

**Statement of standalone Ind AS financial results for the quarter and year ended March 31, 2023**

(Rs. in Million)

| Sl. No.   | Particulars  | Quarter ended   |                   |                 | Year ended      |                 |
|-----------|--|-----------------|-------------------|-----------------|-----------------|-----------------|
|           |  | March 31, 2023  | December 31, 2022 | March 31, 2022  | March 31, 2023  | March 31, 2022  |
|           |  | Refer note 8    | (Unaudited)       | Refer note 8    | (Audited)       | (Audited)       |
| <b>1</b>  | <b>Income</b>  |                 |                   |                 |                 |                 |
|           | (a) Revenue from operations  |                 |                   |                 |                 |                 |
|           | (i) Sales/Income from operations   | 1,948.58        | 1,024.64          | 1,201.36        | 4,993.53        | 3,466.88        |
|           | (ii) Other operating income  | 3.14            | 3.36              | 6.75            | 12.01           | 13.23           |
|           | (b) Other income   |                 |                   |                 |                 |                 |
|           | (i) Gain on account of foreign exchange fluctuations (net)   | 7.84            | -                 | -               | -               | -               |
|           | (ii) Others  | 7.78            | 8.17              | 13.05           | 31.42           | 30.30           |
|           | (c) Finance income   | 2.95            | 3.85              | 5.22            | 15.34           | 27.76           |
|           | <b>Total income</b>  | <b>1,970.29</b> | <b>1,040.02</b>   | <b>1,226.38</b> | <b>5,052.30</b> | <b>3,538.17</b> |
| <b>2</b>  | <b>Expenses</b>  |                 |                   |                 |                 |                 |
|           | (a) Cost of materials consumed   | 1,001.20        | 672.96            | 553.22          | 3,157.25        | 2,063.34        |
|           | (b) Changes in inventories of work-in-progress and finished goods  | 200.95          | (10.93)           | 112.27          | (1.15)          | (30.59)         |
|           | (c) Employee benefits expenses   | 248.05          | 195.70            | 186.13          | 818.08          | 681.67          |
|           | (d) Finance costs  | 48.85           | 38.26             | 40.15           | 157.46          | 146.09          |
|           | (e) Depreciation and amortisation expenses   | 41.26           | 40.21             | 39.93           | 162.34          | 164.88          |
|           | (f) Loss on account of foreign exchange fluctuations (net)   | -               | 15.62             | 2.29            | 61.62           | 6.24            |
|           | (g) Other expenses   | 122.34          | 98.73             | 103.02          | 432.92          | 334.42          |
|           | <b>Total expenses</b>  | <b>1,662.65</b> | <b>1,050.55</b>   | <b>1,037.01</b> | <b>4,788.52</b> | <b>3,366.05</b> |
| <b>3</b>  | <b>Profit/ (loss) before exceptional items and tax (1-2)</b>   | <b>307.64</b>   | <b>(10.53)</b>    | <b>189.37</b>   | <b>263.78</b>   | <b>172.12</b>   |
| <b>4</b>  | <b>Exceptional items ( refer note 6(b) )</b>   | -               | -                 | -               | -               | (18.36)         |
| <b>5</b>  | <b>Profit/ (loss) before tax (3 ± 4)</b>   | <b>307.64</b>   | <b>(10.53)</b>    | <b>189.37</b>   | <b>263.78</b>   | <b>153.76</b>   |
| <b>6</b>  | <b>Tax expenses</b>  |                 |                   |                 |                 |                 |
|           | (a) Current tax  | 117.93          | (3.15)            | 54.99           | 118.74          | 55.00           |
|           | (b) Adjustment of tax relating to earlier period   | -               | -                 | (6.94)          | (10.32)         | (9.38)          |
|           | (c) Deferred tax charge / (credit)   | (38.51)         | 1.98              | (2.63)          | (38.63)         | (9.52)          |
| <b>7</b>  | <b>Profit/ (loss) for the period (5± 6)</b>  | <b>228.22</b>   | <b>(9.36)</b>     | <b>143.95</b>   | <b>193.99</b>   | <b>117.66</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) Re-measurements gains/ (losses) on defined benefit plans   | 6.27            | 0.36              | 8.03            | 7.35            | 9.11            |
|           | (ii) Income tax effect on above  | (1.58)          | (0.09)            | (2.33)          | (1.85)          | (2.63)          |
|           | (b) Items that will be reclassified to profit or loss  |                 |                   |                 |                 |                 |
|           | (i) Net movement effective portion of cash flow hedge  | (0.53)          | 0.55              | 0.25            | 0.02            | -               |
|           | (ii) Income tax on above   | 0.13            | (0.14)            | (0.07)          | (0.01)          | -               |
| <b>9</b>  | <b>Total comprehensive income for the period (comprising profit/ (loss) and other comprehensive income/(expenses) (net of tax) for the period (7±8))</b> | <b>232.51</b>   | <b>(8.68)</b>     | <b>149.83</b>   | <b>199.50</b>   | <b>124.14</b>   |
| <b>10</b> | <b>Paid up equity share capital</b><br>(Face value- Rs.10 per share)   | 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.)  | 17.71           | (0.73)            | 11.17           | 15.06           | 9.13            |
|           | (b) Diluted (Rs.)  | 17.54           | (0.73)            | 11.16           | 14.91           | 9.12            |



*Mr. Alpha Rao*

Notes to the standalone Ind AS financial results for the quarter and year ended March 31, 2023

| I. Statement of standalone assets and liabilities |  | (Rs. in millions) |                 |
|---|--|-------------------|-----------------|
| S.No.   | Particulars  | March 31, 2023    | March 31, 2022  |
|   |  | (Audited)         | (Audited)       |
| 1   | <b>Assets</b>  |                   |                 |
| (1)   | <b>Non-current assets</b>  |                   |                 |
|   | (a) Property, plant and equipment  | 992.56            | 1,033.13        |
|   | (b) Capital work-in-progress   | 54.09             | 0.09            |
|   | (c) Goodwill   | 36.35             | 36.35           |
|   | (d) Other intangible assets  | 29.11             | 42.17           |
|   | (e) Right-of-use assets  | 35.42             | 29.07           |
|   | (f) Financial assets   |                   |                 |
|   | (i) Investments (refer note 6)   | 762.98            | 627.85          |
|   | (ii) Other financial assets  | 215.25            | 268.49          |
|   | (g) Deferred tax assets (net)  | 62.11             | 25.34           |
|   | (h) Non-current tax assets (net)   | 9.59              | 48.89           |
|   | (i) Other assets   | 21.46             | 9.00            |
|   | <b>Total non-current assets</b>  | <b>2,218.92</b>   | <b>2,120.38</b> |
| (2)   | <b>Current assets</b>  |                   |                 |
|   | (a) Inventories  | 2,315.71          | 1,986.57        |
|   | (b) Financial assets   |                   |                 |
|   | (i) Trade receivables  | 2,094.87          | 897.57          |
|   | (ii) Cash and cash equivalents   | 137.59            | 149.19          |
|   | (iii) Bank balances other than cash and cash equivalents                               | 69.25             | 93.67           |
|   | (iv) Other financial assets  | 15.99             | 51.61           |
|   | (c) Other assets   | 202.04            | 160.98          |
|   | <b>Total current assets</b>  | <b>4,835.45</b>   | <b>3,339.59</b> |
|   | <b>Total assets (1+2)</b>  | <b>7,054.37</b>   | <b>5,459.97</b> |
| II  | <b>Equity and liabilities</b>  |                   |                 |
| (1)   | <b>Equity</b>  |                   |                 |
|   | (a) Equity share capital   | 128.85            | 128.85          |
|   | (b) Other equity   | 2,697.58          | 2,516.38        |
|   | <b>Total equity</b>  | <b>2,826.43</b>   | <b>2,645.23</b> |
| (2)   | <b>Non-current liabilities</b>   |                   |                 |
|   | (a) Financial liabilities  |                   |                 |
|   | (i) Lease liabilities  | 7.56              | 1.55            |
|   | (b) Government Grants  | 24.43             | 26.57           |
|   | (c) Net employee defined benefit liabilities   | 59.48             | 56.39           |
|   | (d) Other liabilities  | 167.39            | 77.30           |
|   | <b>Total non-current liabilities</b>   | <b>258.86</b>     | <b>161.81</b>   |
| (3)   | <b>Current liabilities</b>   |                   |                 |
|   | (a) Financial liabilities  |                   |                 |
|   | (i) Borrowings   | 1,059.22          | 979.45          |
|   | (ii) Lease Liabilities   | 6.48              | 11.80           |
|   | (iii) Trade payables   |                   |                 |
|   | Total outstanding dues of micro enterprises and small enterprises                      | 60.59             | 51.90           |
|   | Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,464.26          | 674.33          |
|   | (iv) Other financial liabilities   | 166.98            | 84.48           |
|   | (b) Government grants  | 8.16              | 7.87            |
|   | (c) Other liabilities  | 1,024.76          | 781.34          |
|   | (d) Net employee defined benefit liabilities   | 7.08              | 6.48            |
|   | (e) Provisions   | 62.10             | 25.26           |
|   | (f) Liabilities for current tax (net)  | 109.45            | 30.02           |
|   | <b>Total current liabilities</b>   | <b>3,969.08</b>   | <b>2,652.93</b> |
|   | <b>Total equity and liabilities (1+2+3)</b>  | <b>7,054.37</b>   | <b>5,459.97</b> |



*Mr. A. K. Rao*



| 2. Statement of audited standalone cash flows   | (Rs. in million) |                 |
|---|------------------|-----------------|
|   | March 31, 2023   | March 31, 2022  |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>   |                  |                 |
| Profit/ (loss) before tax   | 263.78           | 153.76          |
| <b>Non-cash adjustments to reconcile profit / (loss) before tax to net cash flows:</b>                                |                  |                 |
| Depreciation and amortisation expenses  | 162.34           | 164.88          |
| Provisions no longer required, written back   | (12.86)          | (4.02)          |
| Fair value (gain) / loss on financial instruments   | (0.02)           | (0.15)          |
| Net foreign exchange differences (unrealised)   | (3.19)           | 6.34            |
| (Gain)/ loss on sale / discard of property, plant and equipment   | (0.58)           | 0.92            |
| Provision for expected credit loss / bad debts written off  | 27.31            | 5.08            |
| Provision for inventory obsolescence  | 95.11            | -               |
| Provision for onerous contract  | 15.41            | -               |
| Government grants   | (10.50)          | (7.87)          |
| Employee share based compensation cost  | 13.91            | 0.16            |
| Finance income  | (15.34)          | (27.76)         |
| Finance costs   | 130.66           | 112.18          |
| <b>Operating profit before working capital changes</b>  | <b>666.06</b>    | <b>403.52</b>   |
| Working capital adjustments:  |                  |                 |
| (Increase) / decrease in inventories  | (424.25)         | (241.08)        |
| (Increase) / decrease in trade receivables  | (1,213.38)       | 101.61          |
| Decrease / (increase) in non current/ current financial assets and other assets                                       | (6.50)           | (17.11)         |
| Increase / (decrease) in trade payables, non current/ current provisions, financial liabilities and other liabilities | 1,188.96         | 531.18          |
| <b>Cash generated from / (used in) operations</b>   | <b>210.89</b>    | <b>778.12</b>   |
| Direct taxes paid (net of refunds)  | 3.03             | (98.20)         |
| <b>Net cash flow from / (used in) operating activities</b>  | <b>213.92</b>    | <b>679.92</b>   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>   |                  |                 |
| Purchase of property, plant and equipment, including intangible assets and capital advances                           | (99.28)          | (95.60)         |
| Proceeds from sale of property, plant and equipment   | 0.63             | 3.56            |
| Purchase of non-current investments   | (135.13)         | -               |
| Proceeds from sale of non-current investments   | -                | 9.32            |
| Investment in bank deposits (having original maturity of more than three months) and other bank balances              | 68.80            | 6.75            |
| Interest income received  | 23.19            | 17.53           |
| Government grant received   | 8.65             | -               |
| <b>Net cash flow (used in) / from investing activities</b>  | <b>(133.15)</b>  | <b>(58.44)</b>  |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>   |                  |                 |
| Repayment of long term borrowings   | -                | (195.21)        |
| Payment of principal portion of lease liabilities   | (13.45)          | (20.47)         |
| Payment of interest portion of lease liabilities  | (1.78)           | (2.33)          |
| Proceeds / repayment of short term borrowings (net)   | 74.58            | (223.50)        |
| Finance costs paid  | (119.63)         | (110.35)        |
| Dividend paid (including amount transferred to Investor Education & Protection Fund)                                  | (32.49)          | (25.53)         |
| <b>Net cash flow (used in) / from financing activities</b>  | <b>(92.77)</b>   | <b>(577.39)</b> |
| Net (decrease) / increase in cash and cash equivalents (A+B+C)  | (12.00)          | 44.09           |
| Cash and cash equivalents at the beginning of the year  | 149.19           | 104.53          |
| Effect of exchange differences on cash and cash equivalents held in foreign currency                                  | 0.40             | 0.57            |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>137.59</b>    | <b>149.19</b>   |
| <b>Total cash and cash equivalents</b>  | <b>137.59</b>    | <b>149.19</b>   |



*Mr. Ayyappa*



**Notes to the standalone Ind AS financial results for the quarter and year ended March 31, 2023**

- 3 Investors can view the audited 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 standalone Ind AS financial results of the Company for the quarter and year ended March 31, 2023 have been reviewed by the Audit Committee in their meeting on May 26, 2023 and approved by the Board of Directors in their meeting held on May 27, 2023.
- 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, 2023, the Board of Directors of Company further acquired 13.11% 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 as at March 31, 2023 with regard to future operations and external valuation by an expert during the year ended March 31, 2022, 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 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 it to commence negotiation with other parties including its shareholders. During the year ended March 31, 2022, the Commercial Court of Lyon announced the opening of judicial recovery procedures and accordingly, based on its internal assessment, the management of the Company had provided for its receivables amounting to Rs. 18.36 million and the same had been disclosed as exceptional items in the standalone Ind AS financial results for the year ended March 31, 2022.
- 7 The Board of Directors of the Company at their meeting held on May 27, 2023 have recommended a final dividend of Rs.4 per equity share of Rs.10/- each for the financial year ended March 31, 2023. The said final dividend is subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.
- 8 The figures of the quarter ended March 31 of the current and previous years in the standalone Ind AS financial results are the balancing figures between the audited figures in respect of the full financial years and the unaudited published year to date figures for the nine months ended December 31 for the respective years, being the date of the end of the third quarter of the financial year which were subject to limited review.
- 9 For the periods the Company has incurred losses, the allotment of stock options would increase the loss per share for the respective periods and accordingly has not been considered for the purpose of calculation of diluted earnings per share from operations.
- 10 Figures pertaining to previous quarters / period / year have been reclassified, wherever necessary, to conform to the classification adopted in the current period.

Place : Bengaluru  
Date : May 27, 2023



For Centum Electronics Limited

  
Apparao V Mallavarapu  
Chairman and Managing Director

**Independent Auditor's Report on the Quarterly and Year to Date Audited Ind AS Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
**The Board of Directors of  
Centum Electronics Limited**

**Report on the audit of the Standalone Ind AS Financial Results****Opinion**

We have audited the accompanying statement of quarterly and year to date standalone Ind AS financial results of Centum Electronics Limited (the "Company") for the quarter ended March 31, 2023 and for the year ended March 31, 2023 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2023 and for the year ended March 31, 2023.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Results" 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 standalone 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibilities for the Standalone Ind AS Financial Results**

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 of 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

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

- Identify and assess the risks of material misstatement of the Statement, 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.
- 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 financial results 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.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents 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



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants


matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

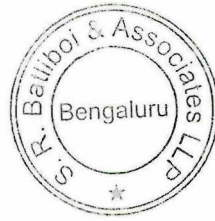
The Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
per Sandeep Karnani  
Partner  
Membership No.: 061207



UDIN: 23061207BGYKVE8344

Place of Signature: Bengaluru

Date: May 27, 2023