

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 financial results of Centum Electronics Limited (the "Company") for the quarter ended December 31, 2020 and year to date from April 01, 2020 to December 31, 2020 (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.



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5. We draw attention to the note no 6 to the accompanying unaudited standalone financial results which describes the uncertainties and management assessment of the financial impact of the outbreak of Corona Virus (COVID – 19) on the operations 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

Sandeep Karnani

per Sandeep Karnani
Partner

Membership No.: 061207



UDIN: 21061207AAAAAW2105

Bengaluru
February 10, 2020

Centum Electronics Limited

Corporate Identity Number (CIN): L85110KA1993PLC013869

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Statement of unaudited standalone financial results for the quarter and nine month ended December 31, 2020

(Rs. in Million)

Sl. No.	Particulars	Quarter ended			Nine month ended		Year ended
		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019	March 31, 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from operations						
	(i) Sales/ Income from operations	1,037.83	1,163.23	1,216.10	3,233.50	3,495.63	4,657.35
	(ii) Other operating income	13.76	22.99	31.41	56.85	95.81	166.43
	(b) Other income	3.63	3.12	2.38	9.75	7.16	10.09
	(c) Finance income	5.15	4.32	7.46	14.93	27.19	33.13
	Total income	1,060.37	1,193.66	1,257.35	3,315.03	3,625.79	4,867.00
2	Expenses						
	(a) Cost of materials consumed	544.84	780.02	706.13	1,912.16	2,399.90	2,860.98
	(b) Changes in inventories of finished goods and work-in-progress	81.35	(56.31)	(38.11)	49.20	(286.32)	(57.47)
	(c) Employee benefits expenses	170.43	162.30	185.58	497.77	546.28	767.42
	(d) Finance costs	42.23	40.74	56.74	137.90	184.25	276.58
	(e) Depreciation and amortisation expenses	39.26	39.45	34.68	116.45	94.47	131.54
	(f) Loss on account of foreign exchange fluctuations (net)	2.74	0.40	14.75	12.28	45.48	63.61
	(g) Other expenses	80.49	84.23	162.27	274.03	350.39	476.52
	Total expenses	961.34	1,050.83	1,122.04	2,999.79	3,334.45	4,519.18
3	Profit / (Loss) before tax (1-2)	99.03	142.83	135.31	315.24	291.34	347.82
4	Tax expenses						
	(a) Current tax (Refer note 4)	22.78	2.23	36.15	66.26	80.84	104.26
	(b) Deferred tax (credit) / charge	2.99	33.31	(0.93)	14.20	4.82	(6.81)
5	Profit / (Loss) for the period (3± 4)	73.26	107.29	100.09	234.78	205.68	250.37
6	Other Comprehensive Income/ (Expenses) (net of tax)						
	(a) Items that will not be reclassified to profit or loss						
	(i) Remeasurements of the net defined benefit liability	0.70	0.70	1.21	2.10	3.62	2.80
	(ii) Income tax on above	(0.20)	(0.20)	(0.42)	(0.60)	(1.26)	(0.81)
	(b) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax on above	-	-	-	-	-	-
7	Total Comprehensive Income for the period (Comprising (loss) / profit and Other Comprehensive Income/ (Expenses) (net of tax) for the period (5±6))	73.76	107.79	100.88	236.28	208.04	252.36
8	Paid up equity share capital (Face value- Rs.10 per share)	128.85	128.85	128.85	128.85	128.85	128.85
9	Earnings per equity share (of Rs. 10 each):						
	(a) Basic (Rs.)	5.69	8.33	7.77	18.22	15.96	19.43
	(b) Diluted (Rs.)	5.68	8.32	7.76	18.21	15.95	19.42



Notes of unaudited standalone financial results for the quarter and nine month ended December 31, 2020

- 1 Investors can view the standalone financial results of Centum Electronics Limited ("the Company") on the Company's website www.centumelectronics.com or on the websites of BSE (www.bseindia.com) or NSE (www.nse-india.com).
- 2 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 AS108 - "Operating segments".
- 3 The unaudited standalone financial results of the Company for the quarter and nine month ended December 31, 2020 have been reviewed by the Audit Committee in their meeting on February 09, 2021 and approved by the Board of Directors in their meeting held on February 10, 2021.
- 4 Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ("Ordinance") issued by Ministry of Law and Justice (Legislative Department) on September 20, 2019 which is effective from April 1, 2019, domestic companies have the option to pay income tax at 22% plus applicable surcharge and cess ("new tax regime") subject to certain conditions. The Company has exercised the option to pay income tax under the new tax regime from the current financial year.
- 5 The Board of Directors of the Company had considered and approved the investment of 51% controlling stake in Adetel Group SA, France through Centum Electronics UK Limited on June 17, 2016. The said transaction was completed on July 4, 2016. Consequent to the acquisition, Adetel Group SA, France and its subsidiaries, joint ventures/associates became subsidiaries, joint ventures/associates of the Company. Further the Board of Directors of the Company had considered and approved a further investment of 3.15% stake in Centum Adetel Group SA (formerly known as Adetel Group SA, France) through Centum Electronics UK Limited on March 10, 2017. During the quarter and nine month ended December 31, 2020, the Board of Directors of Company further acquired 5.62% stake and is in the process of acquiring additional 4.90% stake of Centum Adetel Group SA through Centum Electronics UK Limited from other shareholders of Centum Adetel Group SA.

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.
- 6 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 Company has made a detailed assessment of its liquidity position as at the date of approval of these 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 standalone 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 standalone 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.
- 7 The Board of Directors of the Company at their meeting held on February 10, 2021 has declared an Interim Dividend of Rs.2 per equity share of Rs.10/- each.
- 8 The statutory auditor's of the Company have carried out a limited review of the unaudited standalone financial results for the quarter and nine month ended December 31, 2020.



Date : February 10, 2020

For Centum Electronics Limited
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VENKATA APPARAO
Date: 2021.02.10
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Apparao V Mallavarapu
Chairman & Managing Director