

Independent Auditor's Review Report on the Quarterly Unaudited Consolidated and Year to Date 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 Consolidated Ind AS Financial Results of Centum Electronics Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), and its share of the net loss after tax and total comprehensive loss of its associates for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent'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 read with the Circular. 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. 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 issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.

4. 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 Adenco CRD SAS
 - f. Centum Adetel Transportation System SAS
 - g. Centum Adetel Transportation SAS



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- h. Centum Adetel Synergies SARL
 - i. Centum Adetel Solution
 - j. Centum Adetel Equipment
 - 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 6 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 Standard 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 Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the consolidated financial results and other financial information in respect of 1 subsidiary located outside India (the said subsidiary has 7 underlying subsidiaries and 1 associate), included in the consolidated unaudited financial results, whose financial results reflect total revenues (including other income) of Rs. 9,835.79 lakhs, total net loss after tax of Rs. 705.88 lakhs and total comprehensive loss of Rs. 638.38 lakhs, for the quarter ended June 30, 2019 (before adjustments on consolidation), as considered in the consolidated unaudited financial results. These financial results and other financial information have been reviewed by other auditors, whose reports 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 the other auditors and procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.
7. Certain of these subsidiaries/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 audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the 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.. 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 Parent.
8. The accompanying unaudited consolidated Ind AS financial results includes unaudited financial results and other unaudited financial information in respect of 2 subsidiaries, which have not been reviewed by their auditors, whose financial results reflect total revenues (including other income) of Rs. 352.35 lakhs, total net profit after tax of Rs. 74.75 lakhs and total comprehensive income of Rs. 155.80 lakhs, for the quarter ended June 30, 2019 (before adjustments on consolidation), as considered in the unaudited consolidated financial results. These unaudited financial results and other unaudited financial

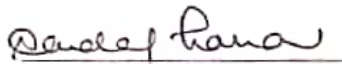


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information have been approved and furnished to us by the management. Our conclusion, in so far as it relates to the affairs of these subsidiaries, is based solely on such unaudited financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these financial results are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

For S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004



per Sandeep Karnani
Partner
Membership No.: 061207

UDIN: 19061207AAAAAR2475



Place: Bengaluru
Date: August 12, 2019

Statement of unaudited consolidated financial results for the quarter ended June 30, 2019

(Rs. in Lakhs)

| Sl.No. | Particulars | Quarter ended | | | Year ended |
|------------------------------------|---|------------------|-------------------|-------------------|-------------------|
| | | June 30, 2019 | March 31, 2019 | June 30, 2018 | March 31, 2019 |
| | | (Unaudited) | (Refer note 6) | (Unaudited) | (Audited) |
| A. Continuing Operations | | | | | |
| 1 | Income | | | | |
| | (a) Revenue from operations | | | | |
| | (i) Sales / Income from operations | 20,532.96 | 25,283.85 | 16,511.28 | 86,204.12 |
| | (ii) Other operating income | 1,446.75 | 1,950.31 | 1,417.51 | 6,549.61 |
| | (b) Other income | | | | |
| | (i) Gain on account of foreign exchange fluctuations (net) | - | 401.76 | - | - |
| | (ii) Others | 467.61 | 232.53 | 330.76 | 991.87 |
| | Total Income | 22,447.32 | 27,868.45 | 18,259.55 | 93,745.60 |
| 2 | Expenses | | | | |
| | (a) Cost of materials consumed | 8,536.30 | 10,015.70 | 9,393.19 | 38,255.68 |
| | (b) Changes in inventories of finished goods and work-in-progress | 1,233.05 | 2,262.44 | (2,864.26) | 120.58 |
| | (c) Employee benefits expenses | 8,191.90 | 8,302.01 | 8,460.88 | 32,848.27 |
| | (d) Finance costs | 740.51 | 779.44 | 788.91 | 3,492.11 |
| | (e) Depreciation and amortisation expenses | 1,008.26 | 646.12 | 692.67 | 2,783.86 |
| | (f) Loss on account of foreign exchange fluctuations (net) | 19.36 | - | 794.17 | 336.10 |
| | (g) Other expenses | 2,247.01 | 2,936.44 | 2,530.41 | 11,095.16 |
| | Total expenses | 21,976.39 | 24,942.15 | 19,795.97 | 88,931.76 |
| 3 | Profit / (Loss) before share in (loss) / profit of associates and joint ventures and tax expense from continuing operations (1±2) | 470.93 | 2,926.30 | (1,536.42) | 4,813.84 |
| 4 | Tax expenses | | | | |
| | (a) Current tax (net) | 280.48 | 454.61 | - | 679.40 |
| | (b) Deferred tax | (92.06) | (158.63) | (54.52) | (705.60) |
| 5 | Profit / (Loss) before share in (loss) / profit of associates and joint ventures from continuing operations (3±4) | 282.51 | 2,630.32 | (1,481.90) | 4,840.04 |
| 6 | Share of profit / (loss) of associates and joint ventures from continuing operations | - | (130.78) | - | (130.78) |
| 7 | Profit / (Loss) after tax expense from continuing operations (5±6) | 282.51 | 2,499.54 | (1,481.90) | 4,709.26 |
| B. Discontinuing Operations | | | | | |
| 8 | (Loss) / profit before tax expense from discontinuing operations (Refer note 3) | (401.61) | (348.83) | 235.25 | (1,315.50) |
| 9 | Tax expenses of discontinued operations | | | | |
| | (a) Current tax (net) | - | - | 713.03 | 713.10 |
| | (b) Deferred tax | - | - | - | - |
| 10 | (Loss) / profit after tax expense from discontinuing operations (8±9) | (401.61) | (348.83) | (477.78) | (2,028.60) |
| 11 | Profit / (loss) after tax for the respective periods (7±10) | (119.10) | 2,150.71 | (1,959.68) | 2,680.66 |
| 12 | 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 | 12.06 | 26.70 | 7.14 | 48.23 |
| | (ii) Income tax on above | (4.21) | (9.33) | - | (16.85) |
| | (b)(i) Items that will be reclassified to profit or loss | 26.23 | (37.73) | (12.65) | (42.26) |
| | (ii) Income tax on above | - | - | - | - |
| 13 | Total comprehensive income for the period (Comprising Profit/(Loss) and Other Comprehensive Income/(Expenses)(net of tax) for the period (11±12) | (85.02) | 2,130.35 | (1,965.19) | 2,669.78 |
| 14 | Total comprehensive income attributable to: | | | | |
| | (a) Owners of the Company | 205.25 | 1,879.11 | (1,574.12) | 2,877.34 |
| | (b) Non controlling interest | (290.27) | 251.24 | (391.07) | (207.56) |
| | Total comprehensive income for the period | (85.02) | 2,130.35 | (1,965.19) | 2,669.78 |
| 15 | Paid up equity share capital (Face value - Rs 10 per share) | 1,288.48 | 1,288.11 | 1,287.50 | 1,288.11 |
| 16 | Earnings per equity share (EPS) (of Rs. 10 each) : | | | | |
| | (a) Basic EPS from continuing and discontinuing operations (Rs.) | 1.33 | 14.75 | (12.19) | 21.92 |
| | (b) Diluted EPS from continuing and discontinuing operations (Rs.) | 1.33 | 14.73 | (12.19) | 21.89 |
| | (c) Basic EPS from continuing operations (Rs.) | 3.02 | 16.22 | (9.83) | 30.80 |
| | (d) Diluted EPS from continuing operations (Rs.) | 3.02 | 16.20 | (9.83) | 30.77 |
| | (e) Basic EPS from discontinuing operations (Rs.) | (1.69) | (1.47) | (2.36) | (8.88) |
| | (f) Diluted EPS from discontinuing operations (Rs.) | (1.69) | (1.47) | (2.36) | (8.88) |



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Notes to the unaudited consolidated financial results for the quarter ended June 30, 2019

- 1 Investors can view the unaudited consolidated financial results of Centum Electronics Limited ("the Group" or "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 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".
- 3 (a) During the year ended March 31, 2019, the Group had divested its entire 51% stake in Centum Rakon India Private Limited, a joint venture entity and realized a profit of Rs. 584.99 Lakhs on such sale of shares, which had been disclosed under discontinuing operations in the audited consolidated financial results of the Group for the year ended March 31, 2019.

(b) During the year ended March 31, 2019, the Group had divested its entire 50% stake in Sandhi SAS, a joint venture entity and realized a profit of Rs. 72.29 Lakhs on such sale of shares, which had been disclosed under discontinuing operations in the audited consolidated financial results of the Group for the year ended March 31, 2019.

(c) During the year ended March 31, 2019, the step down subsidiaries of the Company, Adetel Maroc SA and Adetel Equipment Maroc SA, have initiated liquidation proceedings and accordingly the results of the operation of this entity has been disclosed under discontinuing operations.

(d) During the year ended March 31, 2019, the management of the Group has decided to sell its investments in Centum Adetel Transportation SAS, step down subsidiary of the Company and accordingly the results of the operation of this entity has been disclosed under discontinuing operations. The sale has not been concluded as at June 30, 2019.
- 4 The unaudited consolidated financial results of the Company for the quarter ended June 30, 2019 have been reviewed by the Audit Committee in their meeting on August 11, 2019 and approved by the Board of Directors in their meeting held on August 12, 2019.
- 5 Effective April 01, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to lease arrangements existing on the date of initial application using the modified retrospective approach with right-of-use asset recognized at an amount equal to the lease liability adjusted for any prepayments/accruals recognized in the balance sheet immediately before the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 and quarter ended June 30, 2018 have not been retrospectively adjusted.
- 6 The figures for quarter ended March 31, 2019 are the balancing figures between the audited figures in respect of the consolidated financial statements for the year ended March 31, 2019 and the unaudited published year-to-date figures for nine months ended December 31, 2018.
- 7 Previous period figures have been regrouped/reclassified, wherever necessary to conform to current period classification.

Place : Bengaluru
Date : August 12, 2019



For Centum Electronics Limited

Apparao V Mallavarapu
Chairman & Managing Director