / Lacs)		
			Remuneration* of Director / KMP for financial year	% increase in Remuneration in the Financial Year	Ratio of remuneration of each Director / KMP to median remuneration of employees	Remuneration* of Director / KMP for financial year	% increase in Remuneration in the Financial Year	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. B. K. Birla	Chairman (ceased w.e.f 03.07.2019)	0.00	0.00	0.00	1.27	**	0.31
2	Mrs. Rajashree Birla	Chairperson (appointed w.e.f 20.07.2019)	5.75	2.68	1.49	5.60	0.00	1.38
3	Mr. B. S. Mehta	Independent Director (ceased w.e.f 14-08-2020)	4.35	**	1.13	11.75	2.17	2.89
4	Mr. S. K. Jain	Independent Director	6.90	8.66	1.79	6.35	-0.78	1.56
5	Mr. K. S. Thar	Independent Director	6.90	2.99	1.79	6.70	4.69	1.65
6	Mrs. Krupa R. Gandhi	Independent Director (appointed w.e.f. 14.08.2020)	4.20	**	1.09	NA	NA	NA
7	Mr. Devajyoti N. Bhattacharya	Non Independent Director (appointed w.e.f. 12.10.2020)	2.64	**	0.68	NA	NA	NA
8	Mr. Suresh Sodani	Managing Director (appointed w.e.f. 01.09.2020)	91.87	**	23.80	NA	NA	NA
9	Mrs. Usha Sangwan	Independent Director (ceased w.e.f. 16.05.2020)	0.62	**	0.16	0.92	**	0.22
10	Mr. O. R. Chitlange	Managing Director (ceased w.e.f. 01.09.2020)	181.19	**	46.94	368.10	7.39	90.44
11	Mr. K. G. Ladsaria	Chief Financial Officer	126.84	16.62	32.86	108.76	-4.50	26.72
12	Mr. Rahul Dubey	Company Secretary (appointed w.e.f 18.08.2020)	22.29	**	5.77	NA	NA	NA
13	Mr. C. B. Gagrani	Company Secretary (ceased w.e.f 18.08.2020)	20.59	**	5.33	50.39	7.42	12.38

* Directors Remuneration is including sitting fees.

** Remuneration for part of the year

- ii. The median remuneration of employees of the Company for the financial year was ₹ 3.86 Lacs (Previous Year ₹ 4.07 Lacs)
- iii. During the financial year, there was a decrease of 5.54 % in the median remuneration of employees (Previous Year decrease of 3.70%).
- iv. Number of permanent employees on the rolls of the Company as on 31st March, 2021 was 1656 Nos. and as on 31st March, 2020 was 1595 Nos.
- v. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2020-21 and 2019-20 was 9.10%, and 9.83% respectively and the increase in the managerial remuneration for the financial year 2020-21 and 2019-20 was decreased by 25.82% and increased by 7.39% respectively.
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Philosophy / Policy of the Company.



ANNEXURE TO THE DIRECTORS' REPORT

(ANNEXURE -IV)

STATEMENT CONTAINING INFORMATION AS PER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULES 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED, 31ST MARCH, 2021.

Name, Designation, Remuneration Received (₹), Nature of Employment, Qualification, Experience(Years), Date of Commencement of employment, Age(Years), Last Employment held, Equity Share held in Company (Percentage),

- (a) Employed throughout the financial year and was in receipt of remuneration for the year in aggregate of not less than ₹ 1,02,00,000
1. Mr. K.G. Ladsaria, Chief Financial Officer, ₹ 1,26,84,850, Non-Contractual, B.Com., A.C.A., 27, 01-12-2016, 50, Hindalco Industries Limited, NIL.
- (b) Employed for a part of the financial year and was in receipt of remuneration at a rate in aggregate not less than ₹ 8,50,000/- per month.
1. Mr. O.R. Chitlange, Managing Director, ₹ 1,81,19,320, Contractual, B.Com., F.C.A., 40, 16-05-2017, 63, Century Textile and Industries Limited, NIL
 2. Mr. Suresh Sodani, Managing Director, ₹ 91,86,898, Contractual, I.C.W.A., C.A, 29, 01-09-2020, 54, Grasim Industries Ltd, NIL.
- (c) Employed throughout the financial year or part thereof, was in receipt of remuneration in the year which, in the aggregate or at a rate which in the aggregate was in excess of that drawn by the Whole time Director and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the company.
- NIL

NOTES:

1. Remuneration includes salaries, house rent allowance, personal allowance, ex-gratia, variable pay, long term incentive plan, leave travel assistance, encashment of leave, medical expenses / allowances, accident insurance premium, Company's Contribution to Provident & Superannuation Funds, National Pension Scheme and the monetary value of perquisites calculated in accordance with the provisions of the Income-tax Act, 1961 and the Rules made there under and excludes provision for retiring gratuity for which separate figure is not available.
2. The above employees are not relative of any Director of the Company.

For and on behalf of the Board of Directors

S.K. Jain

Director

DIN: 02843676

Suresh Sodani

Managing Director

DIN: 08789604

Place : Pune

Date : 18th May, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

1. OVERALL REVIEW

FY2020-21 was a challenging year for the entire world. The Covid-19 induced lockdowns resulted in two successive quarters of contraction of 24.4% (Q1 FY21) and 7.3% (Q2 FY21) in Indian GDP. Fear and uncertainty further led to extreme volatility in raw material costs where Caprolactam prices dipped to a historical low. Government, both central and state, and the Reserve Bank of India (RBI) implemented measures to revive the economy. The measures helped in sharp recovery of the economy in H2 FY21. Q3 FY21 recorded GDP growth of 0.4% and Q4 FY21 is expected to be even better.

2. INDUSTRY STRUCTURE, DEVELOPMENT, THREATS, OPPORTUNITIES & OUTLOOK

Industry status:

Within the synthetic yarn segment of the textile industry, the Company produces Nylon Tyre Cord Fabric (NTCF) for the tyre industry, High Tenacity Yarn (HTY) for technical textiles and Nylon Filament Yarn (NFY) for the apparel industry. The Company is the largest producer of nylon yarn in India, and quality leader in all the product categories.

NTCF is used as reinforcement material in Bias/Cross ply tyres, which are primarily used in truck, bus, two - three wheelers, and off-the-road (OTR) vehicles used for mining, forestry, farming, heavy earth moving.

Some of the structural changes and favourable macros revitalised the tyre industry. Demand for Bias Tyres improved because of the following reasons:

- a) Tyre imports brought under restricted category resulting in steep drop in tyre imports
- b) Anti-dumping duty on Truck and Bus Radials (TBR) Tyre imports from China resulted in Medium and Heavy Commercial Vehicle (MHCV) category cheap Radial Tyres getting replaced by domestic Bias Tyres
- c) Good monsoon, pro-farm Government policies prompted bumper demand in tractor (farm) tyres. Tractor sale in FY 21 witnessed 25% growth
- d) Lower interest rates and infrastructure push helped in revival of demand for commercial vehicles and OTR vehicles

After the nationwide lockdown was lifted, tyre demand initially from the replacement market and later on from both Original Equipment Manufacturer (OEM) and the replacement market, led to sharp revival in NTCF demand. Lower imports due to shipping disturbances and revival in local demand in China also boosted NTCF demand in India.

Nylon Filament Yarn (NFY) is mainly used in sarees, dupattas, dress materials and ethnic wears. NFY in India has witnessed

strong traction in recent years. It is a preferred yarn for ethnic dress materials and sarees having zari due to superior comfort, stretch, softness, touch, and easy dyeing. With increase in affordability and setting up of new technically advanced machinery, NFY is gaining fast acceptance in body-hugging apparels, work wear, active and functional wear. The industry, however, is dominated by small unorganised players with weak financials and with players who opportunistically switch between nylon and polyester. The industry suffers from low margins because of intense competition amongst domestic players and competition from imports. Dependence on imports and volatility in raw material prices also impacts the margins. After the lockdowns were relaxed, pent-up demand and empty pipelines resulted in robust demand in H2 FY21. Like NTCF, lower imports due to shipping disturbances and revival in local demand in China gave NFY demand a renewed thrust in India.

Company Performance:

Robust demand for tyres both in replacement and OEM segment helped the Company to post the highest-ever production and sales volumes in H2 FY21. Even in a truncated year due to lockdown, NTCF volume was higher by 6% in FY21. The Company enjoys good standing with almost all the reputable tyre companies in India. The Company benchmarks its products with the best international counterparts and improves its products continuously. The Company is also working with the customers to develop products for import substitution and increasing its share in value-added products. These initiatives will help the Company in improving margins and maintaining its market share. After sunset review, the Government turned down the Directorate General of Trade Remedies (DGTR)'s recommendation of Anti-Dumping Duty (ADD) and it did not impose ADD on imports from China.

In NFY, the Company is a market leader with over 25% market share. After the lockdown was lifted, NFY demand picked up late, around September 2020. Pent-up demand and empty pipelines have helped record NFY sales volume in H2 FY21. Volume for full year was, however, lower by 28%. In case of NFY, too, the DGTR's recommendation of ADD was turned down by the Government and it did not impose ADD on imports from China, Taiwan, South Korea, and Thailand.

To improve margins and to reduce competitive intensity, the Company plans to increase its capacity of Draw Texturing to add value to Partially Oriented Yarn (POY). The Company is also making efforts to develop export market for NFY made from Green Polymer.

The Covid-19 outbreak has caused significant disturbances. The Company's operation was impacted due to suspension of operations at both the sites in March 2020, pursuant to



the Government's lockdown directives. The operations were recommenced gradually at the Bharuch site by the end of April 2020 and the Pune site by the end of May 2020. The Company took all the precautions to safeguard its employees, which included training on Covid-19 appropriate behaviour, ensuring social distancing at workplace, appropriate change in shift schedules, work from home wherever possible, frequent sanitisation, vaccination camp for eligible employees and most importantly mass rapid antigen tests to identify asymptomatic cases. With support and dedication of all its employees, the Company achieved credible operating performance even in these difficult times.

The Company has considered the possible impact of Covid-19 in preparation of the above results. The impact of the global health pandemic may be different from what was estimated as on date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

During the year, the Company, through in-house re-engineering, converted one of the idle polyester POY machine into High Tenacity Nylon Yarn (HTY) machine for Technical Textiles. Products from the machine are well established in the market.

After the relaxation of the lockdown, the Company's key raw material (Caprolactam) prices witnessed sharp volatility in Q1 FY21 and prices corrected from US\$ 1,318/MT in February 20 to US\$ 955/MT in April 20. This sharp correction in raw material prices resulted in stock loss. After the lifting of the lockdown, like other commodities, prices of Caprolactam also moved up significantly and touched US\$ 1,975/MT in March 21. The Company was able to pass on the increase in raw material cost to its customers.

Company Outlook:

Fiscal incentives (support to MSME, Production link incentive, lower income tax, and others) and monetary policy response (liquidity injection and interest rates cuts) are expected to boost growth and encourage capital investments. Favourable capital market is also supporting raising of risk capital. These, coupled with low-base effect, are expected to help in getting to the GDP growth of 10-12% in FY22. Key risk to this, however, will be the adverse effect of the second wave of Covid-19.

The Company is pursuing CAPEX of ₹ 309 Crs to strengthen its competitive position in the tyre reinforcement market, to modernise the plant and augment the capacity by around 30%.

Based on the growth outlook, the Company is optimistic of good demand for NTCF.

In case of NFY, the Company anticipates that localised lockdowns will hurt the demand in H1, and demand to improve in H2 FY22, based on the progress in vaccination and return to normalcy.

3. RISK MANAGEMENT

Risk management is one of the most important business aspects in the current economic environment in which the Company is

operating. Its objective is to identify, monitor and take mitigation measures on a timely basis with respect to the unforeseen events that may be potential business risks.

The Company has a robust Risk Management Policy and Procedure in place for effective identification and monitoring of risks and implementation of mitigation plans. The Risk Management Committee reviews and monitors the identified risks and mitigation plans at regular intervals. Some of the risks identified and analysed by the management are as under:

(a) Dependency on imports of raw material having high volatility in prices coupled with foreign currency fluctuations:

Supplies from Gujarat State Fertiliser and Chemicals Limited (GSFC), the lone operating domestic producer of Caprolactam, cannot meet the total demand of the domestic industry. Hence, the nylon industry is dependent on imports. This results in higher inventory carrying cost and a risk of additional cost due to currency fluctuations. The Company is continuously working on increasing its supplier base to reduce cost and lead time and ensure uninterrupted supplies. The Company simultaneously reviews its policies and practices to adjust the inventory levels of both raw materials and finished goods in line with the changing demand. It is done to reduce the impact of volatility in raw material prices, while ensuring availability of enough stock for optimum production plans and supply of finished goods. The Company continuously engages with the suppliers to reduce the impact of volatility in raw material prices. The Company is in continuous dialogue with Fertilizer and Chemicals Travancore Limited (FACT), which plans to restart its Caprolactam closed plant, to increase local procurement. The Company covers its foreign currency exposures in forward market based on the business cycle to minimise the impact of currency fluctuations.

(b) High Energy Cost:

The Company is continuously working on various options, including power purchase under open access to reduce power cost.

It operates captive power plants as and when cost of power generation through fossil fuel and / or gas becomes viable.

The Company has made investments in renewable energy generation equipment to reduce power cost. It also regularly engages experts to generate ideas for energy saving and makes regular investments to conserve energy.

(c) Technology Risk:

Technology obsolescence may adversely impact the production process and technical support from original equipment manufacturers. The Company regularly makes investments in upgrading the technology to mitigate this risk and for efficiency improvement.

(d) Accident Risk:

The Company has a dedicated team for safety which reviews practices and processes regularly. All Personal Protective Equipment (PPEs) and fire fighting equipment are examined on regular basis for their condition and adequacy. The Company engages external experts for regular audits for fire safety, among other such risks and acts on the recommendations of these experts.

The Audit Committee and the Board are apprised of the significant risks and mitigation efforts made by the management in its quarterly meetings.

4. SAFETY, HEALTH, ENVIRONMENT AND SUSTAINABILITY

Safety:

Safety is one of the key focus areas of the Company and it strives to make the plant operations safe. The Company, to ensure effectiveness of safety management, got the fire safety system, electricity system, job safety analysis, Hazard Identification and Risk Assessment (HIRA) and Integrated Management System (IMS) surveillance audited by external agencies. The Company also conducted various safety awareness programmes and trainings, such as basic fire-fighting, electrical safety among others. Regular CAPEX is also incurred to modernise the equipment to improve the safety.

Health:

The Company actively pursues healthy and conducive work environment for all employees. Medical services are made accessible to all employees at both the plant sites. Periodical health check-ups are conducted across the workforce as per the Factories Act, 1948. The Company arranges periodic preventive health check-ups for its staff and their spouses. Adequate personal protective equipment are also provided.

Emphasis is given to cleanliness, personal hygiene and good housekeeping. Mechanical means of control are used such as dust extraction, fume exhaust system and noise absorbers.

In times of the Covid-19 pandemic, special emphasis was given on training to impart Covid-19 appropriate behaviour. Provisions were made for body temperature checks, social distancing, PPEs and testing.

Occupational Health and Safety Management System of Pune and Bharuch sites are certified ISO 45001:2018.

Environment and Sustainability:

The Company has well-organised Environment Management System certified for 14001:2015.

Strict monitoring is done for effluent treatment, stack emission and ambient air. Whether these are within the stipulated parameters set by State Pollution Control Board is regularly checked. Government-approved laboratories monitor these on quarterly intervals.

Some of the measures for environment protection and sustainability are:

- a) Disposing waste generation in compliance with State Pollution Control Board guidelines
- b) Undertaking various energy-saving projects. The Energy Conservation Cell of the Company monitors their effectiveness and efficiency
- c) Adopting advanced energy conservation approach for waste heat recovery and vapour absorption
- d) Using biomass for major part of steam generation for production
- e) Installing solar panels for power generation, lighting and borewell water pump
- f) Using fully equipped effluent treatment plant (ETP) to treat waste water with tertiary treatment facility to make the water suitable for recycling. CAPEX is planned to further improve quality of recycled water
- g) Conducting presentation and review on awareness of optimum use of raw water
- h) Recycling nylon waste to convert into Caprolactam, the basic raw material, and then to Nylon-6 chips, known as Green Polymer for internal consumption and exports
- i) Reusing old paper tubes and packing material
- j) Giving major thrust to reduce manufacturing waste and on recycle, reuse, co- process, and eco-friendly disposal. To reduce the disposal quantity of ETP solid waste, the Company has installed Peddle Dryer to dry the ETP sludge and reduce the disposal waste quantity by about 80% to 85%
- k) Converting green waste into manure for use of gardening
- l) Celebrating 5th June as Tree Plantation Day by planting tree saplings at both the plant sites to promote awareness on pollution and importance of environment conservation
- m) Replacing refrigerants having Ozone Depleting Substance (ODS) with non-ODS refrigerants
- n) NFY produced by the Company is certified by OEKO TEX S-100, REACH and GRS. NTCF produced by the Company is certified by REACH

5. HUMAN RESOURCE AND INDUSTRIAL RELATIONS

The employees of the Company are its core strength and they are the key driver to achieve the business performance and goal. The Company focuses on knowledge and skill upgradation and provides a conducive work environment.

The Company has well-defined HR policies in place, which enable it to build a strong performance-oriented culture, a sense of belongingness and commitment to work.

The Company has various welfare schemes for employees and their families such as healthcare and term insurance policies.

The industrial relations at both the sites of the Company are cordial. During the year, the Company concluded long-term wage settlement for its Pune plant peacefully.



The strength of the permanent employees of the Company as on 31st March 2021 was 1656

6. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has a robust internal control system commensurate with the size and scale of its operations. Roles and responsibilities are clearly defined and assigned, along with well-structured authorisation matrix. Standard operating procedures are designed to provide a reasonable assurance and are well supported by ERP(SAP) system. Apart from self-monitoring of internal controls, Internal Auditors have also expressed their satisfaction on the adequacy of the internal control systems.

The Audit Committee takes due cognisance of the observations made by the auditors and gives their suggestions for improvement. The suggestions of the Audit Committee are also considered for further strengthening of the control systems.

7. INFORMATION TECHNOLOGY

The Company has always been on the forefront in terms of leveraging technology for the business. This year too, the Company has continued to invest in digital technologies. These investments have been used to improve the operational productivity and aid in better decision making. The information security and data privacy continue to remain the Company's focus area and make necessary investments to secure its systems and information assets. Adequate identity and data protection solutions were deployed to enable safe and secure working of employees from anywhere, while protecting the intellectual property of the Company. This was a substantial enabler that helped the company when the COVID crisis struck and employees were asked to work from home. The secure VPN gateway to the Company's datacentres ensured that all essential applications were accessible to employees. Deployment of collaboration solutions allows seamlessly working with internal and external stakeholders.

The Company increased coverage of modern workplace solutions based on cloud solutions like Office365. The investments made over the years to modernize the Company's digital environment paid good dividends during these tough times.

8. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

I. Highlights

	₹ / Lacs	
	2020-21	2019-20
Net Revenue from Operations	1,22,082	1,42,348
Profit before Depreciation, Financial Cost, Exceptional Items and Tax	14,237	13,544
Depreciation	4,088	4,550
Finance Cost	155	349
Exceptional Item	819	-
Taxation (Net)	2,083	(908)
Net Profit after Tax	7,092	9,553
Earnings Per Share (₹)	32.46	43.72
Cash Earnings Per Share (₹)	52.80	51.37

a. Net Revenue from Operations:

Net revenue for the year is lower by 14.2%. Sales in terms of volume (MT) is lower by about 13.2%. Lower revenue for the year reflects the lower volumes in case of NFY and lower realisations.

b. Profit before Depreciation, Financial Cost, Exceptional Item and Tax (PBIDT):

PBIDT is higher on account of better margins over raw material cost.

c. Finance Cost:

Finance cost is lower due to lower borrowings.

d. Exceptional Item:

Exceptional item in current year represent impairment loss on idle polyester machinery.

II. Key Financial Ratios:

Ratio	2020-21	2019-20	Explanation for change
Interest Coverage	91.79	38.81	Higher PBIDT and lower debt in current year
Debt/Equity Ratio	0.01	0.02	Lower debt due to scheduled repayments and prepayment
Operating Profit Margin (On PBIT excl. income on investments)	6.81%	5.28%	Better margin
Net Profit Margin	5.74%	6.71%	Higher profit in previous year due to write-back of deferred tax of ₹ 3,120 lacs as the Company opted for reduced rate of tax.

III. Return on Net Worth:

Ratio	2020-21	2019-20	Explanation for change
Return on Net Worth	6.44	9.32%	Higher profit in previous year due to write-back of deferred tax of ₹ 3,120 lacs as the Company opted for reduced rate of tax.

9. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's primary focus under Corporate Social Responsibility was on education and skill development, rural infrastructure, healthcare and disaster management. The Company addresses the local needs and does the necessary work for the development of local areas.

1. Education and Skill Development:

a. Poshanvahini Project

The Company continued participating in the project Poshanvahini (assistance) launched by the Collector, Narmada district (Gujarat), to strengthen the Anganwadi centres by engaging an assistant at each centre. The Company sponsored 50 assistants for the project and around 500 children benefited from it.

b. School Infrastructure

- Provided financial support for construction of classrooms in Government primary school situated in a tribal area near the Bharuch site
- Constructed overhead shed on pathway in the school in vicinity of the Bharuch site to protect children from heat and monsoon
- Provided 30 laptops to teachers to a school situated in Maharashtra. This helped in conducting the school sessions virtually during the pandemic
- Facilitated Wi-Fi installation on a school premises in Maharashtra, benefitting 3,147 students and 179 teachers
- Distributed uniforms and stationery to 232 school students in Maharashtra. Financially supported computer lab and interactive board fees
- Extended financial support to meet the shortfall in school fees arising due to the pandemic in a school located in the vicinity of the Bharuch site.

c. Vocational Training

The Company continued providing financial support to meet part of the cost of teaching staff and workshop consumables of a vocational training institute.

2. Health, Hygiene and Medical Programmes:

a. Medical Equipment:

Provided medical equipment to the Hospital situated in Jhagadia, near Bharuch site (Gujarat). This hospital is the lifeline of the tribal area and served around 45,000 people.

b. Eye Check-up and Cataract Operation Camp:

Eye check-up and cataract operation camp was organised in collaboration with Seva Rural Hospital, Jhagadia, for the villagers residing near the Bharuch site.

c. Toilet Construction:

Constructed 85 toilets in the nearby villages of the Bharuch site, benefitting around 350 villagers.

d. Drinking Water Facility:

Provided water cooler and R.O. system in two Government Hospitals in the vicinity of the Bharuch site, benefitting about 200 people per day.

e. Women Health & Hygiene:

Distributed 12,500 sanitary napkins to 625 women of four nearby villages of the Bharuch site and explained the usage benefit.

f. Homoeopathic Dispensary:

Homoeopathic dispensary has been set up for the benefit of locals surrounding the Pune site.

g. Medical Aid:

- Provided ambulance to an organisation (Pune, Maharashtra) carrying out the Movable Hospital facilities in the villages near the Pune site
- Provided 25 smart watches to on-duty police personnel during the lockdown to monitor their health
- Provided wheelchairs, weighing scale, walking sticks, masks to feeble people.

3. Rural Infrastructure:

a. Floodlight:

Provided six floodlight towers and 25 LEDs in five villages near the Bharuch site. The initiative impacted around 4,000 people in tribal area.

b. Plain Cement Concrete (PCC) Road Construction:

Constructed 717 meter of PCC road in two villages in the vicinity of the Bharuch site, benefitting around 800 people.

c. Drainage Line Construction:

Constructed drainage line near Primary School of Umalla village, Bharuch district (Gujarat). This facilitated a safe passage to the villagers and school children, particularly during monsoon, aiding around 200 people and 400 school children.

4. Disaster Management:

The Company has been at the forefront to provide relief measures to overcome the Covid-19 pandemic effect. It distributed PPE kits, food kits, grocery kits in 29 surrounding villages of Pune and Bharuch site and quarantine centres. More than 2,200 families were the beneficiaries of this initiative. It also extended financial support for building a quarantine centre at MIDC, Pune.

10. CAUTIONARY STATEMENT

The report contains forward looking statements describing expectations, estimates, plans or words, with similar meaning. The Company's actual results may differ from those projected, important factors that could make the difference to the Company operations include prices of raw material, finished goods and energy costs, changes in government regulations, economic developments, globally and within India and labour negotiations. The Company cannot guarantee that the assumptions and estimates in the 'forward looking statements' are accurate or will be realised.



CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Good Governance is an integral part of the Company's business practices based on the philosophy of Trusteeship. The core value of the Company's business practices are derived from the four pillars of Trusteeship, i.e. transparency, adequate disclosure, fairness to all and independent monitoring and supervision. The strong internal control systems and procedures, risk assessment and mitigation procedures and code of conduct for observance by the Company's directors and employees are conducive in achieving good Corporate Governance practices in the Company.

Detailed disclosures on the Board of Directors, Shareholders and Stock Performance are provided as follows:

1. BOARD OF DIRECTORS

Composition

The Board of Directors as on 31st March, 2021 comprises of six Directors out of which one is Managing Director and five Directors are Non-Executive Directors including two women Directors. The Managing Director is entrusted with substantial powers of management of the affairs of the Company. Out of six Directors, three Directors are Independent Directors including one independent woman director. The Chairperson of the Company is a Non-Executive Director. The total strength of independent directors comprises half of the total strength of the Board. The Non-Executive Directors are eminent person having considerable experience in their respective fields of industry, management, finance and law.

Directorship held by Directors of Century Enka Limited:

Name of the Director	DIN	Executive/Non- Executive / Independent/Promoter	No. of shares held in the Company	No. of outside Directorships in Public Limited Companies ¹	Membership held in Committee of Directors ²	Chairmanship held in Committee of Directors ²
Mrs. Rajashree Birla	00022995	Non-Executive and Promoter	26,080	5	0	0
Mr. S. K. Jain	02843676	Non-Executive and Independent	125	1	1	-
Mr. K. S. Thar	00390137	Non-Executive and Independent	-	-	-	-
Mrs. Krupa R. Gandhi (appointed w.e.f. 14.08.2020)	00294629	Non-Executive and Independent	-	-	-	-
Devajyoti N. Bhattacharya (appointed w.e.f. 12.10.2020)	00868751	Non-Executive and Non Independent	-	6	-	-
Mr. Suresh Sodani (appointed w.e.f. 01.09.2020)	08789604	Executive - Managing Director	-	-	-	-
Mrs. Usha Sangwan (Ceased w.e.f. 16.05.2020) ³	02609263	Non-Executive and Independent	-	-	-	-
Mr. B. S. Mehta (Ceased w.e.f. 14.08.2020) ⁴	00035019	Non-Executive and Independent	-	-	-	-
Mr. O. R. Chitlange (ceased w.e.f. 01.09.2020)	00952072	Executive - Managing Director	-	-	-	-

1 This excludes directorship held in Private Companies, Foreign Companies, Companies formed under Section 8 of the Companies Act, 2013 and directorship held in Century Enka Limited.

2 Membership/Chairmanship in Committee of Directors includes Audit Committee and Stakeholders' Relationship Committee of Directors only. This does not include Membership/Chairmanship in Committee of Directors of Century Enka Limited.

3 Mrs. Usha Sangwan resigned due to personal and health reason as mentioned in the resignation letter. There is no other reason than as mentioned in the letter for her resignation.

4 Mr.B.S. Mehta resigned due to some personal reason as mentioned in the resignation letter. There is no other reason than as mentioned in the letter for his resignation.

A. The Company through periodical presentation to Board of Directors and various committees of Directors and individually provides an opportunity to independent directors to facilitate their active participation and familiarise the Company's business. Web link of Familiarisation Programmes for Independent Directors: https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6|ChildVerticalTab_210

B. Core skills / expertise / competencies of the Board of Directors.

The relevant Skills / expertise / competencies of the Board of Directors of the Company in the context of its man made fibre business shall be finance, industry experience, law, risk management and corporate governance and these are available with the Board.

The Board of Directors of the Company possesses the requisite skill / expertise / competencies in the context of its Man Made Fibre business to function effectively. The core skill / expertise / competencies that are available with respective directors are as under:

No.	Director	Skill/Expertise/Competencies
1	Mrs. Rajashree Birla	Corporate Governance, Entrepreneur, Leadership and Corporate Social Responsibility
2	Mr. S. K. Jain	Corporate Governance and Law
3	Mr. K. S. Thar	Corporate Governance, Finance and Account
4	Mrs. Krupa R. Gandhi	Corporate Governance, Taxation, Finance and Account.
5	Mr. Devajyoti N. Bhattacharya	Corporate Governance and Corporate Management.
6	Mr. Suresh Sodani	Corporate Governance, Corporate Management and Risk Management

C. The Company has informal plan for orderly succession for appointment to the Board of Directors and Senior Management.

D. The Company has in place a system of preparation of the legal compliance report on quarterly basis of all applicable laws to the Company, and a system to ratify any instance of non-compliance. The Board also reviews the compliance reports periodically.

E. The terms and conditions of appointment of independent directors is also available on the Company's website: https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6|ChildVerticalTab_212

Directorship held in Listed Companies and the category of directorship:

Name of the Director	Name of listed companies in which also holds directorship	Category of directorship
Mrs. Rajashree Birla	Grasim Industries Ltd	Non-Executive- Non-Independent Director
	Hindalco Industries Limited	Non-Executive- Non-Independent Director
	Ultratech Cement Limited	Non-Executive- Non-Independent Director
	Century Textiles and Industries Limited	Non-Executive- Non-Independent Director
	Pilani Investment and Industries Corporation Limited	Non-Executive- Non-Independent Director
Mr. S. K. Jain	Century Textiles and Industries Limited	Non-Executive- Independent Director
Mr. K. S. Thar	-	-
Mrs. Krupa R. Gandhi	-	-
Mr. Devajyoti N. Bhattacharya	T.V. Today Network Limited	Non-Executive- Non-Independent Director
Mr. Suresh Sodani	-	-

2. NUMBER OF BOARD MEETINGS AND ATTENDANCE RECORD OF DIRECTORS

The Board meets at least once in a quarter to consider amongst other business, the performance of the Company and financial results. The particulars of Board Meetings held during the year 2020-21 as well as attendance of Directors at the Board Meetings and the last AGM are given here below:

Details of Board Meetings:

Number of Board Meetings held during the year 2020-21 : 7 (Seven)			
Sr. No.	Date of Board Meeting	Sr. No	Date of Board Meeting
1.	09.06.2020	5.	28.10.2020
2.	14.07.2020	6.	02.02.2021
3.	04.08.2020	7.	15.03.2021
4.	14.08.2020		



Attendance Record of Directors :

Name of the Director	Number of Board Meetings held	Number of Board Meetings Attended	Whether attended last AGM held on 13.08.2020
Mrs. Rajashree Birla	7	5	Yes
Mr. S. K. Jain	7	7	Yes
Mr. K. S. Thar	7	7	Yes
Mrs. Krupa R. Gandhi (Appointed w.e.f. 14.08.2020)	4	4	N.A.
Mr. Devajyoti N. Bhattacharya (Appointed w.e.f. 12.10.2020)	3	2	N.A.
Mr. Suresh Sodani (appointed w.e.f. 01.09.2020)	3	3	N.A.
Mrs. Usha Sangwan (ceased w.e.f. 16.05.2020)	-	-	N.A.
Mr. B. S. Mehta (Ceased w.e.f. 14.08.2020)	3	2	No
Mr. O. R. Chitlange (ceased w.e.f. 01.09.2020)	4	4	Yes

Meeting of Independent Directors and Attendance Record:

Independent Directors are required to meet at least once in a year to deal with matters listed out in Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV to the Companies Act, 2013 which inter-alia includes, review the performance of Non-Independent Directors, Chairman and the Board as a whole and assess the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary to perform the duties by the Board of Directors.

The date of the Meeting and attendance record of Independent Directors is as under:

Date of Independent Directors meeting held during the year 2020-21	05.03.2021	
Name of the Director	Number of Meetings held	Number of Meetings Attended
Mr. S. K. Jain	1	1
Mr. K. S. Thar	1	1
Mrs. Krupa R. Gandhi	1	1

3. DIRECTORS' REMUNERATION

(a) Non-Executive Directors:

Non-Executive Directors have been paid remuneration by way of sitting fees and commission.

(i) Sitting Fee

The sitting fee is paid for attending meeting of Board of Directors and Committee of Directors to each Director except Managing Director at the rate as detailed here below:

Meeting	Sitting Fee per meeting
Board	₹ 15,000/-
Audit Committee	₹ 10,000/-
Nomination & Remuneration Committee / Corporate Social Responsibility Committee/ Stakeholders' Relationship Committee /Share Transfer Committee	₹ 5,000/-

(ii) Commission

Pursuant to special resolution passed by the shareholders in the 53rd Annual General Meeting of the Company held on 13th July, 2019, commission is payable to non-executive directors at a rate not exceeding 1% of the net profits of the Company as computed in accordance with Section 198 of the Companies Act, 2013, subject to such ceiling as the Board of Directors decide from time to time. The criteria for payment of commission as determined by the Board is based on the period and overall contribution.

Remuneration Paid/Payable to Non-Executive Directors for the Financial Year 2020-21:

Name	Sitting Fee for Board/ Committee Meetings Attended	Commission
Mrs. Rajashree Birla	₹ 75,000/-	₹ 5,00,000/-
Mr. S. K. Jain	₹ 1,90,000/-	₹ 5,00,000/-
Mr. K. S. Thar	₹ 1,90,000/-	₹ 5,00,000/-
Mrs. Krupa R. Gandhi (Appointed w.e.f. 14.08.2020)	₹ 1,05,000/-	₹ 3,15,068/- (*)
Mr. Devajyoti N. Bhattacharya (appointed w.e.f. 12.10.2020)	₹ 30,000/-	₹ 2,34,247/- (*)
Mr. B. S. Mehta (Ceased w.e.f. 14.08.2020)	₹ 65,000/-	₹ 3,69,863/- (*)
Mrs. Usha Sangwan (Ceased w.e.f. 16.05.2020)	-	₹ 61,644/- (*)

(*) for proportionate period

(b) Managing Director

- i) Remuneration of Mr. Suresh Sodani, Managing Director for the financial year 2020-21 (for the period from 01.09.2020 to 31.03.2021) comprises Salary and Allowances ₹ 78.31 lacs, Perquisites ₹ 6.08 lacs and Contribution to Provident Fund ₹ 3.60 lacs, Superannuation Fund ₹ 0.88 lac and National Pension Scheme ₹ 3.00 lacs. Monetary value of perquisites is calculated in accordance with existing provisions of the Income Tax Act, 1961. The above remuneration is exclusive of contribution to approved Gratuity Fund which is based on actuarial valuation done on an overall company basis. He is also entitled to annual variable pay linked to the achievement of business and individual performance as may be decided by the Board of Directors from time to time. There are no stock option and pension. The employment is on contractual basis and subject to termination by either party giving to the other party three months notice.
- ii) Remuneration of Mr. O. R. Chittlange, Managing Director for the financial year 2020-21 (for the period from 01.04.2020 to 31.08.2020) comprises Salary and Allowances ₹ 133.87 lacs, Perquisites ₹ 1.38 lacs and Contribution to Provident Fund ₹ 3.67 lacs & Superannuation Fund ₹ 3.83 lacs. Monetary value of perquisites is calculated in accordance with existing provisions of the Income Tax Act, 1961. The above remuneration is exclusive of contribution to approved Gratuity Fund which is based on actuarial valuation done on an overall company basis. He has also paid annual variable pay of ₹ 38.44 lacs p.a. linked to the achievement of business and individual performance as may be decided by the Board of Directors from time to time. There are no stock option and pension. The employment is on contractual basis and subject to termination by either party giving to the other party three months notice.

4. DIRECTORS' INTEREST IN THE COMPANY

Sometime, the Company enters into contracts with companies in which a Director of the Company is interested as director or member. However, these contracts are in the ordinary course of the Company's business without giving any specific weightage to them. Directors regularly make full disclosures to the Board of Directors regarding the nature of their interest in the companies in which they are directors or members. Full particulars of contracts entered with companies in which directors are directly or indirectly concerned or interested are entered in the Register of Contracts maintained under section 189 of the Companies Act, 2013 and the same is placed in next Board Meeting for the noting of the Directors.

5. CODE OF CONDUCT

The Company has always encouraged and supported ethical business practices in personal and corporate behaviour by its directors and employees. The Company has framed a Code of Conduct for the members of the Board of Directors and Senior Management Personnel of the Company. All members of the Board of Directors and Senior Management personnel affirm on annual basis the compliance of the Code of Conduct. In addition to that a Code of Conduct for dealing in equity shares and other listed securities of the Company is also in place. Both the Code of Conduct are available on the website of the Company <http://www.centuryenka.com/pdf/code-of-conduct-2015.pdf>

6. AUDIT COMMITTEE

The Board of Directors has constituted an Audit Committee of Directors and empowered the Committee to deal with all such matters which it may consider appropriate to perform as audit committee including items specified in Section 177(4) of the Companies Act, 2013 (as may be modified/ amended from time to time), items specified in Part C of Schedule II in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 under the head role of audit committee (as may be modified/amended from time to time) and such matters as may be assigned from time to time by the Board of Directors.

The Committee in addition to other business, reviews the quarterly (unaudited/audited) financial results, annual financial statements and auditors' report thereon, compliance of listing and other legal requirements relating to financial statements, cost audit statement before submitting to the Board of Directors, review internal financial control and procedures, internal control system and procedure and their adequacy, capital expenditure



budget, risk management, related party transaction, audit programme, nature and scope of audit programme, appointment, remuneration and terms of appointment of Auditors, approval of payment to Statutory Auditors for other services. The Committee consists of three Independent Directors.

The dates of the Meetings and attendance of each Committee Member are as under:

Dates of Audit Committee meetings during the year 2020-21	09.06.2020	04.08.2020	28.10.2020	02.02.2021	15.03.2021
Name of Committee Member	No. of Meetings held		No. of Meetings attended		
Mr. S. K. Jain (Chairman) Non-Executive and Independent Director	5		5		
Mr. K. S. Thar Non-Executive and Independent Director	5		5		
Mrs. Krupa R. Gandhi Non-Executive and Independent Director (Appointed w.e.f. 14.08.2020)	3		3		
Mr. B. S. Mehta Non-Executive and Independent Director (Ceased w.e.f. 14.08.2020)	2		2		

Mr. K.S. Thar and Mrs. Krupa R. Gandhi are Chartered Accountants by profession. The Company Secretary of the Company acts as the Secretary to the Committee.

Besides the Committee members, Managing Director, Chief Financial Officer and partners/other representatives of the firms of Statutory Auditors and Internal Auditors were also present (except where leave of absence was requested) at the meetings to answer the queries raised by the Committee Members.

The Chairman of Audit Committee was present at 54th Annual General Meeting of the Company held on 13th August, 2020.

7. NOMINATION AND REMUNERATION COMMITTEE OF DIRECTORS:

The Board of Directors has constituted a Nomination and Remuneration Committee of Directors. The role of the committee is to perform all such matters as prescribed under the Companies Act, 2013 and Schedule II - Part D about Role of Nomination and Remuneration Committee of Directors under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended / modified from time to time which inter alia includes - recommendation to Board of Directors remuneration policy for the Company, formulation of criteria for performance evaluation of Directors, Chairman, Board and Committee, appointment of Director, appointment and remuneration of Managing Director and Key Managerial Personnel. The Committee will also deal with matters as may be assigned from time to time by the Board of Directors.

The Committee has formulated a guiding policy on remuneration for its Directors, Key Managerial Personnel and employees of the Company.

The Committee has devised templates for performance evaluation of directors including Independent Directors, Chairman, the Board of Directors and Board Committees.

The Committee consists of three Independent Directors.

The date of the Meeting and attendance of each Committee Member are as under:

Date of Nomination and Remuneration Committee meeting during the year 2020-21	09.06.2020	14.07.2020	14.08.2020	28.10.2020
Name of Committee Member	No. of Meetings held		No. of Meetings attended	
Mr. S. K. Jain (Chairman) Non-Executive and Independent Director (appointed Chairman w.e.f. 14.08.2020)	4		4	
Mr. K. S. Thar Non-Executive and Independent Director	4		4	
Mrs. Krupa R. Gandhi Non-Executive and Independent Director (appointed w.e.f. 14.08.2020)	1		1	
Mr. B. S. Mehta (Chairman) Non-Executive and Independent Director (ceased w.e.f. 14.08.2020)	2		1	

8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

The Board of Directors has constituted Corporate Social Responsibility Committee of Directors. The Role of the Committee is to formulate and recommend to the Board, a corporate social responsibility policy, amount of expenditure to be incurred on CSR Projects and Programmes and monitor them.

The Committee consists of three directors.

The dates of the meetings and attendance of each committee member are as under:

Dates of Corporate Social Responsibility Committee meetings during the year 2020-21		09.06.2020	02.02.2021
Name of Committee Member	No. of Meetings held	No. of Meetings attended	
Mr. S. K. Jain (Chairman) Non-Executive and Independent Director (appointed Chairman w.e.f. 14.08.2020)	2	2	
Mrs. Krupa R. Gandhi Non-Executive and Independent Director (appointed w.e.f. 14.08.2020)	1	1	
Mr. Suresh Sodani Executive - Managing Director (appointed w.e.f. 01.09.2020)	1	1	
Mr. B. S. Mehta (Chairman) Non-Executive and Independent Director (ceased w.e.f. 14.08.2020)	1	1	
Mr. O. R. Chitlange Executive - Managing Director (ceased w.e.f. 01.09.2020)	1	1	

9. STAKEHOLDERS' RELATIONSHIP COMMITTEE OF DIRECTORS:

The Board of Directors has reconstituted a Stakeholders' Relationship Committee consisting of three members. The role of the committee is to consider and resolve the grievances of security holders and perform such roles as may require under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which inter alia includes complaints related to transfer/transmission of shares/non-receipt of dividend warrants/annual reports/issue of duplicate share certificates/effective exercise of voting rights/initiatives taken to reduce the quantum of unclaimed dividend. Continuous efforts are made to ensure that grievances are expeditiously redressed to the satisfaction of investors. A status report of shareholders complaints and redressal thereof is prepared and placed before Stakeholders' Relationship Committee of Directors.

The Secretary of the Company Mr. Rahul Dubey is the Compliance Officer.

The shareholders/investors can send shares/debentures related complaints, if any, through e-mail: cel.investor@birlacentury.com designated exclusively for this purpose.

The Committee consists of three Directors.

The date of the meeting and attendance of each committee member are as under:

Date of Stakeholders' Relationship Committee meeting during the year 2020-21		02.02.2021	
Name of Committee Member	No. of Meeting held	No. of Meeting attended	
Mr. S. K. Jain (Chairman) Non-Executive and Independent Director	1	1	
Mr. K. S. Thar Non-Executive and Independent Director	1	1	
Mr. Suresh Sodani Executive - Managing Director (appointed w.e.f. 01.09.2020)	1	1	
Mrs. Usha Sangwan Non-Executive and Independent Director (Ceased w.e.f. 16.05.2020)	-	-	
Mr. O. R. Chitlange Executive - Managing Director (ceased w.e.f. 01.09.2020)	-	-	



Status of Shareholders'/Investors' Complaints for the period 01.04.2020 to 31.03.2021

Nature of complaint	No. of complaints received	No. of complaints resolved	No. of pending complaints
Exchange of Share Certificates	1	1	-
Dividend	2	2	-
Others	1	1	-
Total	4	4	-

There is no complaint not solved to the satisfaction of shareholders.

10. SHARE TRANSFER COMMITTEE OF DIRECTORS

The role of the Committee is to deal with issuance of duplicates of share certificates, transmission of shares and transfer of shares

There is also a delegation of authorities to Senior Executives to attend share transfer formalities and register within stipulated time, provided all the documents are valid and complete in all respects.

Share transfers approved by the delegated authorities are placed before the Share Transfer Committee/Board for its review. As on 31st March, 2021 no shares were pending for transfer.

As per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from 1st April, 2019 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.

The Board of Directors has appointed the Company Secretary as compliance officer of the Company to monitor the share transfer process.

The Committee consists of two Directors.

The dates of the meetings and attendance of each committee member are as under:

Date of Share Transfer Committee meeting during the year 2020-21	04.08.2020	09.12.2020
Name of Committee Member	No. of Meetings held	No. of Meetings attended
Mr. B. S. Mehta (Chairman) Non-Executive and Independent Director (ceased w.e.f. 14.08.2020)	1	1
Mr. K. S. Thar (Chairman) Non-Executive and Independent Director (appointed Chairman w.e.f. 14.08.2020)	2	2
Mrs. Krupa R. Gandhi Non-Executive and Independent Director (appointed w.e.f. 14.08.2020)	1	1

The Company has appointed M/s Link Intime India Pvt. Ltd. as its Registrar and Share Transfer Agent for both physical and demat segment of equity shares.

11. RISK MANAGEMENT COMMITTEE

The Board of Directors on 18th May, 2021 constituted a Risk Management Committee consists of 4 persons, Mr. Devajyoti Nirmal Bhattacharya, Non-Executive Director is the chairman of the Committee and Mr. S. K. Jain, Independent Director, Mr. Suresh Sodani, Managing Director and Mr. Krishna Ladsaria, Chief Financial Officer are the members of the Committee. The Secretary of the Company is the secretary of the Committee.

12. GENERAL BODY MEETINGS

A) Information about last three Annual General Meetings:

Year	Date	Time	Location
2018	14.07.2018	12.30 PM	Pudumjee Hall, Mahratta Chamber of Commerce, Industries and Agriculture, Tilak Road, Pune-411002.
2019	13.07.2019	12.30 PM	Pudumjee Hall, Mahratta Chamber of Commerce, Industries and Agriculture, Tilak Road, Pune-411002.
2020	13.08.2020	12.30 PM	Through Video Conferencing : At Century Enka Limited Plot No.72 & 72-A, MIDC, Bhosari, Pune -411026.

B) Information about Special Resolutions passed in previous three Annual General Meetings:

- (i) In the 52nd Annual General Meeting held on 14th July, 2018 there was no special resolution passed by the shareholders.
- (ii) In the 53rd Annual General Meeting held on 13th July, 2019 following special resolutions were passed :
 - (a) Reappointment of Mr. K.S. Thar (DIN 00390137) as a Non-Executive Independent Director of the Company for a second term of five years w.e.f. 27th November, 2019.
 - (b) Consent of the Company was accorded to pay remuneration by way of commission to its directors except directors in whole time employment of the Company at a rate not exceeding one percent of the net profits of the Company in each year, computed in accordance with the provisions of Sections 197 and 198 of the Companies Act, 2013. The payment is subject to ceiling, if any, as the Board of Directors may, from time to time fix within the limit of one percent for each year and the same be divided amongst them in such manner as the Board of Directors may, from time to time fix in that behalf for each year.
- (iii) In the 54th Annual General Meeting held on 13th August, 2020 following special resolution was passed :
 - (a) Consent for continuation of holding office by Mrs. Rajashree Birla (DIN 00022995) as a Director liable to retire by rotation on her attaining the age of 75 years on 15th September, 2020 upto the expiry of her term of office as a Director in the Company.

C) Resolutions passed through Postal Ballot:

There was no resolution passed in the financial year 2020-21 by postal ballot.

D) As of date, there is no proposal to pass any special resolution by postal ballot.

13. RELATED PARTY TRANSACTION:

There is no transaction of materially significant nature with related party that may have potential conflict with the interest of the Company at large.

The Related Party Transactions Policy (the policy) regulates the transactions between the Company and its related parties. The policy as approved by the Board of Directors is available on the website of the Company https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6|ChildVerticalTab_210.

14. WHISTLE BLOWER POLICY :

The Company has put in place a Whistle Blower Policy to provide an open and transparent working environment and to promote responsible and secure whistle blowing system for directors and employees of the Company to raise concern. The Policy broadly cover instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct, alteration of documents, fraudulent financial reporting, misappropriation/misuse of Company's assets, manipulation of Company's data, pilferage of proprietary information, abuse of authority, etc. The Policy provides adequate safeguard against victimisation of director(s) / employee(s) who raise the concern and have access to Chairman of Audit Committee who is entrusted to oversee the whistle blower mechanism and that no person has been denied access to Audit Committee. The Policy is available on the website of the Company https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6|ChildVerticalTab_210.

15. STATUS OF INDEPENDENT DIRECTORS

The Independent Directors in the opinion of the Board fulfill the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

16. The board has accepted all the recommendations of Committees during the financial year 2020-21.

17. Total fees paid/ payable to Statutory Auditors for the financial year 2020-21 is ₹ 47 lacs.

(There is no subsidiary company/ network firm/ network entity.)

18. CREDIT RATINGS OBTAINED DURING THE FINANCIAL YEAR 2020-21

Particulars	Facilities in ₹ in crores	Credit Ratings
Bank Facilities (for debt instruments/facilities)		
Long Term Ratings	279	CRISIL A+/Stable (Reaffirmed)
Short Term Ratings	266	CRISIL A1+ (Reaffirmed)
Total Bank Facilities	545	



19. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Number of complaints filed during the financial year 2020 - 21	Number of complaints disposed of during the financial year 2020 - 21	Number of complaints pending as on end of the financial year 2020 - 21
Nil	Nil	Nil

20. ANY NON-COMPLIANCE, PENALTIES OR STRICTURES IMPOSED

There has been no non-compliance by the Company nor were any penalties imposed or structures passed against the Company by the Stock Exchanges , Securities and Exchange Board of India or any other statutory authority on any matter related to capital market in the last three years, except National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) that have alleged non compliance of composition of Board of Directors under Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (LODR) during the period of 3rd July, 2019 to 4th February,2020 as the number of directors have come down from six directors to five directors and imposed fine by each NSE and BSE of ₹ 6,25,000/- plus 18% GST there on, pursuant to SEBI Circular No. SEBI/HO/CFD/CIR/P/2018/77 dated 3rd May, 2018. The Company has paid the fine under protest to avoid severe consequences of trading of the Company’s shares on the stock exchanges i.e transfer to Z category and subsequently no trading in shares at stock exchanges.

The Company has challenged the imposition of alleged fine and sought the regulation that stipulate the time within which composition of the Board of Directors is to be complied. The Company, in absence of any Regulation in LODR providing the time within which meet the composition of board has followed the Standard Operating Procedure (SOP) as provided in SEBI Circular dated 3rd May,2018. No replied received from BSE. Replied received from NSE has no reference of regulation that stipulate time for composition of Board.

The Company has written a letter to SEBI dated 29th September, 2020 challenging the levy of fine and marked copy to BSE and NSE.

NSE, subsequent to writing to SEBI, had conveyed the Company that it can further approach it for waiver of fine and will reconsider. Accordingly, the Company made further request to NSE to consider waiver of fine. NSE vide its letter dated 4th May,2021 admitted that though there is no time provision in LODR to comply with the composition of Board of Directors, the Exchange to bring parity with Regulation 25(6) of LODR for appointment of Independent Directors considered three months time to comply with the composition of Board of Directors and justify the levy of fine. NSE at no time, during the alleged violation communicated the timeline of three months to comply for composition of Board of Directors

The Company is being in the process to submit an addendum to letter dated 29th September, 2020 submitted to SEBI which is yet to be considered by it that justification of NSE for levy of penalty is not in compliance with SEBI (LODR).

21. MEANS OF COMMUNICATION

The unaudited/audited financial results of the Company for each quarter is placed before the Board of Directors within stipulated time. The quarterly financial results of the Company are published in Business Standard (all editions) & Loksatta (Pune edition).

Financial results and other useful information of the Company are also available on the Company’s website www.centuryenka.com.

The Company has not made any presentation to institutional investors or analysts.

Official press release, if any, is placed on the Company’s Website and sent to Stock Exchanges for dissemination.

22. FOLLOWING POLICIES AND INFORMATION ARE AVAILABLE ON THE WEBSITE OF THE COMPANY :

i) DIVIDEND DISTRIBUTION POLICY

Dividend Distribution Policy is available on Company’s website at https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6|ChildVerticalTab_210.

ii) POLICY ON DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION FOR DISCLOSURE

Policy on Determination of Materiality of events or Information for Disclosure is available on Company’s website at https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6|ChildVerticalTab_210.

iii) SECRETARIAL COMPLIANCE REPORT

Annual Secretarial Compliance Report is available on the Company’s Website at <https://www.centuryenka.com/pdf/annual-secretarial-compliance-report-2020.pdf>

iv) ANNUAL RETURN

Annual Return under section 92 of the Companies Act, 2013 is available on the Company’s Website at https://www.centuryenka.com/investor-relations/index.html#parentHorizontalTab6|ChildVerticalTab_211.

24. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT FORMS A PART OF THE ANNUAL REPORT

25. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Day, Date and Time	:	Friday, the 13 th August, 2021 at 2.30. P.M. (By Virtual Mode)
Venue	:	Plot No.72 & 72-A, MIDC, Bhosari, Pune- 411 026. (By Virtual Model)
Financial Year	:	1 st April - 31 st March
Financial Calendar		
Financial reporting for the quarter ending 30 th June, 2021	:	On or before 14 th August, 2021
Financial reporting for the quarter ending 30 th September,2021	:	On or before 14 th November,2021
Financial reporting for the quarter ending 31 st December, 2021	:	On or before 14 th February,2022
Financial reporting for the quarter ending 31 st March, 2022	:	On or before 30 th May, 2022.
Book Closure	:	The Register of Members and Share Transfer Register will remain closed from Tuesday, 3 rd August, 2021 to Thursday, 5 th August, 2021 (both days inclusive) for the purpose of payment of dividend.

Dividend Payment Date : **On or after 17th August, 2021**

Registered Office : Plot No.72 & 72-A,
MIDC, Bhosari, Pune- 411 026.
Tel. No.(020) 66127300/27120423 Fax No.(020) 27120113
E-mail : cel.investor@birlacentury.com
Company's Website : www.centuryenka.com

Listing at Stock Exchanges : The Company's Equity Shares are listed at the following Stock Exchanges :
i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.
ii) The National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai - 400051.

Payment of Annual Listing Fees : The Annual Listing Fees for the year 2021-22 have been paid.

Stock Code : BSE Limited : 500280
National Stock Exchange : CENTENKA

ISIN allotted to Equity Shares : INE485A01015

Stock Market Data

Monthly high and low prices of equity shares of the Company quoted at BSE Ltd. (BSE) and the National Stock Exchange of India Limited (NSE) during the year 2020-21 :

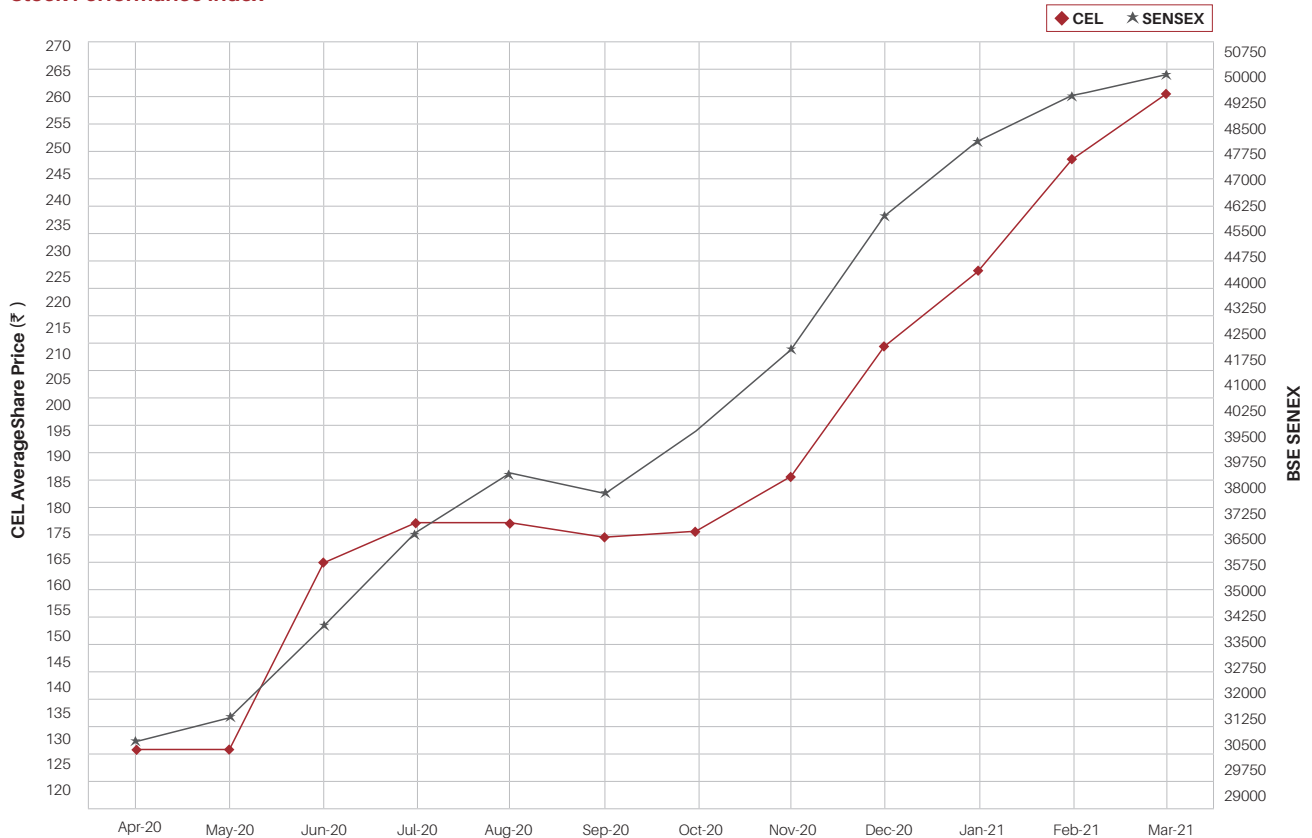
(Amount in ₹)*

Month	BSE		NSE	
	High	Low	High	Low
April 2020	143	116	147	114
May	134	125	136	125
June	203	131	205	130
July	189	160	188	162
August	196	154	197	154
September	189	155	191	163
October	183	162	184	165
November	202	165	202	158
December	227	192	227	191
January 2021	243	207	242	207
February	272	222	273	220
March	286	233	286	227

(*) Rounded-off to nearest Rupee



Stock Performance Index



Distribution of Shareholding as on 31st March, 2021

No. of equity shares held	No. of shareholders	% of shareholders	No. of equity shares held	% of shareholding
1 to 10	10863	25.97	62707	0.29
11 to 50	14379	34.37	436278	2.00
51 to 100	5753	13.75	514843	2.35
101 to 500	7562	18.08	1941340	8.88
501 to 1000	1533	3.66	1199166	5.49
1001 to 5000	1412	3.38	3069963	14.05
5001 and above	330	0.79	14626292	66.94
Total	41832	100.00	21850589	100.00

Categories of Shareholding as on 31st March, 2021

Category	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
Individuals	40680	97.25	11786481	53.94
Bodies Corporate	577	1.38	1127070	5.16
Non-Resident Bodies Corporate	3	0.01	1150000	5.26
FII's	11	0.03	436895	2.00
NRIs/OCBs	495	1.18	558562	2.56
Mutual Funds	6	0.01	3670	0.02
Banks, Financial Institutions & Insurance Companies	44	0.10	1161007	5.31
Investor Education and Protection Fund	1	0.00	203391	0.93
NBFC's registered with RBI	3	0.01	5225	0.02
Foreign Nationals	1	0.00	240	0.00
Total - Non-Promoter	41821	99.97	16432541	75.20
Promoters	11	0.03	5418048	24.80
Total	41832	100.00	21850589	100.00

Dematerialisation of Shares and Liquidity	: 92.08% of Equity Shares have been dematerialized as on 31 st March, 2021. Trading in shares of Century Enka Limited is available in dematerialised form.
Outstanding GDR ADR Warrants or any convertible instruments	: The Company has not issued any GDR ADR Warrants/Convertible Instruments.
Foreign Exchange Risk & Hedging activities	: It is the policy of the Company to cover its foreign currency exposure for imports to avoid currency exchange fluctuation. There is no hedging available in Caprolactam, the raw material of the Company.
Plant Locations	: Pune, Rajashree Nagar (Bharuch) and Mahad (Not in operation)
Share Transfer Agent :	: Link Intime India Private Limited (Unit : Century Enka Limited) C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083. Tel. : 022-49186270 Fax : 022-49186060 E-mail : rnt.helpdesk@linkintime.co.in
Share Transfer System	: Share Transfer System is explained in Share Transfer Committee of Directors.
Address for Correspondence:	Century Enka Limited Plot No.72 & 72-A, MIDC, Bhosari, Pune- 411 026. Tel. No.(020) 66127300/27120423 Fax No.(020) 27120113 E-mail : cel.investor@birlacentury.com

Transfer of Equity shares to Investor Education and Protection Fund Authority

Pursuant to Section 124 of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, shares in respect of which dividends had not been claimed for 7 (seven) consecutive years were required to be transmitted to Investor Education and Protection Fund Authority (IEPF Authority). Accordingly, 17,657 equity shares of ₹ 10/- each face value of 623 shareholders who had not encashed dividend warrants for 7 (seven) consecutive years from the financial year 2012-13 were transmitted to IEPF Authority on 10th September, 2020.

(16,676 equity shares of ₹ 10/- each face value of 628 shareholders were transmitted to IEPF Authority on 27th August, 2019 in the financial year 2018-19).

26. DISCLOSURES

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

27. DISCRETIONARY REQUIREMENTS

i) The Board

At present, there is no separate office in the Company for use of Chairperson nor any expenditure reimbursed in performance of her duty.

ii) Shareholders Rights

Half yearly financial results including summary of the significant events are presently not being sent to shareholders of the Company.

iii) Audit Qualifications

There is no audit qualification. Every endeavor is made to make the financial statements without qualification.

iv) Separate posts of Chairman and Chief Executive Officer

The Chairperson of the Company is a Non-Executive Director. A separate person is Managing Director of the Company.

v) Reporting of Internal Auditors

Reports of Internal Auditors are placed before the Audit Committee for its review.



**BRIEF RESUME OF PERSON PROPOSED TO BE APPOINTED /TO BE RE-APPOINTED AS DIRECTOR OF THE COMPANY
AT THE ANNUAL GENERAL MEETING**

(Pursuant to Regulation 36 (3) of the Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name	Mrs. Rajashree Birla	Mrs. Krupa R. Gandhi	Mr.Devajyoti Nirmal Bhattacharya
Director Identification Number	00022995	00294629	00868751
Age	75 years	50 Years	63 years
Date of Appointment	5 th May, 2015	14 th August 2020	12 th October 2020
Qualification	B.A.	B.Com., Fellow Member of Institute of Chartered Accountants of India	Mechanical Engineering (NIT Rourkela) and PG Diploma in Industrial Engineering (NITIE).
Nature of expertise	Industrialist	Corporate Advisory & Litigation Services in Direct Tax and Tax Audits	Corporate Management, Cornucopia of experiences (37 years) in India and overseas in Corporate leadership, Strategy, Entrepreneurship, start-ups. Teaching, media production and consulting.
Name of the listed companies in which also holds directorship	1. Grasim Industries Ltd 2. Hindalco Industries Limited 3. UltraTech Cement Limited 4. Century Textiles and Industries Limited 5. Pilani Investment and Industries Corporation Limited	-	T.V. Today Network Limited
Name of the companies in the committees of which also holds membership/ chairmanship	Member of Corporate Social Responsibility Committee of following companies: 1. Grasim Industries Ltd 2. Hindalco Industries Limited 3. UltraTech Cement Limited 4. Century Textiles and Industries Limited	-	Member of Nomination and Remuneration Committee and Risk Management Committee of T.V. Today Network Limited
Other activities	Associated with charitable trusts & educational institutions	-	-
No. of shares held in the Company	26,080	Nil	Nil

CERTIFICATE

To,
The Members of Century Enka Limited

We have examined the compliance of the conditions of Corporate Governance by Century Enka Limited ("the Company") for the year ended 31st March, 2021, as stipulated in Regulations 17 - 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable, read together with the matter specified in para 20 of the Corporate Governance Report which is in respect of the year 2019-20 and the Company is awaiting reply from SEBI in the said matter.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sanjay Sangani & Co.

Company Secretaries
Sanjay H. Sangani
Proprietor

M. No. : FCS 4090
C.P. No. : 3847

UDIN : F004090C000336037

Mumbai, 18th May, 2021

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the Code of Conduct, framed pursuant to Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31st March, 2021.

Place: Pune
Date: 18th May, 2021

(Suresh Sodani)
Managing Director
(DIN 08789604)

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members of Century Enka Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Century Enka Limited (hereinafter called 'the Company') for the financial year ended 31st March, 2021. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not Applicable to the Company during the Audit Period);**
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the Company during the Audit Period);**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the Company during the Audit Period);**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period);**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable to the Company during the Audit Period);**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period); and**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the Audit Period);**

6) The management of the Company has informed that there is no industry specific law which is applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations, 2015');

We report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

According to National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), there was non-compliance of Regulation 17(1) of the SEBI (LODR) Regulations, 2015, by the Company during the period from 3rd October, 2019 to 4th February, 2020, as the composition of the Board of Directors of the Company was reduced from 6 Directors to 5 Directors due to demise of a Non-Independent & Non-Executive Director on 3rd July, 2019 and new Director was appointed with effect from 5th February, 2020. Each Stock Exchange (NSE and BSE) has imposed fine of ₹ 6,25,000/- plus 18% GST thereon, pursuant to SEBI Circular No. SEBI/HO/CFD/ CIR/P/ 2018/77 dated 3rd May, 2018. The Company has paid the fine, without prejudice to right to challenge the imposition of fine, in order to avoid consequences on trading of the Company's shares on the stock exchanges i.e. moving of the scrip to Z category. The Company has contested the imposition of fine on the ground that LODR does not specify the time limit within which composition of the Board is to be complied with in case of demise/ retirement/ resignation of a Director and therefore, the Company has followed the Standard Operating Procedure (SOP) as provided in SEBI Circular dated 3rd May, 2018. The Company has written a letter dated 29th September, 2020 to SEBI challenging the levy of fine. Subsequently, NSE conveyed to the Company that it can approach it for waiver of fine. Accordingly, the Company made a request to NSE to consider waiver of fine. NSE, vide its letter dated 4th May, 2021, stated that though there is no time provision in LODR to comply with the composition of Board of Directors, the Exchange has considered three months time to comply with the composition of Board of Directors to bring it in parity with Regulation 25(6) of LODR in respect of appointment of Independent Directors and accordingly, waiver of fine is not granted. The Company is awaiting reply from SEBI in response to its letter dated 29th September, 2020.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further



information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board and Committees of the Board were unanimous and no dissenting views have been recorded.

We further report that based on review of compliance mechanism established by the Company and on the basis of Management Representation Letter received from the Company, we are of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no major action having a bearing on the Company's affairs in pursuance of the

This Report is to be read with Annexure 'A' to this Report which forms an integral part of this Report.

Annexure 'A'

To,

The Members of Century Enka Limited

Our Report of even date is to be read along with this Annexure.

- Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

above referred laws, rules, regulations, guidelines, standards, etc. has taken place.

Note : This Report is issued on the basis of information / documents / material, etc. ('data') seen/ verified / made available to us. However, due to the current lock down situation under COVID 19 pandemic, some of the data was made available to us in electronic form by the Company and relied thereon.

For **Sanjay Sangani & Co.**

Company Secretaries

Sanjay H. Sangani

Proprietor

M. No. : FCS 4090

C.P. No. : 3847

Mumbai, 18th May, 2021

UDIN : F004090C000335949

- Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Sangani & Co.**

Company Secretaries

Sanjay H. Sangani

Proprietor

M. No. : FCS 4090

C.P. No. : 3847

Mumbai, 18th May, 2021

UDIN : F004090C000335949

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members of Century Enka Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Century Enka Limited, having CIN L24304PN1965PLC139075 and having registered office at Plot No. 72 & 72-A, MIDC, Bhosari, Pune - 411026 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ending on 31st March, 2021, has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mrs. Rajashree Birla	00022995	05/05/2015
2.	Mr. Bansidhar Sunderlal Mehta (ceased w.e.f. 14.08.2020)	00035019	13/02/1978

Sr. No.	Name of Director	DIN	Date of appointment in Company
3.	Mr. Sohanlal Kundanmal Jain	02843676	11/11/2009
4.	Mr. Krishna Shantilal Thar	00390137	27/11/2014
5.	Mr. Omprakash Ramlal Chitlange (ceased w.e.f. 01.09.2020)	00952072	16/05/2017
6.	Mrs. Usha Sangwan (ceased w.e.f. 16.05.2020)	02609263	05/02/2020
7.	Mrs. Krupa Rajen Gandhi	00294629	14/08/2020
8.	Mr. Suresh Sodani	08789604	01/09/2020
9.	Mr. Devajyoti Nirmal Bhattacharya	00868751	12/10/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Sangani & Co.**

Company Secretaries

Sanjay H. Sangani

Proprietor

M. No. : FCS 4090

C.P. No. : 3847

Mumbai, 18th May, 2021

UDIN : F004090C000336081

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	:	L24304PN1965PLC139075
2.	Name of the Company	:	Century Enka Limited
3.	Registered address	:	Plot No. 72 & 72-A MIDC, Bhosari, Pune, Maharashtra - 411026
4.	Website	:	http://www.centuryenka.com
5.	E-mail id	:	cel.investor@birlacentury.com
6.	Financial Year reported	:	2020-21

7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Sector(s)	Industrial Activity Code		
	Group	Class	Description
Yarn	139	1399	Nylon Tyre Cord Fabric
	203	2030	Nylon Filament Yarn

8. List three key products/services that the Company manufactures/ provides (as in the balance sheet):

- Nylon Tyre Cord Fabric
- Nylon Filament Yarn

9. Total number of locations where business activity is undertaken by the Company

(a) Number of International Locations: Century Enka Limited does not have any manufacturing unit outside India

(b) Number of National Locations: 1. Pune, 2. Rajashree Nagar (Bharuch) 3. Mahad, Raigad (Not in operation).

Depots:

1. Mau, UP
2. Amritsar, Punjab
3. Vareli, Surat, Gujarat
4. Bangalore, Karnataka

10. Markets served by the Company Local/State/National/International

Local	State	National	International
✓	✓	✓	✓

Section B: Financial Details of the Company

1.	Paid up Capital (INR)	:	2,185 lacs
2.	Total Turnover (INR)	:	1,22,082 lacs
3.	Total profit after taxes (INR)	:	7,092 lacs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	:	190 lacs (2%)
5.	List of activities in which expenditure in 4 above has been incurred	:	<ol style="list-style-type: none"> Vocational training & promotion of Education. Health Care, Medical facility & Drinking Water. Disaster Management. Rural Infrastructure development other than for the purpose of Health/ Education/Sustainable Livelihood.

Section C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies?	No.
2.	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	NO

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director/Director responsible for implementation of the BR policy/policies

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	08789604
2	Name	Mr. Suresh Sodani
3	Designation	Managing Director



b) Details of the BR head:

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	NA
2	Name	Mr. Krishna G. Ladsaria
3	Designation	CFO
4	Telephone number	02066127300
5	e-mail id	krishna.ladsaria@birlacentury.com

2. Principle-wise (as per NVGs) BR Policy/policies:

- P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability. (Code of Conduct)
- P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle. (Product Responsibility)
- P3: Businesses should promote the well-being of all employees. (Employee Well-being)

- P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized. (Stakeholder Relationship)
- P5: Businesses should respect and promote human rights. (Human Rights)
- P6: Business should respect, protect, and make efforts to restore the environment (Environment Protection)
- P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner. (Public Policy)
- P8: Businesses should support inclusive growth and equitable development. (Corporate Social Responsibility)
- P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner. (Customer Relationship)

a. Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Restricted view								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Communication is an ongoing process								
8	Does the company have in-house structure to implement the policy/ policies?	The concerned department have its own procedure to implement the same								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The Company have Shareholders Relationship Committee in place to address grievances of shareholders								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Conduct internal evaluation of implementation								

* The policies have been framed considering brief description and core elements mentioned in National Guidelines on Responsible Business Conduct issued by Ministry of Corporate affairs, Government of India.

** Signed by Managing Director

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR
- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year
- The Board annually assesses the Business Responsibilities performances of the Company.
- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
- Business Responsibility Report forms a part of Annual Report of the Company and is published annually on the website of the Company - <http://www.centuryenka.com>
- The Company Manufacture Nylon Tyre Cord Fabric & Nylon Filament Yarn, which are environment friendly.
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):
- a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?
- b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?
3. Does the company have procedures in place for sustainable sourcing (including transportation)?
- (a) If yes, what percentage of your inputs was sourced sustainably (what they giving in other report)? Also, provide details thereof, in about 50 words or so.

Section E: Principle-wise Performance

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?
- Yes, the Company has a policy on Code of Conduct which covers principles on ethics, bribery and corruption. The code of conduct is applicable to all employees of the Company.
- No, it does not extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others.
2. How many stakeholders complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.
- No complaint has been received from any stakeholders during the year, except from shareholders of the nature of non-receipt of dividend, non-receipt of share certificate duly transferred etc. There is customer technical support cell in Marketing Department to support customer.
4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
- The Company is procuring goods and services from local vendor & small producers and helping them to increase the efficiency of services and quality of goods by providing feedback. The Company is also working with them for improving the quality of service and Product.
5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
- Yes, The Company is doing Recycling of
- Production waste i.e PA6 at our Pune Plant. (Recycling is > 10 %)
 - Waste Water (Recycling is > 10 %)



Principle 3

1. Please indicate the Total number of employees: 1656 as on 31st March 2021
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: 1054 as on 31st March 2021
3. Please indicate the Number of permanent women employees: 12 as on 31st March 2021
4. Please indicate the Number of permanent employees with disabilities: 14 as on 31st March 2021
5. Do you have an employee association that is recognized by management: Yes
6. What percentage of your permanent employees is members of this recognized employee association: 31%
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?
 - a) Permanent Employees - 64%
 - b) Permanent Women Employees - 100%
 - c) Casual/Temporary/ Contractual Employees- 96%
 - d) Employees with disabilities - 100%

Principle 4

1. Has the company mapped its internal and external stakeholders?
Yes
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.
Yes
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.
Yes, the company take initiative towards the benefit of disadvantaged, vulnerable and marginalised stakeholders such as livelihood, healthcare, education and women empowerment

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
Yes, to the Company only.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaints received from stakeholders, except Four complaints received from shareholders and all have been resolved.

Principle 6

1. Does the policy relate to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?
Yes, covers only the Company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes. Use of 100% biomass for boilers instead of fossil fuel. Focus to develop green land. Around 35% of total plant area is greenbelt.

3. Does the company identify and assess potential environmental risks? Y/N

Yes,
The Company has in place an Environment Management System (EMS) certified by International Body for ISO 14001: 2015. The adequacy of the EMS has been audited internally once in every six months by qualified internal auditors and performance is reviewed by top management and half-yearly by BVQA..

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No.

5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The steps taken by the Company towards Energy Conservation, renewable energy and installation of energy efficient equipment's are being published in the Annual Report every year. The Annual Report can be downloaded from our website <https://www.centuryenka.com>

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
 - (a) Maharashtra Chamber of Commerce Industries and Agriculture, Pune (MCCIA)
 - (b) Association of Synthetic Fibre Industry (ASFI)
 - (c) Indian Technical Textile Association (ITTA)
 - (d) Nylon Spinners association
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others
 Yes. Sustainable Business principles.

Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

 The Company's primary focus under Corporate Social Responsibility is on education, rural infrastructure, healthcare and disaster management. The Company address the local needs and do the necessary work for the development of local areas.

 The educational activities of the Company includes engagement of teachers, construction of classrooms, distribution of school stationery and uniform, e-learning facilities.& virtual classroom . Under Healthcare, the Company carried out camps for General Medical checkup, women hygiene, toilet construction, ambulance & mobile van facilities.

 Rural community welfare projects include infrastructure development in the villages near the Company's Plant site. Under disaster management, the company provided Food kit, PPE kit and support for Quarantine facilities to overcome Covid-19, Pandemic effect.

 To know more about the Company's CSR initiatives, please visit <https://www.centuryenka.com/> to download our Annual Report for the year ended 31st March, 2021.
2. Are the programmes/projects undertaken through in-house team/ own foundation/external NGO/government structures/any other organization?

 CSR programmes and projects are deployed directly by the Company, and charitable trust and partnering with the Government.
3. Have you done any impact assessment of your initiative?
 The company's CSR executives internally access the impact of CSR initiatives.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

 The Company's direct contribution to community development projects are as under:

Sr. No.	Details of the Projects	Amount Spent (INR lacs)
1	Vocational Training, promotion of school education & upgradation of school infrastructure	117.52
2	Health care, medical facilities & drinking water	32.67
3	Environment and sustainability	0.02
4	Disaster management	18.86
5.	Rural Infrastructure development other than for the purpose of health/Education/ Sustainable livelihood.	20.93

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

 Yes, the Company adopts a collaborative and participatory approach with communities / beneficiaries in conceiving and deploying CSR projects. The company also taking feedback from Community on regular basis.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?
 No
2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. /Remarks (additional information)

 The Company's products are Nylon Tyre Cord Fabric (NTCF) and Nylon Filament Yarn (NFY). NTCF is the Industrial Products. Information provided on NTCF is customer specified and in NFY general information of product is provided.
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.
 No
4. Did your company carry out any consumer survey/ consumer satisfaction trends?

 The Company conducts customer survey periodically on various aspects such as Delivery/Cost/Quality for vendor ratings. These informations are compiled for future improvement.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTURY ENKA LIMITED

Report on the audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Century Enka Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Ind AS financial statements 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 statements 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.

Emphasis of Matter

We draw attention to Note 46(b) of the Ind AS financial statement regarding that the excise department had issued an order dated 31 December 2013 denying the applicability of Notification No. 6/2000 dated 01 March 2000 and raised a demand of ₹ 22,927 lacs plus interest thereon and penalty equivalent to duty demand amount. In this matter, CESTAT in its order dated 20 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 ₹ 730 lacs (as against above demand of ₹ 22,927 lacs), interest at appropriate rate on the duty and equal amount of penalty vide its order dated 08 September 2020. The Company has deposited the amount of duty of ₹ 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 opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters:

Key Audit Matters	How the matter was addressed in our audit
Impairment of Property, Plant and Equipment (PPE) <ul style="list-style-type: none"> The Company has significant balances of PPE as on 31 March 2021 (refer note 3 to the Ind AS financial statements). The Company has policy to review PPE to assess impairment in carrying value of PPE, if any. Evaluation of impairment involves significant management judgements to estimate recoverable amount of PPE (refer note 2(A) Critical accounting judgements and key sources of estimation uncertainty). Given the judgement required to estimate the recoverable amount of PPE, this is considered key audit matter 	Our procedures included: <ul style="list-style-type: none"> Reviewing the PPE schedule and analyse the management's assessment for impairment in the value of property, plant and equipment (due to changes in production, or underutilization, external information, obsolescence and damage) in accordance with Ind AS Assessing the reliability of management's judgements used to estimate the recoverable amount of PPE On sample basis, physically sighting the PPE to assess whether they are operating and in a good condition Discussing with management the future plans for the assets not in the operating condition

Key Audit Matters	How the matter was addressed in our audit
<p>Inventory Valuation</p> <ul style="list-style-type: none"> • The Company has significant balances of inventory as on 31 March 2021 (refer note 9 to the Ind AS financial statements) • Inventories are valued at lower of cost or net realizable value (NRV). Cost is determined using weighted average cost method • Valuation of inventories can be subjective due to inherent uncertainty due to volatility in prices of raw material and volatility in prices of finished goods due to changes in consumer demands • Determination of whether inventory will be realized for value less than cost requires management to exercise judgement and apply assumption • Because of size, inherent uncertainty in volatility in prices of raw material, assumption and complexities involved in inventory valuation, this is considered key audit matter 	<p>Our procedures included:</p> <ul style="list-style-type: none"> • Obtaining understanding of production process and testing of key controls over recognition and measurement of inventory • For sample locations, conducted physical verification of inventories at the year end • For sample of inventory items, re-performed the weighted average cost calculation • Obtaining management’s calculation and relevant supporting for inventory valuation, validated mathematical accuracy of production costs and agreed the same with financial statements • Assessing reasonableness of assumption and judgements applied by management in inventory valuation including evaluating consistencies with management’s prior period estimations • Assessing appropriateness of NRV estimated by management, on sample basis, by comparing NRV to recent market prices • Obtaining and re-performing the calculation of inventory write down based on ageing and NRV of inventory • Comparing historical trend of prices of raw material and finished goods to determine appropriateness of valuation of inventory

Other Information

The Company’s management and Board of Director are responsible for the Other Information. The Other Information comprises the information included in the company’s annual report, but does not include the Ind AS financial statements and our auditor’s report thereon. The Other Information is expected to be made available to us after the date of this auditor’s report.

Our Opinion on the accompanying Ind AS financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accompanying Ind AS financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with accompanying Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Other Information included in the Company’s annual report, if we concluded that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management’s Responsibility for the Ind AS Financial Statements

The Company’s management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (“Ind AS”) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate

accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and Board of Director 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 management 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 Responsibility for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.



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

1. Identify and assess the risks of material misstatement of the Ind AS financial statements, 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.
2. 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 system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's 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 Ind AS financial statements 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.
5. Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report

unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit,
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books,
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement and dealt with by this Report are in agreement with the books of account,
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act,
 - e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act, and
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its Ind AS financial statements - Refer Note 46(a) to the Ind AS financial statements.
 - b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts Refer Note 47 to the Ind AS financial statements. The Company did not have any other

long-term contracts for which there were any material foreseeable losses.

- c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d) The disclosure in the Ind AS financial statements regarding holdings and well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these Ind AS financial statements since they do not pertain to the financial year ended 31 March 2021
4. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration

paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
FRN: 105146W/W100621

Gautam V Shah
Partner

Place: Mumbai
Date: 18 May 2021

Membership No. 117348
UDIN: 21117348AAAAAS4030

Annexure A to the Independent Auditors' Report of even date on the Ind AS financial statements

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory, except for goods-in-transit has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For goods-in-transit, verified bill of entry and subsequent goods receipt for good received in factory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act, with respect to the loans given, investments made, guarantees given and security provided.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and service tax, Duty of Customs, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of dues of Income-tax, Sales-tax, Service tax, Goods & Service Tax, Duty of Customs, Duty of Excise and Value added tax which have not been deposited as on 31 March 2021 on account of disputes are given below:



Name of the Statute	Nature of the Dues	Forum where dispute is pending ^	Period to which amount relates	Amount* (₹ in Lakh)
Income tax Act, 1961	Income tax, interest and Penalty	Calcutta High Court	A.Y. 2004-2005	118
		Income Tax Appellate Tribunal	A.Y. 2008-2009	50
Central Excise Act, 1944	Excise Duty and Penalty	Supreme Court	2000 to 2003	730#
		Custom, Excise and Service Tax Appellate Tribunal	2007-08 to 2010-2011	185
Finance Act, 1994	Service Tax	Custom, Excise and Service Tax Appellate Tribunal	2009-10 to 2013-14	141
Gujarat Sales Tax Act, 1969	Sales Tax including interest & Penalty	Joint Commissioner of Commercial Tax	2000-2001	599

^ Exclude matters in respect of which favourable order has been received at various appellate authorities.

* net of amounts paid under protest.

This does not include the interest claimed (not quantified) by the Central excise authorities

- viii. According to the information and explanations given to us, and based on the records of the Company, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and dues to debenture holders.
- ix. According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
FRN: 105146W/W100621

Gautam V Shah
Partner

Place: Mumbai
Date: 18 May 2021

Membership No. 117348
UDIN: 21117348AAAAAS4030

Annexure B to the Independent Auditors' Report of even date on the Ind AS financial statements

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Opinion

We have audited the internal financial control over financial reporting of the Century Enka Limited ("the Company") as at 31 March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI

Management's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountant of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Ind AS financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Ind AS financial Statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and

evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Ind AS financial statements.

Meaning of Internal Financial Controls with reference to Ind AS financial statements

A Company's internal financial control with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Ind AS financial statements include those policies and procedures that:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS financial statements

Because of the inherent limitations of internal financial with reference to Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Khimji Kunverji & Co LLP**
Chartered Accountants
FRN: 105146W/W100621

Gautam V Shah
Partner

Place: Mumbai
Date: 18 May 2021

Membership No. 117348
UDIN: 21117348AAAAAS4030



BALANCE SHEET

AS AT 31ST MARCH 2021

₹ in Lacs

Particulars	Note No.	As at	
		31 st March, 2021	31 st March, 2020
(A) ASSETS			
Non-current assets			
Property, Plant and Equipment	3	48,096	51,545
Capital work-in-progress		176	316
Right-of-use Assets	4	743	771
Other Intangible Assets	5	322	441
Financial assets			
Investments	6	1,321	315
Others	7	209	219
Other non-current assets	8	1,100	1,127
Total Non Current Assets		51,967	54,734
Current assets			
Inventories	9	19,100	23,241
Financial assets			
Investments	10	28,888	25,874
Trade Receivables	11	23,236	15,236
Cash and Cash Equivalents	12	826	418
Bank balances other than Cash & Cash Equivalents	13	5,162	190
Others	14	619	1,577
Current Tax Assets (Net)		297	28
Other current assets	15	2,747	3,906
Total Current Assets		80,875	70,470
Non-current Assets Classified as held for sale	16	1,100	1,183
TOTAL ASSETS		1,33,942	1,26,387
(B) EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	2,185	2,185
Other Equity		1,06,704	1,00,289
Total Equity		1,08,889	1,02,474
Non-current liabilities			
Financial liabilities			
Borrowings	18	497	974
Lease Liabilities	19	457	495
Others	20	264	257
Provisions	21	1,147	985
Deferred tax liabilities (Net)	22	7,813	8,275
Other non-current liabilities	23	262	277
Total Non-Current Liabilities		10,440	11,263
Current liabilities			
Financial liabilities			
Borrowings	24	17	22
Trade payables	25		
i) total outstanding dues of Micro and Small enterprises		629	403
ii) total outstanding dues of Creditors other than above		12,092	10,002
Lease Liabilities		47	44
Others	26	1,011	1,378
Other current liabilities	27	630	572
Provisions	28	187	207
Current tax liabilities (Net)	29	-	22
Total Current Liabilities		14,613	12,650
TOTAL EQUITY AND LIABILITIES		1,33,942	1,26,387
Significant Accounting Policies	1 & 2		
The accompanying notes are an integral part of these financial statements			

This is the Balance Sheet referred to in our report of even date.

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

Gautam V. Shah

Partner
Membership No. 117348
Place : Pune
Date : 18th May, 2021

For and on behalf of the Board of Directors

S. K. Jain
Director
DIN: 02843676

K. G. Ladsaria
Chief Financial Officer

Suresh Sodani
Managing Director
DIN: 08789604

Rahul Dubey
Company Secretary

Place : Mumbai
Date : 18th May, 2021

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2021

₹ in Lacs

Particulars	Note No.	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
I Revenue From Operations	30	1,22,082	1,42,348
II Other Income	31	2,400	4,223
III Total Income (I+II)		1,24,482	1,46,571
IV EXPENSES			
Cost of materials consumed	32	64,714	86,067
Purchases of Stock-in-Trade		3,609	1,977
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	33	3,199	(68)
Employee benefits expense	34	10,121	9,961
Power and Fuel		14,687	19,240
Finance costs	35	155	349
Depreciation and amortization expense	3, 4 & 5	4,088	4,550
Other expenses	36	13,915	15,850
Total expenses (IV)		1,14,488	1,37,926
V Profit before exceptional items and tax (III- IV)		9,994	8,645
VI Exceptional Items	45	(819)	-
VII Profit before tax (V-VI)		9,175	8,645
VIII Tax expense / (Credit)			
(1) Current tax		2,741	1,974
(2) (Excess)/Short Provision of Tax relating to earlier years		(196)	(4)
(3) Deferred tax		(462)	(2,878)
IX Profit for the year (VII-VIII)		7,092	9,553
X Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		1,093	(722)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(22)	-
B (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 year (IX+X) (Comprising Profit and Other Comprehensive Income for the year)		8,163	8,831
XII Earnings per equity share in ₹ (Face value per share ₹ 10 each):			
(1) Basic	44	32.46	43.72
(2) Diluted		32.46	43.72
Significant Accounting Policies	1 & 2		
The accompanying notes are an integral part of these financial statements			

This is the Statement of Profit and Loss referred to in our report of even date.

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

Gautam V. Shah

Partner
Membership No. 117348
Place : Pune
Date : 18th May, 2021

For and on behalf of the Board of Directors

S. K. Jain
Director
DIN: 02843676

K. G. Ladsaria
Chief Financial Officer

Suresh Sodani
Managing Director
DIN: 08789604

Rahul Dubey
Company Secretary

Place : Mumbai
Date : 18th May, 2021



STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2021

(A) EQUITY SHARE CAPITAL

₹ in Lacs

FOR THE YEAR ENDED 31ST MARCH 2021		
Balance as at 1 st April, 2020	Changes in equity shares capital during the year ended	Balance as at 31 st March, 2021
2,185	-	2,185

₹ in Lacs

FOR THE YEAR ENDED 31ST MARCH 2020		
Balance as at 1 st April, 2019	Changes in equity shares capital during the year ended	Balance as at 31 st March, 2020
2,185	-	2,185

(B) OTHER EQUITY

FOR THE YEAR ENDED 31ST MARCH 2021

₹ in Lacs

Particulars	Reserves and Surplus					FVOCI- Equity Instruments	Total
	Capital Reserve	Capital redemption Reserve	Securities Premium	General Reserve	Retained Earnings		
Balance at 1 st April, 2020	48	186	3,225	39,566	57,800	(536)	1,00,289
Profit for the Year (1)	-	-	-	-	7,092	-	7,092
Other Comprehensive Income:							
Remeasurement of the net defined benefit liability/asset, (net of tax) (₹22 Lacs) effect (2)	-	-	-	-	64	-	64
Equity instruments through other comprehensive income (3)	-	-	-	-	-	1,007	1,007
Total Comprehensive Income (1+ 2+ 3)	-	-	-	-	7,156	1,007	8,163
Dividends Paid for the FY 19-20	-	-	-	-	(1,748)	-	(1,748)
Transfer to General Reserves	-	-	-	1,000	(1,000)	-	-
Balance as at 31st March, 2021	48	186	3,225	40,566	62,208	471	1,06,704

FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	Reserves and Surplus					FVOCI- Equity Instruments	Total
	Capital Reserve	Capital redemption Reserve	Securities Premium	General Reserve	Retained Earnings		
Balance at 1 st April, 2019	48	186	3,225	38,566	51,091	186	93,302
Profit for the Year (1)	-	-	-	-	9,553	-	9,553
Other Comprehensive Income:							
Remeasurement of the net defined benefit liability/asset, (net of tax) (₹ 0.18 Lacs) effect (2)	-	-	-	-	-	-	-
Equity instruments through other comprehensive income (3)	-	-	-	-	-	(722)	(722)
Total Comprehensive Income (1+ 2+ 3)	-	-	-	-	9,553	(722)	8,831
Dividends Paid (including corporate dividend tax ₹ 314 Lacs) 18-19	-	-	-	-	(1,844)	-	(1,844)
Transfer to General Reserves	-	-	-	1,000	(1,000)	-	-
Balance at 31 st March, 2020	48	186	3,225	39,566	57,800	(536)	1,00,289

The Description of the nature and purpose of reserves within equity is as follows:

- Capital Reserve** - Comprise of Capital Subsidy received for setting up manufacturing plant at Mahad and profit on sale of assets over the original cost of assets.
- Capital Redemption Reserve** - Created on cancellation of equity shares under the scheme of arrangement and redemption of preference shares. It can be utilised in accordance with the provision of the Companies Act, 2013.
- Security Premium** - Premium received on issue of equity shares credited to Securities Premium. It can be utilised in accordance with the provision of the Companies Act, 2013.

The accompanying notes are an integral part of these financial statements

This is the Other Equity Statement referred to in our report of even date.

For **Khimji Kunverji & Co LLP**

Chartered Accountants
(FRN 105146W/W100621)

Gautam V. Shah

Partner
Membership No. 117348

For and on behalf of the Board of Directors

S. K. Jain

Director
DIN: 02843676

K. G. Ladsaria

Chief Financial Officer

Suresh Sodani

Managing Director
DIN: 08789604

Rahul Dubey

Company Secretary

Place : Mumbai

Date : 18th May, 2021

Place : Pune

Date : 18th May, 2021

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2021

₹ in Lacs

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	9,175	8,645
Adjustment for:		
Depreciation and Amortisation	4,088	4,550
Finance cost	155	349
Unrealised Exchange Loss	5	98
Allowances for Credit Losses on debts	537	177
Fair value movement in derivative instruments	204	(310)
Interest Income	(275)	(3)
Dividend Received on Mutual Funds and Shares	(1)	(56)
Fair Value of Investments through Profit and Loss Statement	(1,013)	(1,057)
Profit on sale of Current Investments (Net)	(546)	(370)
Liabilities/Provisions no longer required written back	(41)	(93)
Amortization of Government Grant (TUF Capital Subsidy)	(15)	(15)
(Profit) / Loss on sale / write off of Property, Plant and Equipments (Net)	(11)	(347)
Impairment loss on Asset Held for Sale	83	-
Exceptional Item (Refer Note 45)	819	-
Operating Profit Before Working Capital Changes	13,164	11,568
Adjustment for:		
Trade payable and other liability	2,596	1,191
Trade Receivables	(8,540)	5,090
Inventories	4,141	(1,532)
Financial and other Assets	2,364	(496)
Cash Generated From Operations	13,725	15,821
Direct Taxes Paid (net of refunds)	(2,858)	(1,660)
Net Cash From Operating Activities (A)	10,867	14,161
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipments	(1,258)	(2,823)
Sale of Property, Plant and Equipments	43	970
Interest received	27	3
Dividend Received on Mutual Funds and Shares	1	56
Deposit with Bank (Maturity period upto 12 Months)	(4,958)	(12)
Deposits with Financial Institutions	(5,889)	-
Sale of Non-Current Investments (Net)	-	2
(Purchase)/Sale of Current Investments (Net)	4,434	(8,641)
Net Cash From Investing Activities (B)	(7,600)	(10,445)



₹ in Lacs

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	-	500
Repayment of Long Term Borrowings	(908)	(2,054)
Repayment of Lease Liability	(35)	(40)
Proceeds/(Repayment) in Short-term Borrowings (Net)	(5)	22
Payment of Interest on Lease Liability	(34)	(46)
Payment of Interest on Borrowings	(129)	(314)
Equity Dividends paid (including Dividend Distribution Tax)	(1,748)	(1,844)
Net Cash From Financing Activities	(C) (2,859)	(3,776)
D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	408	(60)
Closing Balance of Cash and Cash Equivalents	826	418
Opening Balance of Cash and Cash Equivalents	418	478

Reconciliation of Closing Cash and Cash Equivalents with Balance Sheet

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Cash on hand [Including Cheques ₹ 2 Lacs (Previous Year ₹ NIL Lacs)]	5	3
With Banks		
In Current Accounts	819	172
In Deposit Accounts maturing within 3 months	2	243
Total	826	418

Notes:

- The above Cash Flow Statement has been prepared under the " Indirect Method " set out in Indian Accounting Standard (Ind - AS) - 7 on Statement of Cash Flow.
- Figures in bracket indicate cash outflow.
- Previous year comparatives have been reclassified to confirm with current year's presentation, wherever applicable.

The accompanying notes are an integral part of these financial statements

This is the Cash Flow Statement referred to in our report of even date.

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

Gautam V. Shah

Partner
Membership No. 117348
Place : Pune
Date : 18th May, 2021

For and on behalf of the Board of Directors

S. K. Jain
Director
DIN: 02843676

K. G. Ladsaria
Chief Financial Officer

Suresh Sodani
Managing Director
DIN: 08789604

Rahul Dubey
Company Secretary

Place : Mumbai
Date : 18th May, 2021

NOTES

TO THE FINANCIAL STATEMENTS

1 Company Overview

Century Enka Limited (the Company) is a Public Limited Company incorporated in India having its registered office at Pune, Maharashtra, India. The Company is engaged in the manufacturing and selling of 'Synthetic Yarn' and related products.

2 Significant Accounting Policies

(a) Statement of Compliance

These financial statements are prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The financial statements are authorized for issue by the Board of Directors of the Company at their meeting held on 18th May, 2021.

(b) Basis of Preparation and Presentation:

Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- (i) Derivative Financial Instruments measured at fair value
- (i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- (ii) Employee's Defined Benefit Plan as per actuarial valuation
- (iii) Assets held for sale measured at lower of carrying value and fair value less costs to sell.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Classification of Assets and Liabilities into Current/Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- (i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is expected to realise the asset within twelve months after the reporting period; or
- (iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- (i) It is expected to be settled in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

All other liabilities are classified as non-current.

(c) **Property, Plant and Equipment (PPE):**

The PPE are stated at cost less accumulated depreciation and accumulated impairment loss.

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

Any gain or loss on disposal of an item of PPE is recognized in statement of Profit and Loss.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 - Property, Plant and Equipment.

(d) **Expenditure during construction period:**

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

(e) **Depreciation:**

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Freehold land with indefinite life is not depreciated.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets. The estimated useful life is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

Such classes of assets and their estimated useful lives are as under:

No	Nature	Useful life
1	Leasehold Assets - Plant & Machinery	Upto 25 years
2	Leasehold Assets - Other than Plant & Machinery	Lease Period
3	Stores and Spares Parts in the nature of PPE	5 to 25 Years
4	Assets individually costing less than or equal to ₹ 5,000	Fully Depreciated in the year of purchase

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month of deduction/disposal.

Residual value for Air Conditioners, Furniture and Fittings, Office Equipment's, Computers and servers is considered Nil.

(f) **Intangible Assets and Amortisation:**

▪ **Internally generated Intangible Assets:**

Expenditure pertaining to research is expensed as incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

▪ **Intangible Assets acquired separately:**

Intangible assets that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment, if any. Cost

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

comprises the purchase price (net of tax / duty credits availed whenever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

▪ **Class of intangible assets and their estimated useful lives are as under:**

No	Nature	Useful life
1	Software	6 Years

Residual value for the intangible assets is considered as Nil. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the statement of profit & loss when the asset is derecognised

(g) Impairment of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(h) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In case of financial assets at amortised costs, interest income, foreign exchange gain or loss and impairment are recognized in Statement of Profit and Loss.

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Where the Company has elected to present the fair value gain on equity instruments in other comprehensive income, there is no subsequent classification of fair value gain or losses to profit and loss account. Dividend from such instruments is recognized in profit and loss account as other income where right to receive is established.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 - Financial Instruments for recognition of impairment loss allowance. The Company recognises a loss allowance for expected credit losses on financial asset. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time credit expected losses. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience and other credit information available.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises associated liabilities.

On derecognition of a financial asset, other than equity investments classified as FVOCI, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of equity instruments classified as FVOCI, accumulated gains or loss recognized in OCI is transferred to retained earnings.

(i) Financial liabilities and equity instruments:

▪ Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

▪ Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

(j) Derecognition of Financial Liabilities:

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the statement of profit and loss.

(k) Inventories:

Inventories are valued as follows:

▪ Raw materials, Fuel, Store & Spare Parts and Packing materials

Raw materials are valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Fuel, Stores & Spare parts and Packing materials are valued at cost. Cost is determined on weighted average basis. The cost of inventory comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs related to the inventories.

▪ Work-in-progress (WIP), finished goods, stock-in-trade and trial run inventories:

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion. Cost of inventories is computed on weighted average basis.

▪ Waste / Scrap:

Waste / Scrap and Byproduct inventory is valued at NRV.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank, cheques and cash in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(m) **Assets held for Sale:**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of its carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in fair value less cost to sell of an asset, but not in excess of any cumulative impairment loss previously recognised.

No depreciation or amortization is charged for assets classified as held for sale.

(n) **Borrowing Costs:**

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, loan processing charges, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(o) **Government Grants and Subsidies:**

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

(p) **Leases:**

Company as a Lessee

The company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right-of-use asset is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The Company elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases') and lease contracts for which the underlying asset is of low value (low-value assets)

Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term.

(q) Derivative financial instruments:

The Company enters into derivative financial instruments viz. foreign exchange forward contracts to manage foreign exchange risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately.

(r) Revenue Recognition:

Sale of goods:

The company derives revenue primarily from manufacturing and selling of Synthetic Yarn and related goods.

Revenue on sales of goods are recognized when the customer obtains control of the specified goods.

To recognize revenues, company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. Revenues are shown net of goods and services tax and applicable discounts and allowances.

The Company does not expect to have any contracts where the period between the transfer of goods and payment by customer exceeds one year. Hence, the Company does not adjust revenue for the time value of money.

Other Income:

- Dividend Income is accounted for when the right to receive the income is established.
- Interest income is recognized on time proportion basis taking into account the amount outstanding on effective interest rate.
- Difference between the sale price and carrying value of investment is recognized in statement of profit or loss on sale / redemption on investment on trade date of transaction.

(s) Employee benefits:

Gratuity:

Gratuity being defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The present value of the gratuity liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans.



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Superannuation:

The company has Defined Contribution Plan for Post-Employment benefits in the form of Superannuation schemes for eligible employees. The scheme is administered through Life Insurance Corporation (LIC) and Trust which is administered by the Trustees. In respect of this scheme, the Company has no further obligation beyond its contributions.

Employee's Family Pension

The Company has Defined Contribution Plan for Post-Employment benefits in the form of family pension for eligible employees, which is administered by the Regional Provident Fund Commissioner. Company has no further obligation beyond its contributions.

Provident Fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Scheme as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

In respect of certain employees, Provident Fund contributions are made to the Trust set up and administered by the Company. If the board of trustees are unable to pay interest at the rate declared by the government under Para 60 of the Employees provident fund scheme, 1972 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company making interest shortfall a defined benefit plan. Accordingly, the Company obtains actuarial valuation and having regard to the assets of the fund and the return on investments, the Company does not expect any deficiency as at the year end. If there is a deficiency as at any Balance Sheet date, then, the same will be recognized in the Statement of Profit and Loss in the year in which it arises.

Other Short-term and other long-term employee benefits

Liabilities for wages, salaries and bonus (as per the payment of bonus Act, 1965) including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees and workmen render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.

Compensated Absences

The Accumulated compensated absences, which are expected to be availed or en cashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or en cashed beyond 12 months from the end of the year are treated as other long-term employee benefits. The company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

(t) Foreign Currency transactions:

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(u) Income Taxes:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement Profit and Loss.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off recognized amount and there is intention to settle the assets and liabilities on net basis.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable. Minimum Alternate Tax ("MAT") is recognized as an asset to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

(v) Earnings Per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(w) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

2 (A) Critical accounting judgments and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful Lives of Property, Plant & Equipment:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(iii) Defined benefit plans:

The cost of the defined benefit plans gratuity and provident fund, and the present value of the gratuity and provident fund obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) Impairment of Assets:

The Company has used certain judgments and estimations to estimate future projections and discount rates to compute value in use of cash generating unit and to assess impairment. In case of certain assets independent external valuation has been carried out to compute recoverable values of these assets.

(v) Asset held for sale:

The company has used certain judgements and estimates to determine fair value of asset held for sale. Fair value has determined on basis of independent external valuation and quotes from dealer of similar assets.

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

3 PROPERTY, PLANT AND EQUIPMENT (PPE)

₹ in Lacs

	Land	Leasehold Land	Buildings (Refer Note a & b)	Plant & Machinery (Refer Note c)	Plant & Machinery (Leasehold)	Furniture & Fixtures	Office equipments	Vehicles	Total
For the year 19-20									
As at 1 st April, 2019	336	224	9,024	57,898	610	80	120	245	68,537
Add: Additions			117	2,351		21	13	74	2,576
Less: Disposals/Adjustment			12	843		2	1	25	883
Less: Reclassified to Right-of-use Assets (Ind AS 116)		224			610				834
As at 31st March, 2020	336	-	9,129	59,406	-	99	132	294	69,396
Accumulated Depreciation:									
As at 1 st April, 2019		17	1,568	12,444	19	33	57	110	14,248
Add: Depreciation during the year			376	3,936		17	28	41	4,398
Less: Disposals/Adjustment				743		1	1	14	759
Less: Reclassified to Right-of-use Assets (Ind AS 116)		17			19				36
As at 31st March, 2020	-	-	1,944	15,637	-	49	84	137	17,851
Net carrying amount As at 31st March, 2020	336	-	7,185	43,769	-	50	48	157	51,545
For the year 20-21									
As at 1st April, 2020	336		9,129	59,406		99	132	294	69,396
Add: Additions				1,256		5	65	9	1,335
Less: Disposals/Adjustment				193				36	229
Less: Asset classified as held for sale (Refer Note 16)				202					202
As at 31st March, 2021	336		9,129	60,267		104	197	267	70,300
Accumulated Depreciation:									
As at 1st April, 2020	-		1,944	15,637		49	84	137	17,851
Add: Depreciation during the year			371	3,482		9	33	38	3,933
Less: Disposals/Adjustment				190				7	197
Less: Asset classified as held for sale (Refer Note 16)				202					202
Add: Impairment (Refer Note 45)				819					819
As at 31st March, 2021	-		2,315	19,546		58	117	168	22,204
Net carrying amount As at 31st March, 2021	336		6,814	40,721		46	80	99	48,096

- a) Includes Land ₹ 2 Lacs and ₹ 500 being the cost of 5 shares in a co-operative housing society held in the name of a nominee of the Company.
- b) Includes ₹ 2000 being the cost of 40 shares in co-operative societies.
- c) Rupee Term Loans are secured by hypothecation of specific Plant and Machinery against which Loans have been taken.



**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

4 RIGHT OF USE ASSETS (Ind As 116)

Particulars	₹ in Lacs		
	Land	Plant & Machinery	Total
For the year 19-20			
Reclassified as per Ind AS 116 at 1 st April, 2019	207	591	798
Add: Additions			-
Less: Disposals/Adjustment			-
As at 31st March, 2020	207	591	798
Accumulated Depreciation:			
Add: Depreciation during the year	4	23	27
Less: Disposals/Adjustment			-
As at 31st March, 2020	4	23	27
Net carrying amount As at 31 st March, 2020	203	568	771
For the year 20-21			
As at 1 st April, 2020	207	591	798
Add: Additions			
Less: Disposals/Adjustment			
As at 31st March, 2021	207	591	798
Accumulated Depreciation:			
As at 1 st April, 2020	4	23	27
Add: Depreciation during the year	5	23	28
Less: Disposals/Adjustment			
As at 31st March, 2021	9	46	55
Net carrying amount As at 31st March, 2021	198	545	743

5 INTANGIBLE ASSETS

Particulars	₹ in Lacs	
		Computer Softwares
For the year 19-20		
As at 1 st April, 2019		701
Add: Additions		17
Less: Disposals		
As at 31st March, 2020		718
Accumulated Amortisation:		
As at 1 st April, 2019		153
Add: Amortisation during the year		124
Less: Disposals		
As at 31st March, 2020		277
Net carrying amount As at 31 st March, 2020		441
For the year 20-21		
As at 1st April, 2020		718
Add: Additions		10
Less: Disposals		
As at 31st March, 2021		728
Accumulated Amortisation:		
As at 1st April, 2020		277
Add: Amortisation during the year		129
Less: Disposals		
As at 31st March, 2021		406
Net carrying amount As at 31st March, 2021		322

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

6 NON-CURRENT INVESTMENTS

			₹ in Lacs	
Particulars	Number of Shares	Face Value Per Share	As at	As at
			31 st March, 2021	31 st March, 2020
Investments in Equity Shares (fully paid up)				
1) Quoted Investments				
Fair value through Other Comprehensive Income				
Kesoram Industries Limited	14,03,985	10	986	258
	(14,03,985)			
Kesoram Textiles Mills Limited	5,84,994	2	-	-
(Received during the year 1999-2000 without any consideration pursuant to scheme of arrangement of Kesoram Industries Limited)	(5,84,994)			
Birla Tyres Limited	14,03,985	10	320	42
(Received during the year financial year 2019-20 without any consideration pursuant to scheme of demerger of Tyre unit of Kesoram Industries limited)	(1,403,985)			
2) Unquoted Investments				
Fair Value through profit or loss				
BEIL Infrastructure Limited	10,220	10	1	1
	(10,220)			
MMA CETP Co-oprative Society Limited	12,895	100	13	13
	(12,895)			
Bhadreshwar Vidyut Private Limited	7,77,000	0.10	1	1
	(7,77,000)			
			1,321	315
Note: Figures in bracket represents previous year numbers				
Aggregate amount of:				
Quoted Investments			1,306	300
Unquoted Investments			15	15
Aggregate market value of Quoted Investment			1,306	300

7 OTHER NON-CURRENT FINANCIAL ASSETS

			₹ in Lacs	
Particulars			As at	As at
			31 st March, 2021	31 st March, 2020
(Unsecured, Considered Good)				
Security Deposits			189	187
Fixed Deposits with Banks (Maturing more than twelve months)			-	12
Others			20	20
			209	219

8 OTHER NON-CURRENT ASSETS

			₹ in Lacs	
Particulars			As at	As at
			31 st March, 2021	31 st March, 2020
Capital Advances			78	104
Others				
Balances with Government authorities			979	1020
Prepaid Expense			43	3
			1100	1127



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

9 INVENTORIES

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
(Valued at lower of cost or NRV) (Unless otherwise stated)		
Raw Material	9,236	10,441
[Including in transit ₹ 3165 Lacs (Previous Year ₹ 5778 Lacs)]		
Stock-in-Process	3,133	2,612
Finished goods	4,170	7,890
Stores, Spares and Packing Material & Fuel (at cost)	2,561	2,298
[Including in transit ₹ 45 Lacs (Previous Year ₹ 27 lacs)]		
	19,100	23,241

Provision on SFG & FG for the period is ₹ 29 Lacs (31st March 2020 ₹ 392 Lacs).

Refer Note 2(k) for mode of valuation of Inventories.

10 CURRENT INVESTMENTS

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
a) Unquoted Investments		
Fair value through profit or loss		
Units of Debts schemes of various Mutual Fund	22,999	25,874
b) Amortised cost		
Fixed Deposit with Financial Institutions	5889	-
	28888	25874
Aggregate amount of Unquoted Investments	28,888	25,874

11 TRADE RECEIVABLES

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Considered good - Unsecured	23,236	15,236
Significant increase in Credit Risk	714	177
	23,950	15,413
Less: Allowance for credit losses	(714)	(177)
	23,236	15,236

12 CASH AND CASH EQUIVALENTS

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Cash and Cash equivalents		
Cash on Hand	3	3
Cheques on Hand	2	-
Bank Balances		
In Current Accounts	819	172
In Deposits within 3 months original maturity	2	243
	826	418

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Lacs		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Fixed Deposits with Banks (Maturing more than three months and upto 12 months)*	4,970	-
Unpaid Dividends Accounts	192	190
	5,162	190

* Fixed Deposit includes deposit of ₹ 123 lacs (Previous Year ₹ Nil) held as margin against bank guarantees.

14 OTHER CURRENT FINANCIAL ASSETS

₹ in Lacs		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Insurance Claims Receivables	344	1,306
Others	275	271
	619	1,577

15 OTHER CURRENT ASSETS

₹ in Lacs		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Advances to Suppliers	538	734
Prepaid Expense	118	97
Statutory Receivables	1,961	2,828
Others	130	247
	2,747	3,906

16 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

₹ in Lacs		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Plant & Machinery*	1,100	1,183

*The Company has identified certain assets to be dispose off which are not in use. Accordingly, the same has been classified as held for sale.



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

17 SHARE CAPITAL

Particulars		₹ in Lacs	
		As at 31 st March, 2021	As at 31 st March, 2020
Authorised:			
1,00,000	Redeemable Cumulative Preference Shares of ₹ 100.00 each (As at 31 st March, 2020 - 1,00,000 Shares)	100	100
3,30,00,000	Equity Shares of ₹ 10.00 each (As at 31 st March, 2020 - 3,30,00,000 Shares)	3,300	3,300
1,00,000	Unclassified Shares of ₹ 100.00 each (As at 31 st March, 2020 - 1,00,000 Shares)	100	100
Issued, Subscribed and Fully Paid - Up:			
2,18,50,589	Equity Shares of ₹ 10 each (Refer Notes below) (As at 31 st March, 2020 - 2,18,50,589 Shares)	2,185	2,185

a) Reconciliation of the Number of Shares and amount outstanding:

Particulars	31 st March, 2021		31 st March, 2020	
	No. of Shares	Amount ₹ in Lacs	No. of Shares	Amount ₹ in Lacs
Outstanding as at the beginning of the year	2,18,50,589	2,185	2,18,50,589	2,185
Share issued during the year	-	-	-	-
Outstanding as at the end of the year	2,18,50,589	2,185	2,18,50,589	2,185

b) Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of Equity Shares having a par value of 10/- per share. Each holder of the Equity Shares is entitled to one vote per share. The Company declares dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

c) The details of Shareholders holding more than 5% Equity Shares:

S. No.	Name of Shareholder	31 st March, 2021		31 st March, 2020	
		%	No. of Shares	%	No. of Shares
1	Birla Group Holdings Private Limited	16.56	3618690	16.56	3618690
2	Century Textiles and Industries Limited	5.80	1266887	5.80	1266887

d) No bonus shares have been issued during five years immediately preceding 31st March, 2021

e) Dividend Proposed, Declared and Paid [Refer Note 39A]

f) Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts - Nil

g) For the period of five years immediately preceding the date at which the Balance Sheet is prepared-

- aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash - Nil
- aggregate number and class of shares bought back - Nil

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

18 NON-CURRENT BORROWINGS

₹ in Lacs

	As at 31 st March, 2021	As at 31 st March, 2020
Secured:		
Rupee term Loans from Banks	497	974
	497	974

Nature of Security, Repayment Terms and Breakup of Current and Non-Current

Particulars	Terms of Repayment	Month in which last Installment is due	Prevailing Interest Rate Per Annum	Balance As at 31 st March, 2021	Balance As at 31 st March, 2020
				%	₹ in Lacs
Secured:					
Rupee Term Loans					
Bank of Maharashtra	Monthly	October 2020		-	371
HDFC Bank	Annual	January 2023	7.35%	394	591
HDFC Bank*	Annual	March 2024		-	240
HDFC Bank	Annual	March 2025	7.30%	400	500
Sub-Total				794	1,702
Less: Current Maturities of Long Term Debt (Refer Note 26)				(297)	(728)
Total				497	974

Rupee Term Loans are secured by hypothecation of specific Plant and Machinery against which Loans have been taken.

* Rupee Term Loan is prepaid in June 2020.

19 NON-CURRENT LEASE LIABILITY

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Finance Lease Obligation (Refer Note 41)	457	495

20 OTHER NON-CURRENT FINANCIAL LIABILITIES

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Security Deposits	264	257

21 NON-CURRENT PROVISIONS

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Provision for Employee Benefits		
Gratuity (Refer Note 42)	108	180
Compensated Absences	885	651
Provision for Disputed Matters	154	154
	1,147	985



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

22 DEFERRED TAX LIABILITIES (NET)

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
The balances comprises of temporary differences attributable to:		
Property, Plant and Equipments	7,623	8,031
Financial Assets at Fair value through Profit or loss	542	377
Others	(352)	(133)
Deferred Tax (Assets)/Liabilities	7,813	8,275

Movement in Deferred Tax Liabilities

Description	Property, Plant and Equipments	Financial Assets at FVTPL	Others	Total
As at 01 st April, 2019	11,214	56	(117)	11,153
Charged / (Credited)				
- To Profit and Loss	(3,183)	321	(16)	(2,878)
- To OCI	-	-	-	-
As at 31st March, 2020	8,031	377	(133)	8,275
Charged / (Credited)				
- To Profit and Loss	(408)	165	219	(462)
- To OCI	-	-	-	-
As at 31st March, 2021	7,623	542	(352)	7,813

23 OTHER NON-CURRENT LIABILITIES

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Deferred Income on Government Grant	262	277

24 SHORT TERM BORROWINGS

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Secured:		
Working capital borrowings repayable on demand	17	22

Note: Working Capital borrowings

- Working Capital borrowings are secured by way of hypothecation of Inventories, Book Debts and Receivables, both present and future.
- Working Capital borrowings carry an average interest rate of 7.50 % per annum (Previous Year 9.15% per annum).
- Working Capital Borrowings are renewed based on contract with bankers.

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

25 TRADE PAYABLES

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Total outstanding dues of Micro and Small enterprises (Refer Note 49)	629	403
Total outstanding dues of Creditors other than above	12,092	10,002
	12,721	10,405

26 OTHER CURRENT FINANCIAL LIABILITIES

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Current Maturity of Non-Current Financial Borrowings (Rupee Term Loans)	297	728
Interest accrued but not due on borrowings	5	13
Unpaid Dividend Accounts *	192	190
Capital Goods Liability	53	133
Others	464	314
	1,011	1,378

* There is no amount required to be credited to Investor Education and Protection Fund.

27 OTHER CURRENT LIABILITIES

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Advances from Customers	152	146
Statutory dues	438	396
Deferred Income on Government Grant	15	15
Other Liabilities	25	15
	630	572

28 CURRENT PROVISIONS

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Employee Benefits		
Compensated Absences	187	207

29 CURRENT TAX LIABILITIES

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Current Tax Payable (Net)	-	22



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

30 REVENUE FROM OPERATIONS

Particulars	₹ in Lacs	
	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Revenue from Contract with Customers (Refer Note 51)		
Sale of Products		
Finished Goods	1,17,712	1,39,615
Traded Goods	3,777	2,088
	1,21,489	1,41,703
Other Operating Revenue		
Scrap Sales	593	645
Revenue from Operations	1,22,082	1,42,348

31 OTHER INCOME

	₹ in Lacs	
	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Interest Income		
Tax Refunds	16	34
From Customers	53	106
On Fixed Deposit with Banks and Financial Institutions	267	-
Others	8	3
	344	143
Profit on Sale of PPE (Net)	11	347
Profit on Sale of Current Investments (Net)	546	370
Gain on Fair Valuation of Investments through Profit and Loss	1,013	1,057
Dividend on mutual funds and Shares	1	56
Liabilities / Provisions no longer required written back	41	93
Government Grant	15	15
Insurance Claims	51	1,419
Export Incentives	198	195
Miscellaneous Income	180	528
	2,400	4,223

32 COST OF MATERIALS CONSUMED

	₹ in Lacs	
	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Opening Stock of Raw Materials	10,441	9,213
Add: Purchases	63,509	87,295
	73,950	96,508
Less: Closing Stock of Raw Materials	9,236	10,441
Cost of Raw Materials Consumed	64,714	86,067

33 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE

	₹ in Lacs	
	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Opening Stock		
Finished Goods	7,890	7,221
Stock-in-Process	2,612	3,213
	10,502	10,434

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
₹ in Lacs		
Less: Closing Stock		
Finished Goods	4,170	7,890
Stock-in-Process	3,133	2,612
	7,303	10,502
(Increase) / Decrease in Stocks	3,199	(68)

34 EMPLOYEE BENEFITS EXPENSE

	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
₹ in Lacs		
Salaries, Wages and Bonus	8,674	8,484
Contribution to Provident and other funds (Refer Note 42)	770	738
Workers and Staff Welfare Expenses	677	739
	10,121	9,961

35 FINANCE COSTS

	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
₹ in Lacs		
Interest on borrowings	99	284
Interest on Lease Liabilities	34	46
Other (Including interest on deposits)	22	19
	155	349

36 OTHER EXPENSES

	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
₹ in Lacs		
Stores and Spare Parts Consumed	3,386	3,997
Packing Material Consumed	2,294	2,884
Processing Charges	1,036	1,164
Building & Machinery Maintenance	1,865	2,240
Rent	80	126
Rates and taxes	103	111
Insurance	242	293
Directors' Sitting Fees	7	6
Directors' Commission	25	27
Auditors Remuneration (Refer Note 50)	47	48
Commission on Sales	710	1,129
Transport and Handling	1,757	1,724
Expenditure on Corporate Social Responsibility (CSR) Activities (Refer Note 48)	190	233
Allowances for Credit Losses	537	177
Impairment loss on Asset Held for Sale	83	-
Legal and Professional Fees	400	684
Miscellaneous Expenses	1,153	1,007
	13,915	15,850



**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

37 Financial Risk Management Objectives (Ind AS 107):

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, lease, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets, other than derivatives include trade and other receivables, deposit with banks, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company uses derivative financial instruments, such as foreign exchange forward contracts, to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The sources of risks which the company is exposed to and their management are given below:

Risk	Exposure Arising From	Measurement	Management
A. Market Risk			
1) Foreign Exchange Risk	Committed commercial transaction Financial asset and Liabilities not denominated in INR	Cash Flow Forecasting Sensitivity Analysis	Forward foreign exchange contracts
2) Interest Rate	Long Term & Short Term Borrowings at variable rates and Investment in Debt Schemes of Mutual Fund	Sensitivity Analysis, Interest rate movements	Portfolio Diversification
3) Commodity Price Risk	Movement in prices of commodities	Sensitivity Analysis, Commodity price tracking	Active inventory management, Sales Price linked to purchase price
B. Credit Risk	Trade receivables, Investments, Derivative financial instruments, Loans	Aging analysis, Credit Rating	Diversification of mutual fund investments, Credit limit and credit worthiness monitoring, Criteria based approval process
C. Liquidity Risks	Borrowings, lease liabilities, Other Liabilities and Liquid investments	Rolling cash flow forecasts Broker Quotes	Adequate unused credit lines and borrowing facilities Portfolio Diversification

The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in inter corporate deposits, fixed deposits, debt securities and mutual fund schemes of debt and debt like categories and restricts the exposure in equity markets.

Compliances of these policies and principles are reviewed by internal auditors on periodical basis.

The Corporate Treasury team updates the Audit Committee on a quarterly basis to about the implementation of the above policies. It also updates to the Internal Risk Management Committee of the Company on periodical basis about the various risk to the business and status of various activities planned to mitigate the risk.

A. Market Risk Management:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

1) Foreign Currency Risk:

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to import of raw materials and spare parts, capital expenditure and exports.

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

When a derivative is entered for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency forwards to hedge exposure to foreign currency risk.

in Lacs		
Outstanding foreign currency exposure as at	As at 31 st March, 2021	As at 31 st March, 2020
Trade receivables		
USD	3	4
Cash & Cash Equivalent		
USD	2	-
Trade Payables (Incl. in-transit)		
EURO	*	*
YEN	171	130
USD	100	72
Total Foreign Currency - EURO	*	*
Total Foreign Currency - YEN	171	130
Total Foreign Currency - USD	105	76

Out of USD 105 Lacs Foreign Currency Exposure as 31st March 2021, USD 98 Lacs was hedged and out of USD 76 Lacs as at 31st March 2020, USD 71 Lacs were hedged by forward contracts.

*EURO 11,824 receivable as at 31st March, 2021 (1,330 as at 31st March, 2020)

Forward Exchange Contracts:

Derivatives for hedging foreign currency risk with respect to outstanding payable/receivables & highly probable forecasted transaction

₹ in Lacs				
Particulars	Purpose	Currency	As at 31 st March, 2021	As at 31 st March, 2020
Forward Contracts	Imports	USD	104	73
Forward Contracts	Imports	Euro	-	4
Forward Contracts	Imports	Yen	442	35

Foreign currency sensitivity on unhedged exposure (Net):

100 bps increase in foreign .exchange rates will have the following impact on profit before tax.

₹ in Lacs		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
USD	3	2
Euro	-	-
YEN	(1)	(1)

Note: If the rate is decreased by 100 bps impact on profit will (increase)/decrease by an equal amount.



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

2) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term borrowing. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost. Since all the borrowings are on floating rate, no significant risk of change in interest rate.

INR Interest rate exposure:

₹ in Lacs

Particulars	Total borrowings	Floating rate borrowings	Average Interest rate
Total as at 31 st March 2021	811	811	7.33%
Total as at 31 st March 2020	1,724	1,724	8.29%

Interest rate sensitivities for unhedged exposure (impact on increase in 100 bps):

₹ in Lacs

Particulars	As at 31 st March 2021	As at 31 st March 2020
INR	8	17

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

3) Commodity price risk

Commodity price risk for the Company is mainly related to fluctuations of raw materials prices linked to various external factors, which can affect the production cost of the Company. Company actively manages inventory and in many cases sale prices are linked to major raw material prices. Energy costs is also one of the primary costs' drivers, any fluctuation in fuel prices can lead to drop in operating margin. To manage this risk, the Company enters into long-term supply agreement for power, identifying new sources of supply etc. Additionally, processes and policies related to such risks are reviewed and managed by senior management on continuous basis.

B. Credit Risk Management:

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/ investing activities, including deposits with banks, mutual fund investments, and investments in debt securities, foreign exchange transactions and financial guarantees. The Company has two major customers which represents 80% receivables as on 31st March, 2021 and company is receiving payments from these parties within due dates. Hence, the company has no significant credit risk related to these parties.

Trade receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. Wherever the Company assesses the credit risk as high the exposure is backed by either letter of credit or security deposits.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

The Company makes provision for the trade receivable as per the following matrix:

Age of Debtors	Provision (%)
Upto 1 Year	Nil
More than 1 Year but less than 2 years	25%
More than 2 Years but less than 3 Years	50%
More than 3 Years	100%

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

Movement in expected credit loss allowance on trade receivables:

₹ in Lacs

Particulars	As at 31 st March 2021
Opening Balance	177
Add: Provision made during the year	537
Less: Provision utilization during the year	-
Closing Balance	714

Investments, Derivative Instruments, Cash and Cash Equivalent and Bank Deposit

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments are generally low as Company enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

Investments of surplus funds are made only with approved Financial Institutions/ Counterparty. Investments primarily include investment in units of mutual funds and high investment grade corporates. These Mutual Funds and Counterparties have low credit risk.

Total Non-current and current investments as on 31st March, 2021 is ₹ 30,209 Lacs (31st March,2020 - ₹ 26,189 Lacs).

C. Liquidity Risk Management:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts based on expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

₹ in Lacs

As at 31 st March, 2021	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	314	497	-	811
Trade payables	12,721	-	-	12,721
Interest accrued but not due on borrowings	5	-	-	5
Other financial liabilities (excluding derivative liability)	679	264	-	943
Derivative liability/ (Assets)	30	-	-	30
Finance Lease Obligation	86	345	255	686
Investments	28,888	-	1,321	30,209

₹ in Lacs

As at 31 st March, 2020	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	750	974	-	1,724
Trade payables	10,405	-	-	10,405
Interest accrued but not due on borrowings	13	-	-	13
Other financial liabilities (excluding derivative liability)	637	257	-	894
Derivative liability/ (Assets)	(174)	-	-	(174)
Finance Lease Obligation	86	345	323	754
Investments	25,874	-	315	26,189



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

37 (A) - Classifications of Financial Assets and Liabilities (Ind AS 107):

Particulars	₹ in Lacs	
	As at 31 st March 2021	As at 31 st March 2020
Financial Assets at amortised cost#		
Trade receivables	23,236	15,236
Other Financial Assets	828	1,622
Cash and Cash Equivalents	826	418
Bank Balance other than Cash & Cash Equivalents	5,162	190
Fixed Deposits with Financial Institutions	5889	-
Financial Assets at fair value through profit or loss		
Investments	23,014	25,889
Financial Assets at fair value through other comprehensive income		
Investments (non-current)	1,306	300
Total	60,261	43,655
Financial Liabilities at amortised cost #		
Term Loan from Banks	497	974
Finance Lease Obligation	457	495
Other Non-Current Finance Liabilities	264	257
Cash Credits/Working Capital Borrowings	17	22
Trade payables	12,721	10,405
Other financial liabilities (including Current Maturities of Long term borrowing & finance lease obligation)	1,028	1,422
Fair Value Hedging Instruments		
Derivative liability/(Asset)	30	(174)
Total	15,014	13,401

Considering nature of financial assets and financial liabilities, fair value is same as amortized cost.

37 (B) - Fair Value measurements (Ind AS 113):

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

₹ in Lacs

Particulars	Fair Value	
	As at 31 st March 2021	As at 31 st March 2020
Financial Assets at fair value through profit or loss		
Investments -Level 2	23,014	25,889
Total	23,014	25,889
Financial Assets at fair value through other comprehensive income		
Investments -Level 1	1,306	300
Total	1,306	300
Fair Value derivative		
Derivative liability/ (Asset) -Level 2	30	(174)
Total	30	(174)

The management assessed that fair value of cash and bank balances, trade receivables, trade payables, cash credits and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.
- The fair values of unquoted investments are based on net asset value at the reporting date.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis or based on the contractual terms. The discount rates used is based on management estimates.

38 Segment Reporting (Ind AS 108):

The Company is exclusively engaged in the business of synthetic yarn related products primarily in India. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the Company.

39 (A)- Distribution made and proposed (Ind AS 1):

₹ in Lacs

Particulars	Year Ended 31 st March 2021	Year Ended 31 st March 2020
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on 31 st March, 2020: ₹ 8.00 per share (31 st March, 2019: ₹ 7.00 per share)	1,748	1,530
DDT on final dividend	-	314
Total Dividend paid	1,748	1,844
Proposed dividends on Equity shares:		
Final dividend for the year ended on 31 st March, 2021: ₹ 8.00 per share. (31 st March, 2020: ₹ 8.00 per share)	1,748	1,748
Total Dividend proposed	1,748	1,748

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability.



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

39 (B)- Capital Management (Ind AS 1):

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Total Debt (Bank and other borrowings)	811	1,724
Equity	1,08,889	1,02,474
Debt to Equity (Net)	0.01	0.02

In addition, the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Company.

40 Income Taxes (Ind AS 12)

(i) Reconciliation of Effective Tax Rate:

Particulars	₹ in Lacs	
	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Profit before Tax	9,175	8,645
Tax Expense	2,083	(908)
Effective Tax Rate (in %)	22.702	(10.503)
Effect of Non-Deductible expenses (in %)	0.521	(0.678)
Effect of Allowances for tax purpose (in %)	-	0.163
Effect of previous year adjustment (In %)	2.136	0.046
Effect of (Increase)/Decrease in Tax Rate (in %)	-	36.102
Others (in %)	(0.191)	0.038
Applicable Tax Rate (in %)	25.168	25.168

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 ₹ 3120 Lacs for the year ended 31st March 2020.

41 Leases (Ind AS 116):

(i) Lease Expenses recognized in the Statement of Profit and Loss not included in the measurement of lease liabilities:

Particulars	₹ in Lacs	
	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Variable lease payments	-	-
Expenses relating to leases of low value assets, excluding short term lease of low value assets	(18)	(124)

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

(ii) Maturity analysis of lease liabilities - Contractual undiscounted cash flows:

₹ in Lacs

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Less than one year	86	86
One to five years	345	345
More than five years	255	323
Total undiscounted lease liabilities	686	754
Discounted lease liabilities included in the statement of financial position	504	539
Current lease liability	47	44
Non-current lease liability	457	495

(iii) There is on difference between the future minimum lease rental commitments towards non-cancellable operating lease and finance lease reported as at March 31st, 2019 compared to the lease liability as accounted as at April 1, 2019 on account adoption of Ind As 116

₹ in Lacs

Particulars	Amount
Lease commitment as at 31 st March, 2019	579
Add: Impact of assessment of lease commitment under Ind AS 116	-
Add/(less): Contract reassessed as lease contracts	-
Lease liability as on 01 st April, 2019	579

(iv) The weighted average incremental borrowing rate of 8.5% p.a. has been applied for measuring the lease liability at the date of initial application.

(v) The total cash outflow for leases for year ended March 31st, 2021 is ₹ 69 lacs (March 31st, 2020 is ₹ 86 lacs).

General description of leasing agreements:

- Leased assets: Land, Plant & Machinery, Godowns, Offices.
- Future lease rentals are determined based on agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreement are generally cancellable and are renewed by mutual consent on mutually agreed terms.

42 DISCLOSURES IN ACCORDANCE WITH IND AS-19 ON "EMPLOYEE BENEFITS"

a) Defined Contribution Plans - The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

₹ in Lacs

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Employer's Contribution to Provident Fund and Employee's Pension Scheme, 1995	483	469
Employer's Contribution to Superannuation Fund	49	58
Employer's Contribution to Employee's State Insurance	20	34
Total	552	561

b) Defined Benefit Plans - Gratuity and Provident Fund

Gratuity:

Inherent Risk - The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

The Company operates a gratuity plan which is administered through Life Insurance Corporation and a trust which is administered through trustees. Every employee is entitled to a minimum benefit equivalent to 15 days salary last drawn for each completed year of service in line with Payment of Gratuity Act, 1972. However, certain employees are entitled to benefit higher than the benefit prescribed under Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier or death in service.

- i) A reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Opening DBO	3,793	3,537
Current Service Cost	183	163
Interest on DBO	246	252
Remeasurement due to:		
Actuarial loss/ (gain) arising from change in financial assumption	(255)	111
Actuarial loss/ (gain) arising from change in demographic assumption	(18)	-
Actuarial loss/ (gain) arising on account of experience change	117	(89)
Benefits Paid	(351)	(181)
Acquisition Adjustment	105	-
Closing DBO	3,820	3,793

- ii) A reconciliation of the opening and closing balances of the fair value of plan assets:

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Opening Fair Value of Plan Assets	3,613	3,336
Interest on Plan Assets	235	237
Remeasurement due to:		
Actuarial loss/ (gain) arising on account of experience change	(70)	24
Contribution by the Employer	180	197
Benefits Paid	(351)	(181)
Acquisition Adjustment	105	-
Closing Fair Value of Plan Assets	3,712	3,613

Fair value of Plan Assets for gratuity represents the amount as confirmed by the Insurer Managed Funds.

- iii) Amount recognised in Balance Sheet including a reconciliation of the present value of the defined benefit obligation in b (i) and the fair value of the plan assets in b (ii) to the assets and liabilities recognised in the balance sheet:

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Present value of Defined Benefit Obligation	3,820	3,793
Fair value of Plan Assets	(3,712)	(3,613)
Net Liability recognised in the Balance Sheet	108	180
Long Term Provisions	108	180

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

iv) The total expense recognised in the Statement of Profit and Loss:

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Current Service Cost	183	163
Past Service Cost	-	-
Interest Cost on defined benefit liability / (assets)	12	14
Total	195	177

v) Amount recorded in Other Comprehensive Income

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Remeasurement due to:		
Changes in financial assumptions	(255)	111
Changes in demographic	(18)	-
Experience Adjustments	117	(89)
Actual return on plan assets less interest on plan assets	70	(23)
Closing amount recognised in OCI outside profit and loss account	(86)	(1)

vi) Maturity Profile of defined benefit obligation:

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Weighted average duration (based on discounted cash flows)	5 years	5 years
Within the next 12 months	452	710
Between 1 and 5 years	2110	2110
Between 5 and 10 years	1483	1282
10 years and above	1761	1478

vii) For each major category of plan assets, following is the percentage that each major category constitutes of the fair value of the plan assets:

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	Amount ₹ Lacs	Rate %	Amount ₹ Lacs	Rate %
Insurer Managed Funds	3,712	100%	3,613	100%
Total	3,712	100%	3,613	100%

viii) The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

ix) Following are the Principal Actuarial Assumptions used as at the balance sheet date:

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Discount Rate	6.35%	6.50%
Salary Escalation Rate	6.00% - 7.00%	7.00%
Attrition Rate (Average Rate of 4 Age Groups in 20-21)	6.00%	11.25%
mortality rate	100% of IALM 2012 - 14	100% of IALM 2012 - 14



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

- x) Amounts recognised for Gratuity:

₹ in Lacs

Particulars	As at 31 st March, 21	As at 31 st March, 20
Defined Benefit Obligation	3,820	3,793
Plan Assets	3,712	3,613
Surplus / (Deficit)	(108)	(180)
Experience Adjustment on Plan Liabilities	117	(89)
Experience Adjustment on Plan Assets	(70)	23

- xi) Expected Contribution to the Funds in the next year:

₹ in Lacs

Particulars	2021-22
Gratuity	254
Provident Fund and Employee's Pension Scheme, 1995	505

- xii) Sensitivity Analysis:

Rate %

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Impact of increase in 50 bps on discounting rate on DBO	(2.7%)	(2.5%)
Impact of decrease in 50 bps on discounting rate on DBO	2.90%	2.60%
Impact of increase in 50 bps on salary escalation rate on DBO	2.80%	2.50%
Impact of decrease in 50 bps on salary escalation rate on DBO	(2.7%)	(2.4%)
Impact of increase in 50% of attrition rate on DBO	0.20%	(0.5%)
Impact of decrease in 50% of attrition rate on DBO	(0.3%)	0.50%

- xiii) The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

- xiv) Asset liability matching strategy:

The money contributed by the Company to Gratuity Fund has to be invested. The trustee have outsourced management of investment to an Insurance Company. The Insurance Company in turn manage these funds as per mandate provided by the trustees and the asset allocation which is with in permissible limits prescribed in insurance regulations. Due to restrictions in type of investments that can be held by the fund it is not possible to explicitly follow asset liability matching strategy. There is no compulsion on the part of company to fully prefund liability of the plan. The Company fund these benefit based on known liability and Level of underfunding of the plan.

Provident Fund:

The Company makes contribution towards Provident fund for certain eligible employees to the trust, set up and administered by the Company, in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee. The rules of the trust provides that if the board of trustees are unable to pay interest at the rate declared by the government under Para 60 of the Employees provident fund scheme, 1972 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company making interest shortfall a defined benefit plan. Accordingly, the

Company has obtained actuarial valuation and based on the below provided assumptions there is no deficiency as at the balance sheet date. Hence, the liability is restricted towards monthly contributions only.

₹ in Lacs

Particulars	As at	
	31 st March, 2021	31 st March, 2020
Present value of Defined Benefit Obligation	12,956	12,335
Fair value of Plan Assets	(12,956)	(12,335)
Net Liability recognised in the Balance Sheet	-	-

Following are the Principal Actuarial Assumptions used as at the balance sheet date:

Rate %

Particulars	As at	
	31 st March, 2021	31 st March, 2020
Discount Rate	6.34%	6.50%
Expected rate of return on Plan Assets	8.50%	8.50%
Discount Rate for the remaining term to Maturity of the Investment Portfolio	6.44%	6.55%
Average Historic Yield on the Investment Portfolio	7.78%	8.60%
Guaranteed Rate of Return	8.50%	8.50%
Mortality Rate	100% of IALM 2012-14	100% of IALM of 2012-14
Attrition Rate	6.00%	11.25%

C) Amount recognised as an expense in respect of Compensated Absences is ₹ 378 lacs (Previous year ₹ 221 lacs)

43 Related party disclosures (Ind AS 24)

(A) Related Parties with whom there were transactions during the year:

Parties	Relationship
Mrs. Rajashree Birla - Non-Executive Director	Key Management Personnel (KMP)
Mr. S.K.Jain - Independent Director	Key Management Personnel (KMP)
Mr. K.S. Thar - Independent Director	Key Management Personnel (KMP)
Ms. Krupa R. Gandhi - Independent Director (Appointed w.e.f. 14.08.2020)	Key Management Personnel (KMP)
Mr. B.S.Mehta - Independent Director (Resigned w.e.f. 14.08.2020)	Key Management Personnel (KMP)
Mr. Suresh Sodani - Managing Director (Appointed w.e.f. 01.09.2020)	Key Management Personnel (KMP)
Mr. O. R. Chitlange - Managing Director (Resigned w.e.f. 01.09.2020)	Key Management Personnel (KMP)
Mr. Devajyoti N. Bhattacharya - Additional Director (Appointed w.e.f. 12.10.2020)	Key Management Personnel (KMP)
Mrs. Usha Sangwan (Resigned w.e.f. 16.05.2020)	Key Management Personnel (KMP)
Century Enka Ltd Employee's Provident Fund	Post-Employment Benefit Plan

(a) The following transactions were carried out with the related parties in the ordinary course of business

₹ in Lacs

Nature of Transaction/Relationship	Year Ended	
	31 st March, 2021	31 st March, 2020
Services received from:		
KMP (Director's Sitting Fees and Commission)	32	33



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(b) Compensation of key management personnel of the Company:

₹ in Lacs

Nature of transaction/relationship	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Short-term employee benefits	251	348
Other long-term benefits	22	20
Total compensation paid to key management personnel	273	368

Expenses towards gratuity and leave encashment provision are determined by actuary on an overall Company basis at the end of each year and accordingly have not been considered in the above information.

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

(c) Contribution to:

₹ in Lacs

Nature of transaction	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Post-Employment Benefit Plan	196	295

44 Earnings per Share (EPS) (Ind AS 33):

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Basic/Diluted EPS:		
(i) Net Profit attributable to Equity Shareholders (₹ Lacs)	7,092	9,553
(ii) Weighted average number of Equity Shares outstanding (Nos.) [For Basic & Diluted EPS]	2,18,50,589	2,18,50,589
Basic/ Diluted EPS in ₹ Per share (Face Value ₹ 10 per share) (i)/(ii)	32.46	43.72

45 Exceptional Item (Impairment of Assets) (Ind AS 36):

Base on Management's assessment with respect to future use of some of spinning machine at Bharuch plant, the company has made impairment provision of ₹ 819 lacs. The same have been show under Exceptional Item in financial statements.

46 Contingent Liabilities (to the extent not provided for) (Ind AS 37):

(a) Claims against the Company not acknowledged as debt:

₹ in Lacs

Particulars	Brief Description	As at 31 st March, 2021	As at 31 st March, 2020
(a) Excise, Service Tax & Custom Matters	Matters relates to valuation, disallowances of input tax credit	326	326

The above amount of contingencies does not include applicable interest, if any. Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

(b) 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 ₹ 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 ₹ 730 lacs (as against above demand of ₹ 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 ₹ 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.

**NOTES
TO THE FINANCIAL STATEMENTS (Contd.)**

47 Capital and other commitments:

- a) Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances) as on 31st March, 2021 is ₹ 511 Lacs. (31st March, 2020 - ₹ 944 Lacs).
- b) Other Commitments: The Company has renewed non-cancellable agreement with Gas Utility Company on 1st January, 2017 for purchase of LNG. Under this agreement, the Company is committed to purchase certain annual minimum quantity of LNG upto 31st December, 2021 failing which it will pay the seller for any shortfall in offtake of LNG based on an agreed formula. The cost of the minimum committed quantity as at 31st March, 2021 for the remaining period of the contract at current market prices approximates ₹ 542 Lacs (Previous Year ₹ 1,421 Lacs). Based on the current projection Company does not expect shortfall in offtake of minimum committed quantity and therefore no material foreseeable losses are expected.

48 Corporate Social Responsibility:

₹ in Lacs

Particulars	Year Ended	Year Ended
	31 st March, 2021	31 st March, 2020
Total amount required to be spent under section 135 of the Companies Act, 2013	190	233
Total amount spent during the year (Refer Note 36)	190	233

49 Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006:

Amounts due to Micro and Small Enterprises disclosed on the basis of information available with the Company regarding status of the suppliers are as follows:

₹ in Lacs

Particulars	2020-21		2019-20	
	Principal	Interest	Principal	Interest
Principal Amount and Interest due thereon remaining unpaid at the end of the year	69	-	438	-
The amount of interest paid as per terms of section 16 of the MSMED Act along with the amount of payment made beyond the due date	987	4	1,014	14
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the act	-	7	-	4
Interest amount due and unpaid as at the end of the year	-	7	-	4
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

50 Auditors' remuneration (excluding taxes) and expenses:

₹ in Lacs

Particulars	As at	As at
	31 st March, 2021	31 st March, 2020
(a) Statutory Auditors:		
Audit fees (including quarterly Limited Review)	41	41
Tax audit fees	5	5
Fees for other services	1	1
Expenses reimbursed	-	1
	47	48
(b) Cost Auditors:		
Audit fees	3	3



NOTES TO THE FINANCIAL STATEMENTS (Contd.)

51 Revenue from Contracts (Ind AS 115):

The Company is primarily in the Business of manufacture and sale of Synthetic Yarn. Sales are made at a point in time and revenue from contract with customer is recognised when goods are dispatched and the control over the goods sold is transferred to customers. The Company does not expect to have any contracts where the period between the transfer of goods and payment by customer exceeds one year. Hence, the Company does not adjust revenue for the time value of money.

a) Revenue recognised from Contract liability (Advances from Customers):

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Closing Contract liability	152	146

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31st, 2021.

b) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	₹ in Lacs	
	As at 31 st March, 2021	As at 31 st March, 2020
Revenue as per Contract Price	1,22,290	1,42,765
Less: Discounts	208	417
Revenue as per statement of profit and loss	1,22,082	1,42,348

52 Covid 19

The Company's operation at both location Pune and Bharuch were scale down / suspended production in line with the Government directive. This had an adverse impact on revenues till the first half of the year.

The Company had taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included amongst others scaled down / suspension of operation, work from home policy for employees across location, etc. Pursuant to the relaxed lockdown guidelines by Central and State Governments, the Company has resumed its manufacturing operation as allowed in strict compliance with Government advisories.

The Company recovered the carrying amount of all its assets including inventory, receivables and Other asset in the ordinary of business. The Company's capital and financial resources remained entirely protected and its liquidity position remain adequately covered. The Company was able to service its debt obligations as per schedule and on due dates.

53 Previous Year's figures have been regrouped / rearranged, wherever necessary.

	For Khimji Kunverji & Co LLP Chartered Accountants (FRN 105146W/W100621)	For and on behalf of the Board of Directors S. K. Jain Director DIN: 02843676	Suresh Sodani Managing Director DIN: 08789604
Place : Mumbai	Gautam V. Shah Partner	Place : Pune	K. G. Ladsaria Chief Financial Officer
Date : 18 th May, 2021	Membership No. 117348	Date : 18 th May, 2021	Rahul Dubey Company Secretary

FINANCIAL HIGHLIGHTS

STATEMENT OF PROFIT AND LOSS

(₹/Lacs)

FINANCIAL YEAR	2020-21	2019-20	2018-19	2017-18	2016-17
INCOME					
Revenue from Operations (Net)	122082	142348	179138	141648	118531
Other Income	2400	4223	2163	1775	1549
	124482	146571	181301	143423	120080
EXPENDITURE					
Materials & Overheads (+ / - Stock Adj.)	110245	133027	164087	130477	100344
PROFIT BEFORE EXCEPTIONAL ITEM, FINANCE COST, DEPRECIATION AND TAX	14237	13544	17214	12946	19736
Exceptional Item	(819)	-	(454)	2491	(958)
PROFIT BEFORE FINANCE COST, DEPRECIATION AND TAX	13418	13544	16760	15437	18778
Less : Finance Cost	155	349	346	340	562
PROFIT BEFORE DEPRECIATION AND TAX	13263	13195	16414	15097	18216
Less : Depreciation / Amortisation	4088	4550	4504	4194	4237
Less : Tax Expenses	2,083	(908)	4252	3894	4882
NET PROFIT	7092	9553	7658	7009	9097
DIVIDEND (%)	80%	80%	70%	70%	70%
EARNING PER SHARE (₹)	32.46	43.72	35.05	32.08	41.63
CASH EARNINGS PER SHARE (₹)	52.80	51.37	57.63	56.01	63.96
BOOK VALUE PER SHARE (₹)	498.35	468.99	437.01	412.31	391.01

STATEMENT OF ASSETS AND LIABILITIES

(₹/Lacs)

FINANCIAL YEAR	As on 31.03.2021	As on 31.03.2020	As on 31.03.2019	As on 31.03.2018	As on 31.03.2017
A. ASSETS					
Property Plant Equipment and Intangible Assets	49337	53073	55010	57858	57488
Non-Current Investments	1321	315	1039	1541	2025
Long-Term Loans and Advances	209	219	207	231	184
Other Non-Current Assets	1100	1127	938	1020	938
Current Assets	81975	71653	65928	55721	51311
	(A)	133942	126387	123122	116371
B. EQUITY AND LIABILITIES					
Equity					
Share Capital	2185	2185	2185	2185	2185
Other Equity	106704	100289	93302	87905	83251
	108889	102474	95487	90090	85436
Non-Current Liabilities					
Long-Term Borrowings	497	974	2102	3061	3708
Deferred Tax Liabilities (Net)	7813	8275	11153	11177	10158
Long-Term Liabilities & Provisions	2130	2014	1487	1546	1811
	10440	11263	14742	15784	15677
Current Liabilities					
Short-Term Borrowings	17	22	-	1	109
Trade Payables, Liabilities and Provisions	14596	12628	12893	10496	10724
	14613	12650	12893	10497	10833
	(B)	133942	126387	123122	116371



Century Enka Limited

Registered Office:

Plot No. 72 & 72-A, MIDC, Bhosari, Pune 411026

CIN: L24304PN1965PLC139075

Phone: 020-66127300, 27120423 | **Fax:** 020-27120113

Website: www.centuryenka.com



CENTURY ENKA LIMITED

Registered Office : Plot No. 72 & 72-A, MIDC, Bhosari, Pune - 411 026
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Website : www.centuryenka.com • E-mail: cel.investor@birlacentury.com

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the 55th Annual General Meeting of the Shareholders of CENTURY ENKA LIMITED will be held on Friday, the 13th August, 2021 at 2.30 P.M.(IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To consider the Reports of the Auditors and Directors and to receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2021
2. To declare dividend on Equity Shares for the year ended 31st March, 2021.
3. To appoint the Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit, to accord assent / dissent to the following resolution:

AS ORDINARY RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment, substitution or re-enactment in the foregoing for the time being in force), M/s.Khimji Kunverji & Co LLP, Chartered Accountants, Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone Road, Mumbai-400013 (Firm Registration Number-105146W/W100621) be and are hereby appointed as Statutory Auditors of the Company to hold office for a second term of five consecutive years from the conclusion of this 55th Annual General Meeting until the conclusion of the 60th Annual General Meeting of the Company, at a remuneration to be fixed by the Board of Directors for each financial year based on the recommendation of the Audit Committee and reimbursement of out-of-pocket expenses in connection with the audit of the accounts of the Company and the said remuneration be paid to them in such instalments as may be decided by the Board of Directors".

SPECIAL BUSINESS

4. To appoint a Director in place of Mrs. Rajashree Birla (DIN: 00022995) who retires by rotation and, being eligible, offered herself for reappointment and in this regard to consider and if thought fit, to accord assent / dissent to the following resolution

AS SPECIAL RESOLUTION

"RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014, applicable Articles of Association of the Company and Regulation 17(1A) of

the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification, amendment, substitution or re-enactment in the foregoing for the time being in force), consent of the members of the Company to the reappointment of Mrs Rajashree Birla (DIN. 00022995), who retire by rotation and being eligible for reappointment and has attained the age of seventy five years, be and is hereby accorded as a Director of the Company liable to retire by rotation.

5. To appoint Mrs. Krupa R. Gandhi (DIN-00294629) as an Independent Director of the Company and to consider and, if thought fit, to accord assent/dissent to the following Resolution:

AS ORDINARY RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, and other applicable provisions of the Companies Act, 2013 read with schedule IV to the Act and the applicable rules of the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification, amendment, substitution or re-enactment in the foregoing for the time being in force) consent of the Company be and is hereby accorded to the appointment of Mrs. Krupa R. Gandhi (DIN:00294629), who was appointed as an Independent Director of the Company by the Board of Directors w.e.f. 14th August 2020 for a term of five consecutive years.

- 6 To appoint Mr. Devajyoti N. Bhattacharya (DIN-00868751), as Non-Independent Non Executive Director of the Company and to consider and, if thought fit, to accord assent/dissent to the following Resolution:

AS ORDINARY RESOLUTION

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the applicable rules of the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification, amendment, substitution or re-enactment in the foregoing for the time being in force) Mr. Devajyoti N. Bhattacharya (DIN-00868751), who was appointed as an Additional Director, w.e.f 12th October 2020 and to hold office up to this Annual General Meeting, and as recommended by the Nomination and Remuneration Committee of Directors, be and is hereby appointed as a Director of the Company liable to retire by rotation."

7. To adopt new set of Articles of Association of the Company pursuant to the Companies Act, 2013 and to consider and, if thought fit, to accord assent/dissent to the following Resolution:

AS A SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of section 14 and other applicable provisions of the Companies Act, 2013 and rules framed

there under (including any statutory modifications, amendment, substitution or re-enactment thereof for the time being in force), the new set of Articles of Association of the Company (a soft copy of the Articles of Association is available on the website of the Company) be and are hereby approved and adopted in substitution for, and to the exclusion, of the existing Articles of Association of the Company”.

“RESOLVED FURTHER THAT Mr. Suresh Sodani, Managing Director; Mr. Krishna Ladsaria, Chief Financial Officer and Mr. Rahul Dubey, Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things, including delegate such authority, as may be considered necessary, proper or expedient in order to give effect to the above resolution”.

8. To consider the remuneration of Cost Auditors and if thought fit, to accord assent / dissent to the following Resolution:

AS ORDINARY RESOLUTION

“RESOLVED THAT remuneration of ₹ 2,75,000/- (Rupees two lacs seventy five thousand only) plus Goods and Services Tax as applicable and reimbursement of out-of-pocket expenses for the financial year ended 31st March, 2021 to M/s. M.R. Dudani & Co., Cost Accountants, appointed as the Cost Auditors of the Company and fixed their remuneration by the Board of Directors for the said financial year pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 for the conduct of the audit of the cost records of the Company's products Nylon and Polyester as covered under the head “Textile” in the Notification dated 31st December, 2014 issued by the Ministry of Corporate Affairs, Government of India, be and is here by ratified”.

By Order of the Board

Rahul Dubey
Secretary

Place: Pune

Date : 18th May, 2021

NOTES:

1. In view of the continuing COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, and Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 (MCA Circulars) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 in relation to relaxation of compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting (i.e. 2.30 PM IST) by following the procedure mentioned herein after under the head “instruction for members for attending AGM through VC/ OAVM”. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of item Nos.(3) to (8) of the Notice set out above, is hereto annexed
4. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
5. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. The facility of casting votes by a member using remote e-voting system as well as at AGM will be provided by NSDL. The detail instructions for casting vote are mentioned hereinafter.
7. Institutional / Corporate Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or Governing Body Resolution / Authorization / Power of Attorney etc. (Authorisation) authorizing

- its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to chetan.maru@mantrimaru.com with a copy marked to evoting@nsdl.co.in.
8. The Register of Members and Share Transfer Register of the Company will remain closed from Tuesday, the 3rd August, 2021 to Thursday, the 5th August, 2021, both days inclusive on account of dividend payment.
 9. The payment of dividend, if declared at the said meeting, will be made, subject to deduction of tax at source at the prescribed rate to those shareholders whose names shall appear on the Company's Register of Members on Thursday, the 5th August, 2021, or to their nominees. In respect of shareholding in dematerialised form, dividend will be paid to the beneficial owners as per details to be furnished by the Depositories for the purpose of payment of dividend. Payment of Dividend will be through National Electronic Clearing Services (NECS) / Electronic Clearing Services (ECS) or such other electronic mode as the case may be on or after Tuesday, the 17th August, 2021.

Shareholders, who have not provided bank details as stated herein after in Note 13 to facilitate payment of dividend through electronic mode, will be paid by dispatch of dividend warrant by postal services.
 10. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form as it facilitate easy liquidity, change in particulars of shareholding such as bank details, address and no loss of share certificates etc.. Members can contact the Company's Registrar and Transfer Agent, M/s. Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikroli (West), Mumbai-400 083 (R & T Agent) for assistance in this regard. The details of various banks and agencies providing dematerialization of shares services are available on the website of NSDL and CDSL.
 11. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with R & T Agent in case the shares are held by them in physical form.
 12. In terms of provisions of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholder. The shareholders who are holding shares in physical form and are desirous of availing this facility may kindly download the prescribed form (SH-13) from the company / R & T Agent's website and submit the same to R & T Agent at the address mentioned herein above in Note 10. Shareholders holding shares in dematerialised form, should write to their Depository Participant for this purpose.
 13. Shareholders who are holding shares in physical form are requested to notify changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations & power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc. to the R & T Agent at the address mentioned hereinabove in Note 10 quoting their folio number alongwith requisite documents and Shareholders holding shares in dematerialised form, should intimate request for such changes to their Depository Participant.
 14. Shareholders who are holding shares in identical order of names in more than one folios, are requested to write to the R & T Agent at the address mentioned hereinabove in Note 10 to consolidate their holdings in one folio.
 15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 3rd August, 2021 through email on cel.investor@birlacentury.com. The same will be replied by the Company suitably in the meeting.
 16. Those members who have not encashed dividend warrant for the financial years 2013-14 to 2019-20 may return the time barred dividend warrant or write to R& T Agent, for payment of dividend by providing bank details, KYC application along with Address and ID Proof to complete KYC and documents as provided in Note 13 hereinabove. Members who have not encashed dividend warrant for the financial year 2013-14 shall return the time barred dividend warrant / write well before 30th September, 2021 for payment of dividend.
 - (i) The unclaimed dividend upto financial years 1995- 96 have been transferred to the General Revenue Account of the Central Government in terms of the provisions of Section 205A of the Companies Act, 1956. Those shareholders who have so far not claimed their dividend for the financial years upto 1995-96 may claim their dividend from the Registrar of Companies, Maharashtra, Pune by submitting an application in the prescribed form.
 - (ii) Pursuant to Section 205A and 205C and other applicable provisions of the Companies Act, 1956, unclaimed dividend for the financial year 1996-97 to 2008-09 have already been transferred to Investor Education and Protection Fund (IEPF).
 - (iii) Pursuant to Section 124 and 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund)

Rules, 2016 (IEPF Rules), have become effective from 7th September, 2016. Unclaimed dividend for financial years 2009-10 to 2012-13 have been transferred to Investor Education and protection Fund (IEPF). Unclaimed dividend for the financial year 2013-14 and thereafter which remained unclaimed for a period of 7 years will be transferred to IEPF. Accordingly, unclaimed dividend for the financial year 2013-14 will fall due for transfer to the said IEPF on Saturday, the 16th October, 2021.

17. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended from time to time, shares in respect of which dividends have not been encashed for seven consecutive years or more are required to be transferred to IEPF. The Company has sent individual notice on 20th May, 2021 to all the concerned shareholders intimating them particulars of equity shares due for transfer. These details are also available on the Company's website www.centuryenka.com. Advertisement in newspapers in this respect has also been released in English language and regional language i.e. Marathi on 26th May, 2021. Shareholders are requested to claim the unclaimed dividend by 30th September, 2021, well before the due date which fall due on 16th October, 2021. If unclaimed dividends are not claimed by the shareholders, shares covered by such unclaimed dividends will be transferred to IEPF. It may be noted that no claim shall lie against the Company in respect of shares so transferred to IEPF. Upon transfer, the shareholders will be able to claim these equity shares only from the IEPF authority as per the procedure prescribed under IEPF Rules, the details of which are available at www.iepf.gov.in.
18. The brief resumes of Mrs. Rajashree Birla (DIN: 00022995), who retire by rotation and eligible to be re-appointed as a Director liable to retire by rotation, Mrs. Krupa R. Gandhi (DIN-294629) who is to be appointed as an Independent Director and Mr. Devajyoti N Bhattacharya (DIN-00868751) proposed for appointment as a Director liable to retire by rotation are given hereinafter. None of said Directors are related with any Director or Key Managerial Personnel.
19. In compliance with the aforesaid MCA Circulars and SEBI Circular (referred in note no. 1) Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.centuryenka.com, websites of the Stock Exchanges i.e. BSE Limited and The National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>
20. Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders w.e.f. 01st April, 2020, and the Company is required to deduct tax at source from the dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with R & T Agent (in case of shares held in physical mode) and DP (in case of shares held in electronic mode).

A Resident Individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to cel.investor@birlacentury.com by 2nd August, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under a tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholders may submit the above documents (PDF/JPG Format) by e-mail to cel.investor@birlacentury.com. The aforesaid declarations and documents need to be submitted by the shareholders by 2nd August, 2021.
21. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

Items No-3

Pursuant to Section 139 of the Companies Act, 2013, every Company shall be required to appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting.

Provided that before such appointment is made, the written consent of the auditor to such appointment, and a certificate from him or it shall be obtained that the auditor shall satisfy the criteria provided in section 141 of the Companies Act, 2013.

M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, (LLP Registration Number - LLPIN AAP-2267 and firm registration number - 105146W/W100621) were appointed as Auditors of the Company to hold office for a term of five consecutive years which comes to the end on the 55th Annual General Meeting of the Company.

The Board in its meeting held on 18th May 2021, on recommendation of the Audit Committee has recommended the appointment of M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, (LLP Registration Number- LLPIN AAP-2267 and Firm Registration Number- 105146W/W100621) as the statutory auditors of the Company for second term of five consecutive years, from the conclusion of this Annual General Meeting until the conclusion of the 60th Annual General Meeting of the Company, at a remuneration to be fixed by the Board of Directors for each financial year on the recommendation of Audit Committee of Directors.

The Audit Fee (including quarterly Limited Review Fee) for the financial year 2020-21 is ₹ 41 lacs (Previous Year ₹ 41 lacs). The fee including any increase in fee in the proposed tenure of re-appointment would be in line with the fee paid in the past.

The Company has received the requisite declaration from statutory auditors as required pursuant to the provisions of the Companies Act, 2013.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested financially or otherwise, in the resolution set out at Item No 3 of this Notice.

The Board of Directors commends the Ordinary Resolution set-out at item No. 3 of the Notice for approval of the Members.

Item No. 4

Pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), effective from 1st April, 2019, the listed entities to obtain approval of members by way of a Special Resolution to appoint or continue the directorship of Non Executive Director who has attained the age of 75 years.

Accordingly, a Special Resolution is being proposed to be passed by the members for reappointment of Mrs. Rajashree Birla, who has attained the age of seventy five years, and who retires by rotation and being eligible, offered herself for reappointment.

Mrs. Rajashree Birla is on the Board of Grasim Industries Limited, Hindalco Industries Limited, Ultra Tech Cement Limited, Century Textiles and Industries Limited, Pilani Investment & Industries Corporation Limited and various national and international Aditya Birla Group of Companies.

Mrs. Rajashree Birla is a Chairperson of the Aditya Birla Centre for Community Initiatives and Rural Development, spearheading the social and community welfare activities and initiatives in education, healthcare, sustainable livelihood and social reform work, which have created a positive difference in the lives of millions of rural people.

Mrs. Rajashree Birla, a visionary and philanthropist par excellence, has been recognised with various awards for her exemplary work in the field of social welfare. Some of the notable awards are Padma Bhushan, The Rajiv Gandhi Award for Eminence in Social Field, Polio Eradication Champion Award. She has also been conferred Golden Peacock Award by the Government of Sweden for her exemplary activities of CSR.

Mrs. Rajashree Birla also holds important positions in various organisations involved in initiatives for social welfare and promotion of art and culture. Some of the notable organisations are Chairperson of FICCI-Aditya Birla CSR Centre of Excellence, Board member of Habitat for Humanity's Global Committee, SBI Foundation as Additional Independent Director

Mrs. Rajashree Birla has attended 5 Board Meetings during the financial year 2020-21.

The remuneration paid to Mrs. Rajashree Birla in the financial year 2020-21 was sitting fees for attending Board Meetings and commission, both amounting to ₹ 5.75 lacs.

Mrs. Rajashree Birla is being interested in the resolution set out at Item No. 4 of the Notice. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested financially or otherwise, in the resolution. This statement also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board of Directors commends the Special Resolution set-out at item No. 4 of the Notice for approval of the Members.

Item No. 5

Pursuant to the provisions of Section 149, 150, 152, and other applicable provision of the Companies Act, 2013 read with schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any amendment, statutory modifications or re-enactment thereof in the foregoing for the time being in force), the Board in its meeting held on 14th August 2020 has appointed Mrs. Krupa R. Gandhi (DIN:00294629), on recommendation of Nomination and Remuneration Committee of Directors as an Independent Director of the Company w.e.f. 14th August 2020 for a term of five consecutive years subject to approval of the members.

Except Mrs. Krupa R. Gandhi, being an appointee, none of the Directors, Key Managerial Personnel and/or their relatives are, in any way,

concerned or interested, financially or otherwise, in the resolution set out at Item No 5 of this Notice.

The Board of Directors commends the Ordinary Resolutions as set out at Item No. 5 of this Notice for the approval of the Members of the Company.

Item No. 6

pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules 2014 (including any statutory modification or re-enactment thereof in the foregoing for the time being in force) Mr. Devajyoti N. Bhattacharya (DIN-00868751) was appointed as Additional Director by the Board of Directors, on the recommendation of Nomination and Remuneration Committee, w.e.f 12th October 2020. His tenure comes to an end on this Annual General Meeting to be held on 13th August 2021. The Board in its meeting held on 18th May 2021, and as recommended by the Nomination and Remuneration Committee of Directors, has passed a resolution commending the members for the appointment of Mr. Devajyoti N. Bhattacharya as a Director of the Company liable to retire by rotation.

Mr. Devajyoti N. Bhattacharya is being interested in the resolution set out at Item No.6 of the Notice. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested financially or otherwise, in the resolution set out at Item No 6 of this Notice.

The Board of Directors commends the Ordinary Resolution set-out at item No. 6 of the Notice for approval of the Members.

Item No. 7

The present Articles of Association ("AOA") of the Company is based on the erstwhile Companies Act, 1956. Several articles are no longer in conformity with the Companies Act, 2013. It is considered expedient that instead of amending/replacing several articles, the existing AOA be replaced by a new set of Articles based on the Companies Act, 2013.

BRIEF RESUME OF PERSONS PROPOSED TO BE APPOINTED / RE-APPOINTED AS DIRECTOR OF THE COMPANY AT THE ANNUAL GENERAL MEETING

(Pursuant to Regulation 36 (3) of the Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name	Mrs. Rajashree Birla	Mrs. Krupa R. Gandhi	Mr.Devajyoti N. Bhattacharya
Director Identification Number	00022995	00294629	00868751
Age	75 years	50 Years	63 years
Date of Appointment	5 th May, 2015	14 th August, 2020	12 th October, 2020
Qualification	B.A.	B.Com., Fellow Member of Institute of Chartered Accountants of India	Mechanical Engineering (NIT Rourkela) and PG Diploma in Industrial Engineering (NITIE).
Nature of expertise	Industrialist	Corporate Advisory & Litigation Services in Direct Tax and Tax Audits	Corporate Management, Cornucopia of experiences (37 years) in India and overseas in Corporate leadership, Strategy, Entrepreneurship, start-ups. Teaching, media production and consulting.
Name of the listed companies in which also holds directorship	1. Grasim Industries Ltd 2. Hindalco Industries Limited 3. UltraTech Cement Limited 4. Century Textiles and Industries Limited 5. Pilani Investment and Industries Corporation Limited	-	1. T.V. Today Network Limited

A copy of the draft Articles of Association of the Company is available for inspection by the members at the Registered Office of the Company on any working day between 2 P.M. to 4 P.M. upto and including the date of AGM. The draft AOA has also been uploaded on the website of the Company.

None of the Directors or Key Managerial Personnel of the Company and/ or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.7 of the Notice.

The Board of Directors commends the special Resolutions as set out at Item No. 7 of this Notice for the approval of the Members of the Company.

Item No. 8

The Board of Directors of the Company on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. M. R. Dudani & Co., Cost Accountants, for the conduct of the audit of the cost records of the Company for the financial year ended 31st March, 2021 in respect of its products Nylon and Polyester as covered under the head "Textile" in the Notification dated 31st December, 2014 issued by the Ministry of Corporate Affairs, Government of India.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for auditing the cost records of the Company for the financial year ended 31st March, 2021 as set out at item No. 8 of the Notice.

None of the Directors or Key Managerial Personnel of the Company and/ or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.8 of the Notice.

The Board of Directors commends the Ordinary Resolution set-out at item No.8 of the Notice for approval of the Members.

Name	Mrs. Rajashree Birla	Mrs. Krupa R. Gandhi	Mr.Devajyoti N. Bhattacharya
Name of the companies in the committees of which also holds membership/ chairmanship	Member of Corporate Social Responsibility Committee of following companies: 1. Grasim Industries Ltd 2. Hindalco Industries Limited 3. UltraTech Cement Limited 4. Century Textiles and Industries Limited	-	Member of Nomination and Remuneration Committee and Risk Management Committee of T.V. Today Network Limited
Other activities	Associated with charitable trusts & educational institutions	-	-
No. of shares held in the Company	26,080	Nil	Nil

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the day of the AGM will be provided by NSDL.

The remote e-voting period begins on Tuesday, 10th August, 2021 at 9.00 A.M. and ends on Thursday, 12th August, , 2021 at 5.00 P.M. The

remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 6th August, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 6th August, 2021.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com/. Select "Register Online for IDeAS" Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to chetan.maru@mantrimaru.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms.Pallavi Mhatre, Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card),

AADHAR (self attested scanned copy of Aadhar Card) by email to cel.investor@birlacentury.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cel.investor@birlacentury.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may

access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from there register email id mentioning their name, demat account number/folio number, PAN, email id, mobile number at cel.investor@birlacentury.com. from 5th August, 2021 (9 am) to 9th August, 2021(5 pm) The same will be replied by the company suitably.
6. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 6th August, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 6th August, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".