



Ref: CEL/NSEBSE/BMD/10112021

10<sup>th</sup> November, 2021

To,

Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	Department of Corporate Services - Listing BSE Limited P. J. Towers, Dalal Street, Mumbai – 400 001
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**Re: Scrip Symbol: CENTUM/ Scrip Code: 517544**

Dear Sir/ Madam,

**Sub: Outcome of the Board Meeting**

This is in continuation to our communication letter dated 2<sup>nd</sup> November, 2021 and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Meeting of the Board of Directors of the Company was held as scheduled today, i.e. 10<sup>th</sup> November, 2021 and the Board inter-alia considered and approved the unaudited financial results (standalone and consolidated) for the second quarter and half year ended 30<sup>th</sup> September, 2021 along with the Limited Review Report of the Statutory Auditors of the Company.

The financial results are enclosed pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Meeting started at 5.00 p.m. and concluded at 21.20 p.m.

The above information is also hosted on the website of the Company at [www.centumelectronics.com](http://www.centumelectronics.com)

Kindly take the same on your records.

Yours faithfully,  
For **Centum Electronics Limited**

**Nagaraj K V**  
**Company Secretary & Compliance Officer**

Encl: as above

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**Centum Electronics Limited**

# 44, KHB Industrial Area, Yelahanka New Town, Bangalore - 560 106, Karnataka, India

Tel +91-(0)80-4143-6000 Fax +91-(0)80-4143-6005 [www.centumindia.com](http://www.centumindia.com)

CIN - L85110KA1993PLC013869

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Ind AS Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Centum Electronics Limited**

1. We have reviewed the accompanying Statement of Unaudited Ind AS Consolidated Financial Results of Centum Electronics Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates for the quarter ended September 30, 2021 and year to date from April 1, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

The Statement includes the results of the following entities:

- a. Centum Electronics Limited
- b. Centum Electronics UK Limited
- c. Centum Adetel Group SA
- d. Centum Adeneo SAS
- e. Centum Adeneo CRD SAS
- f. Centum Adetel Transportation System SAS
- g. HOLIWATT (formerly known as Centum Adetel Transportation SAS)
- h. Centum Adetel Solution
- i. Centum Adetel Equipment



- j. Centum Adetel Belgium
  - k. Centum Adeneo India Private Limited
  - l. Ausar Energy SAS
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 and 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to the note no 8 to the accompanying unaudited consolidated Ind AS financial results which describes the uncertainties and management assessment of the financial impact of the outbreak of Corona virus (COVID-19) on the business operations, liquidity position and recoverability of assets of the Group including its associates. In view of the highly uncertain economic environment, a definitive assessment of the aforesaid impact on the subsequent periods is dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.
7. The accompanying Statement includes the unaudited consolidated interim financial results and other financial information, in respect of 1 subsidiary located outside India (the said subsidiary has 6 underlying subsidiaries and 2 associates), whose unaudited consolidated interim financial results include total assets of Rs. 3,930.02 million as at September 30, 2021, total revenue from operations of Rs 1,001.45 million and Rs 2,163.34 million, total net loss after tax of Rs. 30.17 million and Rs. 422.96 million, total comprehensive loss of Rs. 31.13 million and Rs. 412.64 million, for the quarter ended September 30, 2021 and for the period from April 1, 2021 to September 30, 2021 respectively, and net cash outflows of Rs. 146.22 million for the period from April 1, 2021 to September 30, 2021 (before consolidation adjustments), as considered in the Statement which have been reviewed by their independent auditors.

The independent auditor's reports on consolidated interim financial information/ financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries and associates is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

These subsidiaries and associates are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the consolidated financial results of such subsidiaries and associates located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries and associates located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.



# S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

8. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of 2 subsidiaries, whose interim financial results and other financial unaudited information reflect total assets of Rs 1,189.59 million as at September 30, 2021, and total revenue from operations of Rs 42.54 million and Rs 91.45 million, total net profit after tax of Rs. 2.39 million and Rs. 3.03 million, total comprehensive (loss)/income of Rs. (18.22) million and Rs. 3.06 million, for the quarter ended September 30, 2021 and for the period from April 1, 2021 to September 30, 2021 respectively and net cash outflows of Rs. 9.23 million for the period from April 1, 2021 to September 30, 2021 (before consolidation adjustments).

The unaudited interim financial results and other unaudited financial information of these subsidiaries have not been reviewed by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries and associates, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial information and financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 7 and 8 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results and financial information certified by the Management.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Sandeep Karnani

Partner

Membership No.: 061207

UDIN: 21061207AAAAFL9417



Place: Bengaluru

Date: November 10, 2021



**Statement of unaudited consolidated Ind AS financial results for the quarter and six months ended September 30, 2021**

(Rs. in millions)

Sl.No.	Particulars	Quarter ended			Six months ended		Year ended
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Income</b>						
	(a) Revenue from operations						
	(i) Sale of products and services	1,616.22	1,618.73	1,925.48	3,234.95	3,689.76	7,668.12
	(ii) Other operating income	108.01	125.04	125.46	233.05	257.69	506.18
	(b) Other income						
	(i) Gain on account of foreign exchange fluctuations (net)	1.64	-	-	-	-	-
	(ii) Others	19.60	10.16	4.54	29.76	25.72	38.39
	(c) Finance income	7.68	7.36	5.36	15.04	10.81	19.52
	<b>Total Income</b>	<b>1,753.15</b>	<b>1,761.29</b>	<b>2,060.84</b>	<b>3,512.80</b>	<b>3,983.98</b>	<b>8,232.21</b>
<b>2</b>	<b>Expenses</b>						
	(a) Cost of materials consumed	837.74	649.54	976.26	1,487.28	1,771.03	3,275.18
	(b) Changes in inventories of finished goods and work-in-progress	(143.81)	(20.04)	(66.67)	(163.85)	(45.72)	179.02
	(c) Employee benefits expenses	748.31	777.21	701.42	1,525.52	1,382.80	3,018.39
	(d) Finance costs	60.37	73.23	66.33	133.60	144.90	295.21
	(e) Depreciation and amortisation expenses	111.79	111.28	102.98	223.07	211.26	453.01
	(f) Loss on account of foreign exchange fluctuations (net)	-	8.93	24.01	7.29	24.82	11.76
	(g) Other expenses	161.24	232.63	197.23	393.87	414.37	794.64
	<b>Total expenses</b>	<b>1,775.64</b>	<b>1,832.78</b>	<b>2,001.56</b>	<b>3,606.78</b>	<b>3,903.46</b>	<b>8,027.21</b>
<b>3</b>	<b>Share of profit / (loss) of associates from operations</b>	-	-	(2.79)	-	(2.79)	(10.71)
<b>4</b>	<b>Profit / (loss) before exceptional items and tax expense from operations (1±2±3)</b>	<b>(22.49)</b>	<b>(71.49)</b>	<b>56.49</b>	<b>(93.98)</b>	<b>77.73</b>	<b>194.29</b>
<b>5</b>	Exceptional items (refer note 5)	-	(446.51)	-	(446.51)	-	-
<b>6</b>	<b>Profit / (loss) before tax expense from operations (4±5)</b>	<b>(22.49)</b>	<b>(518.00)</b>	<b>56.49</b>	<b>(540.49)</b>	<b>77.73</b>	<b>194.29</b>
<b>7</b>	<b>Tax expenses</b>						
	(a) Current tax (net)	(3.57)	0.26	(12.68)	(3.31)	45.12	87.78
	(b) Deferred tax charge / (credit)	2.16	(33.22)	27.13	(31.06)	(0.20)	(13.88)
<b>8</b>	<b>Profit / (loss) after tax expense from operations (6±7)</b>	<b>(21.08)</b>	<b>(485.04)</b>	<b>42.04</b>	<b>(506.12)</b>	<b>32.81</b>	<b>120.39</b>
<b>9</b>	<b>Other comprehensive income/ (expenses) (net of tax)</b>						
	(a) Items that will not be reclassified to profit or loss						
	(i) Remeasurements of the net defined benefit liability	0.40	0.36	0.70	0.76	1.40	1.52
	(ii) Income tax on above	(0.09)	(0.10)	(0.20)	(0.19)	(0.40)	(0.44)
	(b) Items that will be reclassified to profit or loss						
	(i) Exchange difference on translation of foreign operations	9.58	(0.80)	(5.25)	8.78	(9.61)	(7.70)
	(ii) Income tax on above	-	-	-	-	-	-
	(iii) Net movement on effective portion of cash flow hedge	0.84	-	-	0.84	-	-
	(iv) Income tax on above	(0.21)	-	-	(0.21)	-	-
<b>10</b>	<b>Total comprehensive income for the period (comprising profit/(loss) and other comprehensive income/(expenses)(net of tax)) for the period (8±9)</b>	<b>(10.56)</b>	<b>(485.58)</b>	<b>37.29</b>	<b>(496.14)</b>	<b>24.20</b>	<b>113.77</b>
<b>11</b>	<b>Total comprehensive income attributable to:</b>						
	(a) Owners of the Company	4.13	(347.13)	61.32	(343.00)	73.49	157.79
	(b) Non-controlling interest	(14.69)	(138.45)	(24.03)	(153.14)	(49.29)	(44.02)
	<b>Total comprehensive income for the period</b>	<b>(10.56)</b>	<b>(485.58)</b>	<b>37.29</b>	<b>(496.14)</b>	<b>24.20</b>	<b>113.77</b>
<b>12</b>	<b>Paid up equity share capital (Face value - Rs 10 per share)</b>	<b>128.85</b>	<b>128.85</b>	<b>128.85</b>	<b>128.85</b>	<b>128.85</b>	<b>128.85</b>
<b>13</b>	<b>Earnings per equity share (EPS) (of Rs. 10 each) :</b>						
	(a) Basic (Rs.)	(0.53)	(26.59)	5.39	(27.12)	6.90	13.31
	(b) Diluted (Rs.)	(0.53)	(26.59)	5.38	(27.12)	6.89	13.30



Notes to the unaudited consolidated financial results for the quarter and six months ended September 30, 2021

1. Statement of consolidated assets and liabilities

		(Rs. in millions)	
Sl.No.	Particulars	As at September 30, 2021 (Unaudited)	As at March 31, 2021 (Audited)
<b>A</b>	<b>Assets</b>		
(1)	<b>Non-current assets</b>		
	(a) Property, plant and equipment	1,133.88	1,184.19
	(b) Capital work-in-progress	29.13	20.86
	(c) Goodwill on consolidation	376.23	376.23
	(d) Other intangible assets	345.66	409.21
	(e) Intangible assets under development	233.84	171.27
	(f) Right-of-use assets	474.30	555.94
	(g) Financial assets		
	(i) Investment in associates (refer note 5)	96.41	464.83
	(ii) Other Investments	13.79	23.11
	(iii) Others non-current financial assets	480.25	335.04
	(h) Deferred tax assets (net)	42.70	22.10
	(i) Non-current tax assets (net)	56.68	33.54
	(j) Other non-current assets	16.14	14.36
	<b>Total non-current assets</b>	<b>3,299.01</b>	<b>3,610.68</b>
(2)	<b>Current assets</b>		
	(a) Inventories	2,090.04	1,941.88
	(b) Financial assets		
	(i) Trade receivables	1,856.59	2,161.21
	(ii) Cash and cash equivalents	176.00	411.48
	(iii) Bank balances other than (ii) above	88.46	187.08
	(iv) Other current financial assets	1,020.67	1,105.94
	(c) Other current assets	398.47	386.43
	<b>Total current assets</b>	<b>5,630.23</b>	<b>6,194.02</b>
	<b>Total assets (1+2)</b>	<b>8,929.24</b>	<b>9,804.70</b>
<b>B</b>	<b>Equity and liabilities</b>		
	<b>Equity</b>		
	(a) Equity share capital	128.85	128.85
	(b) Other equity	1,733.09	2,101.99
	<b>Equity attributable to equity holders of the parent</b>	<b>1,861.94</b>	<b>2,230.84</b>
	Non-controlling interests	17.27	170.41
(1)	<b>Total equity</b>	<b>1,879.21</b>	<b>2,401.25</b>
	<b>Liabilities</b>		
(2)	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	895.44	1,088.62
	(ii) Lease liabilities	346.97	419.24
	(b) Deferred tax liabilities (net)	59.67	70.52
	(c) Net employee defined benefit liabilities	59.30	57.22
	(d) Provisions	28.13	32.28
	(e) Government grants	30.49	34.44
	<b>Total non-current liabilities</b>	<b>1,420.00</b>	<b>1,702.32</b>
(3)	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	1,828.22	2,078.83
	(ii) Lease liabilities	122.35	139.64
	(iii) Trade payables	1,100.26	1,081.54
	(iv) Other current financial liabilities	878.76	941.82
	(b) Other current liabilities	1,640.14	1,322.96
	(c) Government grants	7.87	7.87
	(d) Net employee defined benefit liabilities	6.26	6.27
	(e) Provisions	37.13	39.97
	(f) Liabilities for current tax (net)	9.04	82.23
	<b>Total current liabilities</b>	<b>5,630.03</b>	<b>5,701.13</b>
	<b>Total equity and liabilities (1+2+3)</b>	<b>8,929.24</b>	<b>9,804.70</b>



*Mr. A. R. S.*



Notes of unaudited consolidated financial results for the quarter and six months ended September 30, 2021

2. Statement of unaudited consolidated cash flows for the six months ended September 30, 2021

(Rs. in million)

	Six months ended September 30, 2021 (Unaudited)	Six months ended September 30, 2020 (Unaudited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before tax expenses	(540.49)	77.73
<b>Adjustments to reconcile profit/(loss) before tax to net cash flows:</b>		
Depreciation and amortisation expenses	223.07	211.26
Provisions no longer required, written back	(20.96)	(8.70)
Fair value (gain)/ loss on financial instruments	(0.15)	(1.32)
Net foreign exchange differences (unrealised)	5.49	0.39
Provision for expected credit losses / bad debts written off	20.31	67.57
Employee share based options	0.16	0.24
Government Grant	(3.95)	(1.84)
Provision for diminution in the value of investment	446.51	-
Finance income	(15.04)	(10.81)
Finance costs	114.34	144.90
Share of loss / (profit) of associate and joint venture	-	2.79
<b>Operating (loss)/profit before working capital changes</b>	<b>229.29</b>	<b>482.21</b>
<b>Working capital adjustments:</b>		
Decrease / (increase) in inventories	(147.50)	144.17
Decrease / (increase) in trade receivables/non-current/current financial and other assets	264.27	(518.60)
Decrease / (increase) in trade payables, provisions and other liabilities	260.50	(426.11)
<b>Cash generated from / (used in) operations</b>	<b>606.56</b>	<b>(318.33)</b>
Direct taxes paid (net of refunds)	(86.70)	(8.52)
<b>Net cash from / (used in) operating activities</b>	<b>519.86</b>	<b>(326.85)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment, including intangible assets and capital advances	(119.09)	(86.91)
Proceeds from sale of investments	-	527.54
Sale/(purchase) of non-current investments	9.32	(93.51)
Investment in bank deposit (having original maturity of more than three months) and other bank balances	9.48	70.53
Interest received	9.99	8.99
<b>Net cash (used in) / from investing activities</b>	<b>(90.29)</b>	<b>426.64</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayments / proceeds of borrowings (net)	(456.65)	396.95
Payment of lease liabilities	(72.23)	(67.32)
Finance costs paid	(111.15)	(143.92)
Dividend paid	(25.79)	(32.10)
<b>Net cash (used in) / from financing activities</b>	<b>(665.82)</b>	<b>153.61</b>
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(236.25)	253.40
Cash and cash equivalents at the beginning of the year	411.48	136.02
Effect of exchange differences on cash and cash equivalents held in foreign currency	0.76	14.72
<b>Cash and cash equivalents at the end of the year</b>	<b>176.00</b>	<b>404.14</b>
<b>Total cash and cash equivalents</b>	<b>176.00</b>	<b>404.14</b>



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**Notes to the unaudited consolidated Ind AS financial results for the quarter and six months ended September 30, 2021**

- 3 Investors can view the consolidated financial results of Centum Electronics Limited ("the Group" or "the Company") on the Company's website [www.centumelectronics.com](http://www.centumelectronics.com) or on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) or NSE ([www.nse-india.com](http://www.nse-india.com)).
- 4 The Company along with its subsidiaries, associates and joint ventures are an integrated business unit which addresses the Electronics System Design and Manufacturing ("ESDM") and accordingly there is only one reportable segment called ESDM in accordance with the requirement of Ind AS 108 - "Operating segments".
- 5 During the year ended March 31, 2020, the management of the Group, entered into an agreement for sale of 65% stake in HOLIWATT (formerly known as Centum Adetel Transportation SAS ("HOLIWATT")), subsidiary of Centum Adetel Group SA.
- The management of the Group had a put option to sale its remaining 35% stake at a fixed price amounting to EUR 3.96 million plus interest at the rate of 6% p.a and other receivables of EUR 0.5 million. Further the management had assessed that they exercised significant influence / control over CAT and has accordingly treated the same as investment in associates in the unaudited consolidated financial results of the Group during the year ended March 31, 2021.
- During the quarter ended June 30, 2021, HOLIWATT had been placed in specific insolvency statutes, allowing HOLIWATT to commence negotiation with other parties including its shareholders. During the six months ended September 30, 2021, the Commercial Court of Lyon has announced the opening of judicial recovery process and accordingly based on the internal assessment, the management of the Group has provided the carrying value of its investment and receivables in HOLIWATT amounting to Rs. 446.51 million and the same has been disclosed as exceptional item in the unaudited consolidated Ind AS financial results during the six months ended September 30, 2021.
- 6 The unaudited consolidated Ind AS financial results of the Company for the quarter and six months ended September 30, 2021 have been reviewed by the Audit Committee in their meeting on November 9, 2021 and approved by the Board of Directors in their meeting held on November 10, 2021.
- 7 The Company has investments in Centum Electronics UK Limited, which in turn has made investment in Centum Adetel Group SA. Centum Adetel Group SA and its underlying subsidiaries have incurred losses. The Group has accounted a goodwill of Rs. 376.23 million and has a carrying value of intangible assets (including intangible assets under development) of Rs. 495.75 million, as at September 30, 2021.
- Based on internal assessment performed as at September 30, 2021 with regard to future operations, the management of the Group is of the view that the carrying value of the aforesaid Goodwill on consolidation / intangible assets (including intangible assets under development) are appropriate.
- 8 The spread of COVID-19 pandemic and consequent national and local lockdowns and supply chain disruptions had an impact on the Group's business operations. The year began amidst a strict lockdown post the emergence of COVID -19 towards the end of the last financial year. The economy gradually opened post June 2020 and the second half of the year was progressing towards recovery. However a much stronger second wave of COVID -19 infections have had disruptions to several business operations in India during the six months ended September 30, 2021. The Group has made a detailed assessment of its liquidity position as at the date of approval of these unaudited consolidated Ind AS financial results for the next one year and of the recoverability and carrying values of its assets including Property, Plant and Equipment (including capital work in progress), Goodwill, Intangible assets, Intangible assets under development, Trade receivables including unbilled revenue, Subsidy receivables, Inventory, Investments and other assets as at the reporting date and has concluded that there are no material adjustments required in the unaudited consolidated Ind AS financial results. Management believes that it has taken into account all the possible impact of known events and economic forecasts based on internal and external sources of information arising from COVID-19 pandemic while making such assessment in the preparation of the unaudited consolidated Ind AS financial results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The statutory auditors have given an Emphasis of Matter in this regard.
- 9 The Board of Directors of the Holding Company at their meeting held on June 15, 2021 had recommended a final dividend of Rs.2 per equity share of Rs.10/- each for the financial year ended March 31, 2021. The said final dividend is paid during the six month ended September 30, 2021 post approval of the shareholders at the Annual General Meeting.
- 10 For the year / periods the Group has incurred losses, the allotment of stock options would increase the loss per share for the respective year / periods and accordingly has not been considered for the purpose of calculation of diluted earnings per share from continuing operations.
- 11 The statutory auditor's of the Company have carried out a limited review of the unaudited consolidated Ind AS financial results for the quarter and six months ended September 30, 2021.

Place : Bengaluru  
Date : November 10, 2021



For Centum Electronics Limited  
  
Apparao V Mallavarapu  
Chairman and Managing Director

A circular blue ink stamp for CENTUM ELECTRONICS LIMITED. The text "CENTUM ELECTRONICS LIMITED" is written around the top inner edge. There is a small star at the bottom.



**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Centum Electronics Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of Centum Electronics Limited (the "Company") for the quarter ended September 30, 2021 and year to date from April 01, 2021 to September 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



# S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

5. We draw attention to the note no 7 to the accompanying unaudited standalone Ind AS financial results which describes the uncertainties and management assessment of the financial impact of the outbreak of Corona Virus (COVID – 19) on the business operations, liquidity and recoverability of assets of the Company and its subsidiaries. In view of the highly uncertain economic environment, a definitive assessment of the aforesaid impact on the subsequent periods is dependent upon circumstances as they evolve.

Our conclusion is not modified in respect of this matter.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Sandeep Karnani

Partner

Membership No.: 061207

UDIN: 21061207AAAAFK1505

Bengaluru

November 10, 2021



**Statement of unaudited standalone Ind AS financial results for the quarter and six month ended September 30, 2021**

Sl. No.	Particulars	Quarter ended			Six month ended		(Rs. in Million)
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	Year ended March 31, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Income</b>						
	(a) Revenue from operations						
	(i) Sales/Income from operations	817.97	599.75	1,163.23	1,417.72	2,195.67	4,178.80
	(ii) Other operating income	3.01	2.34	22.99	5.35	43.09	66.47
	(b) Other income						
	(i) Gain on account of foreign exchange fluctuations (net)	5.57	-	-	-	-	-
	(ii) Others	15.66	7.32	3.12	22.98	6.12	18.99
	(c) Finance income	10.69	4.59	4.32	15.28	9.78	19.61
	<b>Total income</b>	<b>852.90</b>	<b>614.00</b>	<b>1,193.66</b>	<b>1,461.33</b>	<b>2,254.66</b>	<b>4,283.87</b>
<b>2</b>	<b>Expenses</b>						
	(a) Cost of materials consumed	636.79	406.06	780.02	1,042.85	1,367.32	2,348.15
	(b) Changes in inventories of finished goods and work-in-progress	(140.32)	(19.30)	(56.31)	(159.62)	(32.15)	178.34
	(c) Employee benefit expenses	170.32	158.45	162.30	328.77	327.34	678.53
	(d) Finance costs	34.65	43.86	40.74	78.51	95.67	173.81
	(e) Depreciation and amortisation expenses	41.34	41.41	39.45	82.75	77.19	158.21
	(f) Loss on account of foreign exchange fluctuations (net)	-	6.97	0.40	1.40	9.54	9.98
	(g) Other expenses	81.32	67.75	84.23	149.07	193.54	405.60
	<b>Total expenses</b>	<b>824.10</b>	<b>705.20</b>	<b>1,050.83</b>	<b>1,523.73</b>	<b>2,038.45</b>	<b>3,952.62</b>
<b>3</b>	<b>Profit / (Loss) before exceptional items and tax (1-2)</b>	<b>28.80</b>	<b>(91.20)</b>	<b>142.83</b>	<b>(62.40)</b>	<b>216.21</b>	<b>331.25</b>
<b>4</b>	<b>Exceptional items (refer note 6b)</b>	-	(18.36)	-	(18.36)	-	-
<b>5</b>	<b>Profit / (Loss) before tax (3± 4)</b>	<b>28.80</b>	<b>(109.56)</b>	<b>142.83</b>	<b>(80.76)</b>	<b>216.21</b>	<b>331.25</b>
<b>6</b>	<b>Tax expenses</b>						
	(a) Current tax	(2.43)	-	2.23	(2.43)	43.48	82.12
	(b) Deferred tax (credit) /charge	7.31	(27.31)	33.31	(20.00)	11.21	9.34
<b>7</b>	<b>(Loss) / profit for the period (5± 6)</b>	<b>23.92</b>	<b>(82.25)</b>	<b>107.29</b>	<b>(58.33)</b>	<b>161.52</b>	<b>239.79</b>
<b>8</b>	<b>Other comprehensive income/(expenses) (net of tax)</b>						
	(a) Items that will not be reclassified to profit or loss						
	(i) Remeasurements of the net defined benefit liability	0.36	0.36	0.70	0.72	1.40	1.43
	(ii) Income tax on above	(0.10)	(0.10)	(0.20)	(0.20)	(0.40)	(0.41)
	(b) Items that will be reclassified to profit or loss						
	(i) Net movement on effective portion of cash flow hedge	0.84	-	-	0.84	-	-
	(ii) Income tax on above	(0.21)	-	-	(0.21)	-	-
<b>9</b>	<b>Total comprehensive income for the period (comprising (loss) / profit and other comprehensive income/(expenses) (net of tax) for the period (7±8))</b>	<b>24.81</b>	<b>(81.99)</b>	<b>107.79</b>	<b>(57.18)</b>	<b>162.52</b>	<b>240.81</b>
<b>10</b>	<b>Paid up equity share capital</b> (Face value- Rs.10 per share)	128.85	128.85	128.85	128.85	128.85	128.85
<b>11</b>	<b>Earnings per equity share (of Rs. 10 each):</b>						
	(a) Basic (Rs.)	1.86	(6.38)	8.33	(4.53)	12.54	18.61
	(b) Diluted (Rs.)	1.86	(6.38)	8.32	(4.53)	12.53	18.60



*M. V. Appa Rao*





Notes to the standalone Ind AS financial results for the quarter and six month ended September 30, 2021

1. Statement of standalone assets and liabilities

		(Rs. in Million)	
		September 30, 2021	March 31, 2021
		(Unaudited)	(Audited)
<b>I Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment		1,037.32	1,075.23
(b) Capital work-in-progress		23.48	22.77
(c) Goodwill		36.35	36.35
(d) Other intangible assets		47.31	54.54
(e) Right-of-use-assets		32.22	36.93
<b>(f) Financial assets</b>			
(i) Investments (refer note 6)		627.85	637.17
(ii) Other non-current financial assets		271.77	181.85
(g) Deferred tax assets (net)		38.04	18.45
(h) Non-current tax assets (net)		56.68	33.54
(i) Other non-current assets		15.22	13.42
<b>Total non-current assets</b>		<b>2,186.24</b>	<b>2,110.25</b>
<b>(2) Current assets</b>			
(a) Inventories		1,929.88	1,745.49
<b>(b) Financial assets</b>			
(i) Trade receivables		768.27	996.16
(ii) Cash and cash equivalents		29.64	104.53
(iii) Bank balances other than cash and cash equivalents		87.96	187.08
(iv) Other current financial assets		67.52	55.64
(c) Other current assets		144.93	143.77
<b>Total current assets</b>		<b>3,028.20</b>	<b>3,232.67</b>
<b>Total assets (1+2)</b>		<b>5,214.44</b>	<b>5,342.92</b>
<b>II Equity and liabilities</b>			
<b>(1) Equity</b>			
(a) Equity share capital		128.85	128.85
(b) Other equity		2,334.99	2,417.85
<b>Total equity</b>		<b>2,463.84</b>	<b>2,546.70</b>
<b>Liabilities</b>			
<b>(2) Non-current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Borrowings		-	113.98
(ii) Lease liabilities		6.11	12.59
(b) Government grants		30.49	34.44
(c) Net non-current employee defined benefit liabilities		57.10	55.38
<b>Total non-current liabilities</b>		<b>93.70</b>	<b>216.39</b>
<b>(3) Current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Borrowings		1,058.11	1,277.78
(ii) Lease liabilities		14.46	19.71
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		51.34	50.89
Total outstanding dues of creditors other than micro enterprises and small enterprises		639.56	536.88
(iv) Other current financial liabilities		88.32	102.21
(b) Government grants		7.87	7.87
(c) Other current liabilities		755.25	469.39
(d) Net current employee defined benefit liabilities		6.26	6.26
(e) Provisions		31.66	32.94
(f) Liabilities for current tax (net)		4.07	75.90
<b>Total current liabilities</b>		<b>2,656.90</b>	<b>2,579.83</b>
<b>Total equity and liabilities (1+2+3)</b>		<b>5,214.44</b>	<b>5,342.92</b>



*M. V. Arora*



## 2. Statement of unaudited standalone cash flows

(Rs. in million)

	Six month ended September 30, 2021 (Unaudited)	Six month ended September 30, 2020 (Unaudited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) / profit before tax	(80.76)	216.21
<b>Non-cash adjustments to reconcile profit/(loss) before tax to net cash flows:</b>		
Depreciation and amortization expenses	82.75	77.19
Provisions no longer required, written back	(0.03)	(0.79)
Fair value (gain) / loss on financial instruments	(0.15)	(1.32)
Net foreign exchange differences (unrealised)	5.49	0.39
Provision for expected credit loss / bad debts written off	2.09	47.85
Government grants	(3.95)	(1.84)
Employee share based options	0.16	0.24
Finance income	(15.28)	(9.78)
Finance costs	59.24	95.67
<b>Operating profit before working capital changes</b>	<b>49.57</b>	<b>423.82</b>
Working capital adjustments:		
(Increase) / decrease in inventories	(184.39)	148.11
Decrease / (Increase) in trade receivables	228.72	(22.18)
(Increase) / decrease in other assets	(13.39)	(17.66)
Increase / (decrease) in trade payables, provisions and other liabilities	385.33	(375.85)
<b>Cash generated from / (used in) operations</b>	<b>465.84</b>	<b>156.24</b>
Direct taxes paid (net of refunds)	(86.51)	(9.00)
<b>Net cash (used in) / from operating activities</b>	<b>379.33</b>	<b>147.24</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment, including intangible assets and capital advances	(48.21)	(48.86)
Purchase of non-current investments	-	(93.52)
Proceeds from the sale of investments	9.32	-
Investment in bank deposits (having original maturity of more than three months) and other bank balances	9.21	78.33
Interest received	11.02	11.25
<b>Net cash (used in) / from investing activities</b>	<b>(18.66)</b>	<b>(52.80)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long term borrowings	(195.21)	(69.70)
Payment of lease liabilities	(13.09)	(4.97)
Proceeds/ repayment of short term borrowings (net)	(144.33)	83.46
Finance costs paid	(57.32)	(87.85)
Dividend paid (including amount transferred to Investor Education & Protection Fund)	(25.79)	(32.10)
<b>Net cash (used in) / from financing activities</b>	<b>(435.74)</b>	<b>(111.16)</b>
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(75.07)	(16.72)
Cash and cash equivalents at the beginning of the year	104.53	55.19
Effect of exchange differences on cash and cash equivalents held in foreign currency	0.18	(0.27)
<b>Cash and cash equivalents at the end of the year</b>	<b>29.64</b>	<b>38.20</b>
<b>Total cash and cash equivalents</b>	<b>29.64</b>	<b>38.20</b>



*Mr. Aha R*

**Notes to the unaudited standalone Ind AS financial results for the quarter and six month ended September 30, 2021**

3 Investors can view the standalone Ind AS financial results of Centum Electronics Limited ("the Company") on the Company's website [www.centumelectronics.com](http://www.centumelectronics.com) or on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) or NSE ([www.nse-india.com](http://www.nse-india.com)).

4 The Company is an integrated business unit which addresses the Electronics System Design and Manufacturing ("ESDM") and accordingly there is only one reportable segment called ESDM in accordance with the requirement of Ind AS 108 - "Operating segments".

5 The accompanying unaudited standalone Ind AS financial results of the Company for the quarter and six month ended September 30, 2021 have been reviewed by the Audit Committee in their meeting on November 09, 2021 and approved by the Board of Directors in their meeting held on November 10, 2021.

6 a) The Company has investments in Centum Electronics UK Limited, which in turn has made investment in Centum Adetel Group SA. Centum Adetel Group SA and its underlying subsidiaries have incurred losses. During the year ended March 31, 2021, the Board of Directors of Company further acquired 10.51% stake of Centum Adetel Group SA through Centum Electronics UK Limited from other shareholders of Centum Adetel Group SA. The carrying value of the aforesaid investment continues to be higher than the net worth of Centum Adetel Group SA. However, based on internal assessment performed with regard to future operations, the management of the Company is of the view that the carrying value of the Company's investment in Centum Electronics UK Limited is appropriate.

b) During the year ended March 31, 2020, Centum Adetel Group SA, a step down subsidiary entered into agreement for sale of 65% stake in HOLIWATT (formerly known as Centum Adetel Transportation SAS ("HOLIWATT")), subsidiary of Centum Adetel Group SA. Centum Adetel Group SA had a put option to sale its remaining 35% stake at a fixed price amounting to amounting to EUR 3.96 million plus interest at the rate of 6% p.a as per the aforesaid sale agreement and other receivables of EUR 0.5 million. Subsequent to the year ended March 31, 2021 the HOLIWATT has been placed in specific insolvency statutes, allowing the Company to commence negotiation with other parties including its shareholders. During the six month ended September 30, 2021, the Commercial Court of Lyon has announced the opening of judicial recovery procedures and accordingly, based on its internal assessment, the management of the Company has provided for its receivables amounting to Rs. 18.36 million and the same has been disclosed as exceptional items in the unaudited standalone Ind AS financial results for the six month ended September 30, 2021.

7 The spread of COVID-19 pandemic and consequent national and local lockdowns and supply chain disruptions had an impact on the Company's business operations. The year began amidst a strict lockdown post the emergence of COVID -19 towards the end of the last financial year. The economy gradually opened post June 2020 and the second half of the year was progressing towards recovery. However a much stronger second wave of COVID -19 infections hit the country during the quarter ended June 30, 2021 which may result in significant disruption to our business. The Company has made a detailed assessment of its liquidity position as at the date of approval of these unaudited standalone Ind AS financial results for the next one year and of the recoverability and carrying values of its assets including property, plant and equipment (including capital work-in-progress), intangible assets, trade receivables, inventory, investments and other assets as at the reporting date and has concluded that there are no material adjustments required in the unaudited standalone Ind AS financial results. Management believes that it has taken into account all the possible impact of known events and economic forecasts based on internal and external sources of information arising from COVID-19 pandemic while making such assessment in the preparation of the unaudited standalone Ind AS financial results. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

The statutory auditors of the Company have drawn an Emphasis of Matter in their Independent Auditor's Review Report in this regard.

8 The Board of Directors of the Company at their meeting held on June 15, 2021 had recommended a final dividend of Rs.2 per equity share of Rs.10/- each for the financial year ended March 31, 2021. The said final dividend is paid during the quarter and six month ended September 30, 2021 post approval of the shareholders at the Annual General Meeting.

9 For the year / periods the Company has incurred losses, the allotment of stock options would increase the loss per share for the respective year / periods and accordingly has not been considered for the purpose of calculation of diluted earnings per share.

10 The statutory auditor's of the Company have carried out a limited review of the unaudited standalone Ind AS financial results for the quarter and six month ended September 30, 2021.

Place : Bengaluru  
Date : November 10, 2021

For Centum Electronics Limited



Apparao V Mallavarapu  
Chairman & Managing Director

