

# QUALITY-DRIVEN LEADERSHIP

# BETWEEN THE PAGES

## 1 Corporate Overview

Our Inspiring Force	01
Financial Highlights 2017-18	03
Business Profile	04
Corporate Social Responsibility	06

## 2 Statutory Report

Directors' Report	10
Management's Discussion & Analysis	22
Corporate Governance Report	26
Secretarial Audit Report	35

Scan to view the report online:

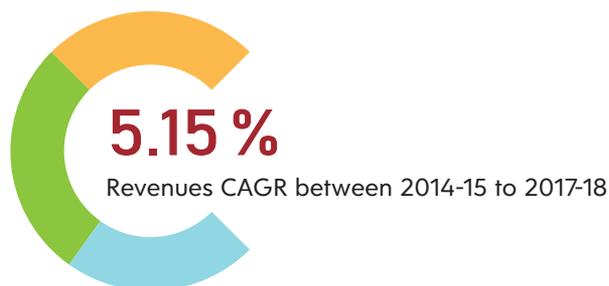


### Disclaimer

This document contains statements about expected future events of Century Enka Ltd 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 Report in the Annual Report for FY 2017-18.

## 3 Financial Statements

Independent Auditors' Report	36
Balance Sheet	40
Statement of Profit and Loss	41
Statement of Changes in Equity	42
Cash Flow Statement	43
Notes to the Financial Statements	44



CAGR – Compounded Annual Growth Rate



# OUR INSPIRING FORCE

**B.K. BIRLA**

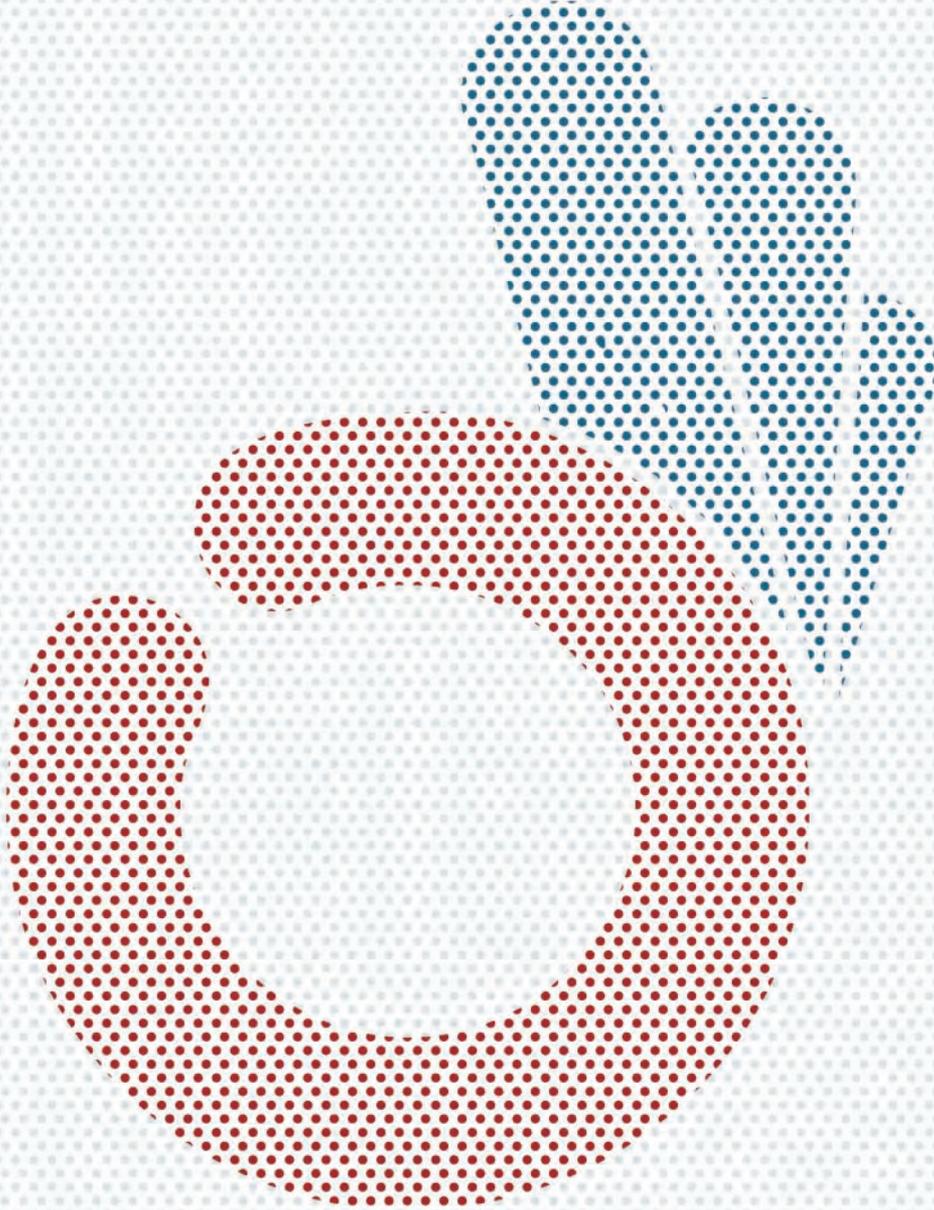
Chairman

The Leadership of Mr. B.K. Birla imbibed the philosophy of Trusteeship in the conduct of business, protecting the interest of all stakeholders. His belief in Corporate Governance is an example that before it became a part of statute, it was followed by the Company in its true spirit.

The in-depth analysis in business decisions and planned implementation has been the hallmark of his leadership.

His disciplined life and dedication to work is a natural force that inspires everyone.

Apart from driving the business philosophies, he continues to nurture educational and cultural institutions across India.



# FIVE-DECADE RICH LEGACY COMMITTED TO EXCEL

## FINANCIAL HIGHLIGHTS 2017-18

Established in 1965, Century Enka Limited (CEL) is committed to quality, innovation and fair business practices for complete customer satisfaction.

The Company manufactures synthetic yarn – Nylon Tyre Cord Fabric (NTCF) that find its application in making bias tyres, and, Nylon Filament Yarn (NFY) that find its application in making sarees, dupattas, dress materials and athleisure among others.

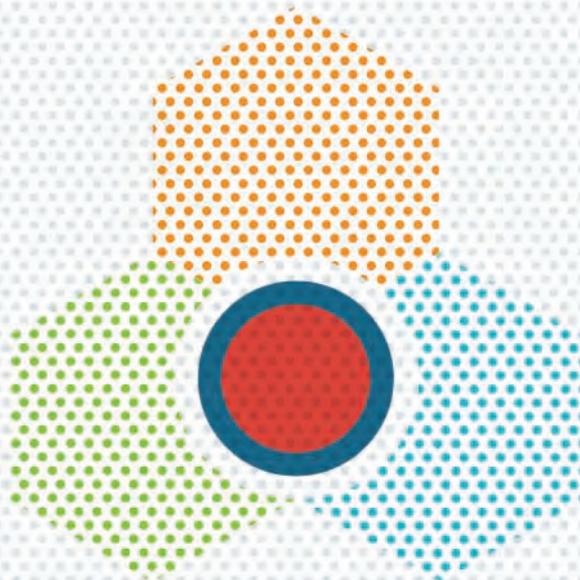
Plans are afoot to use its existing fabric capacities and dipping facilities to offer Polyester Tyre Cord Fabric (PTCF) that will find its application as a reinforcement material in radial passenger vehicle tyres.

Its manufacturing facilities located at Rajashree Nagar, Bharuch (Gujarat) and Bhosari, Pune (Maharashtra) are equipped with state-of-the-art manufacturing technology. With continuous innovation, the Company has consistently delivered new and high-quality products. Today, it enjoys a strong presence in both NTCF and NFY products.





# BUSINESS PROFILE



## Nylon Tyre Cord Fabric (NTCF)

### Application

Bias tyres

### USPs

- > Preferred NTCF supplier to leading tyre manufacturers
- > Best-in-class technologies
- > End-to-end integration

### Industry opportunities

- > Despite increasing radialisation, there is going to be a sustained demand from the non-radial tyre segment like medium and heavy commercial vehicles (MHCV), off the road vehicles (OTR), Two Wheelers and Three Wheelers



## Nylon Filament Yarn (NFY)

### Applications

- Used in making fabrics for sarees, dupattas, dress materials, athleisure
- Very versatile to blend with other yarns

### USPs

- Strong position in the industry
- Wide dealers network to serve small weavers
- Sells to fabric manufacturers that supply fabric to the bigger end users
- Converted polyester spinning capacities to nylon spinning capacities for better asset utilisation

### Industry opportunities

- Increasing disposable income and aspirations will lead to higher spends on clothes
- Listed retailers and e-commerce clothing segment is consistently witnessing around 15% growth



## Polyester Tyre Cord Fabric (PTCF)



### Application

Passenger vehicle tyres (cars, utility vehicles and van)

### USP

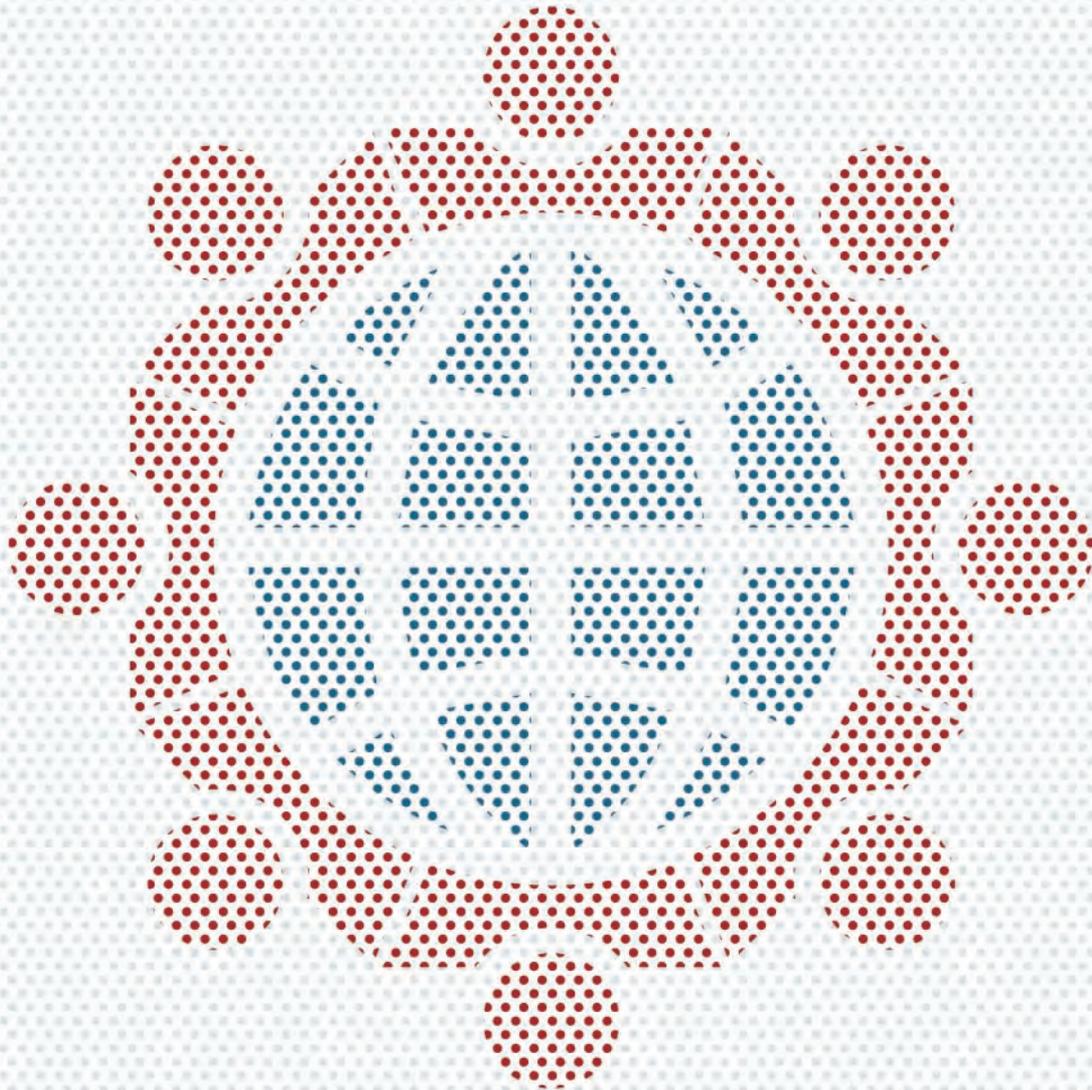
- Fabric with uniform cord distribution
- Ultra low shrinkage

### Industry opportunities

- PTCF has an estimated annual domestic demand of 15,000 TPA. Out of these, only 4,000 TPA is produced in India and the rest is imported mainly from China and Thailand
- Demand of PTCF to grow with increase in demand of car



# CORPORATE SOCIAL RESPONSIBILITY



At Century Enka we are committed to social responsibility and the pursuit of societal good through the inclusive well-being of the communities in and around us. Our CSR Projects cover Education, Health Care and Community Development.



## 1 Education

### a) Vocational training institute

Skill development initiatives for the people in the vicinity of its Bharuch site

**₹121 Lacs**  
Financial support

**6**  
Trades vocational learning

**140**  
Trainees



### d) School infrastructure development

Provided infrastructure support to the schools situated near Company's Bharuch site, Gujarat and at Shahad, Dist. Thane, Maharashtra



### b) Anganwadi

Constructed an Anganwadi with complete infrastructure near the Company's Bharuch site and handed over to Gram Panchayat, Tavdi

**₹16 Lacs**  
Financial support

**60+**  
Children of surrounding tribal villages benefiting from this facility



### c) Educational material

Distributed educational material and/or uniforms to over 3,550 students across 21 Government schools

## 2 Health Care Programmes

### a) Eye check-up and cataract operation camp

**4**

Cataract operation camps organised during the year

**47**

Patients treated at free of cost



### b) Operation camp

Conducted an operation camp for people suffering from Harnia, Hydrocele, Lipoma and similar disease in the vicinity of its Bharuch site in association with Orchid Multispeciality Hospital, Bharuch

180+

Persons examined by a team of specialist doctors



### c) General medical check-up

A General Health check-up camp was organised jointly with Shree Narmada Khand Udyog Sahakari Mandli Limited, Joy of Sharing Foundation (U.S.A.) and Kailash Medical Foundation (U.S.A.) near the Company's Bharuch site

1,500+

People across the surrounding 20 villages examined and medicated



### d) Blood donation camp

Two blood donation camps organised at Bharuch site and 121 units were given to the Red Cross Society, Rajpipla, Dist. Narmada



## Community Development

Various activities were taken up in the villages near Bharuch site towards community welfare. These include:



a) Drinking water programme

b) Street lights

c) Pathways

d) Tree guards for tree plantation