





FINANCIAL HIGHLIGHTS

OPERATING RESULTS

	1999-00	1998-99	1997-98	1996-97	1995-96
	(Rupees in Lacs)				
INCOME					
Sales	93209	75645	72527	53456	60393
Other Income	1994	2504	2138	1492	1440
	95203	78149	74665	54948	61833
Less : Excise Duty	19651	17519	16608	13441	16456
	75552	60630	58057	41507	45377
EXPENDITURE					
Materials & Overheads (+/- Stock Adj.)	62099	48622	49699	34056	37045
Profit Before Interest	13453	12008	8358	7451	8332
Interest	3272	4144	3956	967	1714
Gross Profit	10181	7864	4402	6484	6618
APPROPRIATIONS					
Opening Balance	(2240)	(2074)	(1955)	(1957)	(1580)
Depreciation (Net)	4405	4360	3815	1675	1939
Provision for Taxation (Net)	575	(106)	(193)	1701	2210
Proposed Final/Interim Dividend	1200	750	419	1047	1052
Tax on Dividends	132	83	42	63	0
Transferred to Reserves	3567	2611	200	2000	1040
Closing Balance	2542	2240	2074	1955	1957
	10181	7864	4402	6484	6618
Earning per Share (Rs.) #	17.33	12.03	2.60	13.36	10.60

EPS calculated on face value of Rs. 10 each share.

SOURCE AND APPLICATION OF FUNDS

	1999-00	1998-99	1997-98	1996-97	1995-96
	(Rupees in Lacs)				
SOURCE OF FUNDS					
Shareholders' Fund					
Share Capital	3001	3001	3001	2326	2326
Reserves & Surplus (*)	44607	40759	38002	25304	24012
	47608	43760	41003	27630	26338
Loan Funds	29193	37515	40829	5633	9963
Funds Employed	76801	81275	81832	33263	36301
APPLICATION OF FUNDS					
Fixed Assets (Gross)	112947	113082	111595	57746	56387
Depreciation	50907	46976	43226	39128	37039
Fixed Assets (Net)	62040	66106	68369	18618	19348
Investments	1195	409	413	4897	4897
Current Assets (Net)	13566	14760	13050	9748	12056
Net Assets Employed	76801	81275	81832	33263	36301

(*) Including Revaluation

* Cover page shows Tyre Cord Fabrics weaving installations at Pune.



Thirty-Fourth Annual Report 1999-2000

CENTURY ENKA LIMITED**BOARD OF DIRECTORS**

Mr B K Birla
 Mr Peter Wack
(Alternate : Mr R A Shah)
 Dr H G Huether
(Alternate : Mr A V Iyengar)
 Mr B S Mehta
 Mr V Dixit
 Mr D Y Gaitonde
 Mr V R Mehta
(Nominee of ICICI)

MANAGER OF THE COMPANY & SENIOR PRESIDENT

Mr Krishen Dev

SECRETARY

Mr C B Gagrani

AUDITORS

Messrs Price Waterhouse

BANKERS

Bank of Maharashtra

State Bank of India	Punjab National Bank
Citibank N A	Deutsche Bank AG
ANZ Grindlays Bank p.l.c.	ABN AMRO Bank NV

REGISTERED OFFICE**HEAD OFFICE**

Circular Court	'Bakhtawar'
8, AJC Bose Road	7th Floor
Calcutta - 700 017	Nariman Point, Mumbai - 400 021.

FACTORIES

Bhosari, Pune - 411 026
 Konkan Synthetic Fibres. Mahad Rajashree Polyfil, Rajashree Nagar,
 Dist. Raigad - 402 301 Post : Umalla - 393 120, Dist. : Bharuch

TRANSFER AGENTS

MCS Limited, Sri Venkatesh Bhavan, Plot No. 27, Road No. 11, M.I.D.C. Area,
 Andheri (East), Mumbai 400 093.

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**NOTICE****TO THE SHAREHOLDERS**

NOTICE is hereby given that the Thirty-fourth Annual General Meeting of the Shareholders of CENTURY ENKA LIMITED will be held at Kala Kunj, 48, Shakespeare Sarani, Calcutta - 700 017 on Tuesday, the 25th July, 2000 at 10.00 A.M. to transact the following business:

1. To consider the Report of the Auditors and Directors and to receive, consider and adopt the Audited Statements of Accounts for the year ended 31st March, 2000.
2. To appoint a Director in place of Mr. B.K. Birla who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. V. Dixit who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

AS SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification the following resolution:

AS A SPECIAL RESOLUTION

"RESOLVED THAT the equity shares of the Company be delisted from The Pune Stock Exchange Limited and The Delhi Stock Exchange Association Limited in accordance with the provisions of the Listing Agreement and all other relevant Laws, Rules, Regulations and Guidelines (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions."

"RESOLVED FURTHER THAT the Board of Directors of the Company (to include any Committee of Directors that may be appointed by the Board of Directors) be and is hereby authorised to agree such terms and conditions which they may consider appropriate and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in regard to the delisting of the Equity Shares from Pune and Delhi Stock Exchanges."

Mumbai
Dated : 8th May, 2000

By Order of the Board

C.B. Gagrani
Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
2. The Register of Members of the Company will remain closed from Friday, the 21st July, 2000 to Tuesday, the 25th July, 2000, both days inclusive.
3.
 - i) In terms of Notification No. SMDRP/POLICY/CIR-9/2000 dated 16th February, 2000 of the Securities and Exchange Board of India (SEBI), shareholders may kindly make a note that trading in equity shares of the Company are under compulsory dematerialisation form with effect from 21st March, 2000.
 - ii) The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). This will enable members to select the depository of their choice for holding and dealing in shares in electronic form.
4. Members desirous of getting any information about the accounts and operation of the Company are requested to address their query to the Secretary at the Registered Office well in advance so that the same may reach him atleast seven days before the date of the meeting to enable the management to keep the required information readily available at the meeting.
5.
 - i) The unclaimed dividend upto financial years 1994-95 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 1994-95 may claim their dividend from the Registrar of Companies, West Bengal by submitting an application in the prescribed form.

- ii) Those members who have not received/encashed dividend warrants for the financial years 1995-96 to 1998-99 may return the time barred dividend warrants or to write to the Share Department, Century Enka Ltd., Bhosari, Pune - 411 026 for issue of duplicate dividend warrant.
 - iii) Members may kindly make a note that dividend warrants which remain unclaimed/unencashed for a period of 7 (seven) years from the date they became due for payment will be transferred to Investor Education and Protection Fund being constituted by the Central Government under Section 205C of the Companies Act, 1956.
6. In terms of provisions of Section 109A of the Companies Act, 1956, nomination facility is now available to individual shareholder. The shareholders who are desirous of availing this facility may kindly write to the Company's Registrars and Share Transfer Agents M/s. MCS Ltd. for nomination form at their address mentioned hereinbelow in Note 7 quoting their folio numbers.
 7. Members who are holding shares in identical order of names in more than one folio, are requested to write to the Company's Registrars and Share Transfer Agents M/s. MCS Ltd., at their address Sri Venkatesh Bhavan, Plot No. 27, Road No. 11, MIDC Area, Andheri (East), Mumbai - 400 093. Phone No. (022) 821 5235 to consolidate their holding in one folio.
 8. Members are requested to notify change in address, if any, to the Company's Registrars and Share Transfer Agents M/s. MCS Ltd., at their address mentioned hereinabove in Note 7 quoting their folio numbers.
 9. The Scheme for disposal of odd lot shares has been extended upto 31st July, 2000.
 10. The Equity Shares of the Company are listed on Stock Exchanges at Mumbai, Calcutta, Delhi, Pune and the National Stock Exchange, Mumbai and 14.5% Secured Redeemable Non-convertible Debentures (Part-B) of Rs. 300/- each at Mumbai and Calcutta Stock Exchanges. The Annual Listing Fee for the year 1999-2000 has been paid to each of these Stock Exchanges.
 11. Shareholders who have not exchanged the share certificate(s) of erstwhile Rajashree Polyfill Ltd. (RPL) with the share certificate(s) of Century Enka Ltd. (CEL) consequent upon amalgamation of RPL with CEL, should get it exchanged at the earliest from the Registrars and Share Transfer Agents M/s. MCS Ltd. at their address hereinabove mentioned in Note 7.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**Item No. 5**

Presently the Company's equity shares are listed on the following five Stock Exchanges:

1. The Stock Exchange, Mumbai
2. The Calcutta Stock Exchange Association Limited, Calcutta
3. The National Stock Exchange of India Limited, Mumbai
4. The Pune Stock Exchange Limited, Pune
5. The Delhi Stock Exchange Association Limited, New Delhi

With the computerisation of Mumbai Stock Exchange and National Stock Exchange, the investors can easily access to on line dealings in the Company's equity shares across the country. For last few years, there were no trading or negligible trading in the Company's equity shares at The Pune Stock Exchange Ltd. and Delhi Stock Exchange Association Ltd. The listing fees paid for Pune and Delhi Stock Exchanges do not have any cost benefit for the listing facilities.

The equity shares of the Company were originally listed only on The Stock Exchange, Mumbai. The equity shares of the Company on Delhi and Pune Stock Exchanges were listed at later stages to facilitate local shareholders. Since, there is no trading or negligible trading, the continuation of listing of the Company's equity shares on Delhi and Pune Stock Exchanges do not justify.

Though no special resolution is required as shares on Delhi and Pune Stock Exchanges were listed voluntarily by the Company subsequent to its initial issue of equity shares to public. However, as an abundant caution, a special resolution is proposed for delisting of its equity shares from Delhi and Pune Stock Exchanges.

In view of the above, the Board recommends the resolution for your approval.

None of the Directors is concerned or interested in the resolution.



DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH, 2000

Dear Shareholders,

We have pleasure in presenting the Annual Report and Audited Statements of Accounts of the Company for the year ended 31st March, 2000.

FINANCIAL RESULTS

	This Year Rs./Lacs	Previous Year Rs./Lacs
Turnover	93209.43	75645.52
Profit before Interest, Depreciation and Taxation (PBITD)	13452.73	12007.98
Add/(Less) : Interest	(3271.94)	(4143.94)
: Depreciation	(4405.01)	(4359.81)
(Net of transfer from Revaluation Reserve)		
: Provisions for taxation	(575.10)	105.70
(Net of excess provision in respect of earlier years)		
Net Profit	5200.68	3609.93
Add : Balance brought forward from previous year	2240.63	2074.40
Profit available for appropriation	7441.31	5684.33
Less : Interim Dividend	1200.24	—
: Tax on Interim Dividend	132.02	—
: Proposed Equity Dividend	—	750.15
: Tax on proposed Equity Dividend	—	82.52
: Transfer to Debenture Redemption Reserve (Net)	1066.87	211.03
: General Reserve	2500.00	2400.00
Balance carried forward to next year	2542.18	2240.63

The turnover of the Company has increased by 23% from Rs. 756 crores to Rs. 932 crores. The profit before interest, depreciation and taxation has increased by 12%. The performance is better as compared to last year. This is mainly due to the improved capacity utilisation of the POY/ Chips plant at Bharuch and higher sales of Nylon Tyre Cord Fabrics and Nylon Filament Yarn.

DIVIDEND

An interim dividend @ Rs. 4.00 per Equity Share on 3,00,05,880 Equity Shares of Rs. 10/- was declared by your Board of Directors on 21st March, 2000 for the financial year 1999-2000 as against Rs. 2.50 per Equity Share of Rs. 10/- paid as final dividend in previous year. Necessary provision of Rs. 1200.24 lacs for interim dividend and Rs. 132.03 lacs for tax thereon have been made. Payment of interim dividend is expected to be completed shortly. In order to conserve resources no final dividend has been recommended for the year.

COURSE OF BUSINESS

a. Industrial Yarn - Fabric

Installation of balancing equipment with consequent higher

despatch of fabrics has resulted in improved performance of this business. However, the recent reduction of import duty from 40% to 25% announced in the Union Budget 2000-01, has become a cause of concern for the industry. It is hoped that imposition of anti-dumping duty on Nylon Tyre Cord Fabric by the Government of India and global firming up of prices will help to provide some relief to the industry.

b. Polyester Filament Yarn (PFY)

The Union Budget 2000-01 failed to offer much sought for relief to the PFY Industry. Contrary to expectations, excise duty on PFY has been increased from 34.5% to 36.8% and effective import duty has been reduced from 42.3% to 26.6%. Against this, there has been no corresponding reduction in import duties on the raw materials PTA and MEG. Thus, the industry is placed in an anomalous position with lower import duty on finished products and higher duties on raw materials. Thus the PFY Industry is at a disadvantage against imports and other competing fibres. Increase in domestic raw material prices have further affected margins. Thus the PFY industry still continues to be passing through a difficult phase.

The working of the plant at Rajashree Nagar (Bharuch) has stabilised in production and quality. The Central Polymer Unit (CPU) is working at about 125% of the rated capacity. The products of the Division enjoy high level of acceptance in the market. However efforts to optimise production, both with increased spinning speeds and modified polymer are yet to be commercially proven.

c. Nylon Filament Yarn (NFY)

The Company's market share in this segment of business has increased. The Union Budget has provided relief to NFY by reducing the excise duty from 27.6% to 18.4%. The Company is planning to convert part of its PFY capacity at Pune to NFY capacity.

d. General

The increase in fuel prices have affected the results of the Company during the year under review. A number of steps have been taken including modernization of utilities for reducing energy cost. Cost control measures are receiving continuous attention.

EXPANSION AND MODERNISATION

In view of inadequate margins in PFY, expansion plans have been kept in abeyance. Efforts are being made to improve capacity utilisation of industrial yarn/fabrics plant and proposals are under consideration to further increase in capacities.

PARTICIPATION IN CENTAK CHEMICALS LTD.

The overall performance of Centak Chemicals Ltd. was encouraging and future outlook is good.

HUMAN RESOURCE DEVELOPMENT

Your Company recognises the need for continued development of its human resources. A pool of internal resource persons has been developed, and training and development programmes with emphasis on team work are regularly conducted at all the three sites.

Implementation of Total Quality Management has been extended to all



sites and offices. The programme is receiving encouraging response from all involved.

General Process Orientation for all staff and workmen was initiated during the year. This process of sharing of knowledge far beyond the confines of one's immediate area of work has created high degree of awareness and inculcated sense of responsibility upto the grassroots level.

INDUSTRIAL RELATIONS

Industrial Relations at all sites of your Company remained cordial.

A three year wage agreement for workmen at Mahad has been concluded in a peaceful and cooperative manner.

Various welfare programmes are regularly conducted for the workmen and members of their family to create a sense of belongingness to the Company.

We would like to acknowledge our appreciation for the efforts and contribution made by our sincere and motivated employees which has enabled your Company to meet the severe challenges faced by the industry.

ISO - 9002

During the year your Company has received BVQI certifications for ISO - 9002 for Pune and Rajashree Nagar (Bharuch) sites. Mahad site had received the certification earlier. All the three sites of your Company now have ISO - 9002 certifications.

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

Energy conservation measures, progress made in technology absorption and foreign exchange earnings and outgo, as required by the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are set out in a separate statement attached hereto and forming part of the report.

SAFETY, HEALTH AND ENVIRONMENT

Your Company continues to maintain a high level of awareness towards Safety, Health and Environment. Meetings of safety committees are held regularly to review safety performance. Safety Audits are carried out as per statutory requirement.

Pune plant won the second prize instituted by the Directorate of Industrial Safety and Health, Pune and the Rotary Club of Pune North for 1999 for overall safety performance amongst large chemical and pharmaceutical factories in Pune and Satara regions.

The Bharuch site has entered into a Mutual Aid Scheme with three other companies in the region for assistance in case of emergencies. The fire tenders at all the three sites have regularly assisted other industrial units as well as the local municipal authorities in case of emergencies. The Company continues to conduct fire fighting and safety training programmes for the benefit of several industrial units located in MIDC area in Pune.

All the three sites of the Company have Effluent Treatment Plants, which comply with the consent limits prescribed by the respective Pollution Control Boards. Due attention is given to tree plantation activities at Mahad and Bharuch sites. Treated effluent water is extensively used at all the sites for gardening.

CORPORATE GOVERNANCE

Your Company has initiated steps towards implementation of the requirements of Corporate Governance as recommended by Kumar Mangalam Birla Committee, though as per SEBI directives, it will be applicable to the Company from the Financial Year 2001-02.

DEMATERIALISATION OF SHARES

During the year under review your Company has entered into agreements with both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to facilitate the investors to trade in the Company's equity shares in dematerialised form. The Securities and Exchange Board of India (SEBI) has also made compulsory trading in your Company's equity shares in dematerialised form by all investors with effect from 21st March, 2000.

VOLUNTARY DELISTING OF THE COMPANY'S EQUITY SHARES FROM DELHI AND PUNE STOCK EXCHANGES

Your Company's equity shares are listed on five Stock Exchanges at Mumbai, Calcutta, Pune, Delhi and National Stock Exchange. Mumbai Stock Exchange and National Stock Exchange are accessible to online dealings in the Company's equity shares across the country. There is no trading at Pune and Delhi Stock Exchanges. The listing fees paid for Pune and Delhi Stock Exchanges do not have any cost benefit for the listing facility. In view of the above, we propose delisting of your Company's scrip from Pune and Delhi Stock Exchanges.

Y2K COMPLIANCE

During the year 1999-2000, your Company has spent about Rs. 36 lacs to meet Y2K Compliance in respect of all its plant, equipment and computerised systems. Your Company has successfully managed Y2K transition without any disruption of its operation.

DIRECTORS

In accordance with the Articles of Association of the Company, Mr. B.K. Birla and Mr. V. Dixit will retire by rotation and being eligible offer themselves for reappointment.

AUDITORS

Messrs Price Waterhouse, the Auditors of the Company, will retire from the office of the Auditors and being eligible offer themselves for reappointment. Their remuneration for the current year is to be fixed by you.

GENERAL

Details of remuneration paid to employees as required by Section 217(2A) of the Companies Act, 1956, are set out in a separate statement attached hereto and forming part of the report.

B.K. Birla
Peter Wack
H.G. Huether
B.S. Mehta
V. Dixit
D.Y. Gaitonde

Directors

Date : 27th April, 2000

Place : Mumbai