CLARITY. CONVICTION. COMMITMENT.

CENTUM ELECTRONICS LIMITED

ANNUAL REPORT **2025-26**

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CLARITY. CONVICTION. COMMITMENT.

FY26 WAS A YEAR THAT BROUGHT THE BEST OF CENTUM INTO SHARP FOCUS. A YEAR OF PURPOSEFUL DECISIONS, MEANINGFUL MILESTONES, AND A CLARITY OF DIRECTION THAT HAS FIRMLY SET THE FOUNDATION FOR AN EXCITING CHAPTER AHEAD.

Clarity

FY26 marked a defining moment in our strategic evolution. By taking decisive steps to exit our overseas subsidiaries, we have sharpened our focus on what we do best, building world-class electronics solutions for the world. The Centum that emerges is leaner, more focussed, and unambiguous in its direction. Our strategy is clear. Our priorities are clear.

Conviction

Clarity alone means little without the courage to act on it. Through a year of significant structural transition, our core India business never broke stride. New programme wins. New certifications. New capabilities. None of this happened by accident, it was the result of teams that believed deeply in what they were building, and kept building it regardless of the noise around them.

Commitment

Our commitment is a practice. It is visible in the long-tenure programmes we run for some of the world's most demanding customers, in the partnerships we have sustained for over a decade, and in the quiet, consistent investments we continue to make in our people, our technology, and our future.

KEY HIGHLIGHTS

CLARITY IN EVERY NUMBER THAT COUNTS

FINANCIAL HIGHLIGHTS (Standalone)

₹ 9,731 Mn
Operational Revenue (25.38% YoY)

₹ 1,209 Mn
Adjusted EBITDA (28.43% YoY)

12.42%
EBITDA Margins (29 bps)

142
Adjusted Net Working Capital Days

0.28x
Total Borrowings to Equity

21.32%
Adjusted RoCE

AS OF MARCH 31, 2026

₹ 2,765.15
Current Market Price

₹ 3,066 / ₹ 1,310.30
52-week High/Low

₹ ~40,750 Mn
Market Cap

14.74 Mn
Total outstanding shares

₹ 145.76 Mn
Avg. daily turnover

Shareholding:
Promoter **46.88%**
DIIs 21.51%, Public 31.61%

1-year performance vs Sensex:
Centum significantly outperformed
— stock up
~75%

COMPANY AT A GLANCE

A BUSINESS BUILT ON WHAT OTHERS CANNOT REPLICATE

Founded in 1993 by Mallavarapu Venkata Apparao, Centum Electronics has grown over three decades into one of India's foremost electronics companies, a trusted partner to marquee global customers across some of the world's most demanding and high-stakes technology sectors. From a single-minded focus on quality and engineering excellence, we have built an end-to-end Electronics System Design and Manufacturing enterprise that today spans the full value chain, from concept and design through prototyping, manufacturing, testing, and lifecycle support.

Headquartered in Bengaluru, we operate at the intersection of India's growing strategic imperatives and the global electronics industry's structural shift toward resilient, diversified supply chains. Our deep domain expertise, multi-decade customer relationships, and integrated capabilities position it uniquely to serve sectors where precision, reliability, and mission-criticality are non-negotiable.

What We Do

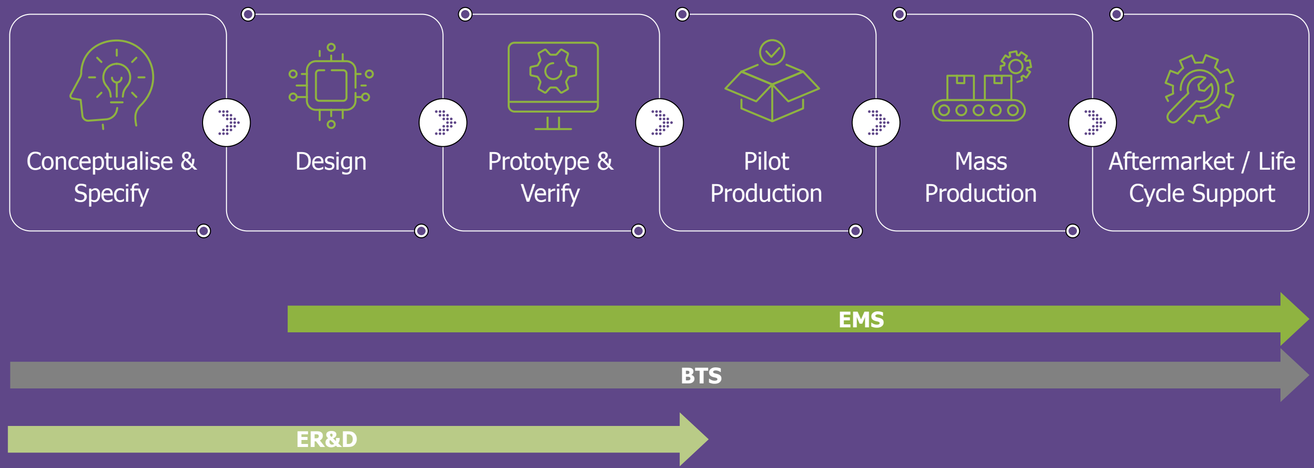
Our capabilities are organised across three complementary business verticals:

Electronics Manufacturing Services (EMS) delivers high-reliability, high-complexity manufacturing across printed circuit board assemblies, complex box builds, Line Replaceable Units (LRUs), and full system integration. Our client-centric approach is built around helping customers achieve lower Total Cost of Ownership and faster time-to-market, supported by a robust supply chain network of 600+ suppliers.

Build-to-Specification (BTS) encompasses our proprietary design and development capabilities, taking customer requirements from conceptualisation all the way through to mass production. As a single point of contact across the design-to-deployment journey, our BTS business maximises IP value and fosters long-term technology partnerships with our customers.

Engineering Research and Development (ER&D) is our full-stack design and engineering capability, spanning RF, FPGA, embedded systems, simulation, and software. Operating at the earliest stages of the product lifecycle, our ER&D vertical enables us to engage with customers from concept and specification through to design, creating the intellectual foundation on which our EMS and BTS businesses are built.

Currently, our business is organised based on the stages of services we provide to our customers. We operate under the following business verticals:



Vision

To create value by contributing to the success of our customers, by being your innovation partner for design & manufacturing solutions in high technology areas.

Our Values

Customer Relationship – Customer relationship is the heart of every business and more so at Centum. Customers are not just one of the stakeholders for our business but our reason to do business, maintaining delightful Customer Relationship is our forte.

Teamwork – At Centum, Teamwork is coming together of a group of highly motivated people who are committed to achieving organisation goal and willing to be held accountable at the same time for their actions and results.

Openness and Trust – The first and foremost aspect of openness is trust and fairness. Centum values its employees and believes in a work environment encompassing Openness & Trust, in all of its communications and actions.

Integrity – At Centum, Integrity is the foundation of our reputation. We follow highest ethical and moral standards, and display honesty in all our actions, methods and measures.

Excellence – At Centum, we strive for Excellence in all that we do, however big or small the task may be, and are never content with being the second best.

Social Responsibility – As a responsible corporate citizen, Centum endeavours to have a positive impact on the greater society that we serve. Social responsibility is intertwined in our self-belief and work ethics.

KEY NUMBERS

~1,500
Employees

17
Patents

125+
Publications

600+
Suppliers in supply chain

50–55%
Revenues from overseas customers

Business Verticals

EMS
72%
of Standalone Revenue

BTS
28%
of Standalone Revenue

Industry mix (standalone):

54%
Defence, Space & Aerospace

11%
Transportation & Automotive

28%
Industry & Energy

7%
Healthcare

COMPETITIVE ADVANTAGE

ADVANTAGES THAT TAKE DECADES TO BUILD

Our competitive position through engineering excellence, deep customer relationships, and capabilities are genuinely difficult to replicate. Our strengths define who we are and how we grow.

DIVERSIFIED PORTFOLIO IN HIGH-GROWTH SECTORS

Our two business verticals - EMS and BTS, are strategic growth engines that capture opportunity across the full electronics value chain. Together, they balance our indigenisation agenda with a strong export orientation, giving us meaningful presence across Defence, Aerospace and Space, Industrial and Energy, Transportation, and Healthcare. A favourable policy environment in India, through PLI, DLI, and DAP, further strengthens the demand outlook across each of these sectors.

DEEP EXPERTISE IN SECTORS WITH HIGH ENTRY BARRIERS

We operate in sectors where certifications take years to earn and where there is simply no margin for error. Our well-established presence across Aerospace, Defence, and Space, backed by long-standing partnerships with Global Hi-Tech OEMs, reflects capabilities that have been built and validated over decades. We are proud recipients of DRDO's Defence Technology Absorption Award, recognising our pioneering work in indigenising critical defence and space technologies.

LONG-STANDING RELATIONSHIPS WITH MARQUEE CUSTOMERS

Our top customer relationships average 10 to 15 years, a reflection of the trust we have earned through consistent, mission-critical delivery. We serve as a single-source supplier for approximately 80% of our manufactured products, underscoring the depth of our integration into our customers' supply chains across Aerospace and Defence, Transportation, Automotive, Industrial and Energy, and Healthcare.

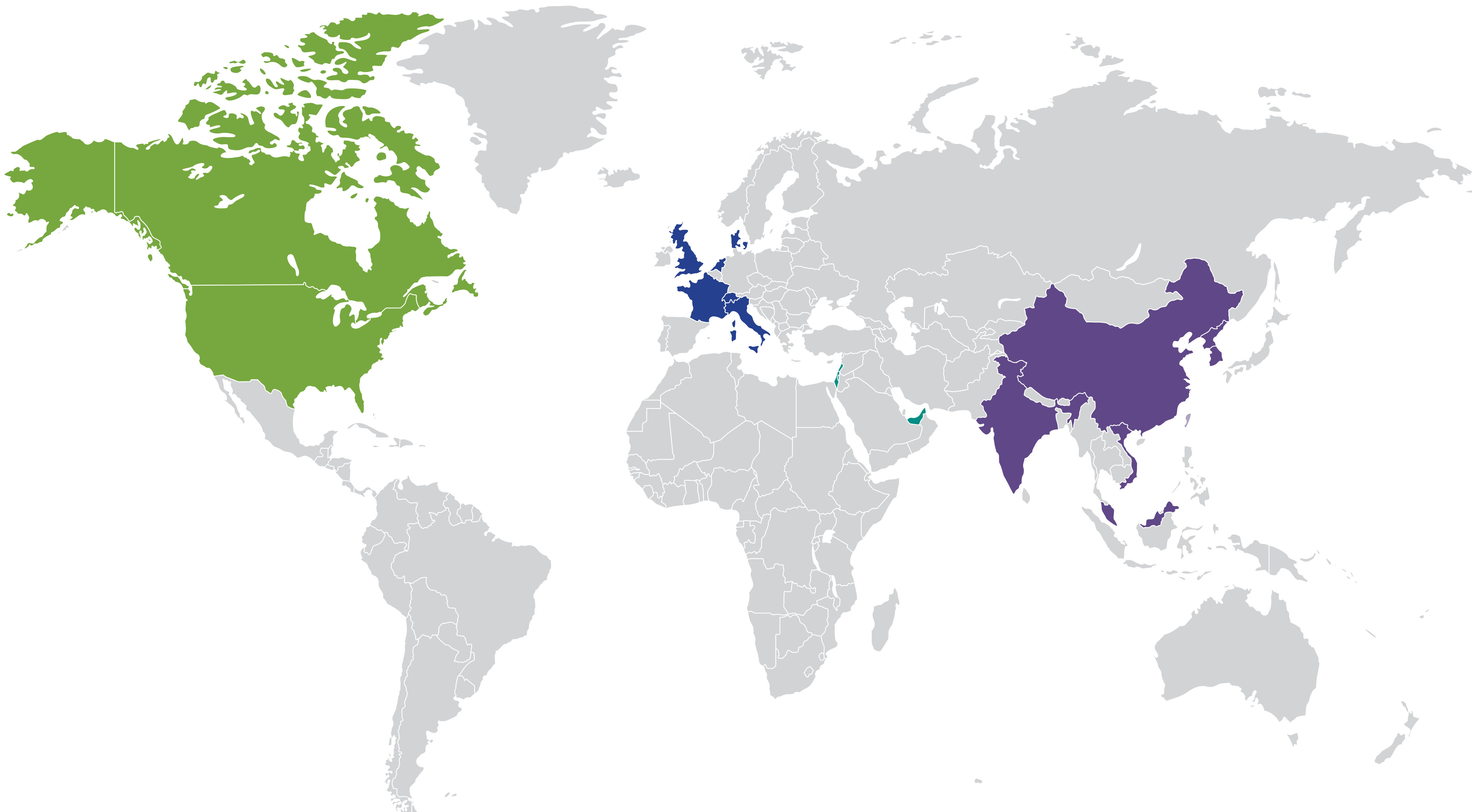
GLOBAL PRESENCE AND END-TO-END CAPABILITY

We offer customers a single, integrated partner across the entire Design-Manufacturing-Testing value chain, from concept through to lifecycle support.

PRESENCE

WHERE INDIAN ENGINEERING MEETS GLOBAL AMBITION

We are an inherently global business. While our roots are firmly anchored in India, our customer relationships, design capabilities, and manufacturing reach extend across advanced economies worldwide. Our manufacturing facilities serve as the backbone of our global delivery model, combining world-class infrastructure with a highly skilled engineering workforce.



Europe
Denmark, France, Germany, Ireland, Italy, Switzerland, The Netherlands, United Kingdom

Middle East
Israel, United Arab Emirates

Asia
China, Hong Kong, India, Malaysia, Singapore, South Korea, Taiwan, Vietnam

North America
Canada, United States of America

Map not to scale. For illustrative purposes only.

CMD's MESSAGE

CHAIRMAN'S LETTER TO SHAREHOLDERS

> "With our focus sharpened and our resources no longer spread thin, the results in our standalone India business have been gratifying."

DEAR SHAREHOLDERS,

I hope this letter finds you in good health and good cheer. This year, Nikhil and I have each written separate letters to you – a deliberate choice that reflects where your Company stands today. I will focus on strategy and the road ahead; Nikhil's letter covers our customers, operations, and execution. Together, I hope they give you a complete and honest picture of Centum.

A YEAR OF DIFFICULT BUT RIGHT DECISIONS

FY 2025-26 was a year defined not just by what we built, but by what we had the discipline to let go.

Since Covid, our subsidiaries in France and Canada had been under sustained pressure. What began as a temporary disruption extended into a prolonged series of headwinds – the post-pandemic economic slowdown in Europe, a deep recession in the automotive segment, the war in Ukraine, and persistent inflation. We worked hard to improve operations and revive sales in both the entities, but the effort required was disproportionate to the returns available, and the distraction was real. Opportunities in our core ESDM business operations in India were not receiving the attention and focus they deserved.

We took the decision to exit both the subsidiaries. It was not easy, but it was clearly right. The financial consequence was an impairment and write-off totalling ₹ 203 crores. However, we are proud that in executing these exits, we ensured that 95% of all employees found fresh employment, and that business continuity was maintained for customers – an orderly and responsible conclusion to both chapters.

THE INDIA OPPORTUNITY: STRATEGY BEARING FRUIT

With our focus sharpened and our resources no longer spread thin, the results in our standalone India business have been gratifying. The strategic decisions taken over the past several years are now bearing fruit, and the 25% organic growth we delivered this year is a direct outcome of that deliberate groundwork.

To address the growing opportunities in Indian defence, space, and aerospace, we have pursued a three-pronged approach. First, we have moved decisively up the value chain, building the capability to address full-system opportunities – radars, electronic warfare systems, TACAN, and related technologies. Second, we have doubled down on sub-systems and modules, a domain in which Centum has long been a leading player and where our depth of expertise is a genuine competitive advantage. Third, we have focussed on complex, high-

> To address the growing opportunities in Indian defence, space, and aerospace, we have pursued a three-pronged approach.

criticality products such as sensors for strategic electronics platforms.

In pursuing systems opportunities, we have adopted three complementary strategies: designing complete systems entirely in-house, from modules and sub-systems through hardware integration, software, and testing; partnering with foreign OEMs for technology transfer, adapting those technologies to meet India-specific requirements; and working within the Indian ecosystem to build systems where Centum provides the core technology and sub-systems while collaborating with other Indian companies for non-core elements.

EXPANDING OUR OFFERING TO DESIGN-LED MANUFACTURING

Our Build-to-Spec business has historically served the Indian defence, space, and aerospace markets, where Centum takes ownership of the complete design and manufacture of mission-critical systems, subsystems, and modules for the customers. Building on these capabilities, we are now extending our value proposition through a Design-Led Manufacturing (DLM) offering targeted at Industrial, Energy, Mobility, Medical, and other global markets. While traditional EMS engagements are primarily manufacturing-led, DLM enables customers to leverage Centum's deep engineering expertise to enhance product design, optimise manufacturability, accelerate time-to-market, and improve product performance and lifecycle economics.

We have already seen early successes with existing EMS customers, and scaling this business meaningfully over the coming years is a clear and stated priority.

To capture this opportunity, we have made a structural change: forming a cross-functional team that unifies our Design Services division with our EMS business, presenting customers with a single, integrated solution. We take complete responsibility for designing and manufacturing the systems, sub-systems, or modules our customers require. This integrated approach allows us to provide a seamless ESDM solution spanning design, engineering, industrialisation, and manufacturing. We have already seen early successes with our existing customers, and scaling this business meaningfully over the coming years is a clear and stated priority.

EMS: MACRO TAILWINDS AND CENTUM'S POSITION

Our Electronics Manufacturing Services business continues to benefit from powerful structural tailwinds. The Government of India's 'Make in India' requirements are compelling companies that previously imported to source locally, creating a steady stream of new opportunities. The 'China-plus-one' realignment is gaining further momentum, with global companies increasingly expanding their India footprint. Centum is well positioned – across defence, aerospace, industrial, semiconductor, energy, mobility, and medical sectors – to benefit from both trends.

FINANCIAL PERFORMANCE: A CLEANER, STRONGER COMPANY

The 25% organic growth in our standalone India business is a result I am very proud of, and it is reflected in a meaningful improvement in our consolidated numbers. Nikhil's letter covers the operational detail behind these results. From my perspective as Chairman, what matters most is that this performance was achieved through organic capability-building – not financial engineering – and it gives us a strong and credible platform to grow from.

With the drag of the overseas subsidiaries now fully behind us, the financial picture of Centum is considerably cleaner. Our capital is no longer being absorbed by loss-making entities; it is available to be deployed where it creates value. Going forward, our capital allocation will be disciplined and deliberate: investing in R&D and engineering capabilities to deepen our systems competency; selectively expanding manufacturing capacity in line with order book growth, which we have already committed to; and where the right opportunity presents itself, considering strategic partnerships or acquisitions that accelerate our presence in our chosen segments. We will not chase scale for its own sake. Every allocation of capital will be measured against its contribution to building a stronger, more capable Centum.

THE STRENGTH OF LONG-STANDING RELATIONSHIPS

One of the most enduring strengths of your Company is the depth and longevity of our customer relationships. Trust built over decades does not appear on a balance sheet, but it is one of the most valuable assets we hold.

To illustrate this: over 30% of last year's revenue came from customers who have been with us for over 20 years; over 40% from customers of over 10 years, essentially 70% of our revenues come from customers more than 10-year relationship; and another 10% from customers who have been with us for over 5 years. These numbers speak to trust, to transparency, and to the kind of strategic partnerships that sustain a business through cycles. I want to sincerely thank each of our customers for the confidence they place in us and for their role in our growth journey.

GRATITUDE AND ACKNOWLEDGEMENTS

I wish to record my deep gratitude to three Board members who retired after ten years of distinguished service: Mr. Manoj Nagrath, Mr. Rajiv Mody, and Mr. Thiruvengadam Parthasarathi. Their commitment, wisdom, and counsel over the years have been invaluable to this Company, and I am personally grateful to each of them.

I also want to acknowledge Mr. Desikan Srinivasan, who retired after serving as our CFO for 25 remarkable years at Centum. Desikan was instrumental in building the financial systems, discipline, and business processes that underpin everything we do. He leaves behind an institution stronger for his long service, and we wish him a fulfilling next chapter.

LOOKING AHEAD

I have never been more confident in the trajectory of your Company. The difficult decisions are behind us. The opportunities in front of us are significant. Centum's positioning across defence, space, industrial, energy, and medical sectors is strong; our capabilities as a full-service ESDM company are broad and deepening; and the relationships we have built with customers over decades give us a foundation that is genuinely hard to replicate.

I want to close by acknowledging and thanking our leadership team and every one of our employees for their passion, hard work, and sense of ownership. And I want to thank our Board members for their dedication and their role in shaping the destiny of your Company.

Most of all, I want to thank you – our shareholders – for your continued trust and belief in Centum. We do not take it lightly.

Warmly,

Mallavarapu Venkata Apparao
Chairman and Managing Director
Centum Electronics Limited

JMD's MESSAGE

JOINT MANAGING DIRECTOR'S LETTER TO SHAREHOLDERS

"This year marked an important inflection point. Our standalone India ESDM platform delivered its strongest performance yet."

DEAR SHAREHOLDERS,

It is a privilege and an honour to write my first letter to you as Joint Managing Director. Having been part of Centum since 2012, I see this as one of the most exciting and important phases in the Company's history. I am super energised by the vision ahead of us: to grow Centum into a scaled, technology-driven, globally competitive Electronics System Design & Manufacturing (ESDM) platform. With a stronger order book, improved profitability, deeper customer relationships and clearer strategic focus on design-led electronics across defence, aerospace, space, industrial, and high-reliability applications, I am confident that we are well-poised to get there, delivering sustained value for customers, employees, and shareholders.

This year marked an important inflection point. Our standalone India ESDM platform delivered its strongest performance yet, while we also took the decisive step of exiting underperforming overseas subsidiaries that had been a drag on capital, profitability, and management bandwidth. The overseas subsidiaries revenues of approximately ₹ 350 crores were not consolidated in our full-year FY26 financials, and the impact of the related actions has been reported as a single line in our consolidated P&L as "Loss from discontinued operations." As a result, our standalone financials provide the clearest view of Centum's continuing business, its operating momentum, and the quality of growth we are building for the future.

THE YEAR, IN NUMBERS

Our standalone India business had its best ever year by a wide margin. Revenue for FY26 crossed ₹ 973 crores, up 25% year-on-year, with the fourth quarter alone at ₹ 344 crores, up 26% year-on-year. FY26 EBITDA grew 28% to ₹ 121 crores, and profit before exceptional items grew 63% to ₹ 100 crores, reflecting both operating leverage and improved execution. Return on capital employed rose to about 21%, from roughly 12% the year before, while working capital days improved to 142 from 159. We ended the year with an order book of about ₹ 1,645 crores, up 23%, giving us strong revenue visibility and reinforcing our confidence in the growth path ahead.

MARGIN EXPANSION AND EXECUTION DISCIPLINE

A key feature of the year was the improvement in profitability alongside growth. The expansion in EBITDA and profit before exceptional items reflects better operating leverage, improved mix, disciplined execution, and tighter working capital management. As we scale, our focus will remain on profitable growth rather than growth for its own sake. This means choosing programmes carefully, investing behind differentiated capabilities, improving productivity through digital and AI-led initiatives, and maintaining discipline in working capital and capital allocation.

This strategic push towards becoming a leader in ISR systems, with a product portfolio spanning radars, electronic warfare, and satellite payloads, is beginning to translate into meaningful business momentum.

Both our Build-to-Spec and EMS businesses delivered a year of strong growth.

BUILD-TO-SPEC: MOVING UP THE VALUE CHAIN

Build-to-Spec Strategic Electronics revenue grew 35% to ₹ 277 crores, and our BTS order book grew 28% to ₹ 864 crores. This growth reflects the benefits of sustained investment in indigenous design, engineering depth, programme management, and high-reliability manufacturing capabilities. BTS is central to our strategy because it moves Centum up the value chain, deepens customer engagement, improves differentiation, and strengthens our position in strategic electronics across defence and space. This strategic push towards becoming a leader in ISR systems, with a product portfolio spanning radars, electronic warfare, and satellite payloads, is beginning to translate into meaningful business momentum.

> We are executing the first development phase now, for which we received a purchase order of ₹ 67 crores; this will, and is expected to be followed by a production phase over the coming years worth well over ₹ 500 crores.

The highlight of the year was the contract award from HAL for the AESA radar programme for the UHM platform. We are executing the first development phase now, for which we received a purchase order of ₹ 67 crores, and is expected to be followed by a production phase over the coming years, worth well over ₹ 500 crores (this is not included in the order book of ₹ 1,645 crores as of FY26). We also won a second complete radar system order for a satellite tracking application and secured our first order for a Tactical Air Navigation system under a new partnership with GRSE. These wins are important not only for their immediate order value, but because they validate our ability to participate in complex, system-level programmes with long execution cycles and significant follow-on potential.

Beyond these, we continued to achieve major milestones in development and production programmes for space-based intelligence payloads, critical subsystems and modules for major radar programmes, and subsystems for land platforms, which we expect to continue driving revenue and orders in the coming years. This remains our highest-margin business.

EMS: SCALING WITH GLOBAL CUSTOMERS

EMS revenue grew 22% to ₹ 696 crores, driven by the ramp-up of deliveries to a large global semiconductor equipment customer. We also secured new business wins in defence exports and industrial electronics, including applications in electrification and grid automation apart from executing a high number of new products. Our EMS strategy is to scale with global customers in areas where quality, reliability, engineering support, and supply-chain responsiveness matter as much as cost. As we move further into semiconductor equipment, defence exports, electrification, and grid automation, we see a significant opportunity to build a more resilient and differentiated EMS business for global customers.

On execution, we made strong progress through the year, completing a record number of successful new product introductions. These NPIs demonstrated our ability to absorb complex programmes, ramp engineering and manufacturing capacity within short timelines, and support customers through demanding qualification cycles. They also give us better visibility into the revenue growth we are targeting in the years ahead.

I am also proud of a few operational achievements from the year because they strengthen the institutional capability behind our growth. We achieved SAMAR Maturity Level 5 certification, placing us among fewer than a handful of Indian companies at the highest maturity level for systems and processes in defence programmes. Our BTS advanced test facility earned NABL accreditation, marking formal recognition of the rigour and reliability of our testing capabilities. And we received EcoVadis certification – a strong milestone on our ESG journey we intend to keep pushing forward.

This year, we have made strong progress on digitalisation, AI, and automation priorities across the organisation. We are putting tools and processes in place aimed squarely at productivity and better outcomes, and I expect this to be one of the quieter, but more important, stories of how we operate in the years ahead.

Looking ahead, we will go deeper into the segments we understand well, while remaining selectively open to new opportunities and adjacencies.

This means more design-led work, new specialist manufacturing capabilities where they genuinely set us apart, and getting closer to our customers earlier in their design cycle. Towards this, we are reorganising our India ER&D Services to work as one team with our EMS business, so that we can present customers with a single, integrated solution for design-led opportunities.

We will focus on capitalising on opportunities in these segments, which present multi-year growth potential, driven by: the clear prioritisation of indigenously designed, developed, and manufactured systems in defence procurement, alongside stringent indigenous content requirements; increased defence spending in Europe and the Middle East, where limited supply chain capacity is opening fresh opportunities for defence and aerospace exports; the broader capex cycle in semiconductor manufacturing, driven by the AI data-centre build-out worldwide; and increased power and grid electrification demand, driven by renewables and data centres.

> Towards this, we are reorganising our India ER&D Services to work as one team with our EMS business, so that we can present customers with a single, integrated solution for design-led opportunities.

CAPITAL ALLOCATION

We invested ₹ 45 crores on capex this past year, the larger part of which went toward upgrading and expanding our EMS capacity for the new products and customers we are growing with. Looking to the year ahead, we expect to moderately increase this spend, with a greater focus on BTS-related capex. We broke ground this year on a new systems-integration facility at Bengaluru's KIADB Aerospace Park, to build the next phase of this capability. We will also be investing significantly in R&D — in high-skilled engineers and programme leaders, as well as in testing infrastructure and software and simulation tools.

BEFORE I CLOSE

None of this happens without the people who show up and do the work, every single day. My sincere thanks to our teams across design, production, quality, and supply chain as well as the Corporate functions – the numbers in this letter are really theirs. I am genuinely excited about what lies ahead for this Company, and grateful for the trust you have placed in us to build it.

Our priorities from here are simple: build on the strength of our India platform, go deeper in the segments where we are genuinely differentiated, and keep converting our order visibility, customer trust, and engineering depth into sustained, profitable growth. The year behind us gives me real confidence – but execution is what will determine the value we create from here, and that is where our focus stays.

Warmly,

Nikhil Mallavarapu
Joint Managing Director,
Centum Electronics Limited

FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS - STANDALONE

(₹ in million)

Statement of Profit & Loss Account	2021-22	2022-23	2023-24	2024-25	2025-26
Total Income	3,538	5,052	6,395	7,827	9,889
Earnings Before Interest Tax Depreciation and Amortisation (EBITDA)[1]	425	537	787	941	1,209
Earnings Before Interest and Tax (EBIT)[2]	318	421	670	812	1,172
Earnings Before Tax (EBT)[2]	172	264	490	617	1,004
Earnings per Share-Basic (₹)	9.13	15.06	28.13	35.14	51.75
Book Value per Share (₹)	205	219	242	380	293

FY'26 Earnings per share-basic before exceptional items

(₹ in million)

Balance Sheet	2021-22	2022-23	2023-24	2024-25	2025-26
PPE, Other Intangible Assets, CWIP and Goodwill	1,112	1,112	1,110	1,167	1,377
Investments	628	763	1,081	1,538	-
Net Assets (Current and Non-Current)[3]	1,885	2,049	2,104	3,841	4,158
	3,625	**3,924**	**4,295**	**6,546**	**5,535**
Share Capital	129	129	129	147	147
Other equity	2,516	2,698	2,995	5,438	4,168
Borrowing[4]	980	1,097	1,171	961	1,220
	3,625	**3,924**	**4,295**	**6,546**	**5,535**

Key Ratios	2021-22	2022-23	2023-24	2024-25	2025-26
EBITDA[1] (% to Revenue from Operations)	12.21%	10.72%	12.44%	12.13%	12.42%
Fixed Assets (No of times)[5]	3.1	4.5	5.7	6.6	7.1
EBT[2] / Revenue from Operations	4.95%	5.27%	7.74%	7.95%	10.32%
Return on Capital Employed (%)[6]	8.97%	11.02%	15.80%	12.49%	21.32%

[1] Excludes exceptional items/finance income/other income

[2] Excludes exceptional items

[3] Total assets excluding property, plant and equipment ("PPE"), Other intangible Assets, Capital work-in-progress ("CWIP"), Goodwill and Investments-Total liabilities excluding Borrowings

[4] Includes Current Matutity of long term borrowings & Interest accrued but not due on borrowings

[5] Revenue from operation/PPE, Other Intangible Assets, CWIP and Goodwill

[6] EBIT excludes exceptional items /(Share capital, Other Equity and Debt less Goodwill, Other intangible assets)

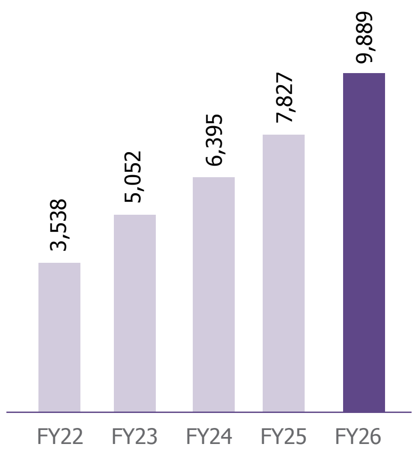
[7] (Current assets-Current liablities excluding short term borrowings)*365/Revenue from operations

[8] Borrowings/Total Equity

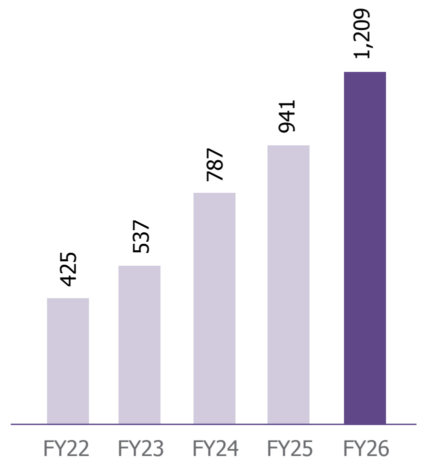
KEY PERFORMANCE INDICATORS

PERFORMANCE THAT SPEAKS FOR ITSELF

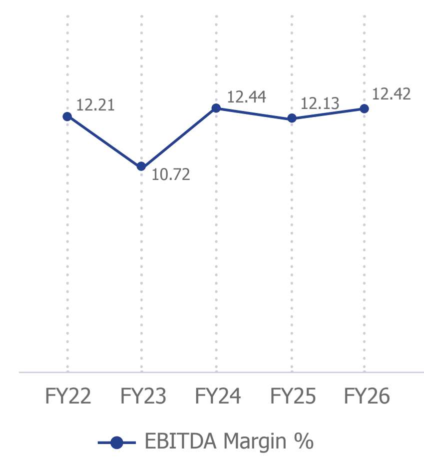
TOTAL INCOME OVERVIEW
(₹ in Mn)



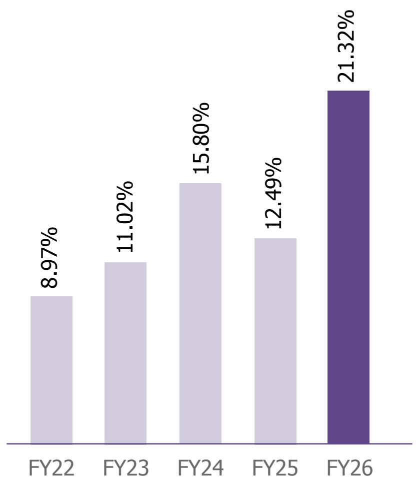
EBITDA
(₹ in Mn)



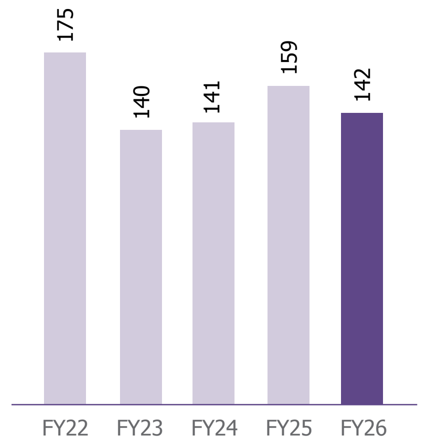
EBITDA MARGIN
(in %)



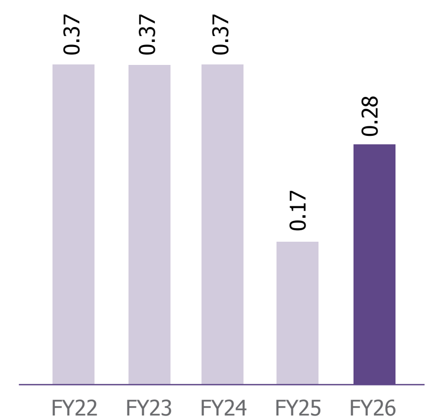
ROCE#
(%)



NET WORKING CAPITAL DAYS#7
(in days)



DEBT TO EQUITY RATIO#8
(no of times)



Adjusted

FINANCIAL HIGHLIGHTS - CONSOLIDATED

(₹ in million)

Statement of Profit & Loss Account	2021-22	2022-23	2023-24	2024-25	2025-26
Total Income	7,880	9,288	10,976	7,469	9,686
Earnings Before Interest Tax Depreciation and Amortization (EBITDA)[1]	742	762	858	989	1,354
Earnings Before Interest and Tax (EBIT)[2]	391	382	474	860	1,318
Earnings Before Tax (EBT)[2]	127	109	128	665	1,148
Earnings per Share-Basic (₹)	(23.7)	7.55	1.36	1.89	(31.62)
Book Value per Share (₹)	158	164	158	275	233

(₹ in million)

Balance Sheet	2021-22	2022-23	2023-24	2024-25	2025-26
PPE, Other Intangible Assets, CWIP, Goodwill and IAUD	2,032	2,015	1,957	1,897	1,377
Investments	73	96	85	1	-
Net Assets (Current and Non-Current)[3]	2,606	2,595	1,818	3,493	4,061
Assets held for sale	-	-	-	-	2,085
	4,711	**4,706**	**3,860**	**5,391**	**7,523**
Share Capital	129	129	129	147	147
Other equity and Non-controlling interest	1,856	1,912	1,838	3,796	3,103
Borrowing[4]	2,726	2,666	1,893	1,448	1,220
Liability directly associated with assets held for sale	-	-	-	-	3,053
	4,711	**4,706**	**3,860**	**5,391**	**7,523**

Key Ratios	2021-22	2022-23	2023-24	2024-25	2025-26
EBITDA[1] (% to Revenue from Operations)	9.5%	8.3%	7.9%	13.4%	14.2%
Fixed Assets (No. of times)[5]	3.9	4.6	5.6	3.9	6.9
EBT[2] / Revenue from Operations	1.63%	1.18%	1.17%	8.98%	12.05%
Return on Capital Employed (%)[6]	10.16%	9.97%	15.61%	18.43%	29.73%

[1] Excludes exceptional item, discontinuing operations, finance income, other income & share of profit / loss from associate

[2] Excludes exceptional item, discontinuing operations & share of profit / loss from associate

[3] Total assets excluding Property plant and eqiupment (PPE), Capital Working-in-progress (CWIP), other Intangible Assets, Intangible Assets under development (IAUD) and Investments

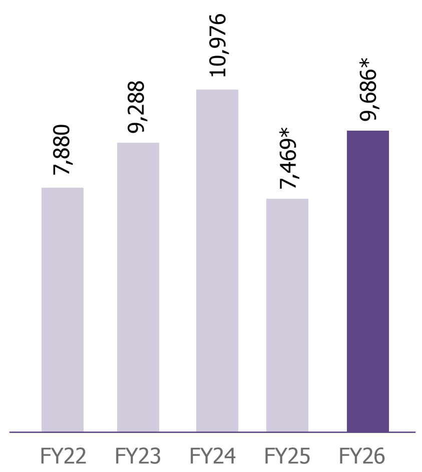
[4] Includes Current Matutity of long term borrowings & Interest accrued but not due on borrowings

[5] Revenue from operation/PPE, Other Intangible Assets, CWIP, Goodwill and IAUD

[6] EBIT/(Share capital, Other Equity, Non-Controlling interest and Debt less Goodwill, Other intangible assets and IAUD)

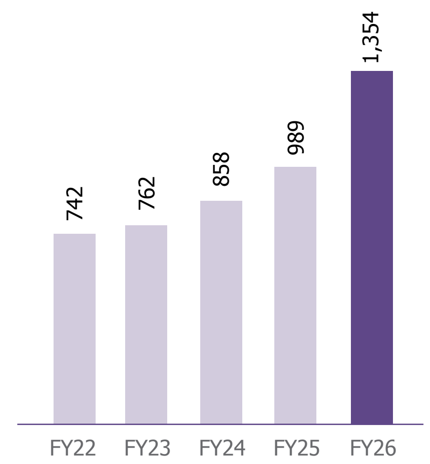
[7] (current assets+assets held for sale-current liabilities excluding borrowings-liabilities held for sale)*365/revenue from operations

TOTAL INCOME OVERVIEW
(₹ in Mn)

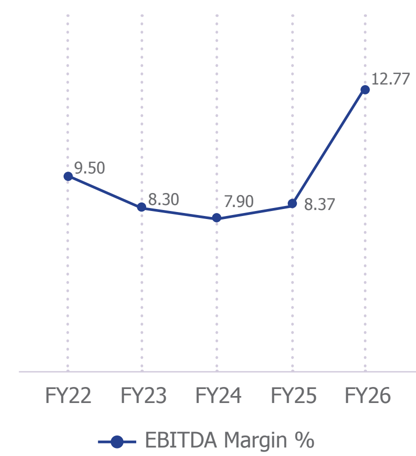


*Excludes Total Income of FY 26: ₹ 3,823 Mn (FY 25: ₹ 4,173 Mn) from discontinued subsidiaries

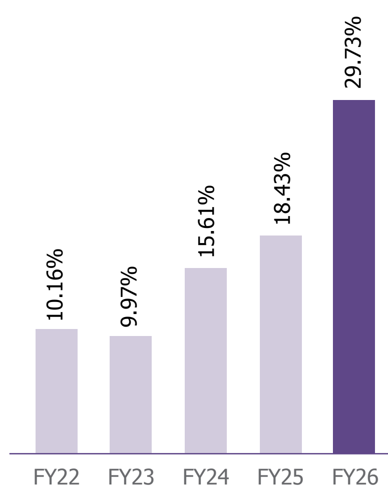
EBITDA
(₹ in Mn)



EBITDA MARGIN
(in %)



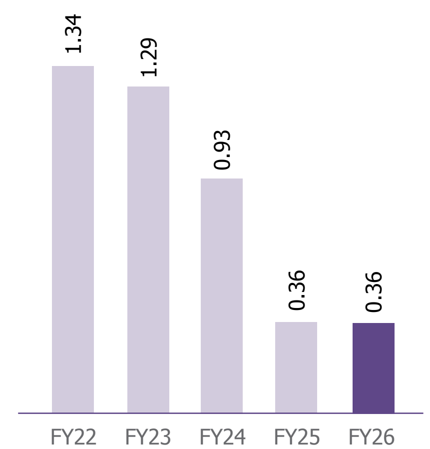
ROCE#
(%)



Adjusted

NET WORKING CAPITAL DAYS#7
(in days)

DEBT TO EQUITY RATIO#8
(no of times)



BUSINESS ACROSS SECTORS

DELIVERING VALUE ACROSS EVERY DOMAIN WE SERVE

DEFENCE, SPACE AND AEROSPACE

Our deepest capabilities and most strategic contributions continue to be in the defence, space, and aerospace domains. This segment remains our largest, reflecting the trust placed in us by national and global institutions for mission-critical systems.

We are a long-standing technology partner to ISRO, DRDO, defence PSUs and leading global aerospace OEMs, delivering high-performance electronic subsystems and integrated solutions for satellites, missiles, tanks, radar platforms, avionics, and cockpit systems. Supported by deep engineering expertise and advanced manufacturing capabilities, we continue to strengthen our position across strategically important programmes while investing in next-generation technologies that reinforce India's self-reliance in critical electronics.

KEY HIGHLIGHTS

54%

of standalone revenue

- Trusted partner to ISRO, DRDO, defence PSUs and global aerospace OEMs
- Expertise across satellites, radar, missile, avionics and defence electronics

INDUSTRIAL AND ENERGY

The Industrial and Energy segment continued to witness strong momentum during FY26. Growth is supported by increasing demand for high-reliability electronics across industrial automation, electrification, semiconductor manufacturing equipment, smart energy infrastructure, and grid modernisation.

Leveraging our advanced manufacturing capabilities and engineering expertise, we partner with leading global and domestic customers to deliver complex, high-precision electronic solutions that support next-generation industrial technologies and critical infrastructure.

KEY HIGHLIGHTS

28%

of standalone revenue

- Solutions spanning industrial automation, semiconductor equipment, smart energy and grid infrastructure
- Strong capabilities in high-reliability manufacturing for complex industrial applications

TRANSPORTATION AND AUTOMOTIVE

We continue to create value in the transportation and automotive ecosystem by delivering advanced electronics and integrated manufacturing solutions for electric mobility and railway applications. Our capabilities span powertrain electronics, battery management systems, high-voltage inverters, motor control solutions, and intelligent passenger information systems that enhance operational efficiency, safety, and commuter experience.

As governments continue investing in sustainable mobility and modern transport infrastructure, we remain well positioned to support the evolving needs of the automotive and railway sectors.

KEY HIGHLIGHTS

11%

of standalone revenue

- Solutions for electric mobility and railway electronics
- Capabilities across powertrain electronics, BMS, HV inverters and passenger information systems

HEALTHCARE

Our engagement in healthcare reflects our commitment to improving lives through reliable, high-performance medical technologies.

We partner with leading healthcare equipment OEMs to design and manufacture high-reliability electronics for radiology, diagnostic imaging, infusion systems, and surgical automation. While this vertical represents a modest share of revenue, it remains an important focus area where precision, quality, and reliability are paramount.

KEY HIGHLIGHTS

7%

of standalone revenue

- Trusted partner to leading global healthcare equipment OEMs
- Expertise across diagnostic imaging, radiology, infusion systems and surgical automation

MANUFACTURING EXCELLENCE

BUILDING THE FACTORY OF THE FUTURE/WHERE DIGITAL INTELLIGENCE MEETS MANUFACTURING EXCELLENCE

At Centum Electronics, manufacturing excellence is driven by continuous innovation, intelligent automation, and digital transformation. During FY 2025-26, we accelerated our Industry 4.0 journey by integrating artificial intelligence, advanced digital technologies, automation, and smart manufacturing practices across our operations. These initiatives are strengthening productivity, quality, traceability, and operational agility while creating a connected manufacturing ecosystem capable of supporting complex, high-reliability electronics.

INTELLIGENT MANUFACTURING POWERED BY AI

Artificial Intelligence is increasingly becoming an integral part of our manufacturing ecosystem. During the year, we expanded AI adoption across manufacturing and enterprise operations to enhance production planning, predictive maintenance, operational analytics, and quality management.

AI-enabled capabilities now support predictive analytics, anomaly detection, production scheduling, and decision support, helping improve first-pass yield, reduce rework, optimise maintenance activities, and enhance overall manufacturing efficiency.

A key milestone was the introduction of Centum NexusAI, our internally developed enterprise AI platform that enables users to analyse manufacturing, quality, ERP, and operational data through natural language queries, providing faster insights and enabling more informed decision-making across the organisation.

ACCELERATING DIGITAL TRANSFORMATION

We continued to expand our digital manufacturing ecosystem through the adoption of paperless processes, intelligent workflows, and connected business applications.

Digital work instructions, electronic quality records, automated approval workflows, online compliance monitoring, and digital shop-floor documentation have significantly improved governance, process visibility, and operational efficiency. During the year, more than 300 digital enhancements, including dashboards, reports, applications, validations, and workflow solutions, were deployed to streamline manufacturing and business operations.

Digitalisation initiatives also extended to quality management through automated MRB and NCR workflows, remote monitoring of critical manufacturing infrastructure, and business process automation that reduced manual intervention while improving responsiveness and traceability.

DRIVING PRODUCTIVITY THROUGH SMART AUTOMATION

Automation continues to play a pivotal role in improving manufacturing consistency and operational performance. During FY 2025-26, Centum expanded automation across production, quality, engineering, and supply chain processes.

Key initiatives included automated environmental control systems for clean rooms, wire cutting and stripping automation, automated testing solutions, intelligent reporting systems, and workflow automation across multiple business functions. Internally developed applications further streamlined engineering change management, compliance tracking, first-piece inspection, supplier collaboration, and process issue management, reducing administrative effort while accelerating execution.

BUILDING A CONNECTED INDUSTRY 4.0 ECOSYSTEM

Centum's manufacturing operations are supported by a robust digital backbone comprising Infor LN ERP and the Company's proprietary Sigma Manufacturing Execution System (MES). Together, these platforms provide end-to-end visibility across manufacturing operations, enabling real-time production planning, inventory management, operator and component traceability, quality control, equipment effectiveness monitoring, and operational analytics.

Advanced dashboards, business intelligence tools, and integrated reporting solutions enable data-driven decision-making across the manufacturing value chain, strengthening operational control while supporting continuous improvement initiatives.

As part of its long-term smart factory roadmap, the Company continues to evaluate and deploy next-generation technologies, including collaborative robots (cobots), AI-powered inspection systems, predictive maintenance, digital twins, and intelligent process optimisation to further enhance manufacturing capabilities.

INVESTING IN FUTURE-READY MANUFACTURING

Centum continued to invest in technologies that will strengthen long-term manufacturing competitiveness, including enterprise AI platforms, Microsoft Copilot, cloud-based digital infrastructure, advanced analytics, cybersecurity, workflow automation, and next-generation ERP capabilities.

These investments are laying the foundation for a highly connected, intelligent manufacturing environment that is scalable, resilient, and aligned with the evolving needs of customers operating in mission-critical industries.

DELIVERING MEASURABLE OPERATIONAL IMPACT

Our digital transformation initiatives are delivering tangible improvements across manufacturing operations by enhancing quality management, increasing traceability, strengthening automation, reducing manual effort, improving operational visibility, and enabling faster, data-driven decision-making.

By integrating advanced technologies with deep engineering expertise, Centum is building a future-ready manufacturing ecosystem that supports innovation, operational excellence, and sustainable long-term growth.

BUSINESS MODEL

VALUE CREATION, END-TO-END A FLEXIBLE ENGAGEMENT MODEL

Our business model is built around a single, enduring principle delivering integrated, end-to-end electronics solutions to the world's most demanding customers, across the full product lifecycle. We do this through a flexible engagement model – from pure manufacturing services for global OEMs to fully integrated design-and-build partnerships for domestic defence and space customers, allowing us to meet each customer at the point of need, without compromising on the depth of our engagement. From early-stage design through manufacturing, testing, and lifecycle support, we create value at every stage of the journey.

CUSTOMER VALUE PROPOSITION

We serve customers across four high-growth, high-reliability sectors, offering solutions that are deeply embedded in their most critical programmes:

Defence, Space and Aerospace - We deliver systems, radar subsystems, missile control and guidance electronics, electronic warfare payloads, satellite subsystems, earth observation systems, and small satellite payload integration, solutions where precision and reliability are absolute requirements.

Transportation - We design and manufacture Public Address and Intercom systems and Passenger Information Systems for railway applications, enhancing operational efficiency and passenger experience across metro and rail networks.

Industrial and Energy - We serve customers in smart energy, grid automation, semiconductor equipment, and industrial measurement and control, sectors undergoing rapid transformation driven by electrification and automation.

Healthcare - We manufacture high-reliability electronics for diagnostic and medical imaging applications, including digital X-ray systems and point-of-care diagnostic devices.

PROFIT FORMULA

Our ability to generate sustainable, growing returns is anchored in four structural advantages:

Vertical Integration across the ER&D–EMS–BTS value chain gives us cost and time advantages that are difficult for single-vertical players to match. By controlling the full journey from design to deployment, we eliminate handoff inefficiencies and retain value at every stage.

High Entry Barriers across our chosen sectors, Aerospace, Defence, and Space, mean that our certifications, qualifications, and programme histories are competitive moats that take years, if not decades, to replicate. This translates directly into reduced competition, long-term programme relationships, and sustained profitability.

Customer Centricity is embedded in how we engage. As a single-source supplier for approximately 80% of our manufactured products, with average customer relationships spanning 10 to 15 years, our model drives high retention, deep integration, and natural opportunities to grow wallet share over time.

India Cost Base with Global Client Access gives us a structural margin advantage, combining the engineering depth and cost competitiveness of our India operations with revenues denominated in the currencies of advanced economies.

KEY RESOURCES

Human Capital - Our workforce of approximately ~1,500 employees is our most significant competitive asset. Our engineering talent spans multidisciplinary capabilities across RF, Digital, Power, and Software domains.

Technology Backbone - Our facilities are equipped with advanced SMT lines, cleanrooms, and automated inspection systems. We hold certifications across ISO and AS9100 standards, and our SAMAR Maturity Level 5 certification, among the highest held by any Indian electronics company, enables participation in the full spectrum of defence programme categories.

Intellectual Property - With 17 patents and over 125 publications, our innovation engine is active and productive. Our IP is developed in close collaboration with OEM partners, creating proprietary advantages that deepen customer relationships and raise switching costs.

Manufacturing Excellence and Global Supply Chain - Our manufacturing footprint spans multiple facilities equipped to handle high-mix, high-reliability production at scale, backed by a resilient, well-diversified supply chain that ensures continuity of critical components even amid global disruptions. This combination of manufacturing depth and supply chain resilience allows us to consistently meet the stringent quality and delivery timelines demanded by our customers' most critical programmes.

KEY PROCESS

Customer Engagement - We offer flexible engagement models tailored to the specific requirements of each programme, from pure manufacturing services for global OEMs to fully integrated design-and-build partnerships for domestic defence and space customers. This flexibility allows us to serve a diverse customer base without compromising on the depth of our engagement.

Design, Manufacture, and Sell (BTS) - For select programmes, we take on complete ownership of the value chain – designing the product, manufacturing it at scale, and delivering it directly to end customers. This Build-to-Specification approach allows us to move beyond a pure services relationship, deepening our stake in the customer's outcome and creating a more integrated, higher-value partnership.

Customer-Led Design (EMS) - For customers who bring their own product designs to us, we focus on translating that design into a manufacturable, reliable, and scalable product. Our engineering and manufacturing teams work closely with the customer's design intent, ensuring the final product meets exacting quality and performance standards without compromising on the customer's original specifications.

Supply Chain - Our supply chain strategy is built for resilience and reliability, combining long-standing relationships with a diversified base of global and domestic suppliers. This allows us to secure critical components even during periods of global supply constraints, ensuring we meet our delivery commitments to customers without disruption.

OUR STRATEGY

BUILDING SUSTAINABLE GROWTH THROUGH FOCUSSED EXECUTION

At Centum, our strategy is centred on creating long-term value by strengthening our position in high-reliability electronics. As technology transforms industries and demand for indigenous, mission-critical solutions continues to grow, we remain focussed on four strategic priorities that will shape our next phase of growth, expanding across high-growth markets, deepening customer partnerships, advancing our technology and manufacturing capabilities, and driving operational excellence.

EXPANDING ACROSS HIGH-GROWTH MARKETS

We continue to see significant opportunities across the sectors we serve, supported by favourable long-term structural trends and increasing demand for high-reliability electronics.

Our focus remains on strengthening our presence across Defence, Space, Aerospace, Industrial, Energy, Transportation, and Healthcare by expanding our capabilities, increasing participation in complex programmes, and supporting customers with advanced electronics and integrated manufacturing solutions. As governments and industries continue to invest in modernisation, digital infrastructure, energy transition, mobility, and national security, we are well positioned to address evolving customer requirements through our differentiated engineering and manufacturing capabilities.

By leveraging our domain expertise and integrated Electronics System Design and Manufacturing (ESDM) capabilities, we aim to deepen our participation across existing markets while selectively expanding into adjacent high-value opportunities.

DEEPENING STRATEGIC CUSTOMER RELATIONSHIPS

Long-term customer relationships remain central to our growth strategy. We continue to strengthen our engagement with global OEMs, government organisations, and technology leaders by delivering consistent quality, engineering excellence, and reliable execution.

Our customer expansion strategy is focussed on increasing wallet share with existing customers, adding strategic accounts that complement our technology capabilities, expanding our presence across domestic and international markets, and building long-term partnerships that create sustained value for both our customers and the Company.

This approach enables us to diversify our customer portfolio while strengthening our position as a trusted partner for high-reliability electronics.

ADVANCING TECHNOLOGY AND MANUFACTURING LEADERSHIP

Innovation remains a key differentiator for Centum. We continue to invest in advanced technologies, digital manufacturing, automation, artificial intelligence, and Industry 4.0 initiatives to enhance productivity, quality, traceability, and manufacturing agility.

By integrating digital technologies across engineering, manufacturing, quality, and supply chain operations, we are building a connected manufacturing ecosystem that supports faster decision-making, improved operational visibility, and greater responsiveness to customer requirements.

Alongside technology investments, we continue to strengthen our design, engineering, and manufacturing capabilities to deliver increasingly complex, high-value solutions while maintaining the highest standards of quality and reliability.

DRIVING OPERATIONAL EXCELLENCE

Operational excellence remains fundamental to delivering sustainable and profitable growth. We continue to improve productivity through process optimisation, lean manufacturing, digital workflows, and disciplined execution across the value chain.

Our integrated approach to engineering, manufacturing, and supply chain management enables greater scalability, improved resource utilisation, shorter turnaround times, and enhanced delivery performance. At the same time, we remain focussed on strengthening quality systems, optimising costs, and improving operational efficiency to support sustainable margin expansion while continuing to deliver exceptional value to our customers.

Through disciplined execution, continuous improvement, and strategic investments in people, technology, and manufacturing capabilities, we are building a resilient organisation that is well positioned to capitalise on future opportunities and create long-term value for all stakeholders.

ENVIRONMENTAL

EVERY WATT, EVERY DROP, EVERY TONNE COUNTS

We continued to strengthen our renewable energy footprint in FY 2025-26, with green power sourced from solar and wind accounting for approximately 90% of our total energy consumption. Our continued reliance on open-access power agreements has helped us sustain a significantly lower carbon footprint. This sustained trajectory reflects our long-term commitment to our climate accountability goals.

IMPROVING ENERGY EFFICIENCY THROUGH INNOVATION

We continue to embed energy-efficient technologies across our facilities, building on measures such as Variable Frequency Drives (VFDs) on air handling units, sensor-based automation for nitrogen gas usage, and temperature control systems for enhanced HVAC efficiency. In recognition of these efforts, we were awarded the "SEEM Platinum Award", elevating our sustainability standing to Platinum, and were recognised by the CII as an "Energy Efficient Unit," reinforcing our commitment to best-in-class energy management practices and continuous improvement through industry benchmarking. Together with thermography-guided electrical maintenance, these measures continue to help us drive down energy intensity across our facilities.

REDUCING GREENHOUSE GAS EMISSIONS

We have continued our efforts to lower both direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions. Our total emissions across these categories stood at 1,701 tCO_2e in FY 2025-26. Having begun reporting on Scope 3 emissions previously, we are actively working toward expanding our Scope 3 reporting to include all relevant categories, in line with our commitment to comprehensive climate accountability.

ENHANCING WATER CONSERVATION AND CIRCULAR USE

Water management remains a critical focus area for us. Our in-house sewage treatment and water recirculation system, with re-treated water reused for landscaping, continues to reduce our dependence on fresh groundwater. Our digitised water monitoring system remains central to real-time tracking and operational control.

RESPONSIBLE AIR EMISSION MANAGEMENT

We have continued monthly monitoring of emissions such as NOx, SOx, and particulate matter, through assessments conducted by NABL and MoEF-approved laboratories. We have maintained compliance well within prescribed thresholds for air pollutants. Our sensor-based emission control mechanisms continue to help reduce nitrogen and helium gas leakage from machines, mitigating adverse ecological impact.

SUSTAINABLE WASTE MANAGEMENT PRACTICES

We continue to apply the 3R approach - Reduce, Recover, and Reuse, across our departments to curb hazardous and non-hazardous waste generation. We continue to reuse recovered solder waste in our production processes, while segregating non-hazardous materials such as paper and corrugated boxes for recycling. Hazardous materials continue to be collected, stored, and disposed off strictly through certified vendors in adherence to environmental regulations.

Reinforcing this culture of environmental responsibility beyond our facilities, we partnered with Hasiru Dala to conduct a cleanliness drive, strengthening employee awareness on sustainability, waste management, and environmental responsibility.

Consistent with our ESG objectives, all incinerable hazardous waste is diverted from landfill and co-processed as Alternative Fuel Recovery (AFR) in cement kilns through authorised vendors, enabling resource recovery and sustainable waste management.

CREATING A RESILIENT AND COMPLIANT ECOSYSTEM

We continue to comply with all applicable Indian environmental laws, including the Water Act, Air Act, and Environment Protection Act. Our integrated environmental strategy continues to be complemented by our robust Business Continuity Plan (BCP), ensuring our resilience against ecological disruptions and disasters.

HIGHLIGHTS

90%
of Our Total Energy Sourced from Renewables (Wind and Solar)

CO_2
40 tonnes of CO_2 emissions

13.95 tonnes
of Waste Recycled or Reused

No operations
in Ecologically Sensitive Zones; Full Compliant with Environmental Laws

Drop in Nitrogen and Helium Emissions through Sensor-Based Controls

In-house Reuse
of Treated Wastewater for Landscape Maintenance

EcoVadis
"Committed" Badge - Recognised for Environment, Labour & Human Rights, Ethics, and Sustainable Procurement

COMMITTED
ecovadis
Sustainability Rating
DEC 2025

SOCIAL - EMPLOYEES

PEOPLE WHO POWER POSSIBILITY

Our people are the foundation of our innovation, operational excellence, and long-term growth. We are committed to building an agile, inclusive, and future-ready workforce by investing in talent, strengthening leadership, embracing digital HR practices, and fostering a culture where every individual has the opportunity to learn, contribute, and thrive.

ATTRACTING AND RETAINING HIGH-QUALITY TALENT

Building a strong and resilient workforce begins with attracting the right talent and creating an environment where people choose to grow with us. We continue to strengthen our talent acquisition and retention practices through market-aligned compensation, structured career opportunities, and an employee-centric workplace culture. We also continued to benchmark our compensation practices against industry standards, ensuring they remain competitive and performance-oriented.

Supported by a transparent grievance redressal mechanism, an open communication culture, and a multi-channel recruitment strategy, we remain focussed on attracting specialised talent while strengthening employee engagement and long-term retention.

DEVELOPING LEADERS FOR TOMORROW

Our leadership development framework focusses on identifying high-potential employees and equipping them with the skills, experiences, and perspectives required to lead increasingly complex businesses and technologies.

26 managers participated in a customised leadership development programme designed to accelerate their professional growth. Alongside structured learning interventions, mentoring, coaching, and experiential development continue to strengthen leadership capabilities, encourage cross-functional collaboration, and empower managers to drive faster, more informed decision-making.

In FY 2026-27, these managers will go through further development programs. We are also training nearly 60 managers on people management skills.

LEARNING, DEVELOPMENT AND KNOWLEDGE-SHARING

Continuous learning remains integral to our culture. We continue to invest in structured learning programmes that strengthen technical expertise, functional capabilities, and behavioural competencies, ensuring our workforce remains equipped to meet evolving business and customer requirements.

During the year, every employee completed a minimum of 3.5 days of structured learning. Beyond formal training, knowledge-sharing continues to thrive through expert-led technical sessions, peer learning, and collaborative forums that encourage the exchange of ideas and best practices.

Our structured onboarding programme helped new employees and graduate engineers transition seamlessly into the organisation through comprehensive technical, organisational, and cultural orientation.

ADVANCING DIGITAL HR

Digital transformation remains central to enhancing the employee experience and improving organisational efficiency. Building on our integrated HR platform, we continue to simplify processes, improve accessibility, and enable employees and managers to complete routine HR activities through intuitive digital workflows. These initiatives have strengthened process efficiency, improved data visibility, and enhanced the overall employee experience across the organisation.

BUILDING A CULTURE OF ENGAGEMENT, WELL-BEING, AND BELONGING

Beyond structured HR programmes, we continue to invest in initiatives that strengthen employee well-being, foster inclusivity, and build a stronger sense of community across the organisation.

During the year, our employee engagement score improved by 20% from the previous year.

EMPLOYEE WELL-BEING

SPORTS & ACTIVE LIVING

Inaugurated in-house sports facilities, including badminton, table tennis, carrom, and chess, fostering employee well-being, engagement, teamwork, and a culture of healthy recreation.

ACTIVE LIFESTYLES BEYOND THE WORKPLACE

Proudly participated in the TCS World 10K Marathon, reinforcing our commitment to social impact through contributions to proVISION ASIA, an NGO dedicated to promoting inclusion and empowering differently abled individuals.

WOMEN'S DAY CELEBRATIONS

We observed International Women's Day with week-long activities and a culminating event featuring distinguished speakers, fostering inspiration, inclusivity, and recognition of women's contributions across the organisation.

GIVING BACK TOGETHER

We organised a successful blood donation drive in collaboration with Rashtrotthana Blood Centre, reflecting our commitment to community welfare and to supporting children requiring regular transfusions. Teams also continue to contribute to cleanliness and sustainability drives around our facilities.

SOCIAL - CSR & COMMUNITIES

CREATING IMPACT BEYOND OUR WALLS

Our commitment to social responsibility extends beyond our operations, into the communities we operate in. We continue to partner with organisations that share our values, supporting causes ranging from healthcare and inclusion to community welfare.

SUPPORTING HEALTHCARE FOR VULNERABLE COMMUNITIES

We conducted a Christmas donation drive in collaboration with Mission Possible – 3E Foundation, contributing clothes, toys, and dental kits to support cancer patients at Kidwai Memorial Institute of Oncology.

FOSTERING AN INCLUSIVE ENVIRONMENT FOR DIFFERENTLY ABLED PEOPLE

We continued our long-standing CSR partnership with proVISION ASIA, supporting inclusion initiatives for differently abled individuals.

YEAR OF MILESTONES

MOMENTS WORTH REMEMBERING

METRO & RAIL MILESTONES

Successfully demonstrated the Passenger Information System Media Application and completed a knowledge transfer session at the CMRL Metro Depot, showcasing real-time validation and operational-readiness.

Marked a key milestone with the entry of DMRC RS 17 into revenue service, reflecting Centum's capabilities in railway electronics and contribution to India's urban mobility ecosystem.

STRATEGIC STAKEHOLDER ENGAGEMENTS

Hosted the CMD of Hindustan Aeronautics Limited for a strategic interaction on advancing indigenous design capabilities in high-reliability airborne electronics.

Hosted a delegation of Indian Air Force officers, showcasing Centum's capabilities in high-reliability defence and aerospace electronics.

Hosted the 2024 batch of the Indian Defence Accounts Service (IDAS), showcasing Centum's capabilities and engagement with key defence stakeholders.

STRATEGIC PARTNERSHIPS

Entered into a strategic partnership with Indra Group to develop and manufacture advanced air navigation systems for the Indian Navy, supporting indigenous defence capability.

Entered into an MoU with Garden Reach Shipbuilders & Engineers Ltd. to co-develop advanced naval navigation systems, strengthening indigenous defence capabilities.

Entered into an MoU with Bharat Electronics Limited to co-develop and manufacture advanced defence electronic systems across key technology domains.

INNOVATION & CAPABILITY BUILDING

Secured its 17^{th} patent, reinforcing Centum's leadership in innovation and commitment to advancing next-generation electronic systems.

Commissioned an advanced SMT line featuring high-precision printing, 3D AOI inspection, and high-speed placement systems, strengthening capabilities in delivering complex, high-reliability electronic assemblies with improved efficiency and quality.

Commenced construction of a new strategic electronics facility at Devanahalli Aerospace Park to enhance capabilities across defence, aerospace, and space segments.

QUALITY & INDUSTRY RECOGNITION

Received NABL accreditation for its testing facility, demonstrating adherence to globally recognised ISO/IEC 17025 standards, strengthening in-house testing capabilities and supporting improved quality, efficiency, and customer confidence.

Secured SAMAR Rating Level 5, the highest recognition from QCI, validating Centum's world-class manufacturing practices, governance, and continuous improvement, and reinforcing its role in advancing indigenous defence and aerospace capabilities.

Awarded the Export Performance Award at ELCINA's 50^{th} Year Celebrations, acknowledging Centum's strong presence in international markets and reinforcing its commitment to quality, customer focus, and export excellence.

Centum leadership was recognised at the ASI Awards, with its CMD conferred Distinguished Fellow and CTO receiving the ASI Award for Spacecraft Technology.

INDUSTRY LEADERSHIP & ADVOCACY

Representing industry leadership, Centum's CMD addressed the International Conference on Space 2025, highlighting India's growing capabilities in space technology and innovation and underscoring Centum's role in supporting the nation's space ecosystem through indigenous solutions.

Participated in AERONAUTICS 2047 – TEJAS 25, marking 25 years of the LCA Tejas, and reaffirming Centum's commitment to India's aerospace and defence ecosystem.

GOVERNANCE

THE MINDS THAT SHAPE OUR DIRECTION

BOARD OF DIRECTORS

Mallavarapu Venkata Apparao

Chairman and Managing Director

Mr. Apparao founded Centum Electronics in 1993 and has since led the Company's transformation into one of India's foremost electronics design and manufacturing enterprises. Under his stewardship, Centum has successfully established and managed joint ventures with several global multinationals. He holds a Bachelor's degree in Mechanical Engineering from Bangalore University and a Master's degree from Dalhousie University, Canada. He has completed the Harvard Business School Presidential Program and is a Ford Foundation scholar. He currently serves as Chairman of the CII National Committee on Space and Convenor of the CII Karnataka Panel on Technology for 2025-26. He is the Honorary Consul of the Federative Republic of Brazil in Bengaluru.

Nikhil Mallavarapu

Joint Managing Director

Mr. Nikhil Mallavarapu has been associated with Centum since August 2012, bringing with him a strong foundation in electronics and business strategy. Prior to joining Centum, he worked with Analog Devices in the MEMS sensors division. He holds Master's and Bachelor's degrees in Electrical and Computer Engineering from Carnegie Mellon University, USA and an MBA from INSEAD, France.

He is also an active member of the Young Presidents' Organisation (YPO), engaging with top executives and entrepreneurs worldwide. And he is on the executive council of SIDM (Society of Indian Defence Manufacturers) and serving as its Co-Chair of International and Export Committee. And he is also the Convenor of the CII Karnataka Emerging Technologies Panel for the year 2026-27.

V Kavitha Dutt

Independent Director

Ms. V Kavitha Dutt is the Joint Managing Director of The KCP Ltd., an 85-year-old diversified business group with interests spanning cement, heavy engineering, sugar, power generation, and hospitality. She brings extensive experience across industry and public affairs, having served as Chairperson of the FICCI Tamil Nadu State Council, President of the Madras Management Association, National President of FICCI-FLO, and Vice Chairperson of SCWEC-India.

Tanya Mallavarapu

Non-Executive Director

Ms. Tanya Mallavarapu is the founder of TMR Design Co. LLP, a cross-disciplinary design firm focussed on innovation and functionality across healthcare, residential, commercial, and hospitality sectors. Earlier, she served as a marketing executive in global luxury retail and as a business analyst at Intuit. She holds a Master's degree in Economics from Duke University and a Bachelor's degree in Business Administration from the University of Southern California.

Tarun Sawhney

Independent Director

Mr. Tarun Sawhney is the Vice Chairman and Managing Director of Triveni Engineering and Industries Ltd (TEIL), one of India's largest integrated sugar, bioenergy, and ethanol manufacturers, and a Director of Triveni Turbine Limited. He has served as President of the Indian Sugar Mills Association and currently holds leadership positions within CII, including Chairman of the Agricultural Council and Co-Chairman of the National Committee on Bioenergy. He holds an MBA from The Wharton School, University of Pennsylvania, and a Master's degree from Emmanuel College, University of Cambridge.

Udayant Malhoutra

Independent Director (w.e.f. May 22, 2025)

Dr. Udayant Malhoutra is the CEO and Managing Director of Dynamatic Technologies Limited, a world-class design, engineering, and manufacturing company serving marquee global customers including Airbus, Boeing, BMW, and Daimler. He has been associated with Dynamatic Technologies for over three decades. He is a member of the CII National Council and Chairs the CII National Committee on Design. He has also served on the Board of Governors of IIT Kanpur and holds an honorary Doctorate in Engineering and Technology from the University of Engineering and Management, Kolkata.

Apurva Chandra, IAS (Retd.)

Independent Director (w.e.f. December 19, 2025)

Mr. Apurva Chandra is a distinguished retd. IAS officer of the 1988 Maharashtra cadre with over 36 years of experience in public administration and policy. He has held senior positions including Secretary in the Ministries of Health and Family Welfare, Information and Broadcasting, and Labour and Employment, and served as Director General (Acquisition) in the Ministry of Defence. An alumnus of IIT Delhi, he holds a Bachelor's degree in Civil Engineering, a Master's degree in Structural Engineering, and a Diploma in Business Finance from the Institute of Chartered Financial Analysts of India.

BOARD OF DIRECTORS

Ramesh Ramadurai
Independent Director (w.e.f. February 14, 2026)

Mr. Ramesh Ramadurai brings over 30 years of global leadership experience at 3M, having lived and worked across the US, Philippines, and China. He recently served as Managing Director of 3M India. He holds a Bachelor's degree in Chemical Engineering from IIT Kanpur and an MBA from IIM Calcutta, and has held leadership roles within CII and the US-India Business Council.

Manoj Nagrath
Independent Director (till August 6, 2025)

Mr. Manoj Nagrath is a seasoned Chartered Accountant with over four decades of experience spanning direct taxation, assurance, corporate advisory, and arbitration. He is the Managing Partner of S.P. Nagrath and Co. LLP, a multidisciplinary practice with over 70 years of legacy serving Indian and multinational clients.

Rajiv Chandrakant Mody
Independent Director (till August 6, 2025)

Mr. Rajiv C Mody is the Founder, Chairman, Managing Director and CEO of Sasken Technologies Ltd., a global leader in product engineering and digital transformation services. Prior to founding Sasken, he held positions at AMD, Seattle Tech Inc., and VLSI Technology Inc. He has served as an Executive Council Member of NASSCOM and is a member of the Harvard Business School South Asia Advisory Board.

Thiruvengadam Parthasarathi
Independent Director (till December 27, 2025)

Mr. Thiruvengadam Parthasarathi served as National Director at Deloitte Touche Tohmatsu India, leading the HR transformation practice. He brings over 40 years of global experience in management consulting, with expertise across HR strategy, business process improvement, and strategic planning. He is a Cost Accountant from the Institute of Cost Accountants of India and a graduate of IIT Madras.

SENIOR LEADERSHIP

Sundararajan Parthasarathy
Chief Financial Officer

Jagadish Singh
President - EMS Business Unit

Vinod Chippalkatti
Chief Technology Officer

Sandhya Thyagarajan
Vice President - Strategic Electronics Business Unit

Vishwanath Mudegowdara
President - Engineering and DLM Solutions

Arun Sonar
General Manager - Operations, EMS Business Unit

Capt R Venkatasubramanian
General Manager - Sales & Business Development, Strategic Electronics Business Unit

Nandakishore Vempati
General Manager – Human Resources

AWARDS

LEADING WITH EXCELLENCE

Recognised with "SEEM Platinum Awards" and elevated to Platinum in sustainability, highlighting Centum's commitment to energy excellence and its continued pursuit of higher benchmarks.

BTS AND EMS AWARD

Received Platinum Award in Sustainability for Corporate Business Houses

BTS Received Platinum Award for Energy Management

EMS Received Platinum Award for Energy Management

Received NABL accreditation for its testing facility, demonstrating adherence to globally recognised ISO/IEC 17025 standards. This milestone strengthens Centum's in-house testing capabilities and supports improved quality, efficiency, and customer confidence.

Centum leadership was recognised at the ASI Awards, with its CMD conferred Distinguished Fellow and CTO receiving the ASI Award for Spacecraft Technology.

Awarded the Export Performance Award at ELCINA's 50th Year Celebrations, acknowledging Centum's strong presence in international markets. The accolade reinforces its commitment to quality, customer focus, and export excellence.

Award Received from CII for the "Energy Efficient Unit"

Recognised by CII as an "Energy Efficient Unit," reinforcing Centum's commitment to best-in-class energy management practices and continuous improvement through industry benchmarking.

Secured SAMAR Rating Level 5, the highest recognition from QCI, validating Centum's world-class manufacturing practices, governance, and continuous improvement. The achievement reinforces its role in advancing indigenous defence and aerospace capabilities.

Secured its 17th patent, reinforcing Centum's leadership in innovation and commitment to advancing next-generation electronic systems.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Mallavarapu Venkata Apparao
Chairman & Managing Director

Mr. Nikhil Mallavarapu
Joint Managing Director

Ms. Tanya Mallavarapu
Non-Executive Director

Ms. V Kavitha Dutt
Independent Director

Mr. Tarun Sawhney
Independent Director

Dr. Udayant Malhoutra
Independent Director (w.e.f. May 22, 2025)

Mr. Apurva Chandra
Independent Director
(w.e.f. December 19, 2025)

Mr. Ramesh Ramadurai
Independent Director
(w.e.f. February 14, 2026)

Mr. Manoj Nagrath
Independent Director
(till August 6, 2025)

Mr. Rajiv Chandrakant Mody
Independent Director
(till August 6, 2025)

Mr. Thiruvengadam Parthasarathi
Independent Director
(till December 27, 2025)

CHIEF FINANCIAL OFFICER

Mr. Sundararajan Parthasarathy
(w.e.f. September 1, 2025)

Mr. K S Desikan
(till August 31, 2025)

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Indu H S

INTERNAL AUDITORS

KPMG Assurance and Consulting Services LLP
Embassy Golf Links Business Park,
Pebble Beach, B Block, 1st and 2nd Floor,
Off Intermediate Ring Road,
Bengaluru - 560 071

COST AUDITORS

K.S. Kamalakara & Co.,
Cost Accountants
#999/30, "Nithya Mansion", 1st Floor,
1st Main, 4th Cross, Vijayanagar,
Bengaluru - 560 040

SECRETARIAL AUDITORS

K Rajshekar
Aarthi G Krishna
Company Secretaries,
No. 328/B, 1st Floor, 5th Main, 14th Cross,
Sadashivanagar, Bengaluru – 560 080

STATUTORY AUDITORS

S.R. Batliboi & Associates LLP
Chartered Accountants,
UB City, Canberra Block, 12th & 13th Floor,
No.24, Vittal Mallya Road,
Bengaluru – 560 001

AUDIT COMMITTEE

Mr. Tarun Sawhney
Chairman (from December 28, 2025);
Member (from May 23, 2025 to December 27, 2025)

Mr. Mallavarapu Venkata Apparao
Member

Ms. V Kavitha Dutt
Member (from May 23, 2025)

Mr. Manoj Nagrath
Chairman (till August 6, 2025)

Mr. Thiruvengadam Parthasarathi
Member (till August 6, 2025);
Chairman (from August 7, 2025 to December 27, 2025)

NOMINATION & REMUNERATION COMMITTEE

Ms. V Kavitha Dutt
Chairperson (from August 7, 2025);
Member (till August 6, 2025)

Mr. Tarun Sawhney
Member (from May 23, 2025)

Mr. Mallavarapu Venkata Apparao
Member

Dr. Udayant Malhoutra
Member (from May 23, 2025)

Mr. Manoj Nagrath
Chairman (till August 6, 2025)

Mr. Rajiv Chandrakant Mody
Member (till August 6, 2025)

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Dr. Udayant Malhoutra
Chairman (from August 7, 2025)
Member (from May 23, 2025 to August 6, 2025);

Mr. Nikhil Mallavarapu
Member

Ms. Tanya Mallavarapu
Member

Mr. Manoj Nagrath
Chairman (till August 6, 2025)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ms. Tanya Mallavarapu
Chairperson (from December 28, 2025)
Member (till December 27, 2025)

Ms. V Kavitha Dutt
Member

Mr. Nikhil Mallavarapu
Member (from May 23, 2025)

Mr. Thiruvengadam Parthasarathi
Chairman (till December 27, 2025)

RISK MANAGEMENT COMMITTEE

Mr. Nikhil Mallavarapu
Chairman (from December 28, 2025)
Member (till December 27, 2025);

Dr. Udayant Malhoutra
Member (from December 28, 2025)

Ms. Tanya Mallavarapu
Member (from September 1, 2025)

Mr. Sundararajan Parthasarathy
Member (from September 1, 2025)

Mr. Thiruvengadam Parthasarathi
Chairman (till December 27, 2025)

Mr. K S Desikan
Member (till August 31, 2025)

REGISTERED & CORPORATE OFFICE

No.44 KHB Industrial Area
Yelahanka New Town,
Bengaluru – 560 064

EQUITY SHARES LISTED AT

National Stock Exchange of India Limited (NSE)
BSE Limited (BSE)

REGISTRAR & SHARE TRANSFER AGENTS

KFin Technologies Limited,
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032
Toll Free Number: 1800 309 4001
Email Id.: einward.ris@kfintech.com

BANKERS

State Bank of India
Kotak Mahindra Bank Limited
HDFC Bank Limited

Management Discussion & Analysis

BUSINESS ENVIRONMENT

The global business environment remains in a state of flux in 2026, driven by ongoing geopolitical tensions in West Asia and the resulting disruptions to trade and supply chains. Rising protectionism, including tariff measures and trade restrictions in the United States, along with tighter financial conditions and currency volatility – including the sharp depreciation of the Indian rupee – have added cost pressures, particularly for industries with significant imports and cross-border trade, such as electronics manufacturing.

A defining shift in the global economy in the last year is the rapid scale-up of artificial intelligence (AI) investments. AI has emerged as a core infrastructure priority, with over $750 billion of investments in AI data centres in 2026 alone, and an estimated cumulative spend of $3–4 trillion over the next 4–5 years. This has driven significant investment flows across major economies including the United States, China, South Korea, and Taiwan.

In line with these global trends, India's data centre ecosystem is also witnessing strong growth, with installed data centre capacity expected to grow from approximately 1.6 GW today to nearly 12 – 14 GW by 2035, supported by an estimated $70 billion in investments – driven by cloud adoption, AI workloads, and data localisation requirements.

Overall, India continues to be one of the fastest-growing major economies, with the Reserve Bank of India forecasting GDP growth of 6.6% in FY27. Despite near-term challenges, including cautious consumer demand and inflationary expectations, India's structural growth drivers remain intact. The domestic electronics industry continues to witness strong growth, supported by government initiatives such as the Production Linked Incentive (PLI) and Electronics Component Manufacturing Scheme (ECMS), which are improving domestic value addition. Strategic priorities around Make-in-India, energy security, renewable energy, and telecom and digital infrastructure expansion are sustaining the growth momentum.

COMPANY OVERVIEW

Centum Electronics Limited is a distinguished name in the Electronics System Design and Manufacturing (ESDM) domain, offering high-reliability solutions tailored to mission-critical applications. Since its inception, the company has earned trust across various sectors, including Defence, Aerospace, Space, Healthcare, Transportation, and Industrial systems – all of which demand uncompromising quality and precision.

At the core of Centum's capabilities is its end-to-end service offering, spanning conceptual design, engineering development, and full-scale manufacturing. Its expertise includes embedded software, FPGA design, analog and RF systems, as well as manufacturing processes for complex, high-technology electronic products. Through its integrated business model, the company delivers turnkey solutions that transition seamlessly from idea to production.

Centum's capabilities are enabled by advanced design and manufacturing infrastructure and a globally connected supply chain. It partners closely with leading multinational original equipment manufacturers and Indian public sector organisations, including premier defence and space institutions.

With a growing global client base, Centum derives a significant share of its revenue from international markets. Its role as a single-source supplier for many of its products underscores its strategic relevance to customers and the strength of its long-term partnerships.

The company's approach is anchored in innovation, technological advancement, and quality leadership. It invests consistently in engineering talent, strengthens supply chain resilience, and emphasises sustainable practices. Centum also upholds a deep commitment to the development of its people and the communities in which it operates.

Driven by its mission to contribute to customer success as an innovation partner in high-technology domains, Centum continues to expand its reach in advanced markets and elevate its impact in the electronics value chain.

Your company registered a Standalone revenue of ₹ 9,731 million and the revenue break down for FY26 is given below:

Industry-wise		Geography-wise		Segment-wise	
Defense, Space & Aerospace	54%	India	48%	Electronic Manufacturing Services (EMS)	72%
Transport & Automotive	11%	Europe	32%	Built-To-Specification (BTS)	28%
Industrial & Energy	28%	North America	7%		
Healthcare	7%	Rest of the world	13%		

INDUSTRY OVERVIEW

Electronics System Design and Manufacturing (ESDM) continue to rank among the fastest-growing sectors globally, driven by increasing digitisation across industries and economies.

The growth is being propelled by sustained momentum in consumer electronics, industrial automation, advanced aerospace and defence systems, advanced medical devices, and smart mobility solutions. Technologies such as Artificial Intelligence (AI), 5G, and Clean-Energy are redefining the design and complexity of electronic systems. The most defining trend in this evolution is the rapid scale-up of AI-led digital infrastructure, which is significantly increasing demand for high-performance computing hardware, advanced electronics, energy management, and reliable system design capabilities. This is driving large-scale investments globally and creating new opportunities across the electronics value chain.

India's share in the global ESDM industry is expected to expand over the medium term, building on strong growth momentum and supported by the Government's ambition to scale the sector into a $500 billion ecosystem by 2030-31. This momentum is being driven by global supply chain diversification, geopolitical shifts, and the push for more resilient and sustainable manufacturing ecosystems.

Domestic electronics manufacturing increased from ₹ 1.9 lakh crore in FY 2014-15 to ₹ 11.3 lakh crore in FY 2024-25, representing a nearly six-fold expansion over the period. Electronics exports grew at an even faster pace, rising from ₹ 38,000 crore to ₹ 3.27 lakh crore during this period, marking an approximately eight-fold increase. The growth trajectory indicates a steady acceleration over the decade, with manufacturing scale-up accompanied by increasing integration into global markets. As a result of this expansion, electronics has emerged as one of India's largest export categories, reflecting improved competitiveness and deeper participation in global value chains.

Key government initiatives – including the Semicon India Programme, the Production Linked Incentive (PLI) schemes for electronics and IT hardware, SPECS, EMC 2.0, the expanded Electronics Component Manufacturing Scheme (ECMS) with an outlay of ₹ 40,000 crore, and the recently proposed India Semiconductor Mission (ISM) 2.0 – are catalysing growth in semiconductor design, component manufacturing, and ecosystem infrastructure, while strengthening domestic value addition across the electronics value chain.

These developments align closely with Centum's strategic focus on high-reliability electronics, system design, and indigenous manufacturing, positioning the company to benefit from India's emergence as a global ESDM powerhouse.

DEFENCE, SPACE AND AEROSPACE

The global defence, space and aerospace sector is undergoing a transformative phase, driven by escalating geopolitical tensions, shifting threat perceptions, and rapid technological innovation. According to the Stockholm International Peace Research Institute (SIPRI), global military expenditure continued its upward trajectory in 2025, rising to a record ~$2.88 trillion (11th consecutive year of growth), driven primarily by heightened geopolitical tensions and rearmament across Europe and Asia, where spending increased by ~14% and ~8% respectively. India, the fifth biggest military spender in the world in 2025, increased its military spending by 8.9 per cent to $92.1 billion. While overall growth moderated to ~2.9% (vs. 9.7% in 2024) due to a temporary decline in U.S. spending, global military burden still reached ~2.5% of GDP – its highest level since 2009 – highlighting sustained prioritisation of defence amid ongoing conflicts and strategic competition.

The U.S., China, and Russia together accounted for over half of global spending, and the report indicates that continued security uncertainties are likely to support further growth in defence expenditure going forward.

At the same time, rapid advances in artificial intelligence (AI) and unmanned systems are reshaping modern warfare. AI is increasingly being deployed across intelligence, surveillance and reconnaissance (ISR), decision-support systems, autonomous platforms, and precision targeting, enabling faster data processing, enhanced situational awareness, and improved decision velocity. In parallel, recent conflicts have underscored the growing importance of drone warfare, particularly the proliferation of low-cost, expendable systems such as loitering munitions and kamikaze drones, which offer asymmetric advantages through swarm tactics, precision strikes, and cost-effective force multiplication.

These trends are accelerating the shift toward network-centric and multi-domain operations, with greater reliance on software-defined, data-driven architectures that integrate AI, autonomous systems, electronic warfare, and resilient communication networks.

INDIA DEFENCE AND AEROSPACE

India is one of the largest and fastest-growing aerospace and defence (A&D) markets globally and hosts the second-largest armed force. The sector continues to emphasise indigenisation, with over 70% of defence procurement by value increasingly sourced from domestic industry, supported by policy initiatives such as 'Make in India' and 'Aatmanirbhar Bharat', which prioritise local design, development, and manufacturing.

These investments are increasingly focussed on key domains such as air and missile defence, electronic warfare, cybersecurity, autonomous systems, and advanced military communications. This reflects a broader shift towards network-centric, multi-domain operations, with heightened emphasis on resilient and integrated battlefield electronics, as well as the growing role of dual-use technologies in defence modernisation. These trends are strategically aligned with Centum's capabilities in high-reliability defence and aerospace subsystems.

SPACE SECTOR

The global space sector has continued its rapid evolution, driven by technological breakthroughs, commercial innovation, and ambitious government programs. Private players such as SpaceX, Blue Origin, and Rocket Lab are increasingly central to satellite deployment, reusable launch systems, and satellite internet constellations, significantly lowering launch costs and expanding access to space. Deeper collaboration between national space agencies and private enterprises continues to accelerate, with governments increasingly leveraging commercial capabilities for communications, earth observation, and defence-linked applications, positioning space as both a critical economic opportunity and a strategic national asset.

At the same time, investor interest has strengthened materially, with private capital inflows reaching $10 billion annually in recent years, demonstrating sustained investor confidence in the sector's commercial potential. The SpaceX IPO – expected to be one of the largest in history with a potential valuation exceeding $2 trillion – has further amplified investor attention and is viewed as a catalyst for broader participation in SpaceTech.

India's space program, led by ISRO, has continued to make significant progress in FY 2025-26, building on the success of Chandrayaan-3. The period has been marked by key mission milestones, including the successful launch and operationalisation of the NASA-ISRO Synthetic Aperture Radar (NISAR) satellite in July 2025, a first-of-its-kind dual-frequency Earth observation mission. The year also saw multiple navigation, communication, and commercial satellite launches, alongside technology demonstrations such as in-orbit docking (SpaDeX), strengthening India's capabilities in advanced space operations. ISRO has also outlined one of its most ambitious execution pipelines, with a significantly higher number of missions including Earth observation, navigation, and launch vehicle development.

In parallel, India's space policy reforms and institutional mechanisms such as IN-SPACe continue to strengthen private sector participation. The ecosystem now includes increasing industry-led launch vehicle manufacturing, commercial satellite deployments, and growing collaboration with global partners. India's private space ecosystem is gaining momentum, with startups developing indigenous technologies in satellite communications, Earth observation, and defence applications.

With over two decades of experience in the space sector and a strong track record in complex electronics and system integration, Centum is well positioned to be a key beneficiary of this growing opportunity.

INDUSTRIAL & ENERGY SECTORS

The industrial sector, encompassing Industrial Automation, Advanced Capital Equipment, Energy and Utilities, is undergoing a major transformation, driven by technological innovation and shifting market demands.

The growing adoption of automation and smart manufacturing is fuelling demand for advanced electronics and control systems. In Energy, robust growth is being driven by the urgent need to upgrade power grid infrastructure to accommodate rising electricity consumption and the integration of renewable energy sources.

In parallel, the rapid expansion of data center infrastructure – driven by cloud computing, AI workloads, and digital services – is significantly increasing energy demand, while also accelerating the need for energy-efficient power management, battery solutions, and resilient electrical systems. This is creating incremental opportunities for advanced electronics and high-efficiency solutions across the energy value chain.

Additionally, within the broader industrialisation theme, the semiconductor equipment market is witnessing strong growth, supported by global capacity expansion, localisation efforts, and increasing complexity of semiconductor manufacturing to support advanced nodes.

In India, the industrial market is poised for substantial growth, bolstered by investments in smart manufacturing, automation and energy-efficient solutions. The Indian government's strong push on renewable energy is accelerating demand for advanced electronic components and systems. India now ranks third globally in renewable energy capacity and achieved 50% of cumulative installed power capacity from non-fossil sources in June 2025 – five years ahead of its 2030 target.

MOBILITY – RAILWAYS AND AUTOMOTIVE

The mobility sector, encompassing both the automotive and railway industries, continues to evolve rapidly, shaped by technological advancements, infrastructure investment, and sustainability imperatives. While the automotive industry is witnessing significant advances in vehicle electronics and local manufacturing, Indian Railways is embarking on a modernisation journey to overcome legacy constraints and position itself for the future.

AUTOMOTIVE

The automotive sector is evolving rapidly, driven by increasing demand for safety systems, ADAS, connectivity, and electrification. The global automotive electronics market is projected to grow from $302 billion in 2025 to $468 billion by 2034 (CAGR: 4.9%). In India, the market is expected to expand from $11.8 billion in 2025 to $19.2 billion by 2034 (CAGR: 5.3%).

RAILWAYS

Rail infrastructure investments have a strong focus on digitalisation, automation, and passenger experience. The global digital railway market – spanning operations, signalling, and passenger systems – continues to expand, driven by the adoption of smart and connected rail solutions.

India's railway modernisation is accelerating through large-scale investments (₹ 25,000+ crores in 2025), near-complete electrification (~99%), deployment of advanced safety systems (Kavach), station redevelopment (1,300+ stations), and dedicated freight corridors (~96% complete), driving a faster, safer, and digitally integrated rail network. India's rail modernisation is also reflected in the rapid expansion of next-generation trainsets and urban transit. Vande Bharat trains (160+ services operational) are enhancing intercity travel through higher speeds, improved reliability, and modern passenger amenities, with sleeper and export variants under development. In parallel, India's metro rail network has expanded to over 1,150 km across 25+ cities, making it one of the largest globally and supporting urban mobility through high-capacity, technology-enabled transit systems

These initiatives are significantly increasing demand for advanced electronics, control systems, and high-reliability components across the rail ecosystem.

HEALTHCARE

The global medical devices market was valued at $572 billion in 2025 and is projected to reach ~$1.03 trillion by 2034, growing at a CAGR of ~6.9%. The industry is witnessing sustained growth, driven by technological advancements, an aging population, and rising healthcare expenditures. Innovations in diagnostics, wearable technologies, and minimally invasive procedures are improving clinical outcomes while enhancing cost efficiency.

In India, the medical devices sector is entering a strong growth phase, with the market expected to expand from ~$15–20 billion currently to ~$50 billion by 2030, supported by rising healthcare demand and infrastructure expansion. Diagnostic imaging and advanced equipment are emerging as key growth segments, reflecting increasing investment in healthcare delivery.

While India remains import-dependent – particularly for high-end devices with ~70–80% reliance on imports – this gap presents a significant localisation opportunity. Government initiatives such as the Production Linked Incentive (PLI) scheme, development of medical device parks, and 100% FDI under the automatic route are strengthening domestic manufacturing capabilities.

In parallel, increased public spending – including ₹ 99,858 crores allocated to healthcare in the Union Budget 2025-26 – is improving infrastructure and access, further driving device adoption. The sector is also evolving toward higher-value segments such as advanced imaging, in-vitro diagnostics, and implantable devices, positioning India for both domestic growth and export expansion.

STRATEGY & BUSINESS OUTLOOK

Centum Electronics has consciously cultivated a strong presence in high-reliability sectors characterised by formidable entry barriers – stemming from intricate product requirements, extended life cycles, and rigorous customer qualification and certification standards. The Company remains deeply committed to serving critical domains such as Defence, Space, Aerospace, Industrial, Healthcare, and Mobility, consistently upholding the highest standards of quality and innovation.

Over time, Centum has established robust, end-to-end capabilities spanning concept, design, manufacturing, and aftermarket support. This integrated approach positions the Company as a trusted, one-stop solutions provider, offering flexible engagement models tailored to the specific demands of each project. Its core offerings include Engineering R&D Services, Electronics Manufacturing Services, and comprehensive Build-to-Specification solutions.

To reflect the distinct nature of its services, Centum operates through three dedicated business units, each aligned with specialised competencies. This structure enhances agility and reinforces Centum's differentiated role as a full-spectrum Electronics System Design and Manufacturing (ESDM) partner – setting it apart from traditional EMS or standalone engineering service providers. This integrated, value-driven approach continues to earn the trust and recognition of Centum's global clientele.

In FY26, decisive steps were taken towards restructuring and divestment of our subsidiaries in Canada and France that stemmed losses, sharpened our strategic focus, improved capital allocation, and strengthened the long-term growth trajectory in our core business areas.

During FY26, the Centum Group's operational revenue for the standalone entity grew by 25% year-on-year to ₹9,731 million, supported by strong traction in both the EMS and Build-to-Specification (BTS) segments.

The standalone order book at the end of FY26 was at ₹ 16,448 million registering a growth of 23%. The visibility provided by the order book, along with a healthy pipeline of opportunities – especially in the EMS and strategic electronics businesses – gives us confidence in sustaining the growth momentum into FY26 and beyond.

With continued focus on operational efficiency, customer engagement, and technology-led differentiation, Centum is well positioned to deliver sustained growth and margin improvement. The Company remains committed to investing in R&D, scaling key platforms, and deepening its presence in high-priority sectors such as Defence, Space, and critical industrial technologies.

ELECTRONIC MANUFACTURING SERVICES (EMS)

The EMS business remains Centum's largest revenue contributor, accounting for ~70% of standalone revenue in FY26, with strong 21% YoY growth. This performance was driven by successful ramp-up for a global semiconductor equipment OEM, growth in defence exports, and execution excellence supported by 80+ NPIs, enabling faster customer onboarding and scale-up.

Centum's EMS division offers end-to-end manufacturing solutions across PCB assemblies, complex box builds, and system integration for high-reliability applications. The business is primarily export-oriented, with a diversified customer base across Europe, North America, the Middle East, and Israel.

Growth momentum has been underpinned by both portfolio expansion and customer deepening:

- Entry into new segments such as semiconductor equipment, electrification & grid automation, security systems, In Flight Entertainment (IFE), and flight avionics
- Increased volumes from existing defence customers, aligned with rising global demand
- Continued shift toward higher-value, complex programs

The EMS business is strategically positioned to benefit from global supply chain diversification and localisation trends. The "China+1" shift and India's "Make in India" push are creating structural opportunities across key segments including semiconductor equipment, smart energy, automotive electronics (EV/BMS), and medical devices. To capitalise on this opportunity, Centum is investing in capacity expansion, advanced manufacturing capabilities, and digitalisation. Focus areas include strengthening supply chain reliability, enabling faster NPI-to-scale transitions, and integrating AI-led Industry 4.0 solutions to enhance productivity and quality.

Overall, the EMS division is evolving into a high-reliability, end-to-end manufacturing partner, with strong global OEM relationships and a clear runway for sustained growth driven by localisation, technology expansion, and operational scale.

STRATEGIC ELECTRONICS

Centum's Strategic Electronics Build To Specification (BTS) business plays a critical role in advancing India's self-reliance in defence and space technology. The division focusses on the design, development, and manufacturing of indigenous subsystems and increasingly, full system-level solutions for the Defence, Space, and Aerospace sectors, serving key customers such as DPSUs, DRDO, and ISRO.

FY26 saw strong momentum, with revenue growth of 37% YoY and order book growth of 28% YoY, driven by robust execution and a clear shift toward higher-value system programs. Key wins during the year included a marquee AESA Radar order from HAL (₹570+ crores program) and a second complete radar system order for satellite and space debris tracking, alongside continued deliveries of complex test systems for aerospace and defence applications.

The business is actively moving up the value chain from subsystems to integrated systems, aligned with national priorities under "Make in India". This is anchored in increasing localisation of critical technologies and deeper participation across strategic platforms, including radar systems, avionics, electronic warfare (EW), missile subsystems, and space payloads.

Growth is being driven by a focussed portfolio strategy:

- Expansion in high-value areas such as multi-function radar, ISR payloads, and drone electronics
- Increasing share of system-level programs beyond components
- Strong alignment with defence and space indigenisation programs

To strengthen its strategic edge, Centum is investing in core technology capabilities across RF, power electronics, signal processing, and embedded computing. This is complemented by collaborations with global OEMs, partnerships with leading academic institutions (IITs, IISc), and engagement with startups to accelerate innovation and capability development.

With proven expertise in delivering high-reliability, high-complexity systems, the BTS division is positioning itself as a system integrator for next-generation defence and space programs. Continued investments in R&D, co-development with domestic partners, and selective global technology partnerships are expected to drive higher value capture and sustained order book growth.

Overall, the BTS business is well positioned to scale as a key contributor to Centum's long-term growth, while playing a meaningful role in strengthening India's defence and space capabilities.

ENGINEERING R&D SERVICES (ER&D)

Centum's Engineering R&D (ER&D) business unit delivers cutting-edge design and engineering services across a broad spectrum of domains, including electronic hardware, embedded software, FPGA development, analog and RF systems, and cybersecurity. Backed by a strong team of engineers and seasoned domain specialists, Centum supports the development of next-generation technologies as well as the modernisation of legacy platforms. Its proven expertise in safety-critical applications remains a key differentiator in high-reliability markets.

Following the exit from loss-making overseas subsidiaries in France and Canada, Centum is sharpening its strategic focus on design-led manufacturing – leveraging its ER&D strengths to create differentiated, higher-margin offerings. This approach integrates product design, engineering, and manufacturing into a seamless value chain, enabling closer alignment with customer requirements and deeper value capture across the product lifecycle.

Under this model, Centum is moving beyond pure services to owning a larger share of product realisation, including architecture definition, prototyping, validation, and transition to manufacturing. This not only enhances margins but also strengthens long-term customer relationships through co-development, IP involvement, and lifecycle support.

The shift to design-led manufacturing is being targeted at select strategic customers and high-growth segments, where Centum can combine its design expertise with its EMS and BTS manufacturing capabilities. By building a portfolio of integrated design-to-manufacturing solutions, the Company aims to position itself as a differentiated partner in high-reliability electronics, driving both revenue quality and sustainable growth.

RISKS AND RISK MITIGATION

Centum Electronics operates in a dynamic and competitive environment, facing various risks that could impact its business, financial condition, and results of operations. While we strive to manage and mitigate these risks, the following factors could adversely affect our business:

Market Risks	Centum's business is closely linked to the Defence, Aerospace, Space, Industrial, Healthcare, and Mobility sectors. Any downturn, volatility, or policy shift in these industries – such as changes in government spending, regulatory frameworks, or technological disruptions – could adversely affect revenue and profitability.
Customer Concentration	A significant portion of Centum's revenue is derived from a limited number of key customers, including government agencies and large corporations. The loss of, or a substantial reduction in, business from any of these clients could materially impact the Company's financial results.
Supply Chain Disruptions	Centum relies on a global network of suppliers for critical components and materials. Disruptions caused by geopolitical tensions, natural disasters, logistics constraints, or supplier insolvency could lead to production delays, cost escalations, or missed delivery commitments.
Technology and Innovation	The Company's competitiveness depends on its ability to innovate and adapt to evolving technologies. Failure to anticipate market trends, delays in product development, or unsuccessful R&D initiatives could weaken Centum's market position and growth prospects.
Regulatory and Compliance Risks	Centum operates in highly regulated sectors, where changes in laws, compliance standards, or environmental regulations can increase operational complexity and costs. Delays in obtaining necessary certifications or approvals may also impact project timelines and revenue recognition.

Operational Risks	Long and unpredictable timelines for securing defence and space contracts can affect revenue visibility. L1-based tendering processes may lead to aggressive pricing and margin pressures. Delays in certification and approvals from government agencies can extend execution cycles. Variability in customer demand forecasts may result in excess inventory and working capital strain.
Financial Risks	Centum is exposed to fluctuations in foreign exchange rates, interest rates, and credit risks from customers and suppliers. These factors can impact margins, cash flows, and overall financial stability.
Cybersecurity and Data Privacy	As a technology-driven organisation, Centum faces risks related to cyberattacks, data breaches, and IT system vulnerabilities. Inadequate protection of sensitive data could lead to financial losses, reputational damage, and regulatory penalties.
Geopolitical and Economic Risks	Operating across multiple geographies exposes Centum to geopolitical uncertainties, trade restrictions, economic slowdowns, and changes in tariff or export regulations. These factors may disrupt operations or affect market access.
Human Capital	Centum's success is dependent on its ability to attract, retain, and develop skilled professionals. Talent shortages, labour disputes, or ineffective workforce management could hinder innovation, execution, and long-term growth.

HUMAN RESOURCES

At Centum Electronics, human capital is central to our growth and innovation strategy. As of March 31, 2026, our workforce exceeded 1,500 employees underscoring our strong capabilities in high-end Electronics Design and Manufacturing.

Our HR strategy focusses on attracting, developing, and retaining top talent through continuous investment in technical training and leadership development. We promote a culture of learning, innovation, and collaboration, supported by structured engagement programs that foster cross-functional teamwork and agile problem-solving.

Diversity and inclusion are integral to our values, with a commitment to building a workplace that respects and leverages diverse perspectives. Looking ahead, we aim to strengthen our talent pipeline through strategic hiring, internal mobility, and upskilling – ensuring Centum remains future-ready and globally competitive in the ESDM space.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established a robust internal control framework designed to ensure the integrity of financial reporting, safeguard assets, and promote operational efficiency. These controls are reinforced by a structured Internal Audit mechanism, independently conducted by KPMG Assurance and Consulting Services LLP, which provides objective assurance on the effectiveness of risk management and governance processes.

Internal financial controls are periodically reviewed by the management to ensure they remain aligned with business needs and regulatory requirements. These controls are also independently assessed and validated by the statutory auditors, ensuring transparency, compliance, and accountability across all levels of the organisation.

CONCLUSION

In conclusion, Centum Electronics has delivered strong and broad-based performance across its business units in FY26, driven by disciplined execution, portfolio optimisation, and a clear focus on high-growth, high-reliability segments. The Company's integrated capabilities – spanning design, manufacturing, and system-level solutions – are enabling a shift toward higher value programs and improving the overall quality of growth.

The EMS business continues to scale on the back of global OEM partnerships and supply chain realignment, while the Strategic Electronics (BTS) division is successfully moving up the value chain through increased participation in system-level defence and space programs. At the same time, the pivot towards design-led manufacturing is strengthening Centum's ability to capture greater value across the product lifecycle.

With strong alignment to structural themes such as "Make in India," defence indigenisation, and global supply chain diversification, Centum is well positioned to capitalise on emerging opportunities. Continued investments in technology, capacity, and talent, coupled with a focussed approach to execution and innovation, provide a strong foundation for sustained, high-quality growth in the years ahead.

FINANCIAL CONDITION

A. Consolidated[#]

i. Share capital

The share capital of the Company stands at ₹ 147 million.

ii. Borrowings

The borrowings have been reduced by ₹ 228 million from ₹ 1,448 million as at March 31, 2025 to ₹ 1,220 million as at March 31, 2026.

iii. Fixed Assets

The Capital expenditure in relation to Property, Plant & Equipment for 2025-26 is ₹ 404 million.

iv. Working Capital

Inventories has increased by ₹ 1,088 million from ₹ 3,474 million as at March 31, 2025 to ₹ 4,562 million as at March 31, 2026.

Trade Receivables have decreased by ₹ 69 million from ₹ 3,065 million as at March 31, 2025 to ₹ 2,997 million as at March 31, 2026.

Current liabilities have decreased by ₹ 1,197 million from ₹ 7,852 million as on March 31, 2025, to ₹ 6,655 million as on March 31, 2026.

v. Cash flows

Particulars	₹ in Million
Operating activities	604
Financing activities	(254)
Investing activities	(432)

vi. Results of Operations

The business operations for 2025-26 resulted in the Company, achieving total income of ₹ 9,686 million as against ₹ 7,469 million for 2024-25 before discontinued operations.

Profit/(Loss) before exceptional items and tax and discontinued operations for the year 2025-26 is ₹ 1,148 million as against ₹ 665 million for the year 2024-25.

vii. Key financial parameters

Particulars	FY 26	FY 25
Adjusted Debt /Equity[1]	0.36	0.36
Debtors Turnover Ratio (Days)[2]	116	132
Inventory Turnover Ratio (Days)[3]	236	264
Current Ratio[4]	1.16	1.19
Interest Coverage Ratio[5]	7.79	4.41
Operating Profit Margin[6]	14%	12%
PAT Margin[7**]	10%	7%

[1] Non-current borrowings + Current borrowings/ Equity attributable to equity holders of parents.

[2] Average receivables / Revenue from operations x 365 days.

[3] Average inventory / (Cost of materials consumed + Decrease/ (Increase) in inventory of work-in-progress and finished goods) x 365 days.

[4] Current assets (including assets held for sale) / Current liabilities (including liabilities directly associated with assets held for sale).

[5] EBIT[*]/ Finance cost.

[6] EBIT[*]/ Total income.

[7] PAT from continuing operations / Total income.

[*] Excludes (loss)/ profit from discontinued operations and includes other income and finance income.

[#] FY25 balance sheet includes discontinued operations.

Reason for variation (>25%):

[**] On account of the increase in profit from continuing operations during the year.

[***] Increase is on account of increase in income from continuing operations.

B. Standalone

i. Share capital

The share capital of the Company stands at ₹ 147 million.

ii. Borrowings

The Borrowings have increased by ₹ 259 million from ₹ 961 million as on March 31, 2025 to ₹ 1,220 million as on March 31, 2026.

iii. Fixed Assets

The Capital expenditure in relation to Property, Plant & Equipment for 2025-26 is ₹ 395 million.

iv. Working Capital

Inventories has increased by ₹ 1,294 million from ₹ 3,274 million as on March 31, 2025 to ₹ 4,568 million as on March 31, 2026.

Trade Receivables has decreased by ₹ 98 million from ₹ 3,171 million as on March 31, 2025 to ₹ 3,073 million as on March 31, 2026.

Current liabilities has increased by ₹ 1,186 million from ₹ 5,489 million as on March 31, 2025 to ₹ 6,675 million as on March 31, 2026.

v. Cash flows

Particulars	₹ in Million
Operating activities	284
Financing activities	1
Investing activities	(424)

vi. Results of Operations

The business operations for 2025-26 resulted in the Company achieving total income of ₹ 9,889 million as against ₹ 7,827 million for 2024-25.

The profit / (loss) before exceptional items and tax for the year 2025-26 is ₹ 1,004 million as against ₹ 617 million for the year 2024-25.

vii. Key financial parameters

Particulars	FY 26	FY 25
Adjusted Debt /Equity[1*]	0.28	0.17
Debtors Turnover Ratio(Days)[2]	117	127
Inventory Turnover Ratio(Days)[3]	218	226
Current Ratio [4]	1.39	1.46
Interest Coverage Ratio without exceptional items[5**]	6.98	4.17
Operating Profit Margin[6]	12%	10%
PAT Margin[7**]	9%	6%

[1] Non current borrowings + Current borrowings/ Total Equity

[2] Average Receivables/ Revenue from operations X 365

[3] Average inventory/ Cost of materials consumed+(Increase) / decrease in inventories of work-in-progress and finished goods X 365

[4] Current assets/ Current liabilities

[5] EBIT (before exceptional items)/ Finance cost

[6] EBIT (before exceptional items)/ Total income

[7] PAT (before exceptional items)// Total income

Reason for variation (>25%):

[*] The increase is on account of the decrease in shareholders' equity during the year.

[**] The increase is on account of the increase in profit before exceptional items during the year.

DIRECTORS' REPORT

To,
The Members of
Centum Electronics Limited

We have pleasure in presenting the Thirty Third Annual Report on the Business and Operations of the Company together with the Audited Statement of Accounts for the Financial Year ended March 31, 2026.

1. FINANCIAL HIGHLIGHTS:

A summary of the Standalone and Consolidated Financial Performance of your Company, for the financial year ended March 31, 2026, is as under:

(₹ in million)

Particulars	Consolidated		Standalone	
	2025-26	2024-25	2025-26	2024-25
Total Income	9,686	7,469	9,889	7,827
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)*	1,354	989	1,209	941
Depreciation and Amortisation Expenses	195	195	195	195
Finance Costs	169	195	168	195
Profit Before Tax**	1,148	665	1,004	617
Profit/ (Loss) After Tax***	1,007	504	(1,171)	456

* Excludes other income and finance income and exceptional item

**Excludes exceptional item

***Includes exceptional item

The financials of the Company are prepared under IND AS in pursuance of Section 133 of the Companies Act, 2013 and in compliance with the (Indian Accounting Standards) Rules, 2015.

2. BUSINESS PERFORMANCE:

During the current year of operations, your Company has registered a consolidated total income of ₹ 9,686 million compared to previous financial year total income of ₹ 7,469 million. Your Company has earned a Profit Before Tax of ₹ 1,148 million before exceptional & discontinued operations.

At standalone level, total income was ₹ 9,889 million compared to previous financial year total income of ₹ 7,827 million. Further, your Company has earned a net profit before tax and exceptional items of ₹ 1,004 million.

3. SUBSIDIARIES:

a. Centum Electronics UK Limited

During the year, Centum Electronics UK Limited, a wholly owned subsidiary company, has registered total income of ₹ 14 million and earned a net profit of ₹ 11 million.

b. Centum T&S Group Société Anonyme (S.A.).

During the year, Centum T&S Group Société Anonyme (S.A.). the subsidiary company has registered total income of ₹ 4,041 million and incurred a net loss of ₹ 1,441 million.

Discontinued Operations

During the financial year, your Board of Directors reviewed the affairs of the subsidiaries and assessed certain overseas operations as discontinued in line with its strategic and financial considerations.

The Company has investments in Centum Electronics UK Limited, which in turn has invested in Centum T&S Group Société Anonyme (S.A.). The said entity and its underlying overseas subsidiaries have incurred losses resulting in erosion of net worth.

The Board of Directors, at its meeting held on December 19, 2025, approved the discontinuation of operations of Centum E&S (Centum Équipments ET Systémes), Canada, and Centum T&S (Centum Technologies ET Solutions), Canada, step down subsidiaries of the Company. The Company is in the process of completing necessary regulatory filings for liquidation of these entities. As a prudent measure, the Company has provided for the carrying value of assets amounting to ₹ 289 million and written back liabilities amounting to ₹ 45 million during the year.

Further, during the year, the Group initiated Redressement Judiciaire proceedings for Centum T&S Group Société Anonyme (S.A.) and certain underlying overseas subsidiaries under applicable local laws. Pending the outcome of these proceedings, the Company has provided for the carrying value of goodwill on consolidation ₹ 376.23 million, intangible assets (including those under development) amounting to Rs. 178.33 million, and inventory amounting to ₹ 100.78 million, and recognised the same under discontinued operations.

The Company continues to consolidate the aforesaid subsidiaries in accordance with Ind AS 110, as control continues to exist. The resolution process is at an advanced stage, with bids having been received and expected to be concluded by the Court. Accordingly, the operations of the aforesaid entities have been classified as discontinued operations and prior period figures have been restated.

The above status is as on the date of this Report.

The consolidated financial statements of your Company are prepared in accordance with Section 129(3) of the Companies Act, 2013 and forms part of this Annual Report.

A statement containing the salient features of the financial statements of the subsidiaries, in the prescribed format AOC-1, is appended as **"Annexure-1"** to the Board's Report.

The statement also provides the details of performance and financial position of each of the subsidiaries.

The separate audited financial statements in respect of the subsidiary companies are available on the website of your Company at www.centumelectronics.com.

Scheme of Amalgamation of Centum T&S Private Limited with the Company

During the year under review, the Scheme of Amalgamation of Centum T&S Private Limited ("Transferor Company"), a wholly owned subsidiary, with Centum Electronics Limited ("Transferee Company" / "the Company"), has been completed.

The Board of Directors had, at its meeting held on August 9, 2024, approved the said Scheme in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act"), subject to necessary statutory and regulatory approvals.

The Hon'ble National Company Law Tribunal, Bengaluru Bench ("NCLT"), vide its order dated October 29, 2025, approved the Scheme. The Scheme has thereafter become effective, and Centum T&S Private Limited has been amalgamated with the Company with effect from April 1, 2024, being the Appointed Date.

Pursuant to the Scheme becoming effective, the entire undertaking of the Transferor Company stands transferred to and vested in the Company as a going concern. Further, all the shares held by the Company in Centum T&S Private Limited stand cancelled and extinguished, without any further act or deed.

The amalgamation has resulted in simplification of the corporate structure, improved operational efficiencies, and better resource utilization, thereby enhancing overall value for stakeholders.

4. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial statements have been prepared by the Company in accordance with the applicable Indian Accounting Standards ('Ind AS') and the same together with the Auditor's Report thereon is provided in the Annual Report.

The Financial Statements of the subsidiary and related detailed information will be kept at the Registered Office of the Company and will be available to investors seeking information on all working days during office hours.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy, as approved by the Board, is available on the Investor page at Company's website www.centumelectronics.com.

5. DIVIDEND:

Your directors are pleased to recommend a Final Dividend of ₹ 5 per equity share (50%) having face value of ₹ 10 per equity share for the financial year ended March 31, 2026. The final dividend recommended is subject to approval of the Shareholders in the ensuing Annual General Meeting of the Company.

The policy on Dividend Distribution is available on the Company's website at www.centumelectronics.com

The total Proposed dividend payout for financial year 2025-26 will be ₹ 73.80 million for 1,47,59,016 number of fully paid-up equity shares of ₹ 10 each.

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT:

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

7. CHANGE IN NATURE OF BUSINESS, IF ANY:

There has been no material change in the nature of business during the year under review.

8. RESERVES & SURPLUS:

Your Company has not transferred any amount to General Reserves for the year ended March 31, 2026.

9. SHARE CAPITAL:

During the year, there was change in the share capital of the Company. As on March 31, 2026 the Authorised Share Capital of the Company was ₹ 15,60,00,000/- divided into 1,56,00,000 equity shares of ₹ 10/- each and paid-up equity share capital stood at ₹ 14,74,09,830/- divided into 1,47,40,983 equity shares of ₹ 10/- each.

During the year, the Company allotted 33,831 equity shares under the RSU Plan 2021. The said shares were subsequently listed on the National Stock Exchange of India Limited (NSE) and BSE Limited pursuant to their respective approval letters bearing reference nos. NSE/LIST/2025/52023 and LOD/ESOP/TP/No. 363/2025-2026 dated November 20, 2025, and NSE/LIST/2026/53707 and LOD/ESOP/TP/No. 423/2025-2026 dated February 25, 2026.

Further, the Board of Directors, at its meeting held on May 14, 2026, approved the allotment of 18,033 equity shares, resulting in an increase in the paid-up share capital from ₹ 14,74,09,830/- (divided into 1,47,40,983 equity shares) to ₹ 14,75,90,160/- (divided into 1,47,59,016 equity shares) as on the date of this Report.

Details of utilization of funds raised through Qualified Institutional Placement (QIP)

During the financial year 2024-25, the Company, on March 13, 2025, issued and allotted an aggregate of 18,10,345 fully paid-up equity shares of face value of ₹ 10 each to Qualified Institutional Buyers (QIBs) at an issue price of ₹ 1,160 per equity share (including a premium of ₹ 1,150 per equity share), aggregating to ₹ 2,100 million, through a Qualified Institutions Placement (QIP).

The proceeds raised through the QIP are being utilized in accordance with the objects of the issue. In compliance with Regulation 32(7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of utilization of proceeds from the QIP, net of expenses (including GST), are set out below:

(₹ in million)

Objects of the issue as per Placement Document	Amount to be utilised as per Placement Document	Utilization upto March 31, 2026	Balance as on March 31, 2026
Repayment / prepayment, in part or in full of certain outstanding borrowings availed by the Company.	₹ 1,149.92	₹ 1,149.92	-
Capital expenditure for purchase of new equipment and machinery	₹ 349.68	₹ 256.78	₹ 92.90
General Corporate Purposes*	₹ 507.19	-	₹ 507.19

*During the quarter ended June 30, 2025, net proceeds were revised from ₹ 1,999.47 million to ₹ 2,006.79 million on account of actual issue expenses being lower than estimated as disclosed in the offer document, by ₹ 7.32 million. Consequently, GCP amount was revised from ₹ 499.87 million to ₹ 507.19 million.

Out of the total fund raised by the Company under Qualified Institutional Placement, an amount of ₹ 600.09 million is unutilized as on March 31, 2026.

The funds which remain unutilised are temporarily parked in Fixed Deposits.

10. DEBENTURES: ISSUE OF SHARES OR OTHER CONVERTIBLE SECURITIES:

During the year under review, the Company has not issued any Debentures. As on date, the Company does not have any outstanding Debentures.

11. CREDIT RATING:

During the year, the Company has obtained Credit Rating of its various credit facilities from CARE and CRISIL Limited. The details about the ratings assigned by the above-mentioned agencies are clearly drawn up in the Corporate Governance report forming part of the Board's Report.

12. DEPOSITORY SYSTEM:

Your Company's equity shares are tradable only in electronic form. As on March 31, 2026, 99.59 % of the Company's total paid up equity share capital representing 14,680,601 shares are in dematerialized form.

13. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the applicable provisions of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of seven years. Further, according to the Rules, the shares in respect of which dividend has not been paid or claimed by the Members for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority.

The Company had sent individual notices and also advertised in the newspapers seeking action from the Members who have not claimed their dividends for seven consecutive years or more.

During the year, the Company transferred ₹ 88,483/- to IEPF, (the amount in Interim 2018-19 dividend account) which was due & payable and remained unclaimed & unpaid for a period of seven years as provided under Section 124(5) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016. The Company, pursuant to the circulars issued by the Ministry of Corporate Affairs under the aforesaid rules mandated the transfer of shares on which dividend has not been paid or claimed by the Shareholders for seven consecutive years or more to the demat account of the IEPF Authority. The Company has accordingly transferred 4,782 shares to the demat account of the IEPF Authority.

Members / claimants whose shares, unclaimed dividend, have been transferred to the IEPF Authority Demat Account as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in) along with requisite fee as decided by IEPF Authority from time to time.

14. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has appointed KPMG Assurance & Consulting Services LLP ("KPMG") as its Internal Auditor. The Audit Committee defines the scope and areas of Internal Audit. The Internal Auditor audits the areas recommended by the Committee every year.

The Audit observations and corrective actions thereon are being presented to the Audit Committee of the Board. Based on the report of Internal auditor process owners undertake corrective action in their respective areas and thereby strengthen the controls. During the year, the Internal Audit was done on the areas recommended and no material weakness was observed.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors of the Company as on March 31, 2026 comprised of 8 Directors out of which 2 are Executive Directors, 1 Non - Executive Director and 5 are Non-Executive Independent Directors. The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with an appropriate combination of Executive, Non-Executive and Independent Directors.

The details of the Board composition including names of Directors and composition of Committees are provided separately in the Corporate Governance Report.

During the financial year 2025–26, the following changes took place in the composition of the Board:

Appointments:

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed:

- Dr. Udayant Malhoutra (DIN: 00053714) as an Independent Director with effect from May 22, 2025;
- Mr. Apurva Chandra (DIN: 02531655) as an Independent Director with effect from December 19, 2025; and
- Mr. Ramesh Ramadurai (DIN: 07109252) as an Independent Director with effect from February 14, 2026,

for a term of five consecutive years, not liable to retire by rotation.

The Members of the Company approved the aforesaid appointments by way of Special Resolutions passed through postal ballot on July 2, 2025 and March 16, 2026.

Director retiring by rotation:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Tanya Mallavarapu, Director (DIN: 01728446) will retire by rotation at the Thirty Third Annual General Meeting and being eligible, has offered herself for re-appointment.

Brief resume of the Director proposed to be re-appointed, nature of her expertise in specific functional areas and names of the Companies in which she hold directorship/ membership/chairmanship of the Board or Committees, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been provided as an annexure to the Notice convening the Thirty Third Annual General Meeting.

Cessations:

During the year, the following Directors ceased to be members of the Board upon completion of their tenure as Independent Directors, having served two consecutive terms of five years each:

- Mr. Manoj Nagrath (DIN: 01974412) – ceased with effect from August 6, 2025;
- Mr. Rajiv C. Mody (DIN: 00092037) – ceased with effect from August 6, 2025; and
- Mr. Thiruvengadam Parthasarathi (DIN: 00016375) – ceased with effect from December 27, 2025.

The Board places on record its sincere appreciation for the valuable contributions and guidance provided by them during their tenure.

In compliance with Section 203 of the Companies Act, 2013, Mr. Mallavarapu Venkata Apparao, Chairman & Managing Director, Mr. Nikhil Mallavarapu, Joint Managing Director, Mr. Sundararajan Parthasarathy, Chief Financial Officer and Ms. Indu H S, Company Secretary & Compliance Officer are the Key Managerial Personnel in accordance with the provisions of Section 203 of the Companies Act, 2013.

None of the Directors of your Company is disqualified under the provisions of Section 164(2) of the Act. A certificate dated May 14, 2026 received from Ms. Aarthi Gopala Krishna, Practising Company Secretary, certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India ("SEBI")/Ministry of Corporate Affairs or any such statutory authority is annexed to the Corporate Governance Report.

Further, all the Directors have confirmed that they are not debarred from accessing the capital market as well as from holding the office of Director pursuant to any order of Securities and Exchange Board of India or Ministry of Corporate Affairs or any other such regulatory authority.

Key Managerial Personnel – Chief Financial Officer:

Based on the recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee, the Board of Directors had appointed Mr. Sundararajan Parthasarathy as the Chief Financial Officer and Key Managerial Personnel (KMP) of the Company with effect from September 1, 2025, in accordance with the provisions of Section 203 of the Companies Act, 2013 and the applicable SEBI Listing Regulations.

Mr. K. S. Desikan, who was associated with the Company for over two decades, superannuated from the services of the Company with effect from August 31, 2025. During his tenure, Mr. Desikan made significant contributions to the Company's growth through his expertise in Finance, Accounting, Strategy and Information Technology.

The Board places on record its sincere appreciation for Mr. Desikan's exemplary service and leadership. Mr. Sundararajan Parthasarathy has since assumed the role of Chief Financial Officer and KMP of the Company, ensuring continuity and stability in the Company's financial leadership.

a. Board Meetings:

The Board of Directors duly met five (5) times in respect of which proper notices were given and the proceedings were properly recorded and signed in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The details of which are given in the Corporate Governance Report.

b. Declaration by Independent Directors:

The Company has received necessary declaration from each of the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Status on Independent Directors' proficiency test

The Independent Directors on the Board of the Company have the integrity, expertise & experience and the said Directors have either cleared the proficiency self-assessment test conducted by the Institute of Corporate Affairs notified under sub-section (1) of section 150 of the Act or were exempted from appearing for the proficiency self-assessment test.

c. Remuneration Policy:

The Board has, upon recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration as required under Section 178(3) of the Companies Act, 2013. The Policy is available on the Company's website https://www.centumelectronics.com/investor-relations/. There has been no change in the Policy since the last financial year.

d. Annual evaluation of Board, its Committees and Individual Directors:

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of Section 134 (3) (p) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, Independent Directors have reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under Schedule IV of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at their separate meeting held on Wednesday, December 24, 2025.

e. Committees of the Board:

Details with respect to the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee and meetings of the said Committees held during the year forms part of the Corporate Governance Report annexed to this Report.

f. Risk Management:

The Company follows well–established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy. The details on composition and meetings of the Committee forms part of the Corporate Governance Report annexed to this report.

16. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors confirm:

i. that in the preparation of annual accounts for the year ended March 31, 2026, the applicable Accounting Standards have been followed along with the proper explanations relating to material departures;

ii. that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been adopted and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for year ended on that date;

iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. that the annual financial statements have been prepared on a going concern basis;

v. that proper internal financial controls were in place and that the financial controls were adequate and operating effectively;

vi. that systems to ensure compliance with the provisions of all applicable laws were in place, were adequate and operating effectively.

Further the Board of Directors confirm that the Company has complied with the Secretarial Standards on the Board and General Meetings issued by the Institute of Company Secretaries of India, as applicable to the Company, during the financial year ended March 31, 2026.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the financial year, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013, wherever applicable, in respect of loans granted, investments made, guarantees given and securities provided. The requisite disclosures wherever applicable for such transactions have been made in the financial statements.

18. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were in the ordinary course of business and were at arm's length basis. There were no material significant related party transactions made by the Company during the year with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All the related party transactions were placed before the Audit Committee and also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of foreseen and repetitive nature in terms of Regulation 23(3)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has framed a policy on dealing with the related party transactions and the same is available on the Company's website https://www.centumelectronics.com/investor-relations.

Your Directors draw attention of the members to Note no. 41 to standalone financial statement which sets out the related party disclosures.

19. AUDITORS:

a. Statutory Auditors

The Members at the Twenty Ninth Annual General Meeting of the Company held on August 12, 2022, approved the appointment of M/s. S.R Batliboi & Associates LLP, Chartered Accountants (Firm registration number: 101049W/E300004) for second term of five years as Statutory Auditors of the Company to hold office from the conclusion of 29th Annual General Meeting till the conclusion of the 34th Annual General Meeting.

The Report of the Statutory Auditors for the financial year 2025-26 does not contain any qualification on the financial statements of the Company.

The details of remuneration of the Statutory Auditors with break-up of fee paid as required by the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year 2025-26 is given as part of the Corporate Governance Report.

b. Secretarial Audit

The Shareholders of the Company had appointed Mr. K Rajshekar, Practicing Company Secretary (CP No.2468) as the Secretarial Auditor for a term of 5 (Five) years beginning from Financial Year 2025-26.

Secretarial Audit Report

In terms of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Secretarial Audit Report given by the Secretarial Auditor in Form No. MR-3 is annexed with this Report as **"Annexure-2"**. There are no qualifications, reservations or adverse remarks made by Secretarial Auditor in their Report.

Annual Secretarial Compliance Report

Annual Secretarial Compliance Report for the Financial Year ended March 31, 2026 on compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder, was obtained from Ms. Aarthi Gopala Krishna, Practicing Company Secretary.

c. Cost Auditors

As required under Section 148 of the Companies Act, 2013 the Board of Directors of the Company has appointed M/s. K.S. Kamalakara & Co., Cost Accountants (Firm Registration No. 000296) as Cost Auditors of the Company for the financial year 2026-27 at a fee of ₹ 1,50,000/- plus applicable taxes and out of pocket expenses. The ratification of remuneration payable to Cost Auditors is placed as an agenda item for approval of shareholders at the ensuing annual general meeting.

The Company is duly maintaining the cost accounts and records as specified by the Central Government in compliance with Section 148 of the Act.

20. CORPORATE GOVERNANCE:

Your Company believes in adopting best practices of Corporate Governance. A report on Corporate Governance as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is forming part of this Annual Report as **"Annexure – 6"**.

A certificate from the Practicing Company Secretary of the Company regarding compliance of the conditions stipulated for Corporate Governance as required under Clause E of Schedule V read with Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this report. The declaration by the Chairman and Managing Director addressed to the Members of the Company pursuant to Clause D of Schedule V Read with Regulation 34 (3) Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct by the Members of the Board and Senior Management Personnel of the Company is also attached to this Report.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are enclosed as **"Annexure-3"** to this Report.

22. CORPORATE SOCIAL RESPONSIBILITY:

As part of its Corporate Social Responsibility (CSR) initiatives, the Company has supported a diverse portfolio of projects during the year across the areas of healthcare, education, environmental sustainability, eradication of hunger and malnutrition, and community development. The Company has also contributed towards initiatives aimed at supporting persons with disabilities, promoting inclusive growth, and encouraging sports and social welfare. These initiatives reflect the Company's commitment to creating a positive and sustainable impact on society.

The disclosures as required under Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as **"Annexure-4"** to this Report.

23. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM:

In accordance with Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism and has a Whistle Blower Policy. The Policy is available at the Company's website https://www.centumelectronics.com/investor-relations.

The Company did not receive any complaints during the year under review.

24. PARTICULARS OF EMPLOYEES:

The information relating to remuneration and other details as required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is enclosed as **"Annexure-5"** to this report.

Further, the details of employees who are in receipt of remuneration exceeding the limits prescribed under

Section 134 of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request.

In terms of Section 136(1) of the Companies Act, 2013 and the Rules made thereunder, the Annual Report is being sent to the Shareholders and others entitled thereto excluding the information on employees' particulars. The same is available for inspection by the Shareholders at the Registered Office of the Company during business hours on working days of the Company up to the date of ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

25. PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE:

Your Company firmly believes in providing a safe, supportive, and friendly workplace environment – a workplace where its values come to life through supporting behaviors. A positive workplace environment and great employee experience are integral parts of its culture. Your Company continues to take various measures to ensure a workplace free from discrimination and harassment based on gender.

Your Company educates its employees as to what may constitute sexual harassment and in the event of any occurrence of an incident constituting sexual harassment. Your Company has created the framework for individuals to seek recourse and redressal to instances of sexual harassment.

Your Company has a policy on Preservation and Redressal of Sexual Harassment at workplace in place to provide clarity around the process to raise such a grievance and how the grievance will be investigated and resolved. An Internal Committee has been constituted in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and Rules made thereunder. There are regular sessions offered to all employees to increase awareness of the topic and the Committee and other senior members have undergone training sessions.

During the financial year 2025-26, the Committee submitted its Annual Report as prescribed in the said Act and there was no complaint as regards sexual harassment received by the Committee during the year.

During the financial year 2025-26, initiatives were taken to demonstrate the Company's zero tolerance philosophy against discrimination and sexual harassment. The Company has also conducted online training for the employees to cover various aspects of this matter.

The following is a summary of Sexual Harassment complaint(s) received and disposed of during the financial year 2025-26, pursuant to the POSH Act and Rules framed thereunder:

Particulars	Number
Number of complaint(s) of Sexual Harassment received during financial year 2025-26	NIL
Number of complaint(s) disposed of during financial year 2025-26	Not Applicable
Number of cases pending for more than 90 days (stipulated timeline under POSH)	Not Applicable
Number of cases pending as on March 31, 2026	Not Applicable

26. DISCLOSURE OF MATERNITY BENEFIT COMPLIANCE:

Your Company complies with the Maternity Benefit Act, 1961 for the year under review.

27. On November 21, 2025, the Government of India notified the four Labour Codes. The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020, and The Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws.

Appropriate financial provisions have been made arising from the implementation of the new Labour Codes.

The Company continues to monitor the finalisation of Central/ State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect based on such developments as needed.

28. ANNUAL RETURN:

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at https://www.centumelectronics.com/annual-return/.

29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is forming part of the Annual Report.

30. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

As required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report is provided in a separate section and forms part of the Annual Report as **"Annexure – 7"**.

31. EMPLOYEE STOCK OPTION PLAN:

As a measure of rewarding the employees, your Company had introduced Restricted Stock Unit Plan 2021 (RSU 2021) approved by the Shareholders of the Company through the 'Postal Ballot' process on October 5, 2021. BSE Limited and the National Stock Exchange of India vide their letters dated October 28, 2021 and October 12, 2021 respectively have accorded their in-principle approval for listing up to a maximum of 1,75,000 Restricted Stock Units under the scheme.

The certificate from the Secretarial Auditor on the implementation of RSU 2021 in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 has been uploaded on the website of the Company at www.centumelectronics.com.

The particulars prescribed under Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 has been uploaded on the website of the Company at www.centumelectronics.com.

32. AWARDS AND RECOGNITIONS:

During the year under review, the Company continued to receive recognition for its excellence in operations, sustainability, and export performance. Key awards and accolades received are as follows:

- **Export Performance Award** at ELCINA's 50th Year Celebrations, recognizing the Company's outstanding contribution to exports in the electronics sector.
- **Energy Efficient Unit Award** at the National Energy Management Awards organized by the Confederation of Indian Industry (CII), acknowledging the Company's achievements in energy efficiency and sustainability.
- **SEEM Platinum Awards** for excellence in sustainability and energy management in the corporate sector.

These recognitions reflect the Company's continued commitment to operational excellence, sustainability, and innovation across its business divisions.

33. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions with regard to the following during the year under review:

a. Details relating to deposits covered under Chapter V of the Companies Act, 2013.

b. Issue of equity shares with differential rights as to dividend, voting or otherwise.

c. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP referred to in this report.

d. Remuneration received by the Managing Director/Joint Managing Director from the subsidiary company.

e. Significant or material orders passed by the regulators or courts or tribunals which impact the going concern status and the Company's operations in future.

f. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

g. Difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

h. Frauds reported by Auditors under sub-section (12) of section 143.

34. ACKNOWLEDGEMENTS:

Your Directors thank the customers for their continued patronage and the investors, bankers and vendors for their continued support.

Your Directors acknowledge and thank the invaluable contributions of all the employees, who have demonstrated their skill, teamwork and commitment through their competence, hard work, cooperation and support.

Your Directors would also like to place on record the support received from, the Electronic Hardware Technology Park, the Customs and GST Departments, the Reserve Bank of India, the Department of Industries and Commerce, Karnataka, the Karnataka Udyog Mitra and all the other Central and State Governmental agencies.

By order of the Board
For Centum Electronics Limited

Place: Bengaluru	**Mallavarapu Venkata Apparao**	**Nikhil Mallavarapu**
Date: May 14, 2026	Chairman & Managing Director	Joint Managing Director
	DIN: 00286308	DIN: 00288551

Annexure-1

FORM AOC - 1

Statement containing salient features of the financial statement of subsidiaries, associate companies and joint ventures

[Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of the Companies (Accounts) Rules, 2014]

Subsidiaries

(in ₹ million)

Sl. No.	Name of the subsidiary	Currency	Share capital	Reserves	Total Assets	Total Liabilities (excl. capital & reserves)	Investments (excluding in subsidiaries)	Turnover	Profit/ (Loss) before taxation	Total tax expenses	Profit/ (Loss) after taxation	Proposed dividend	% of Shareholding by the company
1	Centum Electonics UK Limited	EUR	1,534	(1,535)	2	3	-	-	(1,973)	-	(1,973)	-	100%
2	Centum T&S Group Société Anonyme (S.A.), (CTSG) France	EUR	407	701	3,292	2,184	-	218	115	-	115	-	90.08%
3	Centum T&S (Centum Technologies ET Solutions), France	EUR	231	(110)	2,595	2,474	-	3,055	(834)	-	(834)	-	held by CTSG 100%
4	Centum R&D (Centum Recherche Et Développement), France	EUR	23	1	127	103	-	465	3	-	3	-	held by CTSG 100%
5	Centum Adetel Transportation System SAS (CATS), France	EUR	753	(752)	226	225	-	94	(43)	-	(43)	-	held by CTSG 100%
6	Centum T&S (Centum Technologies ET Solutions), Canada	CAD	5	(603)	75	673	-	276	(214)	-	(214)	-	held by CATS 100%
7	Centum E&S (Centum Équipements ET Systèmes), Canada	CAD	3	269	516	244	-	399	444	-	444	-	held by CATS 100%
8	Centum Technologies ET Solutions - Société à responsabilité limite (SRL), Belgium	EUR	1	10	113	102	-	294	2	-	2	-	held by CTSG 100%

Annexure - 2

FORM NO. MR-3

SECRETARIAL AUDIT REPORT[1]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Centum Electronics Limited
Bengaluru

CIN L85110KA1993PLC013869
Authorised Capital ₹ 15.60 Crores

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Centum Electronics Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Centum Electronics Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Centum Electronics Limited ("the Company") for the financial year ended on 31st March, 2026 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;[2]

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;[2]

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;[2] and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;[2]

(vi) Other Laws as applicable to Electronic System Design and Manufacturing (ESDM) Company viz:-

1. EXIM Policy of India relating to Export Oriented Unit (EOU);

2. Semiconductor Integrated Circuits Layout Design Act, 2000;
3. Environment (Protection) Act, 1986, Water (Prevention and Control of Pollution) Act,1974; Air (Prevention and Control of Pollution) Act,1981; e-waste & hazardous waste (Management and Handling Rules);
4. Micro Small and Medium Enterprises Development Act, 2006;

I have also examined compliance with applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) The Listing Agreement entered into by the Company with the National Stock Exchange of India Limited and BSE Limited and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc, mentioned above subject to the following disclaimer:

My opinion is based on audit evidence, explanations and information given to me during the audit and the Management Representation Letter in support of compliances in respect of the Act, Rules, Regulations, Guidelines, Standards, etc, mentioned above.

I Further Report That

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I Further Report That there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

My opinion on the Board Structures/systems and process during the Audit period as reported above is subject to the following observations:

Notes on items of business which are in the nature of Unpublished Price Sensitive Information are given at a shorter period of time than stated above.

I Further Report That during the audit period the company has:

(i) Obtained the approval of the Shareholders through Postal Ballot process for:
   - Re-appointment of Chairman & Managing Director for a period of 5 years with effect from 01.08.2025.
   - Re-designation of Wholetime Director as Joint Managing Director with effect from 22.05.2025.
   - Appointment of three new Independent Directors for a period of 5 years in place of three Independent Directors who completed their two consecutive terms.
   - Restructuring of offshore material subsidiaries (along with its subsidiaries).

(ii) Completed the merger of its wholly owned subsidiary with itself in accordance with the order of the National Company Law Tribunal (NCLT) and is on the process of complying with the undertaking given to the NCLT.

(iii) Allotted 33,831 Equity Shares of ₹ 10/- each at par, on the exercise of options vested to the employees of the Company under the 'Restricted Stock Unit Plan, 2021'.

(iv) Transferred 4,782 Equity Shares pertaining to the Unclaimed Dividend for the year 2018-2019 to the Investor Education & Protection Fund.

RAJSHEKAR K
FCS# 4078 CP# 2468
Peer Review Cert# 7828/2026

UDIN: F004078H000357354
Date : 14th May, 2026

[1] To be read with the letter annexed hereto which forms an integral part of this report

[2] There were no actions necessitating compliance under these Regulations

ANNEXURE

To,
The Members,
Centum Electronics Limited
Bengaluru

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which we relied on the report of statutory auditor.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

RAJSHEKAR K
FCS# 4078 CP# 2468

Date : 14th May, 2026

Annexure - 3

INFORMATION PURSUANT TO THE SECTION 134(3)(M) OF THE COMPANIES ACT, 2013

1. CONSERVATION OF ENERGY

The Company continues to accord the highest priority to energy conservation and sustainability. A dedicated Energy Management Team drives initiatives aimed at optimizing energy consumption, improving efficiency, and enhancing environmental performance. Continuous efforts are undertaken to identify and implement innovative solutions for energy and resource conservation.

- **Energy Monitoring, Control and Automation**
  - Implementation of SCADA and BMS systems for real-time monitoring and control of energy consumption on an hourly basis.
  - Installation of temperature and humidity control systems, including automated desiccator controls to optimize environmental conditions.
  - Maintenance of power factor close to unity (0.99) using Automatic Power Factor Control (APFC) panels.
  - Deployment of automated timers and sensor-based controls (motion/lux-based lighting) to reduce idle energy consumption.
  - Continuous monitoring and control of nitrogen gas consumption through automated systems.
- **Energy Efficiency Measures**
  - Regular monitoring and optimization of major energy-consuming utilities such as HVAC systems, process chillers, and air compressors.
  - Elimination of air leakages and optimization of ducting systems and motor alignments to enhance efficiency.
  - Implementation of load-based compressor operations and pressure optimization.
  - Use of variable frequency drives (VFDs) for cooling towers and pumps.
  - Adoption of inverter-based chillers and energy-efficient devices for improved performance.
  - Conversion of conventional systems (e.g., belt drives, UPS) to more energy-efficient configurations.
- **Process & Utility Optimization**
  - Integration and optimization of chiller systems based on dynamic load requirements to reduce power consumption.
  - Deployment of smart monitoring systems with real-time alerts for compressors and critical utilities.
  - Optimization of production processes (e.g., test densification, jig modifications) to reduce energy consumption per cycle.
  - Operation of equipment such as vacuum pumps and utilities strictly based on production requirements.
- **Maintenance & Predictive Practices**
  - Implementation of preventive and predictive maintenance programs, including infrared thermography analysis of electrical systems.
  - Regular descaling and maintenance of HVAC and chiller systems to sustain optimal performance.
  - Periodic shutdown maintenance to enhance asset reliability, safety, and lifecycle efficiency.
- **Water & Resource Management**
  - Installation of RO systems, filtration systems, and iron removal plants to improve water quality and reuse.
  - Reuse of RO reject water and cooling tower blowdown for domestic and utility purposes.
  - Adoption of sensor-based water control systems to eliminate wastage.
  - Implementation of water footprint assessment and conservation programs.
- **Renewable Energy & Sustainability**
  - Significant use of renewable energy (solar and wind) through open access, achieving ~90–95% renewable energy usage during FY 2025–26.

- Continuous monitoring and initiatives aimed at reducing the Company's carbon footprint through green energy integration.

- **Awards and Recognition**
  - Conferred with the SEEM Platinum Award for excellence in energy management.
  - Recipient of the CII National Energy Award for outstanding performance in energy efficiency.

2. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

The Company continues to focus on innovation, process enhancement, and capability building through its Process and New Product Introduction (NPI) initiatives, aimed at strengthening its position in high-reliability electronics and advanced manufacturing.

- **Key Developments and Initiatives**
  - Development and qualification of advanced assembly processes for high-power DC-DC converters with improved thermal performance.
  - Qualification of new PCB materials and BGA assembly processes for high-speed digital applications, including space-grade assemblies.
  - Development of specialized processes for Active Antenna Array Units (AAAU) and MEMS-based gyro assemblies.
  - Enhancement of manufacturing capability through augmentation of SMT lines with advanced reliability testing equipment.
  - Development of high-speed digital interfaces, including:
    - 10G Ethernet
    - RFSOC (Radio Frequency System on Chip)-based boards

- **Outcome of R&D Efforts**
  - Improved product reliability and performance for high-end applications.
  - Strengthened capability in high-speed and high-frequency electronics.
  - Enhanced manufacturing efficiency and process robustness.

Overall Outcome

The above initiatives have enabled the Company to:

- Optimize energy consumption and reduce operational costs.
- Strengthen sustainability and environmental performance.
- Enhance technological capabilities in advanced electronics manufacturing.
- Improve overall operational efficiency and competitiveness.

3. EXPENDITURE ON R & D

₹ in million

Particulars	2025-26	2024-25
A. Capital	91.66	5.33
B. Recurring	177.62	158.73
C. Total	269.28	164.06
Total R&D expenditure as a % of total turnover	**2.77**	**2.11**

4. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earnings: ₹ 5,174 million and Outgo: ₹ 5,995 million for the year ended March 31, 2026.

Annexure – 4

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY:

In accordance with Section 135 of the Companies Act, 2013 and Corporate Social Responsibility (CSR) Rules, 2014 together with Schedule VII of the Companies Act, 2013 the Company has in place Corporate Social Responsibility Policy.

The Company's CSR initiatives are presented at the annual planning and budgeting meet of the Company and forms an integral part of the business plan annually. All projects are assessed under an agreed strategy and are monitored every quarter, measured against targets and budgets. Whenever necessary, midcourse corrections would be carried out.

2. COMPOSITION OF THE CSR COMMITTEE:

The Composition of the CSR Committee is as follows:

Name	Position	Number of meetings	
		Held	Attended
Mr. Thiruvengadam Parthasarathi	Chairman (till Dec 27, 2025)	2	2
Ms. V Kavitha Dutt	Member	2	2
Ms. Tanya Mallavarapu	Member (till Dec 27, 2025); Chairperson (from Dec 28, 2025)	2	2
Mr. Nikhil Mallavarapu	Member	2	1

- Mr. Thiruvengadam Parthasarathi chaired the Committee till December 27, 2025. Thereafter, Ms. Tanya Mallavarapu was appointed as Chairperson w.e.f. December 28, 2025.

- Mr. Thiruvengadam Parthasarathi ceased to be a Director w.e.f. December 27, 2025, upon completion of his tenure as an Independent Director.

- Mr. Nikhil Mallavarapu was inducted as a Member of the Committee w.e.f. May 23, 2025.

3. PROVIDE THE WEB-LINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY.

https://www.centumelectronics.com/wp-content/uploads/2026/04/4._CSR_Policy.pdf

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE.

Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 48,25,24,917

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 96,50,498

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL

(d) Amount required to be set-off for the financial year, if any: NIL

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 96,50,498

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 96,51,100

(b) Amount spent in Administrative Overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: NIL

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 96,51,100

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount unspent (in ₹)	
	Total Amount transferred to Unspent CSR account as per section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)
96,51,100	NIL	NIL

(f) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	96,50,498
(ii)	Total amount spent for the Financial Year	96,51,100
(iii)	Excess amount spent for the financial year [(ii) -(i)]	602
(iv)	Surplus arising out of CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

Note: During the year under review, the Scheme of Amalgamation of Centum T&S Private Limited ("Transferor Company"), a wholly owned subsidiary, with Centum Electronics Limited ("Transferee Company" / "the Company") has been completed. The Scheme was approved by the Board of Directors at its meeting held on August 9, 2024, and subsequently sanctioned by the Hon'ble National Company Law Tribunal, Bengaluru Bench, vide order dated October 29, 2025. The Scheme has become effective with April 1, 2024 as the Appointed Date.

However, for the purpose of determining the Company's CSR obligation for the financial year 2025-26, the Company has considered the pre merger average net profits, notwithstanding the availability of restated financials pursuant to the appointed date of April 1, 2024.

This approach has been adopted as the amalgamation became effective during the year and the historical financial information of the entities was originally reported on a standalone basis.

7. DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6)	Balance Amount in Unspent CSR Account under Section 135(6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(5), if any		Amount remaining to be spent in succeeding Financial Years. (in ₹)	Deficiency, if any
					Amount	Date of Transfer		
NIL								

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: No

If yes, enter the number of Capital assets created / acquired: Not Applicable

Details relating to such asset(s) so created or acquired through CSR amount spent in the Financial Year:

Sr. No.	Short particulars of the Property or asset(s) (including complete address and location of the property)	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
Nil							

9. SPECIFY THE REASON(S) IF THE COMPANY FAILS TO SPEND THE 2% OF THE AVERAGE NET PROFIT AS PER SECTION 135(5):

Not Applicable.

Place: Bengaluru
Date: May 14, 2026

Mallavarapu Venkata Apparao
Chairman and Managing Director
DIN: 00286308

Tanya Mallavarapu
Chairperson of CSR Committee
DIN: 01728446

Annexure-5

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2025-26, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26 are as under:

Sl. No.	Name of the Director/KMP and Designation	% increase in Remuneration in the Financial Year 2025-26	Ratio of remuneration of each Director/to median remuneration of employees
1	Mallavarapu Venkata Apparao	(30%)	26.02
	Chairman and Managing Director		
2	Nikhil Mallavarapu	(31%)	25.85
	Joint Managing Director		
3	Manoj Nagrath	Not applicable	0.28
	Non-Executive Independent Director		
4	Rajiv C Mody	Not applicable	0.22
	Non-Executive Independent Director		
5	Thiruvengadam Parthasarathi	Not applicable	0.57
	Non-Executive Independent Director		
6	V Kavitha Dutt	23%	0.75
	Non-Executive Independent Director		
7	Tarun Sawhney	38%	0.75
	Non-Executive Independent Director		
8	Tanya Mallavarapu	(4%)	0.61
	Non-Executive Director		
9	Udayant Malhoutra	Not applicable	0.52
	Non-Executive Independent Director		
10	Apurva Chandra	Not applicable	0.16
	Non-Executive Independent Director		
11	Ramesh Ramadurai	Not applicable	0.09
	Non-Executive Independent Director		
12	K. S. Desikan	Not applicable	Not applicable
	Chief Financial Officer		
13	Sundararjan Parthasarathy	Not applicable	Not applicable
	Chief Financial Officer		
14	Indu H S*	14%	Not applicable
	Company Secretary		

Note 1: During the year, Mr. Manoj Nagrath and Mr. Rajiv C Mody ceased to be Directors w.e.f. August 6, 2025, upon completion of their tenure as Independent Directors. Mr. Thiruvengadam Parthasarathi ceased to be a Director w.e.f. December 27, 2025 upon completion of his tenure as an Independent Director.

Note 2: Dr. Udayant Malhoutra, Mr. Apurva Chandra and Mr. Ramesh Ramadurai were appointed to the Board during the year on May 22, 2025, December 19, 2025 and February 14, 2026, respectively.

Note 3: Mr. K. S. Desikan superannuated from the office of Chief Financial Officer of the Company with effect from August 31, 2025. Mr. Sundararajan Parthasarathy assumed office as the Chief Financial Officer of the Company with effect from September 1, 2025.

(i) During the financial year, there was an increase of 28.96% in the median remuneration of employees.

(ii) On standalone basis, there were 1,513 permanent employees on the rolls of Company as on March 31, 2026.

(iii) The average increase in remuneration of employees other than managerial personnel during the financial year 2025-26 was 27.11%. The remuneration of managerial personnel decreased by 23.65% during the same period.

(iv) It is hereby affirmed that the remuneration paid during the financial year 2025-26 was in accordance with the Remuneration Policy for Directors, Key Managerial Personnel and Other Employees adopted by the Company.

* The percentage increase in remuneration reflects only the revision in Cost to Company (CTC) and excludes incentives and perquisites.

Compliance Certificate Pursuant To Regulation 17(8) Of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

The Board of Directors,
Centum Electronics Limited,
No.44, KHB Industrial Area,
Yelahanka New Town, Bengaluru – 560 064.

This is to certify that:

a. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2026 and that to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2026, which are fraudulent, illegal or violative of the Company's Code of Conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

d. We have indicated to the Auditors and the Audit Committee:

   (i) that there are no significant changes in internal control over financial reporting during the year;

   (ii) that there are no significant changes in accounting policies during the year; and

   (iii) that there are no instances of significant fraud of which we have become aware.

e. We further declare that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2025-2026.

For CENTUM ELECTRONICS LIMITED

Mallavarapu Venkata Apparao	**Sundararajan Parthasarathy**	Bengaluru
Chairman & Managing Director	Chief Financial Officer	May 14, 2026
DIN: 00286308		

Annexure – 6
CORPORATE GOVERNANCE REPORT

1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Centum's vision and continuing endeavor to create value by contributing to the success of our customers, has always been achieved and will continue to be achieved by adhering to its core values of Teamwork, Openness and Trust, Integrity, Customer Relationship, Excellence and Social Responsibility.

Centum Electronics Limited firmly believes that implementation of good Corporate Governance will help the Company to achieve Corporate goals and enhance stakeholders value. Your Company's philosophy on Corporate Governance envisages attainment of the highest level of transparency, accountability and integrity in all facets of its operation. The fundamental objective is enhancement of long-term Shareholder value, while at the same time protecting the interests of other stakeholders.

Your Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations"), as applicable.

2) BOARD OF DIRECTORS

a) Composition:

As on March 31, 2026, the Board of Directors of the Company comprises of 8 Directors out of which 5 are Independent Non-Executive Directors. The composition of Board is in due compliance of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has an active, experienced and a well-informed Board. The Board along with its committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy. The Nomination and Remuneration Committee of the Board ensures the right composition of the Board. The Board is primarily responsible for the overall management of the Company's business. The Directors on the Board are from varied fields with wide range of skills and expertise.

All Independent Directors possess the requisite qualifications and are very experienced in their own fields. These Independent Directors have the necessary experience and expertise. Necessary disclosures have been obtained from all the Directors regarding their Directorship and have been taken on record by the Board at its meeting held on May 14, 2026. The Board, thus, hereby confirms that in the opinion of the Board all the Independent Directors appointed by the Company fulfills the conditions specified in these regulations and are independent of the management.

The composition of the Board of Directors as at March 31, 2026 is as follows:

Name of Director	Category	Designation	Shareholding (No. & %)	Directorships in Other Companies		Number of other Committees Membership/ Chairmanship	
				Chairmanship	Membership	Chairmanship	Membership
Mr. Mallavarapu Venkata Apparao	Promoter – Executive	Chairman & Managing Director	52,31,549 (35.49%)	-	1	-	-
Mr. Nikhil Mallavarapu	Promoter – Executive	Joint Managing Director	6,52,855 (4.43%)	-	-	-	-
Ms. Tanya Mallavarapu	Promoter – Non-Executive	Director	6,44,240 (4.37%)	-	-	-	-
Ms. V Kavitha Dutt	Non-Executive – Independent	Director	–	-	8	2	3

Name of Director	Category	Designation	Shareholding (No. & %)	Directorships in Other Companies		Number of other Committees Membership/ Chairmanship	
				Chairmanship	Membership	Chairmanship	Membership
Mr. Tarun Sawhney	Non-Executive – Independent	Director	-	1	6	-	6
Dr. Udayant Malhoutra*	Non-Executive – Independent	Director	-	-	14	-	1
Mr. Apurva Chandra**	Non-Executive – Independent	Director	-	-	7	-	3
Mr. Ramesh Ramadurai***	Non-Executive – Independent	Director	-	-	3	-	3

* Appointed w.e.f. May 22, 2025

** Appointed w.e.f. December 19, 2025

*** Appointed w.e.f. February 14, 2026

During the year, Mr. Manoj Nagrath and Mr. Rajiv C Mody ceased to be Directors w.e.f. August 6, 2025, upon completion of their tenure as Independent Directors. Mr. Thiruvengadam Parthasarathi ceased to be a Director w.e.f. December 27, 2025 upon completion of his tenure as an Independent Director.

Details of Directorships in Other Listed Entities:

Name of Director	Other Listed Entities and Category of Directorship
Ms. V Kavitha Dutt	• The K.C.P. Limited – Joint Managing Director • DCM Shriram Industries Limited – Non-Executive Director • Apollo Hospitals Enterprise Limited – Independent Director
Mr. Tarun Sawhney	• Triveni Engineering & Industries Limited – Managing Director • Triveni Turbine Limited – Non-Executive Director • Sir Shadi Lal Enterprises Limited – Chairman & Managing Director • Jagran Prakashan Limited – Independent Director
Dr. Udayant Malhoutra	• Dynamatic Technologies Limited – Managing Director
Mr. Apurva Chandra	• Sudarshan Chemical Industries Limited – Independent Director • Ravindra Energy Limited – Independent Director • CEAT Limited – Independent Director • Lloyds Engineering Works Limited – Independent Director • Infrastructure Leasing and Financial Services Limited – Non-Executive Director
Mr. Ramesh Ramadurai	• 3M India Limited – Managing Director (ceased to be Director w.e.f. March 31, 2026) • Anthem Biosciences Limited – Independent Director

- The Directorships, held by the Directors as mentioned above, do not include Directorship(s) in Foreign Companies and Section 8 Companies under the Companies Act, 2013.
- Membership(s) / Chairmanship(s) of only Audit Committee and Stakeholders' Relationship Committee in all public limited companies have been considered.

The number of Directorships, Committee Membership(s), Chairmanship(s) of all the Directors are within the limits prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Mallavarapu Venkata Apparao is the father of Mr. Nikhil Mallavarapu and Ms. Tanya Mallavarapu. Mr. Nikhil Mallavarapu and Ms. Tanya Mallavarapu are siblings. None of the other Directors on the Board are related to any other Director.

None of the Independent Non-Executive Directors of the Company have any pecuniary relationships or transactions with the Company.

The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:

The mapping of the same with each of the Directors are as below:

Name of the Director	Competencies
Mr. Mallavarapu Venkata Apparao	Knowledge on key industry and technology trends, Global Business, Strategy and Planning, Risk Management, Financial Management, Governance, Stakeholder Management, Performance Management and Evaluation.
Mr. Nikhil Mallavarapu	Knowledge on key industry and technology trends, Global Business, Strategy and Planning, Risk Management, Financial Management, Governance, Stakeholder Management, Performance Management and Evaluation.
Ms. V Kavitha Dutt	Strategy and Planning, Risk Management, Financial Management, Governance, Stakeholder Management, Performance Management and Evaluation.
Ms. Tanya Mallavarapu	Risk Management, Financial Management, Governance, Stakeholder Management, Performance Management and Evaluation.
Mr. Tarun Sawhney	Knowledge on key industry and technology trends, Global Business, Strategy and Planning, Risk Management, Financial Management, Governance, Stakeholder Management, Performance Management and Evaluation.
Dr. Udayant Malhoutra	Knowledge on key industry and technology trends, Global Business, Strategy and Planning, Risk Management, Financial Management, Governance, Stakeholder Management, Performance Management and Evaluation.
Mr. Apurva Chandra	Knowledge on key industry and technology trends, Global Business, Strategy and Planning, Risk Management, Financial Management, Governance, Stakeholder Management, Performance Management and Evaluation.
Mr. Ramesh Ramadurai	Knowledge on key industry and technology trends, Global Business, Strategy and Planning, Risk Management, Financial Management, Governance, Stakeholder Management, Performance Management and Evaluation.

Note: Dr. Udayant Malhoutra, Mr. Apurva Chandra and Mr. Ramesh Ramadurai were appointed to the Board during the year on May 22, 2025, December 19, 2025 and February 14, 2026, respectively.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above from time to time. The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, expertise, diversity and independence. The Board provides leadership, strategic guidance, an objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board periodically evaluates the need for change in its composition and size.

b) Board Meetings:

The details of the Board Meetings held during the financial year 2025-26 are as follows:

Sl. No.	Day & Date
1	Thursday, May 22, 2025
2	Tuesday, August 5, 2025
3	Tuesday, November 11, 2025
4	Friday, December 19, 2025
5	Saturday, February 14, 2026

The necessary quorum was present in all the Board Meetings. The maximum gap between any two meetings was in compliance with the provisions of the Companies Act, 2013. The attendance of Directors in Board Meetings and previous Annual General Meeting (AGM) are as follows:

Name of the Director	Number of Meetings Attended	Attendance at the Last AGM	Remarks
Mr. Mallavarapu Venkata Apparao	5	Yes	-
Mr. Nikhil Mallavarapu	5	Yes	-
Ms. Tanya Mallavarapu	5	Yes	-
Mr. Manoj Nagrath	2	Yes	Ceased to be director w.e.f. August 6, 2025
Mr. Rajiv C Mody	2	Yes	Ceased to be director w.e.f. August 6, 2025
Mr. Thiruve-ngadam Partha-sarathi	4	Yes	Ceased to be director w.e.f. December 27, 2025
Ms. V Kavitha Dutt	5	Yes	-
Mr. Tarun Sawhney	5	Yes	-
Dr. Udayant Malhoutra	4	Yes	Appointed w.e.f. May 22, 2025
Mr. Apurva Chandra	1	NA	Appointed w.e.f. December 19, 2025
Mr. Ramesh Ramadurai	1	NA	Appointed w.e.f. February 14, 2026

The Board has accepted all recommendations of its committees of the Board during the financial year.

c) Code of Conduct for Directors and Senior Management:

The Company has adopted the Code of Conduct for Directors and Senior Management and the Company received the annual affirmations with regard to the adherence to the Code of Conduct for the financial year 2025-26. The Code of Conduct is available on the Company's website (https://www.centumelectronics.com/investor-relations/policies/).

All the Independent Directors of the Company at the time of their first appointment to the Board and thereafter in the first meeting of the Board in each financial year give a declaration that they meet the criteria of independence as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. The Independent Directors fulfill the conditions specified in these regulations and are independent of the management.

d) Familiarisation Programmes for Board members:

At the time of appointing a Director, a formal letter of appointment is given to the Board Members, which inter alia explains the role, function, duties and responsibilities expected from them as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant regulations. The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Quarterly updates on important changes in the regulatory environment is presented to the Board by the functional heads. Apart from this, the statutory auditors present to the Audit Committee/ Board on regular intervals on important regulatory changes.

The details of Familiarisation Programmes imparted to the Independent Directors is disclosed on its website (https://www.centumelectronics.com/investor-relations/policies/).

e) **Separate Meeting of the Independent Directors:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors is being held every financial year. None of the non-independent directors, Members of the management or Key Managerial Personnel are present for this Meeting. During the financial year 2025-26 the Meeting of the Independent Directors was held on Wednesday, December 24, 2025 to review the performance of the Non-Independent directors (including the Chairman & Managing Director) and the Board as a whole. Based on the guidance note issued by SEBI on January 05, 2017 on the Board Evaluation, Independent Directors also reviewed the quality, content and timelines of the flow of information between the management and the Board and its Committees which is necessary to perform and discharge their duties effectively and reasonably.

3) BOARD COMMITTEES

The Board of Directors has constituted the Committees, which are mandatory with appropriate delegation of powers. These Committees are functioning as required.

a) **Audit Committee:**

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in overseeing the Board's responsibilities, an "Audit Committee" was formed as a sub-committee of the Board. The Committee is in line with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of the Audit Committee covers all matters specified in Part C of Schedule II of Regulation 18 (3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and also those specified in Section 177 of the Companies Act, 2013. The terms of reference broadly include the following:

Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgment by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard, compliance with listing and other legal requirements relating to financial statements, disclosure of any related party transactions, modified opinion(s) in the draft audit report, matters required to be included in the director's responsibility statement to be included in the board's report.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgment about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India.
- Review the investments made by the Company.
- Scrutiny of inter-corporate loans and investments.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate

recommendations to the board to take up steps in this matter.

Internal Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's system and internal controls.
- Review and discuss with the Management the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- To oversee and review the functioning of a vigil mechanism and to review the findings of investigation into cases of material nature and the actions taken in respect thereof.

Audit

- Review the scope of the Statutory Auditors, the Annual Audit Plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the Statutory and Internal audits carried out, the recommendations and Management response thereto.
- Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors considering their independence and effectiveness and their replacement and removal.
- Approve such additional services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.
- Recommend to the Board the remuneration and terms of appointment of the Statutory Auditors.
- Discuss with the Statutory Auditors/ Internal Auditors any significant difficulties encountered during the course of the Audit.

Other Duties

- To approve the appointment, removal and terms of remuneration of the Internal Auditor.
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

The composition and attendance of the members for the Committee Meetings held during the year are as follows:

Sl. No.	Name	Position	Number of Meetings	
			Held	Attended
1	Mr. Manoj Nagrath	Chairman (till Aug 6, 2025)	6	2
2	Mr. Thiruvengadam Parthasarathi	Member (till Aug 6, 2025); Chairman (Aug 7 – Dec 27, 2025)	6	4
3	Mr. Tarun Sawhney	Member (from May 23, 2025); Chairman (from Dec 28, 2025)	6	5
4	Mr. Mallavarapu Venkata Apparao	Member	6	6
5	Ms. V Kavitha Dutt	Member (from May 23, 2025)	6	5

Notes:

- The Committee was reconstituted on May 22, 2025, pursuant to which Ms. V Kavitha Dutt and Mr. Tarun Sawhney were inducted as Members w.e.f. May 23, 2025.
- Mr. Manoj Nagrath and Mr. Thiruvengadam Parthasarathi ceased to be Directors w.e.f. August 6, 2025 and December 27, 2025, respectively, upon completion of their tenure as Independent Directors.

The Chairman of the Audit Committee is an Independent Director. The Company Secretary acts as the Secretary to the Committee.

During the year under review, Six Audit Committee Meetings were held and gap between two meetings did not exceed one hundred and twenty days. Audit Committee Meetings were held on May 21, 2025, August 4, 2025, November 10, 2025, December 19, 2025, February 14, 2026 and March 18, 2026. The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on August 5, 2025, to answer the shareholder queries.

Self-Assessment by the Audit Committee

The Audit Committee has set in place a process to measure and benchmark its performance each year. The assessment broadly covers composition, structure and committee meetings, overview of the financial reporting process, internal control systems and overview of internal and external audits.

b) Nomination and Remuneration Committee:

In compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013, the Board has constituted the "Nomination and Remuneration Committee".

The composition of the Nomination & Remuneration Committee & attendance in the meetings for the financial year 2025-26 was as follows:

Sl. No.	Name	Position	Number of Meetings	
			Held	Attended
1	Mr. Manoj Nagrath	Chairman (till Aug 6, 2025)	5	2
2	Ms. V Kavitha Dutt	Member (till Aug 6, 2025); Chairperson (from Aug 7, 2025)	5	5
3	Mr. Rajiv C Mody	Member (till Aug 6, 2025)	5	1
4	Mr. Mallavarapu Venkata Apparao	Member	5	5
5	Mr. Tarun Sawhney	Member (from May 23, 2025)	5	3
6	Dr. Udayant Malhoutra	Member (from May 23, 2025)	5	3

Notes:

- The Committee was reconstituted on May 22, 2025, pursuant to which Mr. Tarun Sawhney and Dr. Udayant Malhoutra were inducted as Members.
- Mr. Manoj Nagrath and Mr. Rajiv C Mody ceased to be Directors w.e.f. August 6, 2025, upon completion of their tenure as Independent Directors.

The Nomination & Remuneration Committee Meetings were held on May 22, 2025, August 05, 2025, November 11, 2025, December 19, 2025 and February 14, 2026. The Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on August 5, 2025 to answer the shareholder queries.

The quorum for a meeting of the Nomination and Remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance. This requirement was adhered to during the year under review.

The Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Committee as stipulated under Schedule II Part (D) of the Regulation 19 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which inter alia includes the following:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- To formulate criteria for evaluation of performance of independent directors and the Board;
- To devise a policy on Board diversity;
- To identify persons who are qualified to become directors and who may be appointed in the senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;
- To recommend the Board whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- To recommend to the board, all remuneration, in whatever form, payable to senior management;
- To carry out such other function as may be mandated by the Board from time to time;

The Nomination & Remuneration Committee has laid down the Performance Evaluation criteria of Independent Directors in terms of Regulation 19 read with Part D of the Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

Policy for selection and Appointment of Directors and their Remuneration

The Nomination and Remuneration Committee (NRC) has formulated a policy which, inter alia, deals with the manner of selection of the Board of Directors and the Senior Management. Link for the policy is (https://www.centumelectronics.com/investor-relations/policies/).

The details of remuneration paid to the Directors for the year ended March 31, 2026 are as follows:

(Amount in ₹)

Name of the Director	Salary & Perquisites	Sitting Fees	Commission	Total
Mr. Mallavarapu Venkata Apparao	1,30,56,260	-	1,47,00,000	2,77,56,260
Mr. Nikhil Mallavarapu	1,22,71,484	-	1,53,00,000	2,75,71,484
Mr. Manoj Nagrath	-	1,20,000	1,75,342	2,95,342
Mr. Rajiv C Mody	-	60,000	1,75,342	2,35,342
Ms. Tanya Mallavarapu	-	1,50,000	5,00,000	6,50,000
Mr. Thiruvengadam Parthasarathi	-	2,40,000	3,71,233	6,11,233
Ms. V Kavitha Dutt	-	3,00,000	5,00,000	8,00,000
Mr. Tarun Sawhney	-	3,00,000	5,00,000	8,00,000
Dr. Udayant Malhoutra	-	1,20,000	4,30,137	5,50,137
Mr. Apurva Chandra	-	30,000	1,41,096	1,71,096
Mr. Ramesh Ramadurai	-	30,000	63,014	93,014

Notes:

- Mr. Manoj Nagrath and Mr. Rajiv C. Mody ceased to be Directors with effect from August 6, 2025, while Mr. Thiruvengadam Parthasarathi ceased to be a Director with effect from December 27, 2025, upon completion of their respective tenures as Independent Directors.
- Dr. Udayant Malhoutra was appointed w.e.f. May 22, 2025.
- Mr. Apurva Chandra was appointed w.e.f. December 19, 2025.
- Mr. Ramesh Ramadurai was appointed w.e.f. February 14, 2026.

A sitting fee of ₹ 30,000 is paid to the Non-Executive Directors for attending each Meeting of the Board and the Audit Committee. The payment of Commission of ₹ 5,00,000 to the Non – Executive Directors annually commencing from April 1, 2020 was approved by the Members of the Company at the Annual General Meeting held on September 18, 2020. The approval was based on the responsibilities and their contribution to the Company in their respective capacities.

c) Stakeholders' Relationship Committee (SRC):

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted the "Stakeholders' Relationship Committee".

The Stakeholders' Relationship Committee has been formed for the effective redressal of the investors' complaints, reviewing the activities of the share transfer committee and reporting of the same to the Board periodically.

The Stakeholders' Relationship Committee meeting was held on May 22, 2025, during the year. The details of attendance of the committee members in the meeting are given below.

The composition of the Stakeholders' Relationship committee is as follows:

Name	Position	Number of Meetings	
		Held	Attended
Mr. Manoj Nagrath	Chairman (till Aug 6, 2025)	1	1
Dr. Udayant Malhoutra	Member (from May 23,2025 till Aug 6, 2025); Chairman (from Aug 7, 2025)	NA	
Mr. Nikhil Mallavarapu	Member	1	1
Ms. Tanya Mallavarapu	Member	1	1

Notes:

- The Committee was reconstituted w.e.f. May 23, 2025, pursuant to which Dr. Udayant Malhoutra was inducted as a Member.
- Mr. Manoj Nagrath ceased to be a Director w.e.f. August 6, 2025, upon completion of his tenure as an Independent Director.

The terms of reference of the committee covers all matters specified in Section 178 of the Companies Act, 2013 and amended Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of Stakeholders Relationship Committee include:-

- Resolving the grievances of the security holders including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Company Secretary & Compliance Officer acts as the Secretary to the Committee.

The Company has received complaints/requests during the year from the Shareholders. All the complaints have been redressed to the satisfaction of the Shareholders. An analysis of the complaints /requests are as follows:

Status of complaints from the stakeholders from 01.04.2025 to 31.03.2026:

Sl. No.	Nature of Complaints	Opening Balance	Received	Redressed	Pending
1.	Non receipt of securities	NIL	28	28	NIL
2.	Non receipt of Dividend Warrants	NIL	140	140	NIL
3.	Non receipt of Annual reports	NIL	3	3	NIL
4.	Through SEBI	NIL	4	4	NIL
5.	Through Stock Exchange	NIL	NIL	NIL	NIL
	Total	**NIL**	**175**	**175**	**NIL**

d) Corporate Social Responsibility (CSR) Committee:

In compliance with the provisions of Section 135 of the Companies Act, 2013, the Board has constituted "Corporate Social Responsibility (CSR) Committee". The terms of the Committee broadly comprise the following:

- To review the CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

The CSR Committee Meeting was held on May 22, 2025 and November 10, 2025. The details of attendance of the Committee Members in the meeting are given below.

Name	Position	Number of Meetings	
		Held	Attended
Mr. Thiruvengadam Parthasarathi	Chairman (till Dec 27, 2025)	2	2
Ms. Tanya Mallavarapu	Member (till Dec 27, 2025); Chairperson (from Dec 28, 2025)	2	2
Ms. V Kavitha Dutt	Member	2	2
Mr. Nikhil Mallavarapu	Member	2	1

Notes:

- The Committee was reconstituted on May 22, 2025, pursuant to which Mr. Nikhil Mallavarapu was inducted as a Member w.e.f May 23, 2025.
- Mr. Thiruvengadam Parthasarathi ceased to be a Director w.e.f. December 27, 2025, upon completion of his tenure as an Independent Director.

e) Risk Management Committee:

In compliance with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has constituted "Risk Management Committee". The Committee has laid down the Policy on Risk Management and its mitigation. The Policy on Risk Management of the Company is available at (https://www.centumelectronics.com/investor-relations/policies/).

The Risk Management Committee meetings were held on October 6, 2025 and March 24, 2026. The details of attendance of the Committee Members in the meetings are given below.

Name	Position	Number of Meetings	
		Held	Attended
Mr. Thiruvengadam Parthasarathi	Chairman (till Dec 27, 2025)	2	1
Mr. Nikhil Mallavarapu	Member (till Dec 27, 2025); Chairman (from Dec 28, 2025)	2	2
Mr. K S Desikan	Member (till August 31, 2025)	2	0
Ms. Tanya Mallavarapu	Member (from September 1, 2025)	2	2
Mr. Sundararajan Parthasarathy	Member (from September 1, 2025)	2	1
Dr. Udayant Malhoutra	Member (from Dec 28, 2025)	2	1

Notes:

- The Committee was reconstituted from time to time during the year, pursuant to which:
  - Ms. Tanya Mallavarapu and Mr. Sundararajan Parthasarathy were inducted as Members w.e.f. September 1, 2025; and
  - Dr. Udayant Malhoutra was inducted as a Member w.e.f. December 28, 2025.
- Mr. Thiruvengadam Parthasarathi ceased to be a Director w.e.f. December 27, 2025, upon completion of his tenure as an Independent Director.
- Mr. K S Desikan ceased to be the Chief Financial Officer of the Company w.e.f. August 31, 2025.

The terms of reference of the committee include the matters as specified in Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter alia includes the following:

- To formulate a detailed risk management policy which shall include:
  a. A framework for identification of internal and external risks;
  b. Measures for risk mitigation including systems and processes for internal control of identified risks;
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by

considering the changing industry dynamics and evolving complexity;

- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(f) Senior Management:

The details of Senior Management Personnel as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided below:

Sl. No.	Name	Designation
1	Mr. Vinod Chippalkatti	Chief Technology Officer
2	Mr. Jagadish Singh	President – EMS
3	Ms. Sandhya Thyagarajan	Vice President – SEBU
4	Mr. Nanda Kishore Vempati	General Manager – Human Resources

Note: Mr. Vinod Chippalkatti was redesignated as Chief Technology Officer w.e.f. January 1, 2026.

4) DISCLOSURES

a) Annual evaluation of Board, its Committees and Individual Directors:

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations.

b) Subsidiary Companies:

The Company has the following subsidiary companies:

1. During the year Centum T&S Private Limited – a wholly owned subsidiary of the Company, incorporated in India was amalgamated with Centum Electronics Limited.

   The Hon'ble National Company Law Tribunal, Bengaluru Bench (NCLT) vide order dated October 29, 2025 approved Scheme of Amalgamation of Centum T&S Private Limited, a wholly owned subsidiary of the company, with Centum Electronics Limited pursuant to Sections 230 and 232 of the Companies Act, 2013 and the rules framed thereunder.

2. Centum Electronics UK Limited, UK based company.

   Centum T&S Group Société Anonyme (S.A.), French based company, is the subsidiary of Centum Electronics UK Limited.

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings of the Company.

Copies of the Minutes of the Audit Committee / Board Meetings of Subsidiary Companies are individually given to all the Directors and are tabled at the subsequent Board Meetings.

The Company has a policy on material subsidiaries and the weblink for the same is (https://www.centumelectronics.com/investor-relations/policies/).

The Material Subsidiaries of the Company are:

- Centum Electronics UK Limited

  It was incorporated by Centum Electronics Limited during 2016. The Statutory Auditors of Centum Electronics UK Limited are Blick Rothenberg.

- Centum T&S Group Société Anonyme (S.A.)

  It was acquired by Centum Electronics Limited in the year 2016. The Statutory Auditors of Centum T&S Group Société Anonyme (S.A.). are E&Y, France.

c) Whistle Blower Policy:

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism/Whistle blower policy under which the employees are free to report violations of applicable laws, regulations and the Code of Conduct. During the year under review, there are no such events to report. The copy of Whistle Blower Policy is available on the website of the Company (https://www.centumelectronics.com/investor-relations/policies/).

The Board hereby affirms that no personnel has been denied access to the Audit Committee.

d) Related Party Transactions:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year were in the ordinary course of business and at an arm's length basis. There are no material significant related party transactions during the financial year i.e. transactions of the

Company of material nature with its promoters, the directors, the management, their subsidiaries or the relatives etc., that may have potential conflict with the interests of the Company at large. However, the Company has taken approval of the Audit Committee and Board of Directors for all the related party transactions during the year.

Details of the significant related party transactions with the group companies are given in the appended financial statements under Note no. 41 of the notes to the accounts of the standalone financial statements.

Pursuant to the said regulations, the Company has framed a policy for dealing with the related party transactions, which has been uploaded on the Company's website. The weblink for the same is (https://www.centumelectronics.com/investor-relations/policies/).

e) There are no loans and advances in the nature of loans to firms/companies in which directors are interested.

f) Fees Paid to Statutory Auditors:

During the year ended March 31, 2026 fees paid to Statutory Auditors are as follows:

Particulars	Fees (in ₹ million) (Excluding GST)
Audit and related services	7.00
Other Services (includes certification fees)	0.93
Reimbursement of expenses	0.82
Total	**8.75**

g) Compliance with Statutory/legal requirements:

During the year, there are no non-compliances by the Company. There are no other penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any other statutory authority, on any matter related to capital matters, during the last three years.

h) Compliance with Accounting Standards:

Your Company confirms that it has complied with all the applicable Accounting Standards issued by the Ministry of Corporate Affairs.

i) Internal Controls:

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company's business processes are on LN -ERP and has a strong monitoring and reporting process resulting in financial discipline and accountability.

j) CMD/CFO Certification:

The CMD and the CFO have issued certificate pursuant to the provisions of Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

k) Outstanding GDRs / ADRs:

The Company has not issued any Global Depository Receipt / American Depository Receipt / Warrant or any convertible instruments which is likely to have an impact on Company's equity.

l) Certification from Company Secretary in Practice:

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director of company by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such Statutory Authority. A Certificate to this effect, issued by the Practising Company Secretary is annexed to this Report.

m) Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has formulated a Policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. A reference disclosure on the same is also made in the Board's Report forming part of the Annual Report.

The Company has not received any complaint of sexual harassment during the financial year 2025-26.

n) Compliance of mandatory requirements:

The Company is pleased to inform that your Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Regulation 17 to 27 read with Schedule V and Regulation 46 as applicable and amended from time to time.

o) Details of utilization of funds raised through Qualified Institutional Placement as specified under Regulation 32 (7A) is provided in Boards' Report.

5) GENERAL BODY MEETINGS

a) Date and venue of the last three AGMs are given below:

Year	Date	Venue	Time	Number of special resolutions
2022-23	August 11, 2023	Meeting held through Video Conference from the Registered Office: No.44, KHB Industrial Area, Yelahanka New Town, Bengaluru – 560 064	4.30 P.M	-
2023-24	August 9, 2024	Meeting held through Video Conference from the Registered Office: No.44, KHB Industrial Area, Yelahanka New Town, Bengaluru – 560 064	11.30 A.M	1
2024-25	August 5, 2025	Meeting held through Video Conference from the Registered Office: No.44, KHB Industrial Area, Yelahanka New Town, Bengaluru – 560 064	10.30 A.M	-

The below Special resolutions were passed through Postal Ballot during FY 2025-26:

Postal Ballot resolutions dated	Resolution(s) passed through Postal Ballot	Voting Result	
		% voting in favour	% voting Against
July 02, 2025	1. Re-appointment of Mr. Apparao V Mallavarapu (DIN: 00286308) as Chairman and Managing Director of the Company.	99.35	0.65
	2. Continuation of Mr. Apparao V Mallavarapu as Chairman and Managing Director of the Company post attaining the age of seventy years.	100.00	0.00
	3. Appointment of Dr. Udayant Malhoutra (DIN: 00053714) as an Independent Director of the Company.	100.00	0.00
	4. Re-designation of Mr. Nikhil Mallavarapu (DIN: 00288551) as Joint Managing Director.	100.00	0.00
March 16, 2026	1. Appointment of Mr. Apurva Chandra (DIN: 02531655) as an Independent Director of the Company.	100.00	0.00
	2. Appointment of Mr. Ramesh Ramadurai (DIN: 07109252) as an Independent Director of the Company.	100.00	0.00
	3. To approve restructuring of Centum Electronics UK Limited and Centum T&S Group Société Anonyme (S.A.), France (along with its subsidiaries) by way of divestment / sale / disposal of investments / assets and/or cessation of control of the Company in Centum Electronics UK Limited and Centum T&S Group Société Anonyme (S.A.), France and its subsidiaries.	99.92	0.08

The Postal Ballot exercise was conducted by Mr. S.P. Nagarajan, Practicing Company Secretary (CP No. 4738), Bengaluru, who was also appointed as the Scrutinizer for the process.

Procedure for Postal Ballot:

In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sections 108, 110 and other applicable provisions of the Act read with the Rules issued thereunder and Ministry of Corporate Affairs Circulars ("MCA"), the Company provided electronic voting (Remote e-voting) facility to all its members. The postal ballot notice was sent to the members in electronic form at their email addresses registered with the depositories.

The Company also published notice in the newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by the Institute of Company Secretaries of India.

Voting rights were reckoned on the paid-up value of shares of the Company registered in the names of the shareholders as on the cut-off date.

b) Means of Communication:

The Company has its own website viz. www.centumelectronics.com. The quarterly, half- yearly and annual results are posted on the Company's website for the information of the Shareholders.

The results are also published in Business Standard – All editions, Economic Times – Bengaluru & Mumbai editions and Vijayavani/ Prajavani – Bengaluru edition.

All the material information is promptly sent to the Stock Exchanges where the Shares of the Company are listed. The Management Discussion and Analysis Report forms part of the Annual Report.

In accordance with the MCA Circulars and Circular No.SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 issued by SEBI, the Notice of the 33rd AGM along with the Annual Report of the Company for the financial year ended March 31, 2026 are being sent only through electronic mode (e-mail) to those Members whose email addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA") or with their respective Depository Participant/s (DPs).

Members may note that the Notice and Annual Report for the financial year ended March 31, 2026 is also available on the Company's website www.centumelectronics.com, websites of the Stock Exchanges i.e.BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

6) GENERAL SHAREHOLDER INFORMATION

1	Registration Details	Company is registered in the State of Karnataka and the Corporate Identity Number allotted by Ministry of Corporate Affairs (MCA) is L85110KA1993PLC013869
2	Registered Office	No. 44, KHB Industrial Area, Yelahanka New Town, Bengaluru – 560 064
3	Compliance Officer	Ms. Indu H S
4	Date, time & venue of the 33rd AGM	Thursday, August 13, 2026 at 10:30 a.m. IST The Company is conducting meeting through Video Conferencing/ Other Audio-Visual Means pursuant to the MCA Circulars and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.
5	Financial Year	2025-2026
6	Record Date for Dividend	Friday, July 31, 2026
7	Dividend	The Board of Directors of the Company have recommended a dividend of ₹ 5/- (50%) per equity share. Dividend, if approved in the ensuing Annual General Meeting will be paid to those Shareholders, whose name appear in the Register of Members as on Friday, July 31, 2026.
8	Listing in Stock Exchanges	The Equity Shares of the Company are listed in the following Stock Exchanges: - The National Stock Exchange of India Limited - BSE Limited
9	Stock Code	- National Stock Exchange of India Limited – CENTUM - BSE Limited – 517544

10	Listing Fees	Listing Fees as prescribed has been paid fully to all the Stock Exchanges where the shares of the Company are listed.	
11	Details of Credit Ratings	**CARE**	
		Total Bank Loan Facilities Rated:	₹ 433.13 Crores
		Long Term Bank Facilities:	CARE BBB; positive (Triple B; Outlook: positive)
		Long Term / Short Term Bank Facilities:	CARE BBB; positive / CARE A3+ (Triple B; Outlook: positive / A Three Plus)
		CRISIL	
		Total Bank Loan Facilities Rated:	₹ 399.70 Crores
		Long Term Rating:	Crisil BBB/positive
		Short Term Rating:	Crisil A3+

7) DEMATERIALISATION OF SHARES

The ISIN for the Equity Shares of the Company is INE320B01020. A total of 1,46,80,601 Equity Shares aggregating to 99.59% of the total shares of the Company are in dematerialised form as on March 31, 2026.

8) REGISTRARS AND SHARE TRANSFER AGENTS

For Share related matters, Members are requested to correspond with the Company's Registrar and Transfer Agent – KFin Technologies Limited quoting their Folio No./ DP ID & Client ID at the following Address.

KFin Technologies Limited
Selenium Tower B, Plot Nos.31 & 32,
Financial District Nanakramguda,
Serilingampally Mandal, Hyderabad – 500032
Ph No.: +91 40 6716 2222, Fax No.: +91 040 23001153
Toll Free No. 1800 3454 001
Email: einward.ris@kfintech.com

9) SHARE TRANSFER SYSTEM

The composition of the Share Transfer Committee is as follows:

Sl. No.	Name	Designation
1.	Mr. Mallavarapu Venkata Apparao	Chairman & Managing Director
2.	Mr. Sundararajan Parthasarathy	Chief Financial Officer
3.	Ms. Indu H S	Company Secretary

The Share Transfer Committee meets as and when required. The Committee reports periodically to the Stakeholders' Relationship Committee on receipt of the Investors' complaints, if any.

In terms of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities can be transferred only in dematerialized form with effect from April 1, 2019.

In case of shares held in electronic form, the transfers are processed by National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') through respective Depository Participants.

Suspense Escrow Demat Account:

There were no instances during the financial year where shares were liable to be transferred to the Suspense Escrow Demat Account on account of non-receipt of demat request from the investor within 120 days of issuance of the Letter of Confirmation by RTA.

The Company has delegated the power of share transfers to KFin Technologies Limited, the Company's Registrar and Share Transfer Agent ('RTA'). They process the share transfers and the same are approved by the Share Transfer Committee periodically. The share transfers are effected within 15 days from the date of receipt. The Shareholders can send their share transfer/demat requests either to the RTA directly or to the Company.

10) DISTRIBUTION OF SHAREHOLDING

The distribution of the Shareholding as on March 31, 2026 is as follows:

Category (Shares)	No. of Shareholders	%	No. of Shares	% to Equity
1-5000	26,425	99.57	18,90,701	12.83
5001- 10000	40	0.15	2,84,721	1.93
10001- 20000	25	0.09	3,39,289	2.30
20001- 30000	13	0.05	3,23,408	2.19
30001- 40000	7	0.03	2,44,789	1.66
40001- 50000	7	0.03	3,23,865	2.20
50001- 100000	9	0.03	6,45,897	4.38
100001 & Above	13	0.05	1,06,88,313	72.51
Total	**26,539**	**100.00**	**1,47,40,983**	**100.00**

11) SHAREHOLDING PATTERN

Categories of Shareholders as on March 31, 2026 is as follows:

Category	No. of Shares	% to Total Shares
Promoters & Promoter Group	69,10,478	46.88
Employees	79,498	0.54
Mutual Funds	14,97,525	10.16
Alternative Investment Fund	16,49,979	11.19
Financial Institutions / Banks	23,192	0.16
Non-Resident Indians	32,193	0.22
Non-Resident Indian Non Repatriable	38,890	0.26
Foreign Portfolio- CORP	3,49,062	2.37
Indian Public	29,54,198	20.04
Bodies Corporate	9,80,439	6.65
IEPF	1,12,203	0.76
HUF	1,13,326	0.77
Total	**1,47,40,983**	**100**

Promoters / Promoter group haven't pledged any equity shares of the Company held by them in the Company during the financial year 2025-26.

12) TRANSFER OF UNCLAIMED/UNPAID DIVIDEND

Pursuant to applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority ("IEPF") (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after completion of 7 (seven) years. Further, according to the Rules, shares in respect of which dividend has not been paid or claimed by the Shareholders for 7 (seven) consecutive years or more shall also be transferred to the Demat account created by the IEPF Authority.

The Shares Transferred to the IEPF can be claimed by the concerned members from the IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The details of the unclaimed dividends are available on the Company's Website at https://www.centumelectronics.com/unclaimed-dividend/.

During the year under review, the Company has transferred ₹88,483/- to Investor Education and Protection Fund Account which was pertaining to Unpaid Interim Dividend Account 2018-19 and remained as unclaimed for a period of 7 years from the date of transfer to Unpaid Dividend account.

The Company will be transferring the unclaimed/ unpaid dividends as mentioned hereunder to the IEPF established by the Central Government, in terms of the provisions of Section 124 and 125 of the Companies Act, 2013:

Sl No.	Dividend Year	AGM/ Board Meeting Date at which the Dividend declared	Dividend per Share (in ₹)	Due date for transfer of unclaimed Dividend to IEPF
1	2018-19 - Final	13-08-2019	4.00	19-09-2026
2	2019-20- Final	18-09-2020	2.50	24-10-2027
3	2020-21 - Interim	10-02-2021	2.00	18-03-2028
4	2020-21- Final	12-08-2021	2.00	10-09-2028
5	2021-22 - Final	12-08-2022	2.50	25-08-2029
6	2022-23 – Final	11-08-2023	4.00	24-08-2030
7	2023-24 – Interim	07-02-2024	3.00	14-03-2031
8	2023-24 – Final	09-08-2024	3.00	16-09-2031
9	2024-25 – Final	05-08-2025	6.00	13-09-2032

13) TRANSFER OF THE SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF) (IN CASES WHERE DIVIDEND HAS NOT BEEN PAID OR CLAIMED FOR SEVEN CONSECUTIVE YEARS OR MORE)

In terms of Section 124(6) of the Act read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended and Notifications issued by the Ministry of Corporate Affairs from time to time, the Company is required to transfer the shares in respect of which dividends have remained unpaid/unclaimed for a period of seven consecutive years or more to the IEPF Account established by the Central Government. As required under the said Rules, the Company has transferred the required number of shares to the IEPF. The Company has accordingly transferred 4,782 shares to the Demat Account of the IEPF Authority.

14) DISCLOSURES WITH RESPECT TO THE DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

There are no equity shares lying in the Demat suspense account.

15) FINANCIALS RELEASE DATES FOR 2026-27

Quarter	Release Date (tentative & subject to change)
1st Quarter ending June 30, 2026	Second week of August 2026
2nd Quarter ending September 30, 2026	Second week of November 2026
3rd Quarter ending December 31, 2026	Second week of February 2027
4th Quarter ending March 31, 2027	Last week of May 2027

Internet access: www.centumelectronics.com

The website of the Company contains all relevant information about the Company. The Annual Reports, Shareholding pattern, un-audited quarterly results and all other material information are hosted in this site.

Email Id for Investor Grievances:

Company has a dedicated e-mail id (investors@centumelectronics.com) for redressal of grievances of investors. Investors can also write to the Company on the below address:

Company Secretary,
Centum Electronics Limited,
No. 44, KHB Industrial Area,
Yelahanka New Town,
Bengaluru – 560 064
Telephone: +91 080 41436000
Fax : +91 080 41436005

16) REGISTERED OFFICE & PLANT ADDRESS / PHONE AND FAX NUMBERS

Location I	Location II
Centum Electronics Limited No. 44, KHB Industrial Area, Yelahanka New Town, Bengaluru – 560 064. Telephone: +91 080 41436000 Fax: +91 080 41436005	Centum Electronics Limited Avansa, Plot-58P, Survey No.8, KIADB, Bangalore Aerospace Park, Industrial Area, Jala Hobli, Budigere Post, Bengaluru – 562 129. Telephone: +91 080 71214000 Fax: +91 080 71214005

17) COMPLIANCE WITH DISCRETIONARY REQUIREMENTS

All mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

1. The quarterly financial results are published in the leading English and Kannada newspapers and not sent to individual shareholders. Significant events are published as news items/advertisements in newspapers. Further, the financial results are available on the company's website and also communicated to the Stock Exchanges where the shares of the company are listed i.e., BSE Ltd and National Stock Exchange of India Limited.

2. The Auditors' Opinion on the Financial Statements is unmodified.

3. KPMG Assurance and Consulting Services, LLP ("KPMG") were the Internal Auditors of the Company during the year. The Internal Auditors report directly to the Audit Committee on a quarterly basis on their findings and corrective actions taken.

By order of the Board
For Centum Electronics Limited

Place: Bengaluru
Date: May 14, 2026

Mallavarapu Venkata Apparao
Chairman & Managing Director
DIN: 00286308

Nikhil Mallavarapu
Joint Managing Director
DIN: 00288551

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
Centum Electronics Limited

I have examined all the relevant records of Centum Electronics Limited ('the Company') for the purpose of certifying compliance of conditions of Corporate Governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period from 1st April, 2025 to 31st March, 2026. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in ;

- Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E Schedule V of the Listing Regulations.
- Paragraphs C and E of Discretionary requirements specified in Part E of Schedule II of the Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Bengaluru
Date : 14th May, 2026
UDIN: F005706H000357574

Aarthi Gopala Krishna
Practicing Company Secretary
FCS 5706, CP No 5645

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Centum Electronics Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Centum Electronics Limited having CIN L85110KA1993PLC013869 and having registered office at 44, KHB Industrial Area, Yelahanka Bengaluru 560064 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No	Name of Director	Director Identification Number (DIN)	Date of original appointment in Company
	Executive Directors		
1	Mr. Mallavarapu Venkata Apparao	00286308	08.01.1993
2	Mr. Nikhil Mallavarapu	00288551	13.02.2020
	Non-Executive Directors		
3	Ms. V Kavitha Dutt	00139274	25.03.2020
4	Ms. Tanya Mallavarapu	01728446	27.05.2023
5	Mr. Tarun Sawhney	00382878	22.05.2024
6	Dr. Udayant Malhoutra	00053714	22.05.2025
7	Mr. Apurva Chandra	02531655	19.12.2025
8	Mr. Ramesh Ramadurai	07109252	14.02.2026

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Bengaluru
Date : 14th May, 2026
UDIN: F005706H000357728

Aarthi Gopala Krishna
Practicing Company Secretary
FCS 5706, CP No 5645

CERTIFICATE OF CODE OF CONDUCT

To,
The Members of
Centum Electronics Limited

Declaration regarding Code of Conduct pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Mallavarapu Venkata Apparao, Chairman and Managing Director of Centum Electronics Limited, to the best of my knowledge and belief, declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2026.

Place : Bengaluru
Date : May 14, 2026

Mallavarapu Venkata Apparao
Chairman and Managing Director
DIN: 00286308

Annexure - 7

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING – FY 2025-26

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	**Corporate Identity Number (CIN) of the Listed Entity**	L85110KA1993PLC013869
2	**Name of the Listed Entity**	Centum Electronics Limited
3	**Year of incorporation**	1993
4	**Registered office address**	No. 44, KHB Industrial Area, Yelahanka New Town, Bangalore – 560 064
5	**Corporate address**	No. 44, KHB Industrial Area, Yelahanka New Town, Bangalore – 560 064
6	**E-mail**	investors@centumelectronics.com
7	**Telephone**	080 4143 6000
8	**Website**	www.centumelectronics.com
9	**Financial year for which reporting is being done**	2025-26
10	**Name of the Stock Exchange(s) where shares are listed**	a. BSE Limited b. National Stock Exchange of India Limited
11	**Paid-up Capital**	₹ 147 million
12	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Telephone: 080 4143 6000 email id : investors@centumelectronics.com
13	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)**	Standalone
14	**Whether the company has undertaken reasonable assurance of the BRSR Core?**	Not Applicable
15	**Name of Assurance Provider**	Not Applicable
16	**Type of Assurance obtained**	Not Applicable

II. Products/services

17. Details of business activities (accounting for 90% of the turnover):

Description of Main Activity	Description of Business Activity	% of Turnover of the entity
Electronic System Design and Manufacturing	Design services, Manufacture of Systems and Subsystems, Contract Manufacturing	100

18. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr.No.	Product/Service	NIC Code	% of total turnover contributed
1	Systems and Subsystems	26109	27.20
2	Contract Manufacturing	26104	72.80

III. Operations

19. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	2	4
International	-	-	-

20. Markets served by the entity:

a. Number of locations:

Location	Number
National (No. of States)	14
International (No. of Countries)	20

b. What is the contribution of exports as a percentage of the total turnover of the entity?

57.20 %

c. A brief on types of customers:

The Company offers a broad range of products and services across different industry segments. It has domain expertise in Electronics Design & Manufacturing Solutions and offers entire spectrum of design services and manufacturing of systems, subsystems for mission critical products in Defense, Space, Aerospace, Industrial & Energy, Transportation & Automotive and Healthcare sectors. The Company has been helping customers turn their ideas into products. The Company's customers primarily include government agencies, defense organizations, aerospace companies, and industrial enterprises. The Company also serves as a trusted partner for Original Equipment Manufacturers (OEMs) seeking custom electronic solutions tailored to their specific requirements.

IV. Employees

21. Details as at the end of Financial Year:

a. Employees and Workers:

Sr No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	641	498	78	143	22
2	Other than Permanent (E)			-		
3	**Total employees (D + E)**	**641**	**498**	**78**	**143**	**22**
WORKERS						
4	Permanent (F)	872	640	73	232	27
5	Other than Permanent (G)			-		
6	**Total workers (F + G)**	**872**	**640**	**73**	**232**	**27**

b. Differently abled Employees and Workers:

None

c. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	2	25
Key Management Personnel	4	1	25

22. Turnover rate for permanent employees and workers:

Particulars	2025-26			2024-25			2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	20.90	24.22	21.65	40.91	36.91	39.96	30.85	20.81	28.51
Permanent Workers	38.36	30.80	36.35	33.99	31.94	33.45	40.83	41.15	40.92

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding/subsidiary/associate companies/joint ventures:

Sr No.	Name of the Holding/ Subsidiary/Associate Companies/Joint Ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Centum Electronics UK Limited	Subsidiary	100	No

Notes:

1. Pursuant to the amalgamation of Centum T&S Private Limited, a wholly owned subsidiary, with Centum Electronics Limited, effective October 29, 2025, with an appointed date of April 1, 2024, the disclosures in this Report have been prepared considering the amalgamated entity. Accordingly, previous year figures have been restated, wherever applicable, to reflect the impact of the amalgamation from the appointed date and to align the disclosures with the current reporting structure.

2. The Company has investments in Centum Electronics UK Limited, a wholly owned subsidiary, which in turn has invested in Centum T&S Group Société Anonyme (S.A.). During FY 2025-26, Centum T&S Group Société Anonyme (S.A.) and certain of its underlying overseas subsidiaries filed for Redressement Judiciaire proceedings under the applicable local laws.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

a. Turnover (in ₹) – FY 24-25 : 7,760.93 million

b. Net worth (in ₹) – FY 24-25 : 5,584.59 million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)*	2025-26			2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	175	-	-	199	-	-
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes	-	-	-	-	-	-
Value Chain Partners	Yes	-	-	-	-	-	-

* The Company's grievance redressal mechanism is available at https://www.centumelectronics.com/investor-relations/policies/

26. Overview of the entity's material responsible business conduct issues:

The Company demonstrates a robust approach to risk management. The Company's Risk Management Committee periodically evaluates significant risk exposures including the environmental, social and governance (ESG) aspects emphasizing sustainability and responsible corporate citizenship. The risk management framework encompasses thorough processes and systems to identify and report risks effectively. Corrective actions for the identified risks are implemented to mitigate any potential adverse impacts that could arise. The Company is committed to sustainable business practices and stakeholder value.

Sr No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Rising demand from AI and data center sectors, along with geopolitical dependencies on critical materials particularly rare-earth supplies from China are contributing to potential supply constraints and availability risks	R	Demand - Supply imbalances driven by increased demand from AI and data center segments, coupled with geopolitical dependencies on critical materials, may disrupt component availability, leading to potential revenue loss, extended lead times, cost pressures, and delays in execution of new programs.	Strengthening supply chain resilience through strategic sourcing, supplier diversification, forward procurement planning, and enhanced visibility and governance mechanisms.	Negative: Potential margin pressure, revenue impact, and working capital intensification due to higher inventory and sourcing costs.

Sr No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Competitive hiring environment (flexibility, compensation, WFH), limited employer brand visibility, and attrition in critical roles	R	Intense competition for talent and attrition in key roles may result in loss of critical knowledge, disruption in customer continuity, and execution challenges affecting delivery and quality.	Strengthening hiring strategies, focused retention for critical roles, structured knowledge transfer mechanisms, and robust succession planning.	Negative: Potential impact on productivity, delivery timelines, quality outcomes, and increased hiring and training costs.
3	Sustainability and Energy Management	O	Integrate sustainability and energy efficiency considerations into operational excellence initiatives, manufacturing practices and facility management while leveraging digital and technology-driven solutions.	Customers, investors, regulators and other stakeholders increasingly expect responsible business practices and environmentally conscious operations. Sustainability leadership can strengthen competitiveness and stakeholder trust.	Positive: Continuous identification of energy-saving opportunities, deployment of efficient technologies, employee engagement and monitoring of sustainability performance.
4	Human Capital Development	O & R	Develop a future-ready workforce through capability building, employee engagement, leadership development and skill enhancement initiatives.	A skilled and motivated workforce is critical to driving innovation, operational excellence and long-term business growth.	Positive: Structured learning initiatives, talent retention strategies, succession planning and employee well-being programs.
5	Innovation and Responsible Growth	O	Embed ESG considerations into business planning, innovation initiatives and long-term growth strategies.	Sustainable innovation creates opportunities to address evolving customer expectations while improving resilience and long-term value creation.	Positive: Investment in technology, continuous process improvement and integration of ESG considerations into strategic decision-making.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Particulars	P1	P2	P3	P4	P5	P 6	P7	P8	P9
	Ethics & Transpar-ency	Product Responsi-bility	Human Resources	Responsi-veness to Stakeholders	Respect for Human Rights	Environ-ment restoration	Public Policy Advocacy	Inclusive Growth	Customer Engage-ment
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/ No)	All policies are not required to be approved by the Board of Directors. The approval of the Board has been taken on mandatory policies. However, all the policies are approved by the Chairman & Managing Director of the Company.								
c. Web Link of the Policies, if available	www.centumelectronics.com								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes, the Company has translated the policies into procedures wherever applicable. The same are assimilated in the procedures and practices in all areas of activity that the Company undertakes. Formal communication is sent to internal stakeholders and the external stakeholders are communicated to the extent as may be applicable.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Due diligence is carried on in the process of dealing with the various value chain partners.								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• ISO Certificate for Quality Management System (ISO 9001:2015). • ISO Certificate for Occupational Health and safety management System (ISO 45001:2018). • ISO Certificate for Environment Management System (ISO 14001:2015). • ISO Certificate for Information Security Management System (ISO/IEC 27001:2013). • ISO Certificate for Medical Standard (ISO 13485:2003). • ISO Certificate for Automotive Standard (ISO 16949:2009). • ESD association 20-20 certified. • IRIS Railway Certification. • IPC certified for IPC-A-610 Class III & II application specialist. • NABL Accreditation - ISO/IEC 17025:2017. • SAMAR (System for Advance Manufacturing Assessment and Rating) Maturity Level 5 Certification.								

5. **Specific commitments, goals and targets set by the entity with defined timelines, if any.**

The Company has identified key parameters and implemented an effective mechanism for continuous monitoring. Periodic assessments are conducted by independent third-party service providers and are certified.

6. **Performance of the entity against the specific commitments, goals and targets along- with reasons in case the same are not met.**

P1	Ethics & Transparency	• Code of Conduct for Board of Directors and Senior Management • Policy for Determination of materiality of events for disclosure to Stock Exchanges • Code of Practices and Procedures for Fair Disclosure of UPSI • Whistle Blower Policy • Company's core values
The Company adheres to fair and transparent conduct by adopting best practices and standards of ethical behavior.		
P2	Product Responsibility	• Quality Policy, Information Security Policy
Proper mechanisms are in place for conducting life cycle assessments of products. Product labeling complies with all regulatory and customer requirements.		
P3	Human Resources	• Code of Conduct • HR Policies (including Prevention of Sexual Harassment Policy) • HR Handbook
Employees are provided opportunities to demonstrate their skills and capabilities. The Company's code of conduct applies to all employees, ensuring high ethical standards with utmost transparency and accountability. The Company also has a policy for addressing sexual harassment in the workplace, which applies to all stakeholders.		
P4	Responsiveness to Stakeholders	• Corporate Social Responsibility Policy • Code of Conduct
The Company regularly engages with stakeholders to discuss environmental, social, and governance issues.		
P5	Respect for Human Rights	• Code of conduct • Whistle Blower Policy • HR Policies • Prevention of Sexual Harassment Policy
The Human Resource department communicates labor laws and other policies to all employees.		
P6	Environment Restoration	• Environment Policy • Quality Policy • Energy Management Policy • ESG Policy
All steps are taken to ensure sustainable manufacturing.		
P7	Public Policy Advocacy	Considering the business activities of the Company and the nature of its business, the Board has not felt the need to formulate certain policies.
P8	Inclusive Growth	• Corporate Social Responsibility Policy • HR Policies
The Company's CSR policy is formulated with a focus on the holistic development of the community and the environment. The CSR initiatives aim to uplift and support the underprivileged.		
P9	Customer Engagement	• Code of Conduct • Quality policy • Information Security Policy
The Company regularly interacts with key customers, and annual customer satisfaction surveys are conducted.		

Governance, leadership and oversight		
7.	**Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements**	At Centum Electronics, we view sustainability as a business imperative and a shared responsibility towards our stakeholders, communities, and the environment. Our commitment to Environmental, Social, and Governance (ESG) principles continues to guide our decisions, investments, and long-term growth strategy. During the year, our efforts towards responsible operations and efficient resource management were recognized through prestigious industry accolades. We were honored with the Energy Efficient Unit Award at the National Energy Management Awards organized by the Confederation of Indian Industry (CII), acknowledging our achievements in energy efficiency and sustainable operations. We were also proud recipients of the SEEM Platinum Awards for excellence in sustainability and energy management in the corporate sector, reinforcing our commitment to continuously improving our environmental performance and operational excellence. Beyond our operational initiatives, we strive to create a positive and lasting impact on society through focused CSR activities. During the year, our CSR efforts supported organizations working across healthcare, education, sports, community development, environmental stewardship, and social inclusion. Through these partnerships, we have endeavoured to support initiatives that improve access to education, healthcare, nutrition, environmental awareness, sports development, and opportunities for persons with disabilities and underserved communities. We believe that sustainable growth can only be achieved when business success is accompanied by social progress and responsible stewardship of resources. Equally important is our unwavering commitment to strong corporate governance, ethical conduct, transparency, accountability, and compliance, which continue to form the foundation of stakeholder trust in Centum Electronics. As we look ahead, we remain committed to embedding ESG considerations into our business strategy, fostering innovation, strengthening stakeholder relationships, and creating enduring value for all. We are confident that through collective effort, responsible leadership, and a long-term perspective, Centum Electronics will continue to contribute meaningfully to a more sustainable and inclusive future.
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	Mr. Mallavarapu Venkata Apparao, Chairman & Managing Director
9.	**Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No).**	No director has been specifically nominated. The Corporate Social Responsibility (CSR) Committee of the Board drive the social responsibility initiatives. Further, the relevant policies are administered by the Departmental Heads who report to the Management of the Company.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Board reviews each policy and assesses performance as required by relevant regulations. The Senior Management and Board Committees conduct periodic internal reviews of charters and policies. External assessments are conducted as needed. Details of External assessment: Policies and procedures of the organization are subject to audits/reviews during ISO 9001, ISO 14001, ISO 45001 , ISO 27001 Audits.								
Subject for Review	**Frequency (Annually/Half yearly/Quarterly/Any other - please specify)**								
Performance against above policies and follow up action Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company integrates business responsibility into its core operations. Significant time, effort, and investments are continually dedicated to this area, particularly concerning the products we manufacture. The Board of Directors conducts quarterly or annual reviews as needed.								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The Company's policies and procedures are subject to internal scrutiny by the management and Internal Auditors for the purposes of ensuring operating effectiveness of the policies and critical evaluation of the same. The Statutory Auditors also refer to these policies, to the extent, relevant and applicable to assess the Entity Level Controls and Governance aspects. However, there has not been any specific review or assessment or evaluation by an external agency.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	No								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)	Note on P7: Centum Electronics Limited actively participates in various industry forums to discuss relevant topics and share opinions. The Company engages in public good initiatives independently as well as in collaboration with trade bodies and industry colleagues as needed. It is believed that there is no requirement for a specific policy for this purpose.								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors (BOD) and Key Managerial Personnel (KMP)	6	The Board of Directors receives periodic updates on business, statutory, and governance matters. Strategic presentations on company strategy, performance, and growth plans are regularly delivered to the Directors. Performance reviews, strategy updates, and key regulatory developments are presented at quarterly board meetings and the annual Board strategy meeting.	100
Employees other than BOD and KMPs	6	Training covers a variety of essential skills including interviewing techniques, email etiquette, POSH (Prevention of Sexual Harassment), emotional intelligence, MS Excel proficiency, and guidance for first-time managers.	100
Workers	6	Training covers Kaizen, ESD, POSH (Prevention of Sexual Harassment), 5S, EHS (Environmental Health and Safety), and QMS (Quality Management System).	100

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):**

   No penalties or fines were reported.

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:**

   Nil

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and provide a web-link to the policy.**

   The Centum Code of Conduct applies to all employees of the Company. It includes a clear policy on gifts and corporate hospitality, prohibiting employees from giving or receiving gifts from suppliers, vendors, or partners. Gifts received by employees, if any, are to be handed over to the HR department, which will distribute them through a random selection system during monthly employee meetings. The Code of Conduct is available on the Company's website at www.centumelectronics.com.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

   Nil

6. **Details of complaints with regard to conflict of interest:**

   Directors disclose their interests at the beginning of the year. Any changes to these disclosures are noted by the Board. Both the Board of Directors and senior management are subject to the provisions of the code of conduct.

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:**

   Nil

8. **Number of days of accounts payables:**

Particulars	2025-26	2024-25
Number of days of accounts payables	142	124

9. **Openness of business:**

Parameter	Metrics	2025-26	2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	3.70%	3.68%
	b. Number of trading houses where purchases are made	90	81
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	80.94%	86.58%
Concentration of Sales	a. Sales to dealer / distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	1.45%	3.30%
	b. Sales (Sales to related parties/Total Sales)	2%	4%
	c. Loans & advances given to related parties/Total loans & advances	-	21.57%
	d. Investments in related parties/Total Investments made	100%	100%

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

   Centum conducts awareness and training programs for its value chain partners based on business needs, stakeholder feedback, and regulatory requirements, covering various topics.

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

   The Company has a Code of Conduct for its Board Members and Senior Management that defines Conflict of Interest and outlines procedures for its avoidance. This Code of Conduct is available on the Company's website.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

   Centum is proudly engaged in design & development of subsystems and systems and indigenization of various products for Defense, Space and Aerospace segments. These subsystems and systems are being used by various defense & space agencies to serve the Nation. This is in line with the Make in India and Atmanirbhar Bharat policies of Government of India.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No):** Yes

   b. **If yes, what percentage of inputs were sourced sustainably?**

   The Company has well-established procedures for sustainable sourcing, with approximately 80% of our inputs being sustainably sourced.

   Sourcing is conducted systematically. Initially, the compatibility of potential sources with our requirements is carefully evaluated. Subsequently, sources undergo thorough evaluation using supplier evaluation criteria, including policies such as the Conflict Minerals Policy.

   Based on the supplier evaluation rating, decisions are made to engage with specific sources. Initial samples from new suppliers are evaluated before they are added to the Approved Vendor List (AVL). Supplies from newly qualified vendors are gradually increased in a phased manner.

   Centum is dedicated to maintaining a socially responsible supply chain, particularly focusing on Conflict Minerals. Centum, supported by its customers and suppliers, addresses this global challenge by taking proactive measures to ensure responsible minerals sourcing.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   Centum Electronics Limited implements a Life Cycle Assessment (LCA) process for its products. The company has a well-established waste management system that includes collection, segregation, storage, and disposal of hazardous and non-hazardous waste. Waste generated is reused, recycled, or disposed of through authorized vendors and recyclers.

   Specific waste management practices include:

   (a) Plastics (including packaging) – Disposed through approved Plastics Recycler.

   (b) E-waste – Disposed through approved E-waste recycler.

   (c) Hazardous waste – Disposed through approved hazardous waste incinerators.

   (d) Other waste – Disposed through authorized vendors.

   Centum also recycles waste water through treatment plants for internal operations, following procedures aligned with State Government guidelines for the collection, storage, and disposal of hazardous and non-hazardous waste.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Not Applicable

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?**

NIC Code	Name of Product / Service	% of Total turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
26109, 26104	Design, manufacture and supply of electronic modules, sub systems, Printed Circuit Board Assembly (PCBA) Integration, Box Build and repairs, screening of electronic components and module for Space, Avionics and Defense applications, Plastic moulded components and assemblies	100%	Gate to Gate	No	No

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   None of our products cause significant social or environmental concerns.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate Input Material	Recycled or re-used input material to total material	
	2025-26	2024-25
Solder Dross	66	57

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

   Not applicable

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category:**

   Not applicable

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Workers		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	498	498	100	498	100	-	-	-	-	-	-
Female	143	143	100	143	100	6	4.20	N.A.	N.A	-	-
Total	**641**	**641**	**100**	**641**	**100**	**6**	**0.94**	**-**	**-**	**-**	**-**
Other Permanent Employees											
Male											
Female	-										
Total											

b. **Details of measures for the well-being of workers:**

Category	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Workers		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	640	140	21.88	640	100	-	-	-	-	-	-
Female	232	55	23.71	232	100	4	1.72	N.A	N.A	-	-
Total	**872**	**195**	**22.36**	**872**	**100**	**4**	**0.46**	**-**	**-**	**-**	**-**
Other Permanent workers											
Male											
Female	-										
Total											

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent):**

Particulars	2025-26	2024-25
Cost incurred on wellbeing measures as a % of total revenue of the company	0.59	0.77

2. **Details of retirement benefits, for Current Financial Year and Previous Financial Year.**

Benefits	2025-26			2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	YES	100	100	YES
Gratuity	100	100	YES	100	100	YES
ESI	-	79	YES	-	78	YES
Others – please specify		-			-	

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Most offices/workplaces are well-equipped for accessibility by differently abled individuals. Currently, there are no differently abled employees or workers.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company's hiring policy ensures there is no discrimination against persons with disabilities.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Particulars	Permanent Employees		Permanent Workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	N.A.	N.A	N.A.	N.A.
Female	86%	86%	100%	100%

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

Particulars	Yes/No
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

The Human Resource Manager serves as the single point of contact for addressing all grievances related to employees and workers.

In compliance with Section 177(9) of the Companies Act 2013 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a vigil mechanism for directors and employees to report concerns, which is detailed in the Policy available on the Company's website at www.centumelectronics.com.

The Company has also formulated a Policy on Prevention of Sexual Harassment at Workplace to prevent, prohibit, and address incidents of sexual harassment. An Internal Complaints Committee has been established to handle any complaints received. The Company conducts regular sensitization sessions across the organization on the Policy and the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

None

8. Details of training given to employees and workers:

Category	2025-26					2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
EMPLOYEES										
Male	498	498	100	249	50	463	463	100	217	46.87
Female	143	143	100	72	50.35	134	134	100	68	50.75
Total	**641**	**641**	**100**	**321**	**50.08**	**597**	**597**	**100**	**285**	**47.74**
WORKERS										
Male	640	640	100	640	100	632	632	100	632	100
Female	232	232	100	232	100	229	229	100	229	100
Total	**872**	**872**	**100**	**872**	**100**	**861**	**861**	**100**	**861**	**100**

9. Details of performance and career development reviews of employees and workers:

Category	2025-26			2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
EMPLOYEES						
Male	498	498	100	463	463	100
Female	143	143	100	134	134	100
Total	**641**	**641**	**100**	**597**	**597**	**100**
WORKERS						
Male	640	640	100	632	632	100
Female	232	232	100	229	229	100
Total	**872**	**872**	**100**	**861**	**861**	**100**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Centum Electronics Limited is certified under ISO 45001:2018 for its Occupational Health and Safety Management System (OHSMS). The company has implemented and maintains this system across all activities, products, and services, adhering to ISO 45001:2018 standards. This system includes mechanisms for managing occupational health, safety, and environmental concerns through the formulation of EOHS (Environmental, Occupational Health, and Safety) policies and objectives, compliance with applicable legal and other requirements, and the management of unacceptable risks.

The scope of the Occupational Health, Safety, and Environmental Management System is clearly defined and implemented at all Centum locations in accordance with ISO/OHSMS 45001:2018 standards.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Centum Electronics has established a risk assessment process known as Hazard Identification and Risk Assessment (HIRA). Regular safety walks are conducted at the company's plants to identify and mitigate incidents that could cause harm to people or property. This approach includes documenting identified risks, hazards, their causes, associated consequences, and recommendations for containment.

The company employs a participative and consultative approach involving all stakeholders, including employees, associates, and contract workers. This inclusive participation enhances understanding of processes and facilitates the identification of workplace hazards. By addressing these risks promptly, Centum aims to prevent injuries, protect assets, and ensure sustainability across all organizational activities and processes.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Centum Electronics utilizes a Shop Floor Management (SFM) tool to foster a safety culture within the company. The SFM online portal enables employees to report health or safety hazards and risks that could lead to unsafe conditions.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Employees and workers have access to non-occupational medical and healthcare services. Centum Electronics has partnered with well-established hospitals to handle incidents, accidents, or medical emergencies. Employees undergo annual health check-ups, receive healthcare advice, and are provided with medical insurance facilities.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	2025-26	2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Centum Electronics is dedicated to providing healthy and safe working conditions:

- The Health and Safety Committee ensures the establishment, implementation, maintenance, and continual improvement of processes to eliminate hazards and minimize risks.

- A Safety Walk-through Audit program aligns with the EOHS (Environmental, Occupational Health, and Safety) policy to ensure safe and healthy working conditions.
- EHS (Environmental Health and Safety) awareness is promoted through training and communication initiatives.
- Trained Emergency Response Teams (ERT), firefighters, and First Aid teams are available during all shifts.
- Regular evacuation mock drills are conducted as scheduled to raise awareness and readiness in case of emergencies.
- The company utilizes an online portal (SFM) for incident management, facilitating hazard identification and containment in the workplace or plant areas to prevent injuries or property damage.

13. Number of Complaints on the following made by employees and workers: Nil

Centum Electronics prioritizes the health, safety, and well-being of its employees through the establishment, implementation, maintenance, and continuous improvement of processes and practices. This commitment ensures a healthy and safe working environment for all employees.

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Centum Electronics conducts internal EHS audits covering 100% of the plant area to assess health and safety practices. Annually, the company undergoes external assessments by certifying bodies to verify compliance with the ISO 45001:2018 standard for Occupational Health and Safety Management Systems (EOHS).
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Centum Electronics has established processes to address non-conformities and incidents by implementing corrective actions such as engineering controls, automation, and safety guards as necessary. Changes to documented procedures are recorded and standardized in relevant operational procedures to prevent recurrence of incidents.

Safety systems implemented include:

- Safety sensors interlock for cutting/trimming machines.
- Online monitoring and SMS alerts for temperature in chemical storage rooms.
- Automatic changeover of chemicals in cleaning machines.
- Permit-to-Work system.
- Hazard identification and risk assessment.
- Aspect and impact identification.
- Process Safety Information.
- Pre-Start-up Safety Review.

With a substantial onsite workforce, Centum prioritizes safe and organized building evacuations, conducting bi-annual mock drills. All incidents are thoroughly investigated according to company safety guidelines, with findings communicated across departments to prevent similar incidents. Employees and workers are encouraged to report unsafe acts and conditions to eliminate potential hazards.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

   The mentioned instances are not applicable as there have been no such incidents.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   The Company engages exclusively with suppliers and value chain partners who adhere to statutory requirements. Regular due diligence is conducted to ensure that all applicable statutory dues are deducted and deposited by our partners.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

   None

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   None

5. **Details on assessment of value chain partners:**

   The Company engages exclusively with value chain partners who comply with statutory requirements, including health and safety practices and safe working conditions.

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   All incidents are thoroughly investigated according to company safety guidelines for incident reporting and investigation. Findings are communicated across all departments to prevent similar incidents from occurring.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   The Company has identified internal and external stakeholder groups, including employees, suppliers, contractors, customers, investors, lending institutions, regulatory and statutory authorities. Well-established grievance redressal mechanisms are in place for these stakeholder groups.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	N	Email, Other	O	• Addressing Customer feedback • Addressing Customer grievances • Providing information regarding products and services
Investors/ Shareholders	N	Email, Newspaper, Website, Press releases, Investors calls, and Other	O	• Business update; • Financial Performance • Statutory Communications
Employees	N	Email, Notice Board, Employee satisfaction survey, Communication blogs and Other	O	• Employee Productivity • Talent management • Learning and development
Regulatory and Statutory Authorities	N	Email, Engagement with industry, government and regulatory bodies and Other	O	Regulatory compliance
Suppliers	N	Email, Other	O	Keep track of orders placed
Communities	Y	Community Meetings	O	Community Engagement Meetings

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   It is an ongoing process where the leadership team engages with various stakeholders across different platforms. The outcomes of these interactions are regularly presented to the Board. Additionally, the CSR activities, their implementation schedule, and their impact are also reported to the Board.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the Company consults its stakeholders when identifying its CSR programs. Following consultations with authorities and local communities, the Company partnered with Akshaya Patra, Narayana Hrudayalaya, Mathru Blind School, proVISION ASIA, Joy of Giving and other communities.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   Through its CSR initiatives, the Company provides essential support to vulnerable and marginalized communities. This includes supporting specially abled individuals and successfully diagnosing and treating patients from economically challenged groups.

PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	2025-26			2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	641	641	100	597	597	100
Other than permanent	-	-	-	-	-	-
Total Employees	**641**	**641**	**100**	**597**	**597**	**100**
Workers						
Permanent	872	872	100	861	861	100
Other than permanent	-	-	-	-	-	-
Total Workers	**872**	**872**	**100**	**861**	**861**	**100**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	2025-26					2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Permanent Employees										
Male	498	-	-	498	100	463	-	-	463	100
Female	143	-	-	143	100	134	-	-	134	100
Others	-	-	-	-	-	-	-	-	-	-
Other than permanent										
Male										
Female			-					-		
Others										
Permanent Workers										
Male	640	-	-	640	100	632	-	-	632	100
Female	232	-	-	232	100	229	-	-	229	100
Others	-	-	-	-		-	-	-	-	-
Other than permanent										
Male										
Female			-					-		
Others										

3. **Details of remuneration/salary/wages, in the following format:**

a. **Median remuneration / wages:**

(In ₹)

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	8	5,80,685	3	6,50,000
Key Managerial Personnel	3	2,75,71,484	1	16,88,159
Employees other than BoD and KMP	495	11,34,636	142	7,10,904
Workers	640	2,36,376	232	2,36,376

b. **Gross wages paid to females:**

Particulars	2025-26	2024-25
Gross wages paid to females (Gross wages paid to females as % of total wages)	17.53	17.12

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Complaints related to human rights issues are handled by the Human Resource Department or the respective department heads, who take appropriate actions according to the Company's policies. The Head of Human Resources (HR) is the authorized personnel responsible for overseeing human rights functions within the Company.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company is committed to providing an enabling working environment for its employees and workers. Its policies and practices regarding the protection of human rights, such as the prohibition of child labor, ensuring personal hygiene, and implementing safety and welfare measures, apply across the Company and its group, including contractors.

6. **Number of Complaints on the following made by employees and workers:**

No complaints related to human rights issues were reported by employees and workers during FY 2025-26 and FY 2024-25.

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	2025-26	2024-25
i) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
ii) Complaints on POSH as a % of female employees / workers		
iii) Complaints on POSH upheld		

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Concerns regarding discrimination and harassment, if any, will be handled confidentially.

The Company ensures that principles of natural justice are observed throughout the investigation and decision-making process.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Centum ensures that all agreements with stakeholders include clauses pertaining to human rights, such as the prohibition of child labor, requirements for personal hygiene, and provisions for safety and welfare measures for workers.

10. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No corrective action was required.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

The Company has not received any grievance / complaints regarding human rights.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company did not conduct any specific human rights due diligence during FY 2025-26. However, human rights diligence is integrated into other audits conducted by the Company.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners:

The Company engages exclusively with value chain partners who comply with all statutory requirements under applicable statutes.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No corrective actions were required during FY 2025-26.

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Units	2025-26	2024-25
From Renewable Sources			
Total electricity consumption (A)	GJ	29,874.00	25,707.60
Total fuel consumption (B)	GJ	-	-
Energy consumption through other sources (C)	GJ	-	-
Total energy consumed from renewable sources (A+B+C)	**GJ**	**29,874.00**	**25,707.60**
From non-renewable sources			
Total electricity consumption (D)	GJ	1,890.00	3,125.14
Total fuel consumption (E)	GJ	526.00	625.22
Energy consumption through other sources (F)	GJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	**GJ**	**2,416.00**	**3,750.36**
Total energy consumed (A+B+C+D+E+F)	**GJ**	**32,290.00**	**29,457.96**
Energy intensity per rupee of turnover (Total energy consumption/Revenue from operations)	**GJ/₹**	**0.00000332**	**0.00000380**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/₹	0.00006750	0.00007842
Energy intensity in terms of physical Output	GJ	0.03285852	0.02808143

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)**

No

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

Not Applicable

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	2025-26	2024-25
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	50,579	40,470
(iii) Third party water	1,708	963
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	52,287	41,433
Total volume of water consumption (in kiloliters)	52,287	41,433
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000005	0.000005
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000109	0.000108
Water intensity in terms of physical output	0.053208	0.039496

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. **Provide the following details related to water discharged:**

Parameter	2025-26	2024-25
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	7,430	6,969
- No treatment	-	-
- With treatment - please specify level of treatment	7,430	6,969
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
(iv) Sent to third parties	72	90
- No treatment	72	90
- With treatment - please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
Total water discharged (in kiloliters)	**7,502**	**7,059**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Centum Electronics recognizes the significance of water conservation and operates a Sewage Treatment Plant (STP) and a recirculation plant. The re-treated water from these facilities is utilized for maintaining the in-house landscape, thereby reducing our dependence on freshwater consumption.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	2025-26	2024-25
NOx	Mg/nm3	536.15	752.66
SOx	Mg/nm3	202.27	317.17
Particulate matter (PM)	Mg/nm3	786.41	843.50
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	PPM	VOC monitoring values are within defined limit	VOC monitoring values are within defined limit
Hazardous air pollutants (HAP)	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

In order to conduct a monthly assessment of the source emissions, National Accreditation Board for testing and calibration laboratories (NABL) and Ministry of Environment and Forests (MOEF) approved external laboratories are engaged.

Yes, Assessment done by National Analytical Laboratories & Research Center Bengaluru.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	2025-26	2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCo2e	1,373	1,936
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCo2e	328	745
Total Scope 1 and Scope 2 emission intensity per rupee of turnover **(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)**	**tCo2e /₹**	**0.00000017**	**0.00000034**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCo2e /₹	0.00000355	0.00000714
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCo2e	0.00173096	0.00255572

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, Centum has implemented various projects aimed at reducing GHG emissions:

- The company's green (wind + solar) energy consumption accounted for approximately 90% of its overall consumption in FY 2025-26.
- Energy Savers controls have been installed for all split air conditioners to minimize power consumption.
- Sensor-based automatic on/off operations have been implemented to reduce nitrogen gas consumption in machines, thereby lowering Scope-1 emissions.
- Process solder waste is recovered and reused in wave machines.
- Installation of Variable Frequency Drives (VFDs), timers, and automatic control systems has been undertaken to reduce power consumption and CO2 emissions.
- Continuous monitoring is conducted to detect and prevent any leakage of nitrogen and helium gases, further reducing Scope-1 emissions.

9. Provide details related to waste management by the entity, in the following format:

Parameter	2025-26	2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	13.88	18.67
E-waste (B)	6.48	6.30
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	1.76	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any (G) (Spent solvents, lead bearing residues, contaminated cotton rags, oil-soaked cotton waste, empty barrels, waste residues containing oil)	25.55	19.27
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) Corrugated cotton box, Paper, Metal waste, Aluminium etc.	70.03	68.32
Total (A+B + C + D + E + F + G + H)	**117.70**	**112.56**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	**0.00000001**	**0.00000001**
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.00000031	0.00000023
Waste intensity in terms of physical output	0.00011219	0.00011453

Parameter	2025-26	2024-25
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	10.84	3.20
(ii) Re-used	3.11	3.20
(iii) Other recovery operations	2.16	-
Total	**16.11**	**6.40**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	23.39	17.28
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	**23.39**	**17.28**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Centum Electronics is dedicated to minimizing waste generation by focusing on behavioral aspects. We ensure that all waste generated from our activities follows the 3R (Reduce, Recover, Reuse) approach to minimize hazardous waste generation. Any unrecovered waste is collected, segregated, and disposed of by authorized recyclers and vendors.

The company has established processes for waste management in each department. Hazardous waste is segregated, stored, and transported in compliance with applicable regulatory requirements and industry best practices. It is disposed of in an environmentally sound manner through authorized vendors for recycling, as mandated by regulations.

Non-hazardous waste includes paper, cardboard, scrap metal, and e-waste. Our strategic goal is to eliminate or reduce waste generation and divert waste from disposal through reuse and recycling wherever feasible.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Not Applicable

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

No new construction occurred, therefore no environmental assessment of projects undertaken by us.

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N).**

Yes, Centum Electronics complies with all applicable environmental laws, regulations, and guidelines in India.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

None of Company's facility/plant is located in areas of water stress.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	2025-26	2024-25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	MtCo2e	30,912*	532.92*
Total Scope 3 emissions per rupee of turnover	MtCo2e/₹	0.00000317	0.00000006

** During the year FY 26, Scope 3 reporting was further enhanced through expanded data collection. Accordingly, year-over-year data is not comparable.*

We are actively working toward expanding our Scope 3 reporting to include all relevant categories, in line with our commitment to comprehensive climate accountability.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Centum Electronics does not operate in or around ecologically sensitive areas that require environmental approvals or clearances.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative Undertaken	Details of the Initiative	Outcome of the initiative
1	Renewable Energy Adoption	Procured renewable power through open-access solar and wind energy sources and maximized utilization of renewable energy across operations.	More than 90% of total energy consumption was met through renewable energy sources, reducing dependence on conventional energy and supporting decarbonization efforts.
2	Energy-Efficient Power Infrastructure	Upgraded conventional UPS systems to Modular UPS technology to improve power conversion efficiency and reduce energy losses.	Annual energy savings of 57,553 kWh, avoiding approximately 40 tCO_2e emissions per annum.
3	HVAC and Temperature Optimization	Installed temperature control and monitoring systems in office areas and optimized operating parameters and seasonal set points of the 245 TR chiller system.	Achieved annual energy savings of approximately 120,000 kWh through improved HVAC efficiency and optimized cooling operations.

Sr. No.	Initiative Undertaken	Details of the Initiative	Outcome of the initiative
4	Power Factor Optimization	Maintained optimum power factor through Automatic Power Factor Correction (APFC) panels for efficient power utilization.	Improved electrical efficiency, reduced system losses and enhanced power utilization.
5	Compressed Air and Cooling Efficiency Improvement	Eliminated air leakages in HVAC ducting and carried out motor alignment corrections to improve cooling system performance and operational efficiency.	Reduced energy consumption and improved cooling efficiency.
6	Smart Utility Monitoring and Control Systems	Established structured daily monitoring of critical utilities including HVAC systems, process chillers, air compressors and water distribution systems. Installed a smart control system for the 300 CFM compressor with automated fault detection and email alerts.	Enhanced operational reliability, enabled real-time monitoring of utility performance and water consumption, and facilitated timely corrective actions.
7	Water Conservation and Management	Installed sensor-based ON/OFF systems for DI water usage in cleaning machines, implemented automatic cooling tower bleed control based on predefined parameters, and reused RO reject water for domestic purposes.	Achieved 50% reduction in idle water consumption, 40% reduction in cooling tower water consumption, and eliminated freshwater withdrawal for domestic applications through reuse of treated reject water.
8	Water Quality and RO System Reliability	Implemented an iron removal plant upstream of the RO system to prevent membrane fouling caused by high iron content in incoming water.	Improved RO system performance, enhanced operational reliability and reduced maintenance requirements.
9	Nitrogen Consumption Optimization and GHG Emission Reduction	Installed an in-house nitrogen generation plant and an automatic humidity control system for store desiccators, enabling humidity regulation based on actual requirements rather than continuous nitrogen purging.	Reduced nitrogen consumption, improved process efficiency and lowered transportation related emissions by eliminating regular nitrogen tanker movement.
10	Waste Management and Circular Economy	Continued implementation of the Zero Waste to Landfill initiative. Hazardous waste was diverted for co-processing as Alternate Fuel and Raw Material (AFR) in cement kilns, while non-hazardous waste was handled through authorized recyclers.	Achieved zero waste to landfill through environmentally responsible disposal, recycling and resource recovery practices.
11	Preventive Maintenance and Reliability Enhancement	Conducted annual electrical maintenance shutdowns and thermography studies across electrical systems to proactively identify defects and inefficiencies.	Improved equipment reliability, enhanced safety and increased system efficiency through preventive maintenance.

Recognition of Sustainability Excellence

During FY 2025-26, the Company's commitment to energy efficiency and sustainable operations was recognized through the Energy Efficient Unit Award at the National Energy Management Awards organized by the Confederation of Indian Industry (CII) and the SEEM Platinum Award for Excellence in Sustainability and Energy Management, underscoring the effectiveness of its resource-efficiency and sustainability initiatives.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Centum has implemented a comprehensive Business Continuity Plan (BCP) to assess potential risks to the business posed by disaster situations. This plan is crucial for evaluating all possible incidents and their potential impact on the organization's ability to maintain normal business operations. The BCP process involves examining the likelihood of severe situations disrupting business operations and assessing the potential consequences of such events.

The Business Continuity Team comprises General Managers from all Business Units, as well as representatives from IT, Finance, IE, EHS, and other functional areas. Centum's BCP includes a mechanism to assess the criticality of all organizational business processes and determine the impact and consequences of service loss or a reduction in normal service levels.

The site-specific Business Continuity Plan contains information on threats to normal service levels and their impact on profitability and continued viability.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

There are no significant adverse environmental impacts arising from our value chain.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Centum engages exclusively with value chain partners who comply with all applicable statutes.

8. How many Green Credits have been generated or procured:

a. By the listed entity	Nil
b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners	Nil

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations :** 12

   Centum is a member of various industry and trade bodies, actively participating in industry events and stakeholder consultations. This involvement contributes to policy formulation by various regulatory bodies.

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Electronic Industries Association of India (ELCINA)	National
3	Indo-French Chamber of Commerce and Industry	National
4	Indo-American Chamber of Commerce	National
5	India Electronics and Semiconductor Association (IESA)	National
6	Bangalore Chamber of Commerce	State
7	Software Technology Parks of India (STPI)	National
8	Federation of Karnataka Chambers of Commerce and Industry	State
9	Society of Indian Defence Manufacturer	National
10	Indian Space Association (ISPA)	National
11	Karnataka Employer Association	State
12	Electronic & Computer Software Export Promotion Council	National

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities:**

   None

Leadership Indicators

Details of public policy positions advocated by the entity: Centum Electronics Limited actively participates in various industry forums to discuss relevant topics and share views and opinions. The company engages in activities for the public good, both independently and in collaboration with trade bodies and industry colleagues. Details of Centum's participation in various public platforms and industry body discussion forums are available on our Centum Electronics Limited's LinkedIn Page.

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   The Company has not conducted any social impact assessments as it is currently not applicable. However, such assessments will be undertaken whenever necessary.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

   No projects requiring Rehabilitation and Resettlement (R&R) have been undertaken.

3. **Describe the mechanisms to receive and redress grievances of the community.**

   The Company is dedicated to fostering sustainable and inclusive development within the community. We engage with the community regularly, either directly or through implementing agencies. Grievances received, whether informally or formally through such forums, are carefully addressed, and resolutions are provided.

   Our CSR projects are aimed at tackling concerns and challenges that impact the surrounding communities, including underprivileged groups within the community.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Particulars	2025-26	2024-25
Directly sourced from MSMEs/ small producers	12.84	16.49
Sourced directly from within the district and neighboring districts	11.06	17.74

* districts within the state are only considered

5. **Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:**

Location	% of Job creation 2025-26	% of Job creation 2024-25
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100	100

Place categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   The Company has not conducted any social impact assessments as it is currently not applicable. However, such assessments will be conducted whenever necessary.

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

   No CSR projects are undertaken in aspirational districts as identified by government bodies.

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

   Centum does not have a preferential procurement policy that gives preference to purchases from suppliers belonging to marginalized or vulnerable groups. However, the Company sources products also from local and small producers after evaluating them based on necessary requirements. We actively engage with various vendors to develop and enhance their capabilities and capacities over time. Continuous feedback is provided to local suppliers to improve their performance in terms of quality and capacity.

   (b) From which marginalized /vulnerable groups do you procure?

   Not Applicable

   (c) What percentage of total procurement (by value) does it constitute?

   Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

   For the FY 2025-2026, 1 Patent is granted and 3 technical papers have been published. No commercial benefits for current & previous FY.

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:**

   None

6. **Details of beneficiaries of CSR Projects:**

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation.	11,276	100
2	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	284	73
3	Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports	1	100

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Centum has a well-established process and procedure to receive customer inquiry, grievance, complaint, or feedback. Customers can contact the respective Program Manager, Quality Leads, or Sales Team.

Centum addresses customer complaints using the RCCA (Root Cause and Corrective Actions) approach within a stipulated timeline, depending on the type of complaint or feedback received. The company has a complaint redressal mechanism through which consumers can contact and lodge their grievances.

Additionally, our sales teams regularly engage with customers through emails and formal meetings. In case of any complaints, customers can raise them with the Company's Single Point of Contact (SPOC) or send their complaints via mail to the company.

2. Turnover of products and / services as a percentage of turnover from all products/service that carry information about:

<table>
<tr><th>Particulars</th><th>As a percentage to total turnover</th></tr>
<tr><td>Environmental and social parameters relevant to the product</td><td rowspan="3">100%</td></tr>
<tr><td>Safe and responsible usage</td></tr>
<tr><td>Recycling and/or safe disposal</td></tr>
</table>

3. Number of consumer complaints in respect of the following:

<table>
<tr><th rowspan="2">Particulars</th><th colspan="2">2025-26</th><th rowspan="2">Remarks</th><th colspan="2">2024-25</th><th rowspan="2">Remarks</th></tr>
<tr><th>Received during the year</th><th>Pending resolution at end of year</th><th>Received during the year</th><th>Pending resolution at end of year</th></tr>
<tr><td>Data privacy</td><td colspan="3" rowspan="7">-</td><td colspan="3" rowspan="7">-</td></tr>
<tr><td>Advertising</td></tr>
<tr><td>Cyber-security</td></tr>
<tr><td>Delivery of essential services</td></tr>
<tr><td>Restrictive Trade Practices</td></tr>
<tr><td>Unfair Trade Practices</td></tr>
<tr><td>Other</td></tr>
</table>

4. Details of instances of product recalls on account of safety issues:

None

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, Centum has implemented an Information Security Management System in accordance with ISO/IEC 27001:2013 for the scope of Design, Manufacturing, Integration, and Screening of PCB Assembly and Electronic Modules. The company has established layered security measures for People, Process, and Technology, adopting the protect, detect, and respond method in its IT security process.

Various controls are in place within the IT security framework, including perimeter controls, internal controls, and access controls. Centum also conducts cybersecurity assessments, including Annual Vulnerability Assessments and Penetration Tests carried out by third-party cybersecurity partners. Additionally, internal ISMS audits are conducted every six months, with annual ISMS surveillance audits by the certification agency, annual IT General Controls (ITGC) audits by the statutory financial audit team, and customer audits on the Information Security Management System.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   The Company continuously strengthens and upgrades its infrastructure while implementing various monitoring tools in accordance with cybersecurity and data privacy requirements for individuals and customers. The Company adopts stringent data privacy policies in line with global standards. Regular employee training on data privacy and cybersecurity best practices are provided.

   Regular safety audits of products and services are taken up to ensure compliance with regulatory standards.

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches.**

      To date, Centum has not reported any instances of data breaches. The company is committed to establishing, implementing, maintaining, and continually improving its information security management system related to the design and manufacturing of electronic products. This commitment ensures the confidentiality, integrity, and availability of information involved in its activities, supported by measurable objectives and compliance with applicable legal, statutory, regulatory, and contractual requirements.

   b. **Percentage of data breaches involving personally identifiable information of customers:**

      Nil

   c. **Impact, if any, of the data breaches:**

      Not Applicable as there are no data breaches reported.

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The Company provides information about its products and services through its website, www.centumelectronics.com. Additionally, Centum actively participates in trade fairs and exhibitions related to electronics manufacturing.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company manufactures and supplies products according to customer specifications. There is ongoing interaction with customers throughout the project execution phase, and end users are educated accordingly. Information regarding product usage and end-use applications is provided in the respective product catalogs, instruction manuals, installation manuals, and user guides.

We continuously evaluate and improve our product safety measures based on customer feedback, industry best practices, and regulatory requirements. This includes updating product labeling, enhancing user manuals, and implementing new safety features or technologies.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Centum Electronics Limited is not directly involved in providing essential services as defined by The Essential Services Maintenance Act, 1981. However, the company maintains continuous communication with its customers to ensure the smooth operation of its activities.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not applicable) If yes, provide details in brief.

The Company manufactures and supplies products according to customer specifications. The product information displayed complies with all relevant local laws and customer instructions. For exported products, information aligns with the requirements of respective countries' laws. Barcodes on products contain all necessary information.

The products are clearly labeled with relevant safety information, usage instructions, and precautions. This includes warning labels for potentially hazardous materials or components, as well as instructions for proper disposal or recycling.

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No).

Yes, Centum is a customer-centric organization where customer satisfaction is paramount. Feedback is solicited from customers starting from the design and manufacturing stages through to product delivery. Continuous engagement and support are provided to ensure customer satisfaction. Annual customer satisfaction surveys are conducted to gather feedback on various parameters including sales, project execution, delivery, documentation, quality, health and safety, and information security management systems. Customer scorecards are periodically reviewed to gauge service satisfaction.

Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Centum Electronics Limited

Report on the Audit of the Standalone Ind AS Financial Statements

OPINION

We have audited the accompanying standalone Ind AS financial statements of Centum Electronics Limited ("the Company"), which comprise the Balance sheet as at March 31 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its net profit/(loss) including other comprehensive income/ (loss), its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Allowance for inventory obsolescence refer note 10 and note 40 of the standalone Ind AS financial statements)	
The Company held an inventory balance of ₹ 4,567.76 million as at March 31, 2026, as disclosed in Note 10 and is a material balance for the Company. Inventory obsolescence allowance is determined using policies/ methodologies that the Company deems appropriate to the business. Significant judgement is exercised by the management in identifying the slow-moving and obsolete inventories and in assessing whether provision for obsolescence for slow moving, excess or obsolete inventory items should be recognized considering the production plan, forecast inventory usage, committed and expected orders, alternative usage, etc. Considering that the aforesaid assessment process is complex and involves significant estimates and judgements and the balance of inventory is material, we have identified this as a key audit matter	Our procedures to evaluate the allowance of inventories obsolescence included: • We obtained an understanding of how the management identifies the slow-moving and obsolete inventories and assesses the amount of allowance for inventories; • We assessed and tested the design and operating effectiveness of the Company's internal financial controls over the allowance for inventory obsolescence; • We observed the inventory count performed by management and assessed the physical condition of the inventories; • We also assessed the allowance policy based on historical sales trends of the products in their life cycle and comparing the actual loss to historical allowance recognized. • We further tested the ageing of the inventories and the computation of the obsolescence level on a sample basis; • We have tested a sample of inventory items for significant components to assess the cost and tested the basis of determination of net realisable value of inventory. • We also assessed the Company's disclosures concerning this in Note 40 on significant accounting estimates and judgements and Note 10 on Inventories to the standalone Ind AS financial statements.

INFORMATION OTHER THAN THE STANDALONE IND AS FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those 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 STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are 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 these standalone Ind AS financial statements.

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 standalone Ind AS financial statements, 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 standalone Ind AS 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 management.

- Conclude on the appropriateness of management's 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 standalone Ind AS financial statements 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent 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 matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2026, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except as detailed in note 56 of the standalone Ind AS financial statements, for the matters stated in the paragraph (f) and (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended.

   (g) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, (as amended) in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 44(c) to the standalone Ind AS financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 26 to the standalone Ind AS financial statements;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

      iv. a) The management has represented that, to the best of its knowledge and belief, and as disclosed in note 58(v) to the standalone Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      b) The management has represented that, to the best of its knowledge and belief, and as disclosed in note 58 (vi) to the standalone Ind AS financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 17 to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except that, audit trail feature is not enabled for direct changes to data when using certain access rights, as described in note 56 to the standalone Ind AS financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting softwares where audit trail has been enabled. Additionally, the audit trail of relevant prior years has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in note 56 to the standalone Ind AS financial statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 26056102QWJOBH9811

Place of Signature: Bengaluru, India
Date: May 14, 2026

Annexure 1

referred to in clause 1 of paragraph on the 'Report on Other Legal and Regulatory Requirements' of our report of even date

Re: Centum Electronics Limited ('the Company')

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangible assets.

(b) All property, plant and equipment have not been physically verified by the management of the Company during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 3 to the standalone Ind AS financial statements included in property, plant and equipment are held in the name of the Company except as under:

Description of Property	Gross carrying value (₹. In Mn)	Held in name of	Whether held in the name of promoter, director or their relative or employee	Period held since	Reason for not being held in the name of Company
Land at Bengaluru Aerospace Park, Industrial Area	114.61	Karnataka Industrial Areas Development Board (KIADB)	No	December 18, 2013	Lease deed has expired on December 17, 2023, and the management has applied for transfer of title in the name of the Company.

Certain immovable properties are pledged with banks and their title deeds are not available with the Company. The same has been independently confirmed by the bank.

(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible asset during the year ended March 31, 2026.

(e) As disclosed in note 58(i) to the accompanying standalone Ind AS financial statements, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory excluding inventory lying with third parties and goods in transit at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Inventories lying with third parties have been confirmed substantially by them as at March 31, 2026. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification and confirmation.

(b) As disclosed in note 21 to the standalone Ind AS financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the standalone Ind AS financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii) The Company has not made investments, provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the requirement to report on clause 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 ('the Act') are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company and hence not commented upon.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act related to the products manufactured by the Company, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including goods and services tax, professional tax, provident fund, employees' state insurance, income-tax, custom duty, cess and other material statutory dues, as applicable to the Company have generally been regularly deposited with the appropriate authorities though there has been a slight delay in payment of advance tax. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed dues in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (in ₹ million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Disallowances	45.62	Financial year 2022-2023	Honourable High Court of Karnataka
Central Excise Act, 1944	Non-payment of service tax	89.25 (3.54)*	Financial year 2009-2010 to 2017-2018	Customs, Excise and Service Tax Appellate Tribunal ('CESTAT'), Bangalore
Central Excise Act, 1944	Disallowance of CENVAT Credit availed	2.31 (0.21)*	Financial year 2004-2005 to 2005-2006	Commissioner of Central Excise, Bangalore
The Goods and Service Tax Act	Recovery of erroneous refund sanctioned	2.72 (0.44)*	Financial year 2017-2018	Additional Commissioner Central tax (Appeals)

* Amount in brackets represents the payment made under protest.

(viii) As disclosed in note 58(vii) to the accompanying standalone Ind AS financial statements, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or other government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the standalone Ind AS financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates during the year.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries companies. The Company does not have any joint venture or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer/ further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit. Further, during the previous year the Company has raised funds through Qualified Institutional Placement ("QIP"). According to the information and explanations given to us and on the basis of our examination of the records of the Company and as disclosed in note 46 to the accompanying standalone Ind AS financial statements, the Company has utilized funds raised through QIP during the previous year for the purposes for which they were raised, except for Rs. 600.09 million (March 31, 2025: Rs. 897.13 million) which have been invested in fixed deposits with banks and other bank balances. Further, there has been certain delays in the utilization of the QIP proceeds and the unutilized balance out of the QIP proceeds has been disclosed in note 46 to the accompanying standalone Ind AS financial statements.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor, secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management of the Company, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with the directors as referred to in section 192 of the Act and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year or the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 49 to the standalone Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 52 to the standalone Ind AS financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act. This matter has been disclosed in note 52 to the standalone Ind AS financial statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 26056102QWJOBH9811

Place of Signature: Bengaluru, India
Date: May 14, 2026

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF CENTUM ELECTRONICS LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone Ind AS financial statements of Centum Electronics Limited ("the Company") as of March 31, 2026, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE IND AS FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 26056102QWJOBH9811

Place of Signature: Bengaluru, India
Date: May 14, 2026

CENTUM

Corporate Identification Number (CIN): L85110KA1993PLC013869

Standalone Ind AS Balance Sheet

As at March 31, 2026

(₹ in million)

	Notes	March 31, 2026	March 31, 2025 [Restated (refer note 57)]
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	1,337.25	1,046.43
(b) Capital work-in-progress	3a	-	76.37
(c) Goodwill	4	36.35	36.35
(d) Other intangible assets	4	3.64	8.34
(e) Right-of-use assets	44(a)	21.35	24.81
(f) Financial assets			
(i) Investments	5	-	1,537.83
(ii) Other financial assets	6	148.27	231.97
(g) Deferred tax assets (net)	7	194.25	189.20
(h) Non-current tax assets (net)	8	11.77	36.65
(i) Other assets	9	47.89	26.59
Total non - current assets		**1,800.77**	**3,214.54**
(2) Current assets			
(a) Inventories	10	4,567.76	3,274.16
(b) Financial assets			
(i) Trade receivables	11	3,073.09	3,170.92
(ii) Cash and cash equivalents	12	377.52	509.84
(iii) Bank balances other than cash and cash equivalents	12	822.00	618.77
(iv) Other financial assets	13	37.29	2.62
(c) Other assets	14	380.69	414.12
Total current assets		**9,258.35**	**7,990.43**
Total assets (1+2)		**11,059.12**	**11,204.97**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	15	147.41	147.07
(b) Other equity	16	4,167.61	5,437.52
Total equity		**4,315.02**	**5,584.59**
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	22.35	77.96
(ii) Lease liabilities	44(a)	8.54	2.63
(b) Government grants	19	13.26	11.02
(c) Net employee defined benefit liabilities	20	25.37	40.21
Total non-current liabilities		**69.52**	**131.82**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	1,197.57	883.13
(ii) Lease liabilities	44(a)	6.30	11.09
(iii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		94.96	202.38
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,454.41	1,498.79
(iv) Other financial liabilities	23	297.50	302.33
(b) Government grants	19	7.41	5.53
(c) Other liabilities	24	2,410.59	2,284.48
(d) Net employee defined benefit liabilities	25	11.20	8.15
(e) Provisions	26	130.60	157.65
(f) Liabilities for current tax (net)	27	64.04	135.03
Total current liabilities		**6,674.58**	**5,488.56**
Total equity and liabilities (1+2+3)		**11,059.12**	**11,204.97**
Summary of material accounting policies	2.3		

The accompanying notes are an integral part of the standalone Ind AS financial statements.
As per our report of even date.

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

per Navin Agrawal
Partner
Membership number: 056102

Place : Bengaluru, India
Date : May 14, 2026

For and on behalf of Board of Directors of
Centum Electronics Limited

Apparao V Mallavarapu
Chairman and Managing Director
DIN: 00286308

Nikhil Mallavarapu
Joint Managing Director
DIN: 00288551

Indu H S
Company Secretary
Membership number: F12285

Sundararajan Parthasarathy
Chief Financial Officer

Place : Bengaluru, India
Date : May 14, 2026

Corporate Identification Number (CIN): L85110KA1993PLC013869

Standalone Ind AS Statement of Profit and Loss

for the year ended March 31, 2026

(₹ in million)

		Notes	March 31, 2026	March 31, 2025 [Restated (refer note 57)]
I	**Income**			
	Revenue from operations	28	9,730.56	7,760.93
	Other income	29	58.69	41.20
	Finance income	30	99.47	24.49
	Total income		**9,888.72**	**7,826.62**
II	**Expenses**			
	Cost of materials consumed	31	6,849.06	5,293.44
	(Increase) / decrease in inventories of work-in-progress and finished goods	32	(281.07)	(294.44)
	Employee benefits expense	33	1,317.44	1,249.01
	Depreciation and amortisation expenses	34	195.05	195.11
	Finance costs	35	167.89	194.66
	Other expenses	36	636.47	571.80
	Total expenses		**8,884.84**	**7,209.58**
III	**Profit / (loss) before exceptional items and tax (I - II)**		**1,003.88**	**617.04**
IV	**Exceptional items**	**37**	**(2,033.07)**	**-**
V	**Profit/ (loss) before tax (III + IV)**		**(1,029.19)**	**617.04**
VI	**Tax expenses**	**38**		
	Current tax		163.15	246.28
	Tax relating to earlier years		(14.78)	1.79
	Deferred tax (credit) /charge		(7.06)	(87.34)
	Total tax expenses		**141.31**	**160.73**
VII	**Profit / (loss) for the year (V - VI)**		**(1,170.50)**	**456.31**
VIII	**Other comprehensive income**			
	(A) Other comprehensive income not to be reclassified to profit or loss in subsequent periods :			
	Re-measurement gains / (losses) on defined benefit plans	42b(ii)	8.00	2.45
	Income tax effect on above	38	(2.01)	(0.62)
	Total other comprehensive income for the year (net of tax)		**5.99**	**1.83**
IX	**Total comprehensive income for the year (VII + VIII)**		**(1,164.51)**	**458.14**
X	**Earnings per equity share (EPS) (nominal value of ₹ 10 each)**	**39**		
	Basic (₹)		(79.32)	35.14
	Diluted (₹)		(79.32)	34.84
Summary of material accounting policies		2.3		

The accompanying notes are an integral part of the standalone Ind AS financial statements.

As per our report of even date.

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

per Navin Agrawal
Partner
Membership number: 056102

Place : Bengaluru, India
Date : May 14, 2026

For and on behalf of Board of Directors of
Centum Electronics Limited

Apparao V Mallavarapu
Chairman and Managing Director
DIN: 00286308

Nikhil Mallavarapu
Joint Managing Director
DIN: 00288551

Indu H S
Company Secretary
Membership number: F12285

Sundararajan Parthasarathy
Chief Financial Officer

Place : Bengaluru, India
Date : May 14, 2026

CENTUM

Corporate Identification Number (CIN): L85110KA1993PLC013869

Standalone Ind AS Statement of Cash Flows

for the year ended March 31, 2026

(₹ in million)

		March 31, 2026	March 31, 2025 [Restated (refer note 57)]
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit/ (loss) before tax		(1,029.19)	617.04
Adjustments to reconcile profit / (loss) before tax to net cash flows:			
Depreciation and amortisation expenses		195.05	195.11
Provisions/ liabilities no longer required, written back		(34.58)	(0.98)
Net foreign exchange differences (unrealised)		32.98	(0.81)
(Gain) / loss on sale/discard of property, plant and equipment		(2.23)	-
Provision for expected credit loss / bad debts written off/ doubtful advances		17.90	6.56
Trade receivables written off		396.00	-
Provision for diminution in the value of investment		1,537.83	-
Provision for inventory obsolescence		145.92	66.62
Provision for onerous contract		(31.44)	48.53
Government grants		(11.72)	(7.88)
Employee share based compensation cost/ (reversals)		(17.16)	14.15
Share issue expenses		-	2.79
Finance income		(99.47)	(24.49)
Finance costs		151.80	194.66
Operating profit before working capital adjustments		**1,251.69**	**1,111.30**
Working capital adjustments:			
(Increase) / decrease in inventories		(1,439.52)	(426.64)
(Increase) / decrease in trade receivables		(282.25)	(946.27)
Decrease / (increase) in non current/ current financial assets and other assets		29.10	(99.60)
Increase / (decrease) in trade payables, non current/ current provisions, financial liabilities, net employee defined benefit liabilities and other liabilities		925.26	404.79
Cash generated (used in) / from operations		**484.28**	**43.58**
Direct taxes paid (net of refunds)		(199.84)	(200.54)
Net cash flow from / (used in) operating activities	**(A)**	**284.44**	**(156.96)**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment, including capital work-in progress, intangible assets and capital advances		(395.04)	(151.22)
Proceeds from sale of property, plant and equipment		2.23	-
Purchase of non-current investments		-	(458.02)
(Investment)/ redemption in bank deposits (having original maturity of more than three months) and other bank balances		(100.18)	(440.49)
Interest income received		53.41	26.98
Government grant received		15.84	-
Net cash flow (used in) / from investing activities	**(B)**	**(423.74)**	**(1,022.75)**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of equity shares		0.34	2,100.00
Transaction cost on issue of equity shares (including taxes)		-	(100.53)
Proceeds from long term borrowings		-	46.21
Repayment of long term borrowings		(68.34)	(54.62)
Payment of principal portion of lease liabilities		(9.57)	(10.12)
Payment of interest portion of lease liabilities		(1.80)	(1.61)
(Repayment)/ proceeds of short term borrowings (net)		310.91	(210.65)
Finance costs paid		(142.75)	(176.67)
Dividend paid (including amount transferred to Investor Education & Protection Fund)		(88.24)	(38.93)
Net cash flow from/ (used in) financing activities	**(C)**	**0.55**	**1,553.08**
Net (decrease)/ increase in cash and cash equivalents	**(A+B+C)**	**(138.75)**	**373.37**
Cash and cash equivalents at the beginning of the year		486.76	113.39
Effect of exchange differences on cash and cash equivalents held in foreign currency		16.96	-
Cash and cash equivalents at the end of the year		**364.97**	**486.76**

Corporate Identification Number (CIN): L85110KA1993PLC013869

Standalone Ind AS Statement of Cash Flows

for the year ended March 31, 2026

(₹ in million)

	March 31, 2026	March 31, 2025 [Restated (refer note 57)]
Components of cash and cash equivalents for the purpose of cash flow statement		
Cash on hand (refer note 12)	0.82	0.35
Balances with banks (refer note 12)		
- On current accounts	128.04	116.64
- In QIP monitoring account	4.80	335.56
- On exchange earners foreign currency (EEFC) accounts	102.68	57.29
- Deposit with original maturity of less than three months	141.18	-
Overdraft from banks (refer note 21)	(12.55)	(23.08)
Total cash and cash equivalents	**364.97**	**486.76**

Explanatory notes to statement of cash flows

Changes in liabilities arising from financing activities:-

(₹ in million)

Particulars	Liabilities arising from financing activities		
	Long term borrowings (including current maturities of long term borrowings) (refer note 18 and 21)	Short term borrowings (excluding current maturities of long term borrowings and cash credits) (refer note 21)	Lease liabilities (including current portion of lease liabilities) [refer note 44(a)]
As at April 01, 2025 [Restated (refer note 57)]	**145.91**	**792.11**	**13.72**
Cash flows	(68.34)	310.91	(11.37)
Non-cash changes			
Foreign exchange differences loss/ (gain)	3.79	23.50	-
Interest payable	-	(0.51)	-
Accretion of interest	-	-	1.80
Modification of lease liabilities	-	-	10.69
As at March 31, 2026	**81.36**	**1,126.01**	**14.84**
As at April 01, 2024 [Restated (refer note 57)]	**154.32**	**996.31**	**22.99**
Cash flows	(8.41)	(210.65)	(11.73)
Non-cash changes			
Foreign exchange differences loss/ (gain)	-	3.24	-
Interest payable	-	3.21	-
Accretion of interest	-	-	1.61
Additions of lease liabilities	-	-	0.86
Modification of lease liabilities	-	-	(0.01)
As at March 31, 2025 [Restated (refer note 57)]	**145.91**	**792.11**	**13.72**

Summary of material accounting policies 2.3

The accompanying notes are an integral part of the standalone Ind AS financial statements.

As per our report of even date.

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

per Navin Agrawal
Partner
Membership number: 056102

Place : Bengaluru, India
Date : May 14, 2026

For and on behalf of Board of Directors of
Centum Electronics Limited

Apparao V Mallavarapu
Chairman and Managing Director
DIN: 00286308

Nikhil Mallavarapu
Joint Managing Director
DIN: 00288551

Indu H S
Company Secretary
Membership number: F12285

Sundararajan Parthasarathy
Chief Financial Officer

Place : Bengaluru, India
Date : May 14, 2026

Corporate Identification Number (CIN): L85110KA1993PLC013869

Standalone Ind AS Statement of Changes in Equity

for the year ended March 31, 2026

(A) EQUITY SHARE CAPITAL

Equity shares of ₹ 10 each issued, subscribed and fully paid

Particulars	Number	₹ in million
At April 01, 2024	**1,28,88,494**	**128.88**
Issue of shares on exercise of share options (refer note 45)	8,373	0.08
Issue of shares through QIP [(refer note (i)]	18,10,345	18.11
At March 31, 2025	**1,47,07,212**	**147.07**
Issue of shares on exercise of share options (refer note 45)	33,831	0.34
At March 31, 2026	**1,47,41,043**	**147.41**

(i) During the year ended March 31, 2025, the Company allotted 1,810,345 equity shares of ₹10 each aggregating ₹ 2,100.00 million at an issue price of ₹1,160 per equity share through Qualified Institutional Placement (QIP) process (refer note 46).

(B) OTHER EQUITY

(₹ in million)

Particulars	Attributable to equity shareholders						Total other equity
	Reserves and surplus (note 16)						
	Securities premium	General reserve	Retained earnings	Effective portion of cash flow hedge	Share based payments reserve	Capital reserve	
For the year ended March 31, 2026							
As at April 01, 2025 (restated)	**2,020.27**	**440.26**	**2,923.65**	**(0.15)**	**50.06**	**3.43**	**5,437.52**
Profit / (loss) for the year	-	-	(1,170.50)	-	-	-	(1,170.50)
Dividends (refer note 17)	-	-	(88.24)	-	-	-	(88.24)
Compensation for options granted	-	-	-	-	(17.16)	-	(17.16)
Cancellation of vested share options	-	-	-	-	(2.10)	2.10	-
Other comprehensive income/(loss) for the year (net of taxes)*	-	-	5.99	-	-	-	5.99
Exercise of share options	13.88	-	-	-	(13.88)	-	-
As at March 31, 2026	**2,034.15**	**440.26**	**1,670.90**	**(0.15)**	**16.92**	**5.53**	**4,167.61**
For the year ended March 31, 2025							
As at April 01, 2024	**28.27**	**440.26**	**2,487.28**	**(0.15)**	**35.91**	**3.43**	**2,995.00**
Add: Changes on account of amalgamation (refer note 57)	-	-	16.92	-	-	-	16.92
As at April 01, 2024 (restated)**	**28.27**	**440.26**	**2,504.20**	**(0.15)**	**35.91**	**3.43**	**3,011.92**
Profit / (loss) for the year	-	-	456.31	-	-	-	456.31
Issue of share capital	2,081.89	-	-	-	-	-	2,081.89
Transaction cost on issue of equity shares	(90.42)	-	-	-	-	-	(90.42)
Dividends (refer note 17)	-	-	(38.69)	-	-	-	(38.69)
Compensation for options granted	-	-	-	-	14.15	-	14.15
Other comprehensive income/(loss) for the year (net of taxes)*	-	-	1.83	-	-	-	1.83
Exercise of share options	0.53	-	-	-	-	-	0.53
As at March 31, 2025 (restated)	**2,020.27**	**440.26**	**2,923.65**	**(0.15)**	**50.06**	**3.43**	**5,437.52**

*As required under Ind AS compliant Schedule III, the Company has recognised remeasurement gains / (losses) of defined benefit plans as part of retained earnings.

** Restated (refer note 57)

Summary of material accounting policies 2.3

The accompanying notes are an integral part of the standalone Ind AS financial statements.
As per our report of even date.

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

per Navin Agrawal
Partner
Membership number: 056102

Place : Bengaluru, India
Date : May 14, 2026

For and on behalf of Board of Directors of
Centum Electronics Limited

Apparao V Mallavarapu
Chairman and Managing Director
DIN: 00286308

Nikhil Mallavarapu
Joint Managing Director
DIN: 00288551

Indu H S
Company Secretary
Membership number: F12285

Sundararajan Parthasarathy
Chief Financial Officer

Place : Bengaluru, India
Date : May 14, 2026

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

1. CORPORATE INFORMATION

Centum Electronics Limited ("Centum" or "the Company") is a public limited company domiciled in India. The registered office of the Company is located at Bengaluru, India. Its equity shares are listed on National Stock Exchange and Bombay Stock Exchange in India.

Centum designs, manufactures and also exports electronic products. It also provides design services to its customers. These include systems, subsystems and modules.

The standalone Ind AS financial statements for the year ended March 31, 2026, were approved by the Board of Directors and authorised for issue in accordance with a resolution of the directors on May 14, 2026.

The Company has been registered under the provisions of Micro, Small and Medium Enterprise Development Act ("MSMED") Act, 2006 and has obtained the Udyam registration number ("URN") UDYAM - KR– 03-0005545 on August 12, 2020

2. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied by the Company in the preparation of its standalone Ind AS financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these standalone Ind AS financial statements, unless otherwise indicated.

2.1. BASIS OF PREPARATION

The standalone Ind AS financial statements of the Company, have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

The standalone Ind AS financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

The Company has prepared the standalone Ind AS financial statements on the basis that it will continue to operate as a going concern.

2.2. CHANGE IN ACCOUNTING POLICIES AND DISCLOSURES:

New Standards and amendments:

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 01, 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after April 01, 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have a material impact on the Company's financial statements.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after April 01, 2025 retrospectively in accordance with Ind AS 8.

The amendments have resulted in additional disclosures in note 18 but have not had an impact on the classification of Company's liabilities.

(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

As a result of implementing the amendments, the Company has provided additional disclosures about its supplier finance arrangement. Please refer to note 21.

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after April 01, 2025, but not for any interim periods ending on or before 31 March 2026.

The amendments had no impact on the Company's standalone financial statements as the Company is not in scope of the Pillar Two model rules.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

2.3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a. Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period up to twelve months as its operating cycle.

b. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone Ind AS financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone Ind AS financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares
- Financial instruments (including those carried at amortised cost)

c. Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products and services

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products.

Revenues from fixed price contracts are recognized on the percentage of completion method, in proportion that the contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. Contract revenue earned in excess of billing has been reflected under "Other current assets" and billing in excess of contract revenue has been reflected under "Other current liabilities" in the balance sheet. Full provision is made for any loss in the year in which it is first foreseen.

Revenue from sale of services is recognized as the service is performed and there are no unfulfilled obligations.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated if any. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Scrip Sales

Export entitlements in the form of Merchandise Export from India (MEIS) are recognized in the standalone Ind AS statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest income

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

Commission income

Commission income is recognised at the time when services are rendered in accordance with the rates as per the agreements entered into with the parties.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (o) Financial instruments below.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (o) Financial instruments below.

Capitalised contract costs

Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Company recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

d. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

e. Taxes on income

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in

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correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and Services Tax (GST) / value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/non-current assets/ liabilities in the balance sheet.

f. Property, plant and equipment (‘PPE’) and Capital Work in Progress (‘CWIP’)

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at March 31, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 01, 2016.

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Capital work in progress includes cost of property, plant and equipment under installation / under development, net of accumulated impairment loss, if any, as at the balance sheet date. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category of asset*	Estimated useful life
Plant and equipment (including the related intellectual property)	8 years*
Office equipment	5 years
Furniture and fixtures	10 years
Electrical installations	10 years
Computers	3 years
Buildings	30 years
Vehicles	4 years

* The Company, based on technical assessment made by the technical expert and management estimate, depreciates certain items of plant and equipment (including the related intellectual property) over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013.

Land is carried at historical cost and is not depreciated. Leasehold improvements are depreciated over the period of lease or estimated useful life, whichever is lower, on straight line basis

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Machinery spares are depreciated on a systematic basis over the period of the remaining useful life of the fixed assets for which they are utilised.

g. Intangible assets

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets as at March 31, 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets as on April 01, 2016. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of

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acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

A summary of the policies applied to the Company's intangible assets is, as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Goodwill	Indefinite	No amortisation	Acquired
Computer software	Definite (5 years)	Straight-line basis	Acquired
Intellectual property rights	Definite (8 years)	Straight-line basis	Acquired

h. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i. Leases

The Company has lease contracts for office spaces, various items of plant and machinery and other equipment. The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets:

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

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Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (l) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Company applies the low-value asset recognition exemption on a lease-by-lease basis, if the lease qualifies as leases of low-value assets, with a value when new of up to ₹ 0.18 million. In making this assessment, the Company also factors below key aspects:

- The assessment is conducted on an absolute basis and is independent of the size, nature, or circumstances of the lessee.
- The assessment is based on the value of the asset when new, regardless of the asset's age at the time of the lease.
- The lessee can benefit from the use of the underlying asset either independently or in combination with other readily available resources, and the asset is not

highly dependent on or interrelated with other assets.

- If the asset is subleased or expected to be subleased, the head lease does not qualify as a lease of a low-value asset.

Based on the above criteria, the Company has classified leases of IT equipment for individual employees as leases of low value assets.

j. Inventories

Inventories are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a) Raw materials and stores and spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

b) Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Cost of raw materials, stores and spares, work-in-progress and finished goods is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

k. Impairment of non-financial assets and investments in subsidiaries and associates

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE, intangible assets, including goodwill and investments in subsidiary and associates to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value in use; and

(ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net fair value less costs of disposal and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the

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risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

l. Provisions and contingent liabilities

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone Ind AS financial statements.

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Provisions and contingent liability are reviewed at each balance sheet.

Decommissioning liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

m. Retirement and other employee benefits

Retirement benefit in the form of provident fund and pension fund are defined contribution scheme. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to provident fund and pension fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

The Company presents the leave as a current liability in the standalone Ind AS balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out at each balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the standalone Ind AS balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and

b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the

Notes to the Standalone Ind AS Financial Statements

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net defined benefit obligation as an expense in the statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b) Net interest expense or income.

n. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price as disclosed in section 2.3.(c) Revenue recognition.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Investment in equity instruments issued by subsidiaries, associates are measured at cost less impairment.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(i) Financial assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive

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income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets excluding investments in subsidiaries and associates

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit and loss.

The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Financial Instruments.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

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For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a) Supplier finance arrangements

The Company has established supplier finance arrangements (Refer Note 21(b)). The Company evaluates whether financial liabilities covered such arrangements continue to be classified within trade payables, or they need to be classified as a borrowing or as part of other financial liabilities/ as a separate line item on the face of the balance sheet. Such evaluation requires exercise of judgment basis specific terms of the arrangement.

The Company classifies financial liabilities covered under supplier finance arrangement within trade payables in the balance sheet only if (i) the obligation represents a liability to pay for goods and services, (ii) is invoiced and formally agreed with the supplier, (iii) is part of the working capital used in its normal operating cycle, (iv) the company is not legally released from its original obligation to the supplier, and has not assumed a new obligation toward the bank, and another party (iv) there is no substantial modification to the terms of the liability.

If one or more of the above criteria are met, the Company derecognises its original liability toward the supplier and recognise a new liability toward the bank which is classified as bank borrowing or other financial liability, depending on factors such as whether the Company (i) has obligation toward bank, (ii) is getting extended credit period such that obligation is no longer part of its working capital cycle, (iii) is paying interest directly or indirectly, (iv) has provided guarantee or security, and/ or (v) is recognized as borrower in the bank books.

Cash flows related to liabilities arising from supplier finance arrangements that continue to be classified in trade payables in the standalone balance sheet are included in operating activities in the standalone statement of cash flows, when the Company finally settles the liability.

In cases, where the Company has derecognised its original liability toward the supplier and recognise a new liability toward the bank, the Company has assessed that the bank is acting as its agent in making payment to the supplier. Accordingly, the Company presents operating cash outflow and financing cash inflow, when bank made payment to the supplier. The payment made by the Company to the bank toward interest, if any, as well as on settlement is presented as financing cash outflow.

b) Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

c) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same

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lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone Ind AS balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o. Derivative financial instruments and hedge accounting

The Company uses forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

transaction costs are recognised in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income / expenses. Assets/ liabilities in this category are presented as current assets/current liabilities if they are expected to be realized within 12 months after the balance sheet date. Refer to Note 53 for more details.

p. Cash and cash equivalents

Cash and cash equivalent in the standalone Ind AS balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

q. Share-based payments

Certain employees of the Company and its subsidiaries are entitled to share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

r. Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

s. Foreign currencies

The standalone Ind AS financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

t. Research and development expenditure

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

i. The technical feasibility of completing the intangible asset so that it will be available for use or sale

ii. Its intention to complete the asset

iii. Its ability to use or sell the asset

iv. How the asset will generate future economic benefits

v. The availability of adequate resources to complete the development and to use or sell the asset

vi. The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset. The cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project. Amortization is recognized in the standalone statement of profit and loss. During the period of development, the asset is tested for impairment annually.

u. Corporate social responsibility ('CSR') expenditure

The Company charges its CSR expenditure during the year to the statement of profit and loss.

v. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Company by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

w. Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its separate standalone Ind AS financial statements. The Company will adjust the amounts recognised in its standalone Ind AS financial statements to

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for the year ended March 31, 2026

reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its separate financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

2.4 Standard notified but not yet effective

(i) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In accordance with Ind AS 1 currently applicable, breach of an immaterial covenant is ignored deciding in current vs. non-current classification of liabilities. Also, in case of breach of a material covenant of a non-current loan on or before the reporting date, the entity can obtain waiver from the lender after the reporting date and continue to classify the loan as non-current liability.

In accordance with changes to Ind AS 1 already notified by the MCA, the above relaxations to classify loan as non-current liability will not be available from FY 2026-27 onward and need to be applied retrospectively. Consequently:

- A breach of either material or immaterial covenant will trigger current classification of liability.
- To continue classifying loan as non-current liability, entities will need to obtain waiver from the breach on or before the reporting date.

The Company is currently assessing the impact the amendments will have on its financial statements.

2.5 Climate – related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the standalone Ind AS financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation.

3. PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

Particulars	Free-hold land	Leasehold improve-ments	Build-ing	Plant and equip-ments	Electrical installa-tions	Com-puters	Office equip-ments	Furni-ture and fixtures	Vehi-cles	Lease hold land	Total
Gross block (at cost/deemed cost)											
As at April 01, 2024	**4.41**	**1.31**	**508.17**	**1,103.27**	**94.41**	**35.99**	**40.05**	**62.99**	**50.58**	**114.61**	**2,015.79**
Add: Changes on account of amalgamation (refer note 57)	-	28.56	-	(0.76)	1.14	2.44	0.82	3.69	-	-	35.89
As at April 01, 2024 (restated)	**4.41**	**29.87**	**508.17**	**1,102.51**	**95.55**	**38.43**	**40.87**	**66.68**	**50.58**	**114.61**	**2,051.68**
Additions	-	-	15.31	126.53	-	3.15	1.04	0.39	0.22	-	146.64
Disposal/discard during the year	-	-	-	(23.54)	(0.02)	(0.15)	(0.02)	-	-	-	(23.73)
As at March 31, 2025 (restated)	**4.41**	**29.87**	**523.48**	**1,205.50**	**95.53**	**41.43**	**41.89**	**67.07**	**50.80**	**114.61**	**2,174.59**
Additions	-	-	-	445.24	-	5.52	0.25	0.72	15.30	-	467.03
Disposal/discard during the year	-	-	-	(6.95)	(0.04)	(0.87)	(1.62)	(0.01)	-	-	(9.49)
As at March 31, 2026	**4.41**	**29.87**	**523.48**	**1,643.79**	**95.49**	**46.08**	**40.52**	**67.78**	**66.10**	**114.61**	**2,632.13**
Accumulated depreciation											
As at April 01, 2024	**-**	**0.40**	**121.72**	**639.99**	**65.17**	**30.84**	**38.84**	**34.77**	**31.03**	**-**	**962.76**
Add: Changes on account of amalgamation (refer note 57)	-	17.27	-	(0.07)	0.52	1.89	0.45	1.82	-	-	21.88
As at April 01, 2024 (restated)	**-**	**17.67**	**121.72**	**639.92**	**65.69**	**32.73**	**39.29**	**36.59**	**31.03**	**-**	**984.64**
Charge for the year	-	2.23	17.94	116.95	8.86	4.80	0.74	6.32	9.41	-	167.25
Disposal/discard during the year	-	-	-	(23.54)	(0.02)	(0.15)	(0.02)	-	-	-	(23.73)
As at March 31, 2025 (restated)	**-**	**19.90**	**139.66**	**733.33**	**74.53**	**37.38**	**40.01**	**42.91**	**40.44**	**-**	**1,128.16**
Charge for the year	-	2.31	18.36	124.28	8.72	4.15	0.66	6.22	10.45	-	175.15
Disposal/discard during the year	-	-	-	(5.89)	(0.04)	(0.87)	(1.62)	(0.01)	-	-	(8.43)
As at March 31, 2026	**-**	**22.21**	**158.02**	**851.72**	**83.21**	**40.66**	**39.05**	**49.12**	**50.89**	**-**	**1,294.88**
Net block											
As at March 31, 2026	**4.41**	**7.66**	**365.46**	**792.07**	**12.28**	**5.42**	**1.47**	**18.66**	**15.21**	**114.61**	**1,337.25**
As at March 31, 2025	**4.41**	**9.97**	**383.82**	**472.17**	**21.00**	**4.05**	**1.88**	**24.16**	**10.36**	**114.61**	**1,046.43**

Notes:

(a) Karnataka Industrial Area Development (KIADB) has allotted land to the Company on a lease cum sale basis i.e. 24,280.60 sq. mts at Plot No. 58-P Bengaluru Aerospace Park, Industrial Area for a period of 10 years w.e.f., December 18, 2013. The aggregate capitalized cost of the land at the end of the year is ₹114.61 million (March 31, 2025: ₹ 114.61 million). The agreement gives a right to the Company to acquire land at the end of the lease term at an additional consideration, if any fixed by KIADB, after reducing the amount already paid subject to compliance of certain terms and conditions. The lease term for the said agreement has expired and the Company has applied for the transfer of the land in its name.

(b) The above are hypothecated against the borrowings as referred in note 18 and 21.

Notes to the Standalone Ind AS Financial Statements
for the year ended March 31, 2026

3A. CAPITAL WORK-IN-PROGRESS

(₹ in million)

Particulars	Capital work-in-progress
As at April 01, 2024	**2.87**
Add: Changes on account of amalgamation (refer note 57)	-
As at April 01, 2024 (restated)	**2.87**
Additions	224.01
Capitalised during the year	(150.51)
As at March 31, 2025 (restated)	**76.37**
Additions	391.71
Capitalised during the year	(468.08)
As at March 31, 2026	**-**

Capital work-in-progress ageing schedule

(₹ in million)

As at March 31, 2026	Amount in capital work-in-progress for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

(₹ in million)

As at March 31, 2025	Amount in capital work-in-progress for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	75.62	0.75	-	-	76.37
Projects temporarily suspended	-	-	-	-	-
Total	75.62	0.75	-	-	76.37

(i) The Company does not have any projects temporarily suspended or overdue or has exceeded its cost compared to its original plan/ revised approved plan.

(ii) The above are hypothecated against the borrowings as referred in note 18 and 21.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

4. OTHER INTANGIBLE ASSETS AND GOODWILL

(₹ in million)

Particulars	Goodwill (refer note b)	Other intangible assets		
		Computer software	Intellectual property rights	Total
Gross block (at cost / deemed cost)				
As at April 01, 2024	**36.35**	**99.01**	**9.51**	**108.52**
Add: Changes on account of amalgamation (refer note 57)	-	1.49	-	1.49
As at April 01, 2024 (restated)	**36.35**	**100.50**	**9.51**	**110.01**
Additions	-	4.90	-	4.90
Disposal/discard during the year	-	(4.50)	-	(4.50)
As at March 31, 2025 (restated)	**36.35**	**100.90**	**9.51**	**110.41**
Additions	-	1.05	-	1.05
As at March 31, 2026	**36.35**	**101.95**	**9.51**	**111.46**
Accumulated amortization				
As at April 01, 2024	**-**	**81.42**	**9.51**	**90.93**
Add: Changes on account of amalgamation (refer note 57)	-	0.88	-	0.88
As at April 01, 2024 (restated)	**-**	**82.30**	**9.51**	**91.81**
Charge for the year	-	14.76	-	14.76
Disposal/discard during the year	-	(4.50)	-	(4.50)
As at March 31, 2025 (restated)	**-**	**92.56**	**9.51**	**102.07**
Charge for the year	-	5.75	-	5.75
As at March 31, 2026	**-**	**98.31**	**9.51**	**107.82**
Net block				
As at March 31, 2026	**36.35**	**3.64**	**-**	**3.64**
As at March 31, 2025	**36.35**	**8.34**	**-**	**8.34**

(a) The above are hypothecated against the borrowings as referred in note 18 and 21.

(b) The Company had entered into a business transfer agreement with Centum Industries Private Limited, an enterprises where key managerial personnel or their relatives exercise significant influence during the year ended March 31, 2016 for the purchase of business on slump sale. As per the terms of agreement, the Company had purchased the net assets pertaining to plastic and defence and space of Centum Industries Private Limited for an aggregate consideration ₹ 57.00 million, which was arrived at based on the business valuation done by an independent professional firm. The goodwill relates to the said business.

The aforementioned goodwill is tested for impairment annually. As at March 31, 2026, the goodwill is not impaired.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

5 NON - CURRENT FINANCIAL ASSETS: INVESTMENTS

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Investment carried at cost		
-Unquoted equity shares		
Subsidiary Company Centum Electronics UK Limited 15,300,516 (March 31, 2025: 15,300,516) equity shares of GBP 1 each, fully paid up.	1,537.83	1,537.83
Less : Provision for diminution in the value of investment (refer note 37)	(1,537.83)	-
Total investments	**-**	**1,537.83**
Aggregate value of unquoted investments	-	1,537.83

6 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Unsecured, considered good		
Carried at amortised cost		
Security deposits - others	19.62	23.96
Non-current bank balance (refer note 12)	128.65	208.01
Total other non-current financial assets	**148.27**	**231.97**

7 DEFERRED TAX ASSETS (NET)

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Deferred tax liability		
Property, plant and equipments: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting	(10.69)	(8.82)
Leases	(1.64)	(2.49)
(A)	**(12.33)**	**(11.31)**

Notes to the Standalone Ind AS Financial Statements
for the year ended March 31, 2026

(₹ in million)

		March 31, 2026	March 31, 2025 (Restated)
Deferred tax assets			
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis		37.38	66.66
Impact of provision for expected credit losses		10.30	5.78
Impact of business losses		-	20.93
Others		158.90	107.14
	(B)	**206.58**	**200.51**
Deferred tax assets (net)	**(A+B)**	**194.25**	**189.20**
Movement for the year		(5.05)	86.72
Reconciliation to the Ind AS statement of profit and loss			
(Credit)/ charge during the year as above		(5.05)	86.72
Tax expense / (income) during the year recognized in OCI		2.01	0.62
(Credit)/ charge during the year		(7.06)	(87.34)

8 NON-CURRENT TAX ASSETS (NET)

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Advance income tax (net of provision for current tax and including tax paid under protest)	11.77	36.65
	11.77	**36.65**

9 OTHER NON-CURRENT ASSETS

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Capital advances (Unsecured, considered good)	27.57	12.81
Prepaid expenses	8.83	1.84
Deferred contract cost*	7.12	7.50
Balance with statutory / government authorities		
(Unsecured, considered good)	4.37	4.44
Total other non-current assets	**47.89**	**26.59**

*Set out below is the movement

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(₹ in million)

Deferred contract costs	March 31, 2026	March 31, 2025 (Restated)
At the beginning of the year	15.00	-
Additions during the year	53.42	15.00
Amortised during the year	(10.97)	-
At the end of the year	**57.45**	**15.00**
The same is shown under:		
Current	50.33	7.50
Non current	7.12	7.50

10 INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Raw materials	3,327.72	2,314.54
[Includes raw material in transit ₹ 162.95 million (March 31, 2025: ₹151.26 million)]		
Work-in-progress	1,099.89	881.51
Finished goods	135.97	73.28
Stores and spares	4.18	4.83
Total inventories (valued at lower of cost and net realisable value)	**4,567.76**	**3,274.16**

The above are net of allowance for obsolete and non-moving inventory amounting to ₹ 404.45 million (March 31, 2025: ₹ 258.53 million). Also refer note 37.

11 TRADE RECEIVABLES

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Carried at amortised cost		
Receivables from related parties (refer note 41)	76.39	553.04
Other trade receivables	2,996.70	2,617.88
Total trade receivables	**3,073.09**	**3,170.92**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Trade receivables:		
Unsecured, considered good	2,971.87	3,117.88
Trade receivables which have significant increase in credit risk	142.08	76.00
Trade receivables - credit impaired	-	-
	3,113.95	**3,193.88**
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Trade receivables which have significant increase in credit risk	(40.86)	(22.96)
Trade receivables - credit impaired	-	-
Total trade receivables	**3,073.09**	**3,170.92**

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

- Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

- Refer note 48(c) for details pertaining to expected credit loss.

11.1 TRADE RECEIVABLES AGEING SCHEDULE

As at March 31, 2026 (₹ in million)

Particulars	Unbilled	Current but not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	13.65	1,981.72	628.59	162.75	106.51	78.65	-	2,971.87
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	6.61	72.19	43.20	20.08	142.08
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Total	**13.65**	**1,981.72**	**628.59**	**169.36**	**178.70**	**121.85**	**20.08**	**3,113.95**

Notes to the Standalone Ind AS Financial Statements
for the year ended March 31, 2026

As at March 31, 2025 (₹ in million)

Particulars	Unbilled	Current but not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	-	1671.47	942.18	218.04	286.08	-	0.11	3,117.88
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	9.51	44.62	17.98	3.89	76.00
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**1,671.47**	**942.18**	**227.55**	**330.70**	**17.98**	**4.00**	**3,193.88**

12 CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES

(₹ in million)

		March 31, 2026	March 31, 2025 (Restated)
Balances with banks:			
- On current accounts		128.04	116.64
- In QIP monitoring account		4.80	335.56
- On exchange earners foreign currency (EEFC) accounts		102.68	57.29
- Deposit with original maturity of less than three months		141.18	-
Cash on hand		0.82	0.35
Total cash and cash equivalents	**(A)**	**377.52**	**509.84**
Other bank balances			
Balance with banks			
- Unpaid dividend account		2.24	1.91
- Deposits with remaining maturity less than twelve months		492.14	450.00
- On margin money accounts		456.27	374.87
		950.65	**826.78**

Notes to the Standalone Ind AS Financial Statements
for the year ended March 31, 2026

(₹ in million)

		March 31, 2026	March 31, 2025 (Restated)
Amount disclosed under other non-current financial assets (refer note 6)		(128.65)	(208.01)
Total bank balance other than cash and cash equivalents	**(B)**	**822.00**	**618.77**
	(A+B)	**1,199.52**	**1,128.61**

a. A charge has been created over the deposits towards various guarantees in favour of customer, statutory authorities and letter of credit facility. Refer note 44 (c) for further details.

b. Deposits are made for varying periods depending on the cash-requirement of the Company and earn interest @ 2.75% to 7.40% p.a. (March 31, 2025: 3.25% to 7.40% p.a.).

c. As at March 31, 2026, the unutilised funds from QIP amounting to ₹ 595.29 million (March 31, 2025: ₹450.00 million) has been placed in fixed deposits with banks and ₹ 4.80 million (March 31, 2025: ₹ 447.13 million) in other balance with bank.

13 OTHER CURRENT FINANCIAL ASSETS

(₹ in million)

		March 31, 2026	March 31, 2025 (Restated)
Unsecured, considered good			
Carried at amortised cost			
Security deposits - others		4.56	0.03
	(A)	**4.56**	**0.03**
Staff advances		0.19	1.16
Other receivables		-	1.43
	(B)	**0.19**	**2.59**
Derivative instruments at fair value through profit or loss **Derivatives not designated as hedges** Foreign exchange forward contracts (net) (refer note 53)		32.54	-
	(C)	**32.54**	
	(A+B+C)	**37.29**	**2.62**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

14 OTHER CURRENT ASSETS

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Unsecured considered good		
Prepaid expenses	54.67	40.44
Deferred contract cost (refer note 9)	50.33	7.50
Balance with statutory / government authorities	16.38	101.33
Advance to suppliers and other advances (refer note 41)	238.22	260.67
Contract assets (refer note 28(b))	21.09	4.18
	380.69	**414.12**

15. EQUITY SHARE CAPITAL

Equity shares of ₹ 10 each

	In Numbers	(₹ in million)
Authorised share capital:		
At April 1, 2024	**1,55,00,000**	**155.00**
Increase / (decrease) during the year	-	-
At March 31, 2025	**1,55,00,000**	**155.00**
Increase / (decrease) during the year (refer note 57)	100,000	1.00
At March 31, 2026	**1,56,00,000**	**156.00**

(a) Issued equity share capital:

Equity shares of ₹ 10 each issued, subscribed and fully paid

	In Numbers	(₹ in million)
At April 01, 2024	**1,28,88,494**	**128.88**
Issue of shares on exercise of share options (refer note 45)	8,373	0.08
Issue of shares through QIP [(refer note (i)]	18,10,345	18.11
At March 31, 2025	**1,47,07,212**	**147.07**
Issue of shares on exercise of share options (refer note 45)	33,831	0.34
At March 31, 2026	**1,47,41,043**	**147.41**

(i) During the year ended March 31, 2025, the Fund Raising Committee of the Board of Directors at its meeting held on March 10, 2025 and March 13, 2025 approved the issue and allotment of 1,810,345 equity shares having face value of ₹10 each through Qualified Institutional Placement ("QIP") to the eligible Qualified Institutional Buyers (QIB), at the issue price of ₹ 1,160 per equity share (including a premium of ₹ 1,150 per equity share), aggregating to approximately ₹ 2,100.00 million which took into account a discount of ₹ 59.65 per equity share (i.e. within 5% of the floor price), as permitted in terms of Regulation 176 (1) of Chapter VI of the SEBI ICDR Regulations. Refer note 46.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	March 31, 2026		March 31, 2025	
	No. of shares held	% holding in class	No. of shares held	% holding in class
Equity shares of ₹ 10 each fully paid				
Apparao V Mallavarapu	52,31,549	35.49%	58,97,549	40.10%
Nikhil Mallavarapu	6,52,855	4.43%	6,52,855	4.44%
Tanya Mallavarapu	6,44,240	4.37%	6,44,240	4.38%
Swarnalatha Mallavarapu	3,69,150	2.50%	3,69,150	2.51%
M S Swarnakumari	12,684	0.09%	12,684	0.09%
HDFC Mutual Fund	14,08,246	9.55%	12,09,859	8.23%
3P India Equity Fund 1	9,98,277	6.77%	6,46,002	4.39%

(d) Details of shares held by promoters

As at March 31, 2026

Name of promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each fully paid					
Apparao V Mallavarapu	58,97,549	(6,66,000)	52,31,549	35.49%	(11.29)%
Nikhil Mallavarapu	6,52,855	-	6,52,855	4.43%	-
Tanya Mallavarapu	6,44,240	-	6,44,240	4.37%	-
Swarnalatha Mallavarapu	3,69,150	-	3,69,150	2.50%	-
M S Swarnakumari	12,684	-	12,684	0.09%	-

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

As at March 31, 2025

Name of promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each fully paid					
Apparao V Mallavarapu	58,97,549	-	58,97,549	40.10%	-
Nikhil Mallavarapu	6,52,855	-	6,52,855	4.44%	-
Tanya Mallavarapu	6,44,240	-	6,44,240	4.38%	-
Swarnalatha Mallavarapu	3,69,150	-	3,69,150	2.51%	-
M S Swarnakumari	12,684	-	12,684	0.09%	-

(e) Shares reserved for issue under options

For details of shares reserved for issue under the share based payment plan of the Company, refer note 45.

16. OTHER EQUITY

		(₹ in million)
Securities premium		
Balance as at April 01, 2024		**28.27**
Add: Changes on account of amalgamation (refer note 57)		-
Balance as at April 01, 2024 (restated)		**28.27**
Add: Issuance of share capital through QIP		2,081.89
Add: Exercise of share options		0.53
Less: Transaction cost on issue of equity shares		(90.42)
Balance as at March 31, 2025 (restated)		**2,020.27**
Add: Exercise of share options		13.88
Balance as at March 31, 2026	**(A)**	**2,034.15**
General reserve		
Balance as at April 01, 2024		**440.26**
Add: Changes on account of amalgamation (refer note 57)		-
Balance as at April 01, 2024 (restated)		**440.26**
Balance as at March 31, 2025 (restated)		**440.26**
Balance as at March 31, 2026	**(B)**	**440.26**

Notes to the Standalone Ind AS Financial Statements
for the year ended March 31, 2026

		(₹ in million)
Retained earnings		
Balance as at April 01, 2024		**2,487.28**
Add: Changes on account of amalgamation (refer note 57)		16.92
Balance as at April 01, 2024 (restated)		**2,504.20**
Profit for the year		456.31
Less: Dividends		(38.69)
Add: Remeasurement of defined benefit plans (net of tax)		1.83
Balance as at March 31, 2025 (restated)		**2,923.65**
Profit for the year		(1,170.50)
Less: Dividends		(88.24)
Add: Other comprehensive income/(loss) for the year (net of taxes)		5.99
Balance as at March 31, 2026	**(C)**	**1,670.90**
Effective portion of cash flow hedge (net of tax)		
Balance as at April 01, 2024		**(0.15)**
Add: Changes on account of amalgamation (refer note 57)		-
Balance as at April 01, 2024 (restated)		**(0.15)**
Balance as at March 31, 2025 (restated)		**(0.15)**
Balance as at March 31, 2026	**(D)**	**(0.15)**
Share based payments reserve		
Balance as at April 01, 2024		**35.91**
Add: Changes on account of amalgamation (refer note 57)		-
Balance as at April 01, 2024 (restated)		**35.91**
Add: Compensation for options granted		14.15
Balance as at March 31, 2025 (restated)		**50.06**
Add: Compensation for options granted/(reversals)		(17.16)
Less: Transfer on cancellation of vested share options		(2.10)
Less: Transfer on exercise of share options		(13.88)
Balance as at March 31, 2026	**(E)**	**16.92**
Capital reserve		
Balance as at April 01, 2024		**3.43**
Add: Changes on account of amalgamation (refer note 57)		-
Balance as at April 01, 2024 (restated)		**3.43**
Balance as at March 31, 2025 (restated)		**3.43**
Add: Transfer on cancellation of vested share options		2.10
Balance as at March 31, 2026	**(F)**	**5.53**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

	(₹ in million)
Total other equity (A+B+C+D+E+F)	
Balance as at March 31, 2025	**5,437.52**
Balance as at March 31, 2026	**4,167.61**

Nature and purpose of reserves

Securities premium

Securities premium reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

The Company created a general reserve in earlier years pursuant to the provisions of the Companies Act, 1956 where in certain percentage of profits was required to be transferred to General reserve before declaring dividends. As per Companies Act 2013, the requirements to transfer profits to general reserve is not mandatory. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Retained earnings

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Effective portion of cash flow hedge

The Company uses hedging instruments as part of its management of foreign currency risk. For hedging foreign currency, the Company uses foreign currency forward contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the effective portion of cash flow hedges.

Share based payments reserve

The share-based payment reserve is used to recognise the value of equity-settled share-based options provided to employees, including key management personnel, as part of their remuneration. Refer to note 45 for further details of these plans.

Capital reserve

The Company recognises the forfeiture or cancellation of vested options of the Company’s equity-settled share-based payments to capital reserve.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

17. DISTRIBUTION MADE AND PROPOSED

(₹ in million)

	March 31, 2026	March 31, 2025
Dividends on equity shares declared and paid :		
Final dividend for the year ended on March 31, 2025: ₹ 6 per share (March 31, 2024: ₹ 3 per share)	88.24	38.69
	88.24	**38.69**
Proposed dividend on equity shares		
Final dividend for the year ended on March 31, 2026: ₹ 5 per share (March 31, 2025: ₹ 6 per share)	73.80	88.24
	73.80	**88.24**

(i) Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31.

(ii) The Board of Directors of the Company at its meeting held on May 14, 2026 had recommended a final dividend of 50% (i.e. ₹ 5 per equity share) for the year ended March 31, 2026 which is in compliance with Section 123 of the Companies Act, 2013. to the extent it applies to declaration of dividend.i.e Section 123 of the Companies Act, 2013 to the extent it applies to declaration of dividend.

18 NON-CURRENT FINANCIAL LIABILITIES: BORROWINGS

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Term loan		
From bank		
Indian rupee term loan (secured)	46.24	102.62
Foreign currency term loan (secured)	35.12	43.29
	81.36	**145.91**
Less: Current maturities of long term borrowing		
Indian rupee term loan (secured)	46.24	56.40
Foreign currency term loan (secured)	12.77	11.55
	59.01	**67.95**
Total non-current financial liabilities: Borrowings	**22.35**	**77.96**

Indian Rupee term loan from bank

a) Indian rupee term loan from a bank of ₹46.24 million (March 31, 2025: 102.62 million) carries interest rate of 2.00% above 6 month Marginal Cost of Funds based Lending Rate ("MCLR") of the bank i.e @ 10.60% to 10.90% p.a. (March 31, 2025: 10.55% to 10.99% p.a) payable on a monthly basis. The loan is repayable in 57 monthly instalments.

Foreign currency term loan from bank

b) Foreign currency term loan from a bank of ₹ 35.12 million (March 31, 2025: ₹ 43.29 million) carries interest rate @ 7.93% p.a (March 31, 2025: 7.93% p.a) payable on a monthly basis. The loan is repayable in 16 quarterly instalments.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

c) Borrowings are secured by way of :

(i) Exclusive charge on plant & machinery and other assets financed by the bank.

(ii) Hypothecation of present and future fixed assets pari passu first charge with other banks.

(iii) Equitable mortgage of factory land and building at No. 44, KHB Industrial Area, Yelahanka, Bangalore - 560 064 belonging to the Company, on pari passu first charge with other banks; and

(iv) Equitable mortgage on leasehold rights of factory land and equitable mortgage of building at Plot No. 58-P, Bengaluru Aerospace Park Industrial Area, Sy. No. 8 - Part of Unachur Village & Sy.No. 8 - Part of Dummanahalli Village, Jala Hobli, Bengaluru North, Yelahanka Taluk, Bengaluru Urban District, belonging to the Company on pari passu first charge with other banks.

d) Company's foreign currency term loan, packing credit loan, cash credit and overdraft and letter of credit at the end of each annual reporting period, are subject to the following covenants: (as may be applicable)

(i) Debt Service Coverage Ratio (DSCR)

(ii) Sales and net profit falling below projections by stated percentage as per sanction letter

(iii) Total liabilities (TOL) including contingencies / Adjusted tangible net worth (ATNW)

(iv) Debt service reserve account (DSRA)

(v) Debt / Earning before interest, tax, depreciation and amortisation (EBITDA)

(vi) Net debt / Earning before interest, tax, depreciation and amortisation (EBITDA) arrived on the basis of Ind AS consolidated financial statements.

The Company has complied with the financial covenants for the year ended March 31, 2026. There are no indications that the Company would have difficulties complying with the covenants when they will be tested for the next financial year ending at March 31, 2027 as may be applicable.

19 GOVERNMENT GRANTS

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
At April 1	16.55	24.43
Add: Changes on account of amalgamation (refer note 57)	-	-
At April 1(restated)	**16.55**	**24.43**
Received during the year	15.84	-
Released to the Ind AS statement of profit and loss	(11.72)	(7.88)
At March 31	**20.67**	**16.55**
Current	7.41	5.53
Non - current	13.26	11.02
	20.67	**16.55**

Government grants have been received towards the purchase and construction of certain items of property, plant and equipment under Modified Special Incentive Package Scheme (M-SIPS) as notified by Ministry of Communications and Information Technology, Department of Information Technology. As per the scheme, the Company is required to abide by all terms and conditions of M-SIPS policy, guidelines and amendments issued from time to time. The Company vide its letter of undertaking dated May 02, 2018 has agreed to comply with all terms and conditions of M-SIPS policy, guidelines and amendments issued from time to time.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

20 NET NON-CURRENT EMPLOYEE DEFINED BENEFIT LIABILITIES

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Gratuity (refer note 42)	25.37	40.21
	25.37	**40.21**

21 CURRENT FINANCIAL LIABILITIES: BORROWINGS

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
From banks		
Cash credit and overdraft (secured)	12.55	36.64
Packing credit loan (secured)	888.29	669.52
Current maturities of long term borrowing (secured)	59.01	67.95
Vendor financing facility (unsecured)	136.43	103.55
Letter of credit (secured)	96.33	-
Interest payable	4.96	5.47
	1,197.57	**883.13**

(a) Cash credit and overdraft from banks and packing credit from banks and letter of credit are payable on demand and are secured by way of :

(i) Hypothecation of entire current assets viz. stock of raw materials/stores and spares/work-in-progress/finished goods, receivables / book debts and other current assets / moveable fixed assets on pari passu first charge with other banks;

(ii) Hypothecation of present and future fixed assets pari passu first charge with other banks, other than exclusively charged for the term loan availed;

(iii) Equitable mortgage of factory land and building at No. 44, KHB Industrial Area, Yelahanka, Bangalore - 560 064 belonging to the Company, on pari passu first charge with other banks; and

(iv) Equitable mortgage on leasehold rights of factory land and equitable mortgage of building at Plot No. 58-P, Bengaluru Aerospace Park Industrial Area, Sy. No. 8 - Part of Unachur Village & Sy.No. 8 - Part of Dummanahalli Village, Jala Hobli, Bengaluru North, Yelahanka Taluk, Bengaluru Urban District, belonging to the Company on pari passu first charge with other banks.

The rate of interest of Cash credit and overdraft from banks ranges from 9.70% to 11.70% p.a. (March 31, 2025: 10.55% to 11.70% p.a.).

The rate of interest of Packing credit loan from banks ranges from 5.32% to 9.50% p.a. (March 31, 2025: 5.99% to 9.50% p.a.). The rate of interest of letter of credit is 2.99% to 8.00% p.a. (March 31, 2025: Nil).

The Interest is payable on monthly basis.

(b) The Company has established a vendor finance arrangement. Participation in the arrangement is at the suppliers' own discretion. Suppliers that participate in the supplier finance arrangement will receive payment on due date on invoices sent by the Company to the Company's external finance provider. In order for the finance provider to pay

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

the invoices, the goods must have been received or supplied and the invoices approved by the Company. As per the arrangement the bank agrees to pay amounts which Company owes to it's suppliers and the Company agrees to pay the bank at a date later than suppliers are paid. Consequently, the vendor financing liabilities which are funded through bank are classified as borrowings on the balance sheet. The Company accounts for all payments made under the program in cash flow statement as part of financing activities. The Company has paid interest @ 8.89% p.a. to 9.40% p.a. (March 31, 2025: 8.94% p.a. to 9.81% p.a.) on such facility.

(c) Includes bank overdraft amounting to ₹ 12.55 million (March 31, 2025: ₹ 23.08 million)

(d) The quarterly returns or statements filed by the Company with banks or financial institutions towards sanction of working capital limits are in agreement with the books of account of the Company.

(e) The Company has not been declared as a wilful defaulter by any banks or financial institutions.

(f) The Company has not defaulted in repayment of borrowings or in the payment of interest thereon to banks or financial institutions.

22 FINANCIAL LIABILITIES: TRADE PAYABLES

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Carried at amortised cost		
Trade payables	2,524.18	1,654.20
Trade payables to related parties (refer note 41)	25.19	46.97
	2,549.37	**1,701.17**
The above amount includes		
Total outstanding dues of micro enterprises and small enterprises	94.96	202.38
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,454.41	1,498.79
	2,549.37	**1,701.17**

a) Trade payables include due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006), determined to the extent such parties have been identified on the basis of information available with the Company. The disclosure pursuant to the said Act is as under:

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Principal amount remaining unpaid to any supplier as at the end of the accounting year.	94.70	199.96
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.26	2.42
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	0.26	2.42
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

b) Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing
- The dues to related parties are unsecured

22.1 TRADE PAYABLE AGEING SCHEDULE

As at March 31, 2026 (₹ in million)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Current but not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	11.81	80.95	2.20	-	-	-	94.96
Undisputed dues of creditors other than micro enterprises and small enterprises	350.44	811.30	1,233.33	16.38	41.32	1.64	2,454.41
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**362.25**	**892.25**	**1,235.53**	**16.38**	**41.32**	**1.64**	**2,549.37**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

As at March 31, 2025 (₹ in million)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Current but not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	29.50	105.87	67.01	-	-	-	202.38
Undisputed dues of creditors other than micro enterprises and small enterprises	354.13	447.19	607.27	78.71	6.06	-	1,493.36
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	5.43	5.43
Total	**383.63**	**553.06**	**674.28**	**78.71**	**6.06**	**5.43**	**1,701.17**

23 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
At amortised cost		
Unpaid dividends (refer note 12)	2.24	1.91
Accrued salaries and benefits (refer note 41)	211.35	206.60
Payable for capital goods	83.91	93.82
	297.50	**302.33**

24 OTHER CURRENT LIABILITIES

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Advance from customers	2,170.09	2,069.48
Deferred revenue	185.31	153.47
Withholding and other taxes / duties payable	54.79	61.13
Other liabilities	0.40	0.40
	2,410.59	**2,284.48**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

25 NET CURRENT EMPLOYEE DEFINED BENEFIT LIABILITIES

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Gratuity (refer note 42)	11.20	8.15
	11.20	**8.15**

26 PROVISIONS

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Provision for employee benefits		
Provision for compensated absences	89.86	85.47
Provision for onerous contracts	40.74	72.18
	130.60	**157.65**

The following table summarises the changes in the provision for onerous contracts:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025 (Restated)
Opening balance	72.18	24.54
Add: Changes on account of amalgamation (refer note 57)	-	-
Amount provided/ (reversed) during the year*	25.33	56.77
Amount utilised during the year*	(56.77)	(9.13)
Closing balance	40.74	72.18

Provision for onerous contracts is recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under the contract.

*Accounted as part of Cost of materials consumed (Refer note 31)

27 LIABILITIES FOR CURRENT TAX (NET)

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Provision for taxation, net of advance tax	64.04	135.03
	64.04	**135.03**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

28 REVENUE FROM OPERATIONS

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Sale of products (refer note 41)	9,547.44	7,554.75
Sale of services (refer note 41)	158.81	187.11
Other operating revenues		
Sales commission	8.57	0.76
Sale of scrips on export entitlements	15.74	18.31
Total revenue	**9,730.56**	**7,760.93**

Notes to revenue from contracts with customers:

a) Timing of revenue recognition - March 31, 2026

(₹ in million)

	Performance obligation satisfied at point in time	Performance obligation satisfied over time	Total
Sale of products	9,481.70	65.74	9,547.44
Sale of services	-	158.81	158.81
Sales commission	8.57	-	8.57
Sale of scrips on export entitlements	15.74	-	15.74
	9,506.01	**224.55**	**9,730.56**

Timing of revenue recognition - March 31, 2025

(₹ in million)

	Performance obligation satisfied at point in time	Performance obligation satisfied over time	Total
Sale of products	7,440.68	114.07	7,554.75
Sale of services	-	187.11	187.11
Sales commission	0.76	-	0.76
Sale of scrips on export entitlements	18.31	-	18.31
	7,459.75	**301.18**	**7,760.93**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

b) Contract balances:

(₹ in million)

	March 31, 2026	March 31, 2025
Trade receivables (including unbilled revenue) (refer note 11)		
- Current (gross)	3,113.95	3,193.88
- Provision for impairment loss (current)	(40.86)	(22.96)
Contract assets (refer note 14)		
- Current (gross)	21.09	4.18
Contract liabilities (refer note 24)		
Advance received from customers		
- Current	2,170.09	2,069.48
Deferred revenue		
- Current	185.31	153.47

c) Revenue recognised during the year

(₹ in million)

	March 31, 2026	March 31, 2025
Arising out of contract liabilities as at the beginning of the year	1,021.10	601.14

d) Reconciliation of revenue recognised in the Ind AS statement of profit and loss with the contracted price

(₹ in million)

	March 31, 2026	March 31, 2025
Revenue as per contracted price	9,751.96	7,778.23
Less:		
Cash discount	(21.40)	(17.30)
Revenue from contract with customers	**9,730.56**	**7,760.93**

e) Revenue recognised during the year on account of contract modifications etc. although performance obligation was satisfied in prior years: ₹ 0.71 million (March 31, 2025 : ₹ 16.20 million).

f) Revenue from sale of products includes ₹ 0.95 million (March 31, 2025: 138.69 million) accounted in respect of contracts with certain customers on net basis in accordance with Ind AS 115 during the year ended March 31, 2026. The gross value of invoicing in respect of such contract is ₹ 29.70 million (March 31, 2025: ₹ 819.42 million) during the year ended March 31, 2026.

29 OTHER INCOME

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Government grants (refer note 19)	11.72	7.88
Provisions/ liabilities no longer required, written back (refer note 54)	33.05	0.98
Gain on sale/discard of property, plant and equipment	2.23	-
Recovery of bad debts written off	-	27.13
Other non-operating income	11.69	5.21
	58.69	**41.20**

Notes to the Standalone Ind AS Financial Statements
for the year ended March 31, 2026

30 FINANCE INCOME

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Interest on bank deposits	76.22	23.90
Interest on income tax refund	2.39	-
Interest income on others*	20.86	0.59
	99.47	**24.49**

*Includes interest income receivable from KIADB amounting to ₹ 20.29 million (March 31, 2025: Nil), recognized by the Company based on a letter dated November 28, 2025 received from KIADB. This interest was paid in earlier years and was charged to the standalone Ind AS statement of profit and loss during the year ended March 31, 2014. The said amount is expected to be adjusted by KIADB against the additional sale consideration payable for the land proposed to be transferred in the name of the Company (refer note 3).

31 COST OF MATERIALS CONSUMED

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Inventory at the beginning of the year	2,314.54	2,250.22
Add: Purchases (refer note 41)	7,862.24	5,357.76
	10,176.78	7,607.98
Less: Inventory at the end of the year	(3,327.72)	(2,314.54)
Cost of materials consumed	**6,849.06**	**5,293.44**

32 (INCREASE) / DECREASE IN INVENTORIES OF WORK-IN-PROGRESS AND FINISHED GOODS

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Inventories at the end of the year		
Finished goods	135.97	73.28
Work-in-progress	1,099.89	881.51
	1,235.86	**954.79**
Inventories at the beginning of the year		
Finished goods	73.28	69.03
Work-in-progress	881.51	591.32
	954.79	**660.35**
(Increase) / decrease in inventories of work-in-progress and finished goods		
Finished goods	(62.69)	(4.25)
Work-in-progress	(218.38)	(290.19)
	(281.07)	**(294.44)**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

33 EMPLOYEE BENEFITS EXPENSE

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Salaries, wages and bonus (refer note 41)	1,166.82	1,082.49
Contribution to provident and other funds [refer note 42(a)]	45.39	42.72
Employee share based compensation cost (refer note 45)	(17.16)	14.15
Gratuity expenses [refer note 42(b)]	51.23	19.44
Staff welfare and recruitment expenses	71.16	90.21
	1,317.44	**1,249.01**

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes as follows: Code on Wages, 2019, Code on Social Security, 2020, Industrial Relations Code, 2020 and Occupational Safety, Health and Working Conditions Code 2020 (collectively referred to as the "New Labour Codes"). The New Labour Codes are effective from November 21, 2025 and introduce changes that include, among other things, setting a uniform definition of wages. The Government is in the process of issuing related rules.

The Company has assessed the implications of the New Labour Codes and has recognized an incremental cost of ₹ 31.81 million towards employee benefits during the year ended March 31, 2026. The Company continues to monitor the developments pertaining to the New Labour Codes and the impact of these will be accounted in accordance with applicable accounting standards.

34 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Depreciation of property, plant and equipment (refer note 3)	175.15	167.25
Amortisation of other intangible assets (refer note 4)	5.75	14.76
Depreciation of right-of-use assets [refer note 44(a)]	14.15	13.10
	195.05	**195.11**

35 FINANCE COSTS

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Interest expense:-		
- on debt and borrowings	84.90	125.18
- Exchange differences regarded as an adjustment to borrowing costs	16.09	-
- on lease liabilities [refer note 44(a)]	1.80	1.61
- on income tax	7.76	13.16
- on dues to micro enterprises and small enterprises	-	2.42
Bank charges	57.34	52.29
	167.89	**194.66**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

36 OTHER EXPENSES

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Rent and lease hire charges [refer note 44(a)]	14.23	14.35
Rates and taxes	7.06	20.00
Power and fuel	66.76	65.57
Repairs and maintenance	70.88	73.95
Insurance	27.31	23.45
Legal and professional fees (includes payment to auditor)[i]	108.87	81.72
Travelling and conveyance	79.33	68.63
Purchase of services (refer note 41)	47.67	94.95
Corporate social responsibility expenditure (refer note 52)	9.65	5.84
Freight outwards	49.21	44.19
Foreign exchange differences (net)[ii]	68.32	8.17
Provision for expected credit loss / bad debts written off/ doubtful advances [refer note 48(c)]	17.90	6.56
Directors' sitting fees (refer note 41)	4.21	4.22
Miscellaneous expenses	65.07	60.19
	636.47	**571.80**

(i) Includes Nil (March 31, 2025: ₹ 2.79 million) incurred in relation to share issued through QIP. Refer note 46 for details.

(ii) Includes fair value gain on financial instruments at fair value through profit or loss (net) amounting to ₹ 32.54 million (March 31, 2025: Nil) (refer note 13).

Payment to auditor (exclusive of taxes & surcharge)

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
As auditor:		
Audit fee	7.00	7.00
Other services (includes certification fees)	0.93	0.67
Reimbursement of expenses	0.82	0.85
	8.75	**8.52**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

37 EXCEPTIONAL ITEMS

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Trade receivables written off (refer note (i))	396.00	-
Provisions/ liabilities no longer required, written back (refer note (i))	(1.54)	-
Provision for inventory obsolescence (refer note (i))	100.78	-
Provision for dimunition in the value of investment (refer note (ii))	1,537.83	-
	2,033.07	**-**

(i) The Company has trade receivables amounting to ₹ 469.14 million (gross) outstanding as at March 31, 2026 from Centum E&S (Centum Equipment's ET Systems), Canada, and Centum T&S (Centum Technologies ET Solutions), Canada, step-down subsidiaries of the Company ('Canada subsidiaries'). Further the Company has inventory which had been procured to fulfill the sales order obligations in relation to Canada subsidiaries.

The Board of Directors of the Company in their meeting held on December 19, 2025, has decided to discontinue business operations of the Canada subsidiaries. The Company is in the process of making necessary regulatory filings and intimations with the relevant regulatory authorities.

Pending regulatory filings for the liquidation of Canada subsidiaries and its outcome, as a matter of prudence, the management of the Company has provided for carrying value of trade receivables amounting to ₹ 396.00 million, inventory amounting to ₹ 100.78 million and written back liabilities amounting to ₹ 1.54 million and the same has been disclosed as an exceptional item in the standalone Ind AS statement of profit and loss for the year ended March 31, 2026.

(ii) The Company has investments in Centum Electronics UK Limited, which in turn has made investment in Centum T&S Group Société Anonyme (S.A.). Centum T&S Group Société Anonyme (S.A.) and its underlying overseas subsidiaries have incurred losses leading to erosion of net worth. The Company has not given any guarantees over and above the investment in this subsidiary.

The Company has filed for Redressement Judiciaire procedure for Centum T&S Group Société Anonyme (S.A.) and certain underlying overseas subsidiaries, under local laws as applicable.

Pending outcome of above Redressement Judiciaire procedure, the management has provided for the carrying value of its investment in Centum T&S Group Société Anonyme (S.A.) amounting to ₹ 1,537.83 million and the same has been disclosed as an exceptional item in the standalone Ind AS statement of profit and loss for the year ended March 31, 2026. The management of the Company believes that there are no other obligations in this regard.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

38 INCOME TAX

Income tax expenses in the standalone Ind AS statement of profit and loss consist of the following:

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
(a) Current tax	163.15	246.28
(b) Tax relating to earlier years (refer note (i))	(14.78)	1.79
(c) Deferred tax (credit)/ charge	(7.06)	(87.34)
(d) Deferred tax charge / (credit) related to items recognized in OCI during the year	2.01	0.62
Total taxes	**143.32**	**161.35**

(i) Consequent to the amalgamation of the wholly owned subsidiary into the Company with effect from Apri 01, 2024, the current tax and deferred tax expense for the year ended March 31, 2025 as recognized in the books by the Company and its wholly owned subsidiary have been recomputed. Accordingly, tax expenses for the year ended March 31, 2026, include reversal of current tax expenses of ₹ 21.11 million in relation to year ended March 31, 2025. Also refer note 57.

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Profit/ (loss) before taxes	(1,029.19)	617.04
Other comprehensive income	8.00	2.45
Applicable tax rates in India	25.17%	25.17%
Computed tax charge	(257.01)	155.91
Tax effect on permanent non-deductible expenses	400.36	5.43
Adjustment of tax relating to earlier years	-	1.79
Others	(0.03)	(1.78)
Total tax expenses	**143.32**	**161.35**

39 EARNINGS PER SHARE (‘EPS’)

Basic EPS amounts are calculated by dividing the profit / loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2026	March 31, 2025 (Restated)
Face value of equity shares (₹ per share)	10	10
Profit attributable to equity shareholders (A) (₹ in million)	(1,170.50)	456.31
Weighted average number of equity shares used for computing EPS (basic) (B)	14,755,819	12,984,951
EPS - basic (A/B) (₹)	(79.32)	35.14
Weighted average number of equity shares used for computing EPS (basic) (B)	14,755,819	12,984,951
Add: Effect of dilutive of stock options	12,945	113,639
Weighted average number of equity shares used for computing EPS (diluted) (C)	14,768,764	13,098,590
EPS - diluted (A/C) (₹) *	(79.32)	34.84

* Considering that the Company had incurred losses during the year ended March 31, 2026, the allotment of stock options would decrease the loss per share for the year ended March 31, 2026 and accordingly has not been considered for the purpose of calculation of diluted earnings per share.

40 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors including expectations of future events that are considered to be relevant. The estimates and underlying assumptions are continually evaluated and any revisions thereto are recognised in the period of revision and future periods if the revision affects both the current and future periods. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key Sources of estimation uncertainty :

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non current asset including goodwill and investments

Determining whether investment and goodwill are impaired requires an estimation of the value in use of the respective asset or the relevant cash generating units. The value in use calculation is based on DCF model. Further, the cash flow projections are based on estimates and assumptions which are considered as reasonable by the management.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 7 and 38 for further disclosures.

Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for customers. The provision matrix is initially based on the Company's historical observed default rates.

The assessment of the historical observed default rates and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances. The Company's historical credit loss experience may also not be representative of customer's actual default in the future.

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

Provision for inventory obsolescence

Inventory obsolescence provision are determined using policies framed by the Company and in accordance with the methodologies that the Company deems appropriate to the business. There is a significant level of judgment involved in assessing whether provision for obsolescence for slow moving, excess or obsolete inventory items should be recognized considering orders in hand, expected orders, alternative usage, etc.

Leases - Determining the lease term of contracts with renewal and termination options – Company as lessee and estimating the incremental borrowing rate

The Company determines the lease term as the non-cancellable term of the lease.

The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed price contracts for test bench projects as the management believes that entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date based on terms of the contract. Use of the percentage-of-completion method requires the Company to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

41 RELATED PARTY TRANSACTIONS

a) Names of related parties and description of relationship

Description of relationship	Name of related parties
Parties where control exists	Mr. Apparao V Mallavarapu
Subsidiary Companies	Centum Electronics UK Limited
	Centum T&S Group Société Anonyme (S.A.), France
	Centum T&S (Centum Technologies ET Solutions), France
	Centum R&D (Centum Recherche Et Développement), France
	Centum T&S (Centum Technologies ET Solutions), Canada
	Centum E&S (Centum Équipements ET Systèmes), Canada
	Centum Adetel Transportation System, France
	Centum Technologies ET Solutions - Société à responsabilité limite (SRL), Belgium
Associate Company	Ausar Energy SAS[iii]
Enterprises where key managerial personnel or their close members exercise significant influence (where transactions have taken place)	Centum Industries Private Limited

Notes to the Standalone Ind AS Financial Statements
for the year ended March 31, 2026

Description of relationship	Name of related parties
Key managerial personnel and their close members	Mr. Apparao V Mallavarapu - Chairman and Managing Director
	Mr. Nikhil Mallavarapu - Joint Managing Director (w.e.f May 22, 2025)[iv]
	Mrs. Tanya Mallavarapu - Director
	Mr. Apurva Chandra - Independent Additional Director (appointed w.e.f December 19, 2025)
	Mr. Ramesh Ramadurai - Independent Additional Director (appointed w.e.f February 14, 2026)
	Mr. Rajiv C Mody - Independent Director[i]
	Mr. Manoj Nagrath - Independent Director[i]
	Mr. Thiruvengadam P - Independent Director[ii]
	Mr. Tarun Sawhney - Independent Director (appointed w.e.f May 22, 2024)
	Dr. Udayant Malhoutra - Independent Director (appointed w.e.f May 22, 2025)
	Mrs. V Kavitha Dutt - Independent Women Director
	Mr. K S Desikan - Chief Financial Officer (superannuated w.e.f August 31, 2025)
	Mr. Sundararajan Parthasarathy - Chief Financial Officer (appointed w.e.f September 01, 2025)
	Mrs. Indu H S - Company Secretary

(i) Ceased to be Directors w.e.f August 06, 2025, on completion of two terms as Independent Directors.

(ii) Ceased to be a Director w.e.f December 27, 2025, on completion of two terms as Independent Director.

(iii) Ausar Energy SAS was admitted to liquidation judiciaire proceedings effective April 01, 2025, and accordingly ceased to be an associate from the said date.

(iv) Whole Time Director till May 21, 2025.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

b) Summary of transactions and outstanding balances with above related parties are as follows:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025 (Restated)
i) Sale of products and services		
Subsidiary companies		
- Centum T&S (Centum Technologies ET Solutions), France	58.77	91.94
- Centum T&S (Centum Technologies ET Solutions), Canada	5.54	23.22
- Centum E&S (Centum Équipements ET Systèmes), Canada	151.58	273.14
- Centum Technologies ET Solutions - Société à responsabilité limite (SRL), Belgium	-	0.21
ii) Purchase of goods and services		
Subsidiary companies		
- Centum T&S (Centum Technologies ET Solutions), France	88.87	89.68
- Centum E&S (Centum Équipements ET Systèmes) , Canada	28.93	0.97
- Centum T&S (Centum Technologies ET Solutions), Canada	89.54	98.29
- Centum T&S Group Société Anonyme (S.A.), France	-	23.32
iii) Expense incurred on behalf of the Group Company:		
Subsidiary companies		
- Centum E&S (Centum Équipements ET Systèmes) , Canada	3.14	4.44
- Centum T&S (Centum Technologies ET Solutions), Canada	1.47	0.85
- Centum T&S (Centum Technologies ET Solutions), France	1.23	-
iv) Expense incurred on behalf of the Company by:		
Subsidiary companies		
- Centum Electronics UK Limited	-	2.05
- Centum T&S (Centum Technologies ET Solutions), France	-	7.61
v) Exceptional items		
a) Trade receivables written off		
Subsidiary companies		
- Centum E&S (Centum Équipements ET Systèmes), Canada	394.89	-
- Centum T&S (Centum Technologies ET Solutions), Canada	1.11	-
b) Provisions/ liabilities no longer required, written back		
Subsidiary companies		
- Centum E&S (Centum Équipements ET Systèmes) , Canada	1.54	-
c) Provision for dimunition in the value of investment		
Subsidiary companies		
- Centum Electronics UK Limited	1,537.83	-
vi) Investment made in equity shares		

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(₹ in million)

Particulars	March 31, 2026	March 31, 2025 (Restated)
Subsidiary company		
- Centum Electronics UK Limited	-	458.02
vii) Issue of equity share capital		
Key managerial personnel and their close members		
- Mr. K S Desikan	0.10	-
viii) Remuneration to key managerial personnel and their close members		
a) Employee benefit expenses (excluding employee share based payments) (refer (i) below)		
- Mr. Apparao V Mallavarapu	27.76	39.72
- Mr. Nikhil Mallavarapu	27.57	39.72
- Mr. K S Desikan	7.16	12.32
- Mr. Sundararajan Parthasarathy	7.20	-
- Mrs. Indu H S	1.69	1.73
b) Directors' sitting fees (including commission paid to non-executive directors)		
- Mrs. Tanya Mallavarapu	0.65	0.68
- Mr. Rajiv C Mody	0.24	0.68
- Mr. Manoj Nagrath	0.30	0.83
- Mr. Thiruvengadam P	0.61	0.80
- Mrs. V Kavitha Dutt	0.80	0.65
- Mr. Apurva Chandra	0.17	-
- Mr. Ramesh Ramadurai	0.09	-
- Dr. Udayant Malhoutra	0.55	-
- Mr. Tarun Sawhney	0.80	0.58
ix) Outstanding balances as at the year ended:		
a) Trade receivables		
Subsidiary companies		
- Centum T&S (Centum Technologies ET Solutions), France	2.11	6.65
- Centum E&S (Centum Équipements ET Systèmes) , Canada	74.28	536.07
- Centum T&S (Centum Technologies ET Solutions), Canada	-	10.32
b) Trade payables		
Subsidiary companies		
- Centum T&S (Centum Technologies ET Solutions), France	22.33	15.80
- Centum E&S (Centum Équipements ET Systèmes) , Canada	-	0.77
- Centum T&S (Centum Technologies ET Solutions), Canada	-	7.84
- Centum T&S Group Société Anonyme (S.A.), France	-	19.65

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(₹ in million)

Particulars		March 31, 2026	March 31, 2025 (Restated)
c)	**Payable to Key managerial personnel**		
	- Mr. Rajiv C Mody	0.18	0.50
	- Mr. Manoj Nagrath	0.18	0.50
	- Mr. Thiruvengadam P	0.37	0.50
	- Mrs. V Kavitha Dutt	0.50	0.50
	- Mrs. Tanya Mallavarapu	0.50	0.50
	- Mr. Tarun Sawhney	0.50	0.41
	- Mr. Apurva Chandra	0.14	-
	- Mr. Ramesh Ramadurai	0.06	-
	- Dr. Udayant Malhoutra	0.43	-
d)	**Other current assets - Advance to suppliers and other advances**		
	Subsidiary company		
	- Centum T&S (Centum Technologies ET Solutions), France	-	0.35
	- Centum T&S (Centum Technologies ET Solutions), Canada	-	89.54
e)	**Other current financial liabilities - Accrued salaries and benefits-payable**		
	- Mr. Apparao V Mallavarapu	15.89	31.04
	- Mr. Nikhil Mallavarapu	16.35	29.44
	- Mr. K S Desikan	-	3.59
	- Mr. Sundararajan Parthasarathy	2.73	-
	- Mrs. Indu H S	0.22	0.37

c) Key Managerial Personnel's interests in the share based payments plan:

Share options held by key managerial personnel under the share based payments plan to purchase equity shares are as follows:

Share based payments plan	Exercise price	March 31, 2026 Number outstanding	March 31, 2025 Number outstanding
Centum RSU - 2021 plan	₹ 10.00	-	14,500

No share options have been granted to the non-executive members of the Board of Directors under the share based payments plans of the Company.

Notes:

(i) As the liability for gratuity and leave encashment is provided on actuarial basis for the Company, as a whole the amount pertaining to the key managerial personnel's' are not disclosed above.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and normally interest free. There have been no guarantees provided to or received from any related party for payables or receivables. For the year ended March 31, 2026 and March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties except as disclosed in note 37. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

42 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS PLANS

a) Defined contribution plan

The Company's contribution to provident fund, Employees' State Insurance and other funds are considered as defined contribution plans. The contributions are charged to the standalone Ind AS statement of profit and loss as they accrue. Contributions to provident and other funds included in employee benefits expense (refer note 33) are as under:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025 (Restated)
Contribution to provident fund	40.19	38.12
Contribution to employees' state insurance	5.20	4.60
	45.39	**42.72**

b) Defined benefit plans

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972 and the Code on Social Security, 2020. Under the act, every employee who has completed five years or more of service gets gratuity on departure at 15 days wages (last drawn wages) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age. The Gratuity plan is funded partially through contributions made to SBI Life Insurance Company Limited.

The following tables summarise the components of net benefit expense recognised in the standalone Ind AS statement of profit or loss and amounts recognised in the standalone balance sheet for gratuity benefit:

i. Net benefit expenses (recognized in the standalone Ind AS statement of profit and loss)

(₹ in million)

Particulars	March 31, 2026	March 31, 2025 (Restated)
Current service cost	16.19	14.87
Past service cost (refer note 33)	31.81	-
Interest cost on defined benefit obligation	5.60	5.76
Interest income on plan assets	(2.37)	(1.19)
Net benefit expenses	**51.23**	**19.44**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

ii. Remeasurement (gains)/ loss recognised in other comprehensive income:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025 (Restated)
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	(2.33)	(5.99)
Actuarial loss/ (gain) on obligations arising from changes in financial assumptions	(6.82)	2.49
Return on plan assets (excluding amounts included in net interest expense)	1.15	1.05
Actuarial (gain)/ loss recognised in OCI	**(8.00)**	**(2.45)**

iii. Net defined benefit (liability)/ asset

(₹ in million)

Particulars	March 31, 2026	March 31, 2025 (Restated)
Defined benefit obligation	(125.13)	(88.02)
Fair value of plan assets	88.56	39.66
(Liability) /asset recognised in the balance sheet	**(36.57)**	**(48.36)**

iv. Changes in the present value of the defined benefit obligation are as follows:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025 (Restated)
Opening defined benefit obligation	88.02	72.85
Add: Changes on account of amalgamation (refer note 57)	-	4.84
Current service cost	16.19	14.87
Past service cost	31.81	-
Benefits paid	(7.34)	(6.80)
Interest cost on the defined benefit obligation	5.60	5.76
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	(2.33)	(5.99)
Actuarial (gain)/ loss on obligations arising from changes in financial assumptions	(6.82)	2.49
Closing defined benefit obligation	**125.13**	**88.02**

Notes to the Standalone Ind AS Financial Statements
for the year ended March 31, 2026

v. Changes in the fair value of plan assets are as follows:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025 (Restated)
Opening fair value of plan assets	39.66	15.07
Add: Changes on account of amalgamation (refer note 57)	-	1.52
Interest income on plan assets	2.37	1.19
Benefits paid	(7.32)	(0.07)
Contributions by the employer	55.00	23.00
Return on plan assets (lesser) / greater than discounted rate	(1.15)	(1.05)
Closing fair value of plan assets	**88.56**	**39.66**

vi. The following pay-outs are expected in future years:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Within the next 12 months	11.20	8.15
Between 1 and 2 years	9.87	3.62
Between 2 and 3 years	10.34	6.87
Between 3 and 4 years	9.38	6.06
Between 4 and 5 years	12.39	6.04
Between 5 and 10 years	56.65	39.55

The average duration of the defined benefit plan obligation at the end of the reporting period is 12.90 years (March 31, 2025: 13.03-16.28 years)

vii. The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	March 31, 2026	March 31, 2025
Discount rate (in %)	7.54%	6.77%- 6.87%
Salary escalation rate (in %)	10.00%	10.00%
Employee Turnover/ Withdrawal Rate	Age 21 - 59 Yrs : upto 15%	Age 21 - 59 Yrs : upto 15%
Retirement age	60 years	60 years
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

Notes:

i) The estimate of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

ii) Plan Characteristics and Associated Risks:

The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death or disability. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

a. Discount rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

b. Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

c. Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

viii. A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025 (Restated)
Discount rate		
Impact on defined benefit obligation due to 1% increase in discount rate	(9.74)	(7.65)
Impact on defined benefit obligation due to 1% decrease in discount rate	11.33	9.00
Salary escalation rate		
Impact on defined benefit obligation due to 1% increase in salary escalation rate	4.04	4.05
Impact on defined benefit obligation due to 1% decrease in salary escalation rate	(4.18)	(4.21)
Attrition rate		
Impact on defined benefit obligation due to 1% increase in attrition rate	(3.00)	(0.42)
Impact on defined benefit obligation due to 1% decrease in attrition rate	3.71	0.72

43 SEGMENT INFORMATION - DISCLOSURE PURSUANT TO IND AS 108 'OPERATING SEGMENTS'

(a) Information about reportable segments

Basis of identifying operating segments / reportable segments:

(i) Basis of identifying operating segments:

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components); (b) whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available. The accounting policies consistently used in the preparation of financial statements are

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segment on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such items and accordingly such items are separately disclosed as 'unallocated'.

(ii) Reportable segments:

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

CODM evaluates the performance of the Company based on the single operative segment as Electronics System Design and Manufacturing ("ESDM"). Therefore, there is only one reportable segment called ESDM in accordance with the requirement of Ind AS 108 "Operating Segments".

(b) Geographical information

(₹ in million)

Particulars	Segment revenue*		Non-current assets**	
	March 31, 2026	March 31, 2025 (Restated)	March 31, 2026	March 31, 2025 (Restated)
India	4,625.29	3,580.41	1,446.48	1,218.89
Europe and UK	3,158.15	2,973.48	-	-
North America	704.47	950.17	-	-
Rest of the world	1,242.65	256.87	-	-
Total	**9,730.56**	**7,760.93**	**1,446.48**	**1,218.89**

*Revenue by geographical area are based on the geographical location of the customer.
**Non-current assets excludes financial assets and tax assets.

(c) Combined revenue from two external customer group (March 31, 2025: one external customer group) having more having more than 10% each of the Company's total revenue amounting to ₹ 4,243.78 million (March 31, 2025: ₹ 3,066.19 million). Further, the top 5 customer group of the Company contribute to more than 65% of the revenue for the year ended March 31, 2026 and more than 59% of the revenue during the year ended March 31, 2025.

44 LEASES, COMMITMENTS AND CONTINGENCIES

(a) Leases

Company as a lessee

The Company has lease contracts for office facilities and equipment. The lease term of the office facilities is generally 2 - 4 years.The Company's obligations under its leases are secured by the lessor's title to the leased assets. The lease term for equipments is 8 years and the assets are transferred to the Company at the end of lease term.

The Company also has certain leases of computer and computer equipments with low value. The Company applies the 'lease of low-value assets' recognition exemptions for these leases.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The carrying amounts of right-of-use assets recognised and the movements during the year is as follows:

(₹ in million)

Particulars	Office Buildings	Plant and Machinery	Leased Computer	Total
Gross block				
As at April 01, 2024	**8.49**	**37.10**	**6.95**	**52.54**
Add: Changes on account of amalgamation (refer note 57)	35.24	-	-	35.24
As at April 01, 2024 (restated)	**43.73**	**37.10**	**6.95**	**87.78**
Additions	0.86	-	-	0.86
Modification/ other adjustments	(0.01)	-	-	(0.01)
As at March 31, 2025 (restated)	**44.58**	**37.10**	**6.95**	**88.63**
Modification/ other adjustments	10.69	-	-	10.69
Disposals / Discarded / Adjustment	-	-	(6.95)	(6.95)
As at March 31, 2026	**55.27**	**37.10**	**-**	**92.37**
Accumulated depreciation				
As at April 01, 2024	**4.90**	**17.85**	**6.95**	**29.70**
Add: Changes on account of amalgamation (refer note 57)	21.02	-	-	21.02
As at April 01, 2024 (restated)	**25.92**	**17.85**	**6.95**	**50.72**
Charge for the year	8.48	4.62	-	13.10
As at March 31, 2025 (restated)	**34.40**	**22.47**	**6.95**	**63.82**
Charge for the year	9.53	4.62	-	14.15
Disposals / Discarded / Adjustment	-	-	(6.95)	(6.95)
As at March 31, 2026	**43.93**	**27.09**	**-**	**71.02**
Net block as at March 31, 2026	**11.34**	**10.01**	**-**	**21.35**
Net block as at March 31, 2025	**10.18**	**14.63**	**-**	**24.81**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

Particulars	**(₹ in million)**
As at April 01, 2024	**4.95**
Add: Changes on account of amalgamation (refer note 57)	18.03
As at April 01, 2024 (restated)	**22.99**
Additions	0.86
Accretion of interest	1.61
Payments	(11.73)
Modification/ other adjustments of lease liabilities	(0.01)
As at March 31, 2025 (restated)	**13.72**
Additions	-
Accretion of interest	1.80
Payments	(11.37)
Modification/ other adjustments of lease liabilities	10.69
As at March 31, 2026	**14.84**

(₹ in million)

	March 31, 2026	**March 31, 2025 (Restated)**
Current	6.30	11.09
Non current	8.54	2.63

The maturity analysis of lease liabilities are disclosed in note 48(c)(c).

The effective interest rate for lease liabilities is between 7.93% to 10.90% p.a. (March 31, 2025: 7.93% to 12.00% p.a.).

The following are the amounts recognised in the Ind AS statement of profit or loss:

(₹ in million)

Particulars	**March 31, 2026**	**March 31, 2025 (Restated)**
Depreciation expense of right-of-use assets (refer note 34)	14.15	13.10
Interest expense on lease liabilities (refer note 35)	1.80	1.61
Expense relating to leases of low-value assets / short term leases (included in other expenses) (refer note 36)	14.23	14.35
Total amount recognised in the Ind AS statement of profit or loss	**30.18**	**29.06**

The Company had total cash outflows for leases of ₹ 25.60 million during the year ended March 31, 2026 (March 31, 2025 : ₹ 26.08 million)

Notes to the Standalone Ind AS Financial Statements
for the year ended March 31, 2026

(b) Commitments

(i) Capital commitments

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	58.94	166.03

(ii) Power purchase agreement

The Company has commitment in nature of variable lease payment towards purchase of solar and wind power with various parties whereby the Company has committed to purchase and supplier has committed to sell contracted quantity of solar and wind power for period as defined in the power purchase agreements.

(c) Contingent liabilities

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Company believes that none of the contingencies described below would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

(₹ in million)

(i) Particulars of guarantees	March 31, 2026	March 31, 2025 (Restated)
Bank guarantees (refer note 12)*	34.28	29.15

* Excludes performance bank guarantees given to various customers as the management is of the view that the same is not required to be disclosed here.

(ii) Contingent liabilities*

(₹ in million)

Description	March 31, 2026	March 31, 2025 (Restated)
Income taxes under dispute	45.62	92.06
Indirect taxes under dispute	94.06	116.53
Others		
Claims against the Company not acknowledged as debts	-	5.85

* The aforementioned amounts under disputes are as per the demands from various authorities for the respective periods and has not been adjusted to include further interest and penalty leviable, if any, at the time of final outcome of the appeals.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

45 SHARE-BASED PAYMENTS

A Description of the share based payment arrangements

(i) Share option plans (equity settled)

The Centum Employee Stock Option Plan ('ESOP') - 2013 plan.

(a) The Centum ESOP - 2013 plan was approved by the directors of the Company in May 2013 and by the shareholders in August 2013. Centum ESOP - 2013 plan provides for the issue of 250,000 shares to the employees of the Company and its subsidiaries (whether in India or outside India), who are in whole time employment with the Company and/or it's subsidiaries.

The plan is administered by the Nomination and Remuneration committee. Options will be issued to employees of the Company and/or it's subsidiaries at an exercise price, which shall not be less than the market price immediately preceding the date of grant. The equity shares covered under these options vest over a period ranging from twelve to forty eight months from the date of grant. The exercise period is ten years from the date of vesting.

The Centum Electronics Limited Restricted Stock Unit Plan 2021.

(a) The Centum Electronics Limited Restricted Stock Unit Plan 2021 was approved by the shareholders of the Company in October 2021. Centum RSU - 2021 plan provides for the issue of 1,75,000 shares to the employees of the Company and its subsidiaries (whether in India or outside India), who are in whole time employment with the Company and/or it's subsidiaries.

The plan is administered by the Nomination and Remuneration committee. Options will be issued to employees of the Company and/or it's subsidiaries at an exercise price, which shall be equal to the face value of the shares. RSUs granted under this Plan would vest not earlier than minimum vesting period of 1 (one) year or such other period as may be prescribed under applicable laws and not later than maximum vesting period of 8 (eight) years from the date of grant of such RSUs. The exercise period is 5 years from the date of last vesting of RSU.

B Measurement of fair values

The fair value of employee share options has been measured using Black Scholes model. The fair value of the options and the input used in the measurement of the grant- date fair values of both the plans are as follows:

Particulars	Centum ESOP - 2013	
	Year ended March 31, 2026	Year ended March 31, 2025
Fair value at grant date	-	₹ 11.65 - ₹ 277.30
Share price at grant date	-	₹ 71.25 & ₹ 637.05
Weighted average exercise price (WAEP)	-	₹ 71.25
Dividend yield (%)	-	10%
Expected life of share options (years)	-	1- 4 years
Risk free interest rate (%)	-	5.70 - 8.60%
Expected volatility (%)	-	48.31%

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

Particulars	Centum RSU - 2021	
	Year ended March 31, 2026	Year ended March 31, 2025
Fair value at grant date	₹ 420.08 / 730.13	₹ 420.08 / 730.13
Share price at grant date	₹ 455.65 / 814.61	₹ 455.65 / 814.61
Weighted average exercise price (WAEP)	₹ 10	₹ 10
Dividend yield (%)	2.08% / 3.33%	2.08% / 3.33%
Expected life of share options (years)	1- 8 years	1- 8 years
Risk free interest rate (%)	7.12% / 7.30%	7.12% / 7.30%
Expected volatility (%)	56.15% / 52.48%	56.15% / 52.48%

C Movements during the year

The following table illustrates the number and Weighted Average Exercise Price (WAEP) of, and movements in, Centum ESOP - 2013 plan during the year.

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of options	WAEP	Number of options	WAEP
Options outstanding at April 01	-	-	8,373	71.25
Granted during the period	-	-	-	-
Forfeited / lapsed during the period	-	-	-	-
Exercised during the period	-	-	8,373	71.25
Expired during the period	-	-	-	-
Options outstanding at March 31	**-**	**-**	**-**	**-**
Exercisable at year end	-	-	-	-

The following table illustrates the number and WAEP of, and movements in, Centum RSU - 2021 plan during the year.

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of options	WAEP	Number of options	WAEP
Options outstanding at April 01	1,14,300	10	1,37,600	10
Granted during the period	-	-	-	-
Forfeited during the period	44,436	10	23,300	10
Cancelled during the period	5,000	10	-	-
Exercised during the period	33,831	10	-	-
Expired during the period	-	-	-	-
Options outstanding at March 31	**31,033**	**10**	**1,14,300**	**10**
Exercisable at year end	31,033	10	1,14,300	10

The options outstanding as at March 31, 2026 had an exercise price of ₹ 10 (March 31, 2025: ₹ 10) and the weighted average remaining contractual life of 4.15 years (March 31, 2025: 5.15 years)

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

D Expense recognised in the Ind AS statement of profit and loss

The expense recognised for employee services received during the year is shown in the following table :

(₹ in million)

	March 31, 2026	March 31, 2025 [Restated (refer note 57)]
Expense arising from equity settled share based payment transaction (refer note 33)*	(17.16)	14.15

* There is a reversal of employee share based compensation cost due to forfeiture of options on account of performance conditions not met during the year ended March 31, 2026.

46. ISSUE OF EQUITY SHARES THROUGH QIP

During the year ended March 31, 2025, the Fund Raising Committee of the Board of Directors of the Company at its meeting held on March 10, 2025 and March 13, 2025 approved the issue and allotment of 1,810,345 equity shares having face value of ₹ 10 each through Qualified Institutional Placement ("QIP") under the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018, as amended ("SEBI ICDR Regulation") and Section 42 and 62 of the Companies Act, 2013, including the rules made thereunder (as amended) to the eligible Qualified Institutional Buyers (QIB), at the issue price of ₹ 1,160 per equity share (including a premium of ₹1,150 per equity share), aggregating to approximately ₹ 2,100.00 million which took into account a discount of ₹ 59.65 per equity share (i.e. within 5% of the floor price), as permitted in terms of Regulation 176 (1) of Chapter VI of the SEBI ICDR Regulations.

(₹ in million)

		March 31, 2026	March 31, 2025
Unutilised QIP proceeds as at April 1		897.13	-
Gross proceeds raised through issue of equity shares		-	2,100.00
	(A)	**897.13**	**2,100.00**
Expenses related to the issue of equity shares through QIP:			
Recognised in equity*		-	90.42
Expenses recorded in the standalone statement of profit and loss		-	2.79
Others (refer note 1)		(7.32)	7.32
	(B)	**(7.32)**	**100.53**
Utilisation proceeds:			
Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by the company		47.58	1,102.34
Capital expenditure for purchases of new property, plant and equipment		256.78	-
	(C)	**304.36**	**1,102.34**
Unutilised QIP Proceeds as at March 31, 2026	**(A-B-C)**	**600.09**	**897.13**

*The share issue expenses directly attributable to the said transaction have been adjusted against Securities Premium as per Ind AS 32 and Section 52 of the Companies Act, 2013.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

Unutilised QIP Proceeds as at March 31, 2026 (refer note 12):

a) Fixed deposits with the bank amounting to ₹ 595.29 million (March 31, 2025: ₹450.00 million).

b) Balance in QIP monitoring account and current account aggregating to ₹ 4.80 million (March 31, 2025: ₹ 447.13 million).

1. During the year ended March 31, 2026, net proceeds were revised from ₹ 1,999.47 million to ₹ 2,006.79 million on account of actual issue expenses being lower than estimated as disclosed in the offer document, by ₹ 7.32 million.

47 CAPITAL MANAGEMENT

The Company's capital management is intended to create value for the shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and long term and short term bank borrowings.

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenants are complied with.

(₹ in million)

	March 31, 2026	March 31, 2025 (Restated)
Borrowings (refer note 18 and 21)	1,219.92	961.09
Less: Cash and cash equivalents (refer note 12)	377.52	509.84
Net debt	**842.40**	**451.25**
Capital components		
Equity share capital (refer note 15)	147.41	147.07
Other equity (refer note 16)	4,167.61	5,437.52
Total Capital	**4,315.02**	**5,584.59**
Capital and net debt	**5,157.42**	**6,035.84**
Gearing ratio	16%	7%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

48 DISCLOSURES ON FINANCIAL INSTRUMENTS

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2026 and March 31, 2025.

As at March 31, 2026 (₹ in million)

Particulars	Fair value through statement of profit or loss	Fair value through statement of other comprehensive income	Amortised cost	Total fair value	Total carrying value
Financial assets					
(i) Trade receivables	-	-	3,073.09	3,073.09	3,073.09
(ii) Cash and cash equivalents	-	-	377.52	377.52	377.52
(iii) Bank balances other than cash and cash equivalents	-	-	950.65	950.65	950.65
(iv) Derivative assets (net)	32.54	-	-	32.54	32.54
(iv) Other financial assets	-	-	24.37	24.37	24.37
Total	**32.54**	**-**	**4,425.63**	**4,458.17**	**4,458.17**
Financial liabilities					
(i) Borrowings	-	-	1,219.92	1,219.92	1,219.92
(ii) Lease liabilities	-	-	14.84	14.84	14.84
(iii) Trade payables	-	-	2,549.37	2,549.37	2,549.37
(iv) Other financial liabilities	-	-	297.50	297.50	297.50
Total	**-**	**-**	**4,081.63**	**4,081.63**	**4,081.63**

As at March 31, 2025 (₹ in million)

Particulars	Fair value through statement of profit or loss	Fair value through statement of other comprehensive income	Amortised cost	Total fair value	Total carrying value
Financial assets					
(i) Trade receivables	-	-	3,170.92	3,170.92	3,170.92
(ii) Cash and cash equivalents	-	-	509.84	509.84	509.84
(iii) Bank balances other than cash and cash equivalents	-	-	826.78	826.78	826.78
(iv) Other financial assets	-	-	26.58	26.58	26.58
Total	**-**	**-**	**4,534.12**	**4,534.12**	**4,534.12**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

As at March 31, 2025 (₹ in million)

Particulars	Fair value through statement of profit or loss	Fair value through statement of other comprehensive income	Amortised cost	Total fair value	Total carrying value
Financial liabilities					
(i) Borrowings	-	-	961.09	961.09	961.09
(ii) Lease liabilities	-	-	13.72	13.72	13.72
(iii) Trade payables	-	-	1,701.17	1,701.17	1,701.17
(iv) Other financial liabilities	-	-	302.33	302.33	302.33
Total	**-**	**-**	**2,978.31**	**2,978.31**	**2,978.31**

Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(b) Fair value hierarchy

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

(₹ in million)

Particulars	Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3
March 31, 2026				
Financial assets				
Derivative assets (net) (refer note 13)	32.54	-	32.54	-
Financial liabilities				
Borrowings (refer note 18 & 21)	1,219.92	-	1,219.92	-
March 31, 2025				
Financial liabilities				
Borrowings (refer note 18 & 21)	961.09	-	961.09	-

There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2025 and March 31, 2026.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(c) Financial risk management objectives and policies

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and the risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have appropriate skills, experience and supervision. It is the company policy that no trading in derivatives for speculative purposes may be undertaken.

The Company's financial liabilities (other than derivatives) comprises mainly of borrowings including interest accrual, leases, trade, capital and other payables. The Company's financial assets (other than derivatives) comprise mainly of cash and cash equivalents, other balances with banks, trade and other receivables. In the ordinary course of business, the Company is exposed to Market risk, Credit risk and Liquidity risk.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and equity price risk.

(i) Market risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in million)

Particulars	Increase / decrease in basis points	Effect on profit before tax
March 31, 2026		
	+50	(5.90)
	-50	5.90
March 31, 2025		
	+50	(4.56)
	-50	4.56

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(ii) Market risk- Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant.

(₹ in million)

Particulars	Change in currency	Effect on profit or loss before tax		Effect on profit or loss after tax	
		Strengthening	Weakening	Strengthening	Weakening
March 31, 2026					
USD	5%	37.25	(37.25)	27.88	(27.88)
EURO	5%	(2.96)	2.96	(2.21)	2.21
March 31, 2025					
USD	5%	7.99	(7.99)	5.98	(5.98)
EURO	5%	(7.35)	7.35	(5.50)	5.50

(iii) Equity price risk

The Company does not have equity price risk except to the extent of impairment of investments.

(b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, investments, cash and cash equivalents and other bank balances.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk is carrying value of trade receivables, balances with bank, bank deposits, investments (other than investments in subsidiaries) and other financial assets.

Customer credit risk is managed by each business unit based on the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major aged receivables. The Company does not hold collateral as security. Further, the top 5 customer group of the Company contribute to more than 62% of the trade receivables for the year ended March 31, 2026 and more than 63% of the trade receivables during the year ended March 31, 2025.

With respect to trade receivables (other than dues from subsidiary companies), the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

The following table summarises the changes in the loss allowance measured using ECL:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025 (Restated)
Opening balance	22.96	19.61
Amount (reversed)/provided during the year	17.90	6.56
Amount written off during the year	-	(3.21)
Closing balance	40.86	22.96

Credit risk from balances with bank and financial institutions and in respect to loans and security deposits is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(c) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital limits from various banks. The Company invests its surplus funds in bank fixed deposit, which carry no or low market risk.

The Company monitors its risk of shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be medium.

Maturity profile of financial liabilities :

The table below has been drawn up based on the undiscounted contractual maturities of the financial liabilities excluding interest that will be paid on those liabilities upto the maturity of the instruments.

(₹ in million)

Particulars	0 - 1 years	1 to 5 years	> 5 years	Total
March 31, 2026				
(i) Borrowings	1,197.57	22.35	-	1,219.92
(ii) Lease liabilities	7.16	9.20	-	16.36
(iii) Trade payables	2,549.37	-	-	2,549.37
(iv) Other financial liabilities	297.50	-	-	297.50
	4,051.60	**31.55**	**-**	**4,083.15**
March 31, 2025				
(i) Borrowings	883.13	77.96	-	961.09
(ii) Lease liabilities	11.66	3.37	-	15.03
(iii) Trade payables	1,701.17	-	-	1,701.17
(iv) Other financial liabilities	302.33	-	-	302.33
	2,898.29	**81.33**	**-**	**2,979.62**

49 RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025 (Restated)	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	1.39	1.46	(5)%	-
Debt- Equity Ratio	Total Debt (including lease liabilities)	Shareholder's Equity	0.29	0.17	64%	Movement is on account of losses incurred in current year
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses / (income) + Tax expenses + Finance costs - Finance income+Share issue expenses	Debt service = Interest & Lease Payments + Principal Repayments	5.63	2.45	130%	Increase in debt service coverage ratio is on account of decrease in repayment of debt during the year.
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	(0.24)	0.10	(326)%	Movement is on account of losses incurred in current year
Inventory Turnover ratio	Cost of materials consumed + (Increase) / decrease) in inventories of work-in-progress and finished goods	Average Inventory	1.68	1.62	4%	-
Trade Receivable Turnover Ratio	Revenue from operations	Average Trade Receivable	3.12	2.88	8%	-
Trade Payable Turnover Ratio	Purchases made during the year + Non-cash operating expenses + Staff welfare expenses	Average Trade Payables	3.99	3.71	8%	-
Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets – Current liabilities	3.77	3.10	21%	-
Net Profit ratio	Net Profits after taxes	Net sales = Total sales - sales return	(0.12)	0.06	(305)%	Movement is on account of losses incurred in current year
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Total tangible Net Worth + Total debt (excluding lease liabilities) - Deferred tax assets (net)	(0.17)	0.13	(229)%	Movement is on account of losses incurred in current year
Return on Investment	NA	NA	NA	NA	0%	-

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

50 INTEREST IN SIGNIFICANT INVESTMENT IN SUBSIDIARIES:

Name of the entity	Relationship as at		Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		Date of incorporation	Country of incorporation/ place of business
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025		
Centum Electronics UK Limited	Subsidiary	Subsidiary	100.00%	100.00%	100.00%	100.00%	May 18, 2016	United Kingdom

Note:

The above disclosure made do not include step down subsidiaries and are with respect to subsidiary existing as at March 31, 2026.

51 The Company is in the process of conducting a transfer pricing study as required by the transfer pricing regulations under the IT Act ('regulations') to determine whether the transactions entered during the year ended March 31, 2026, with the associated enterprises were undertaken at "arm's length price". The management confirms that all the transactions with associate enterprises are undertaken at negotiated prices on usual commercial terms and is confident that the aforesaid regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

52 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
a) Gross amount required to be spent by the Company during the year	9.65	5.76

b) Amount spent during the year ending March 31, 2026 :	In Cash	Yet to be in cash	Total
i) Construction/acquisition of any assets	-	-	-
ii) On purposes other than (i) above	9.65	-	9.65

c) Amount spent during the year ending March 31, 2025 :	In Cash	Yet to be in cash	Total
i) Construction/acquisition of any assets	-	-	-
ii) On purposes other than (i) above	5.84	-	5.84

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

d) Details related to spent / unspent obligations:	March 31, 2026	March 31, 2025
i) Contribution to Public Trust	6.57	1.84
ii) Contribution to Charitable Trust	3.08	4.00
iii) Unspent amount in relation to :		
- Ongoing project	-	-
- Other than Ongoing project	-	-

Details of other than ongoing project

For the year ended March 31, 2026 (₹ in million)

In case of S. 135(6) (Ongoing Project)				
Opening balance	Amount deposited in Specified Fund of Sch VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
(0.38)	-	9.65	9.65	(0.38)

For the year ended March 31, 2025 (₹ in million)

In case of S. 135(6) (Ongoing Project)				
Opening balance	Amount deposited in Specified Fund of Sch VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
(0.30)	-	5.76	5.84	(0.38)

e) CSR expenditure has been incurred for promoting healthcare, education, environmental sustainability, eradication of hunger and malnutrition, and community development. The Company has also contributed towards initiatives aimed at supporting persons with disabilities, promoting inclusive growth, and encouraging sports and social welfare.

53 The Company has taken various derivatives to hedge its risk associated with foreign currency fluctuations on payables and trade receivables.

Particulars of outstanding position of derivative instruments and unhedged foreign currency exposure as at balance sheet date:

Particulars	Currency	March 31, 2026		March 31, 2025 (Restated)	
		Amount in foreign currency in million	Amount in ₹ million	Amount in foreign currency in million	Amount in ₹ million
Short- term borrowings	EUR	0.83	90.96	-	-
	USD	4.51	427.01	6.08	520.33
Trade payables	EUR	1.01	110.52	1.62	149.15
	GBP	0.01	1.86	0.01	1.20
	CHF	0.06	6.73	-	-
	USD	20.48	1,938.08	12.52	1,071.47
Payable for capital goods	USD	0.26	24.84	0.08	6.80

Notes to the Standalone Ind AS Financial Statements
for the year ended March 31, 2026

Particulars	Currency	March 31, 2026		March 31, 2025 (Restated)	
		Amount in foreign currency in million	Amount in ₹ million	Amount in foreign currency in million	Amount in ₹ million
	EUR	0.47	51.23	0.67	61.39
Total payables	EUR	2.32	252.72	2.28	210.54
	GBP	0.01	1.86	0.01	1.20
	CHF	0.06	6.73	-	-
	USD	25.25	2,389.93	18.68	1,598.59
Forward Covers					
Hedging of payables	EUR	1.69	183.65	-	-
	USD	19.17	1,790.95	-	-
Unhedged					
Payables	EUR	0.63	68.61	2.28	210.54
	GBP	0.01	1.86	0.01	1.20
	CHF	0.06	6.73	-	-
	USD	6.09	575.96	18.68	1,598.59
Trade receivables	EUR	0.08	9.25	0.35	31.93
	GBP*	0.00	0.31	0.02	1.92
	USD	14.87	1,407.30	20.25	1,732.66
Forward Covers					
Hedging of trade receivables	USD	2.00	185.58	-	-
Unhedged					
Trade receivables	EUR	0.08	9.25	0.35	31.93
	GBP*	0.00	0.31	0.02	1.92
	USD	12.87	1,218.00	20.25	1,732.66
Cash and cash equivalents	EUR**	0.00	0.25	0.34	31.66
	JOD***	0.00	0.00	0.00	0.00
	ILS****	0.00	0.00	0.00	0.00
	THB*****	0.00	0.00	-	-
	USD	1.09	103.04	0.30	25.81

* March 31, 2026: GBP 2,500
** March 31, 2026: EUR 2,270.85
*** March 31, 2026: JOD 30; March 31, 2025: JOD 30
****March 31, 2026: ILS 60; March 31, 2025: ILS 60
*****March 31, 2026: THB 1,220

Foreign currencies
USD = United States Dollar

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

EUR = Euro
GBP = British Pound Sterling
CHF = Swiss Franc
JOD = Jordanian Dinar
ILS = Israeli New Shekel
THB = Thai Baht

54 As at March 31, 2026, trade payables amounting to ₹ 281.15 million (March 31, 2025: ₹ 82.57 million), advance from customers amounting to ₹ 321.30 million (March 31, 2025: ₹ 651.06 million) and trade receivables amounting to ₹ 52.74 million (March 31, 2025: ₹671.44 million) towards purchase and sale of goods and services respectively, which are outstanding beyond permissible time period stipulated under the Master Circular on Import of Goods and Services and Master Circular on Export of Goods and Services issued by Reserve Bank of India ('the RBI'). Considering that the balances are outstanding for more than the stipulated time, the Company is in the process of intimating the appropriate regulatory authorities and seeking requisite approvals for extensions.

During the year ended March 31, 2026, the Company has written off trade receivables amounting to ₹ 396.00 million (March 31, 2025: Nil) in respect of export of goods and services to its Canadian subsidiaries and the same has been disclosed as exceptional item in the standalone Ind AS statement of profit and loss (refer note 37 and 41). Further, the Company has written back advances received from a customer, outstanding for more than three years, amounting to ₹ 33.05 million (March 31, 2025: Nil) and disclosed the same under other income in the standalone Ind AS statement of profit and loss (refer note 29). The management is in the process of regularising the same with the appropriate regulatory authorities for approval to write off/write back. The management is confident that required approvals would be received and penalties, if any that may be imposed on the Company would not be material. Accordingly, no adjustments have been made by the management to these standalone Ind AS financial statements in this regard.

55 MCA has amended the Rule 3 of the Companies (Accounts) Rules, 2014 (the "Accounts Rules") vide notification dated August 05, 2022, relating to the mode of keeping books of account and other books and papers in electronic mode. Back-ups of the books of account and other books and papers of the company maintained in electronic mode are now required to be retained on a server located in India on daily basis (instead of back-ups on a periodic basis as provided earlier) as prescribed under Rule 3(5) of the Accounts Rules. With respect to the above, the Company has complied with the requirement for all the IT applications.

56 The Company has used certain accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that, audit trail feature is not enabled for certain changes made, if any, to data using privileged/ administrative access rights in so far it relates to the aforesaid applications. Further, no instances of audit trail feature being tampered with respect to the above accounting software has been noted where audit trail has been enabled. Further, the Company has also used certain accounting softwares which are operated by third-party software service providers, for maintaining its books of account which has complied with all the requirements for audit trail based on SOC 2- Type 2 report issued by an external expert.

Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

57 AMALGAMATION OF CENTUM T&S PRIVATE LIMITED (WHOLLY OWNED SUBSIDIARY COMPANY ("WOS") WITH THE COMPANY:

The Bengaluru Bench of the National Company Law Tribunal ("NCLT") vide its order dated October 29, 2025, has approved the Scheme of Amalgamation (the "Scheme") of wholly owned subsidiary of the Company, Centum T&S Private Limited with the Company with an appointed date of April 01, 2024, under section 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder. The said Scheme has become effective from October 29, 2025 on compliance of all the conditions precedent mentioned therein. Consequently, above mentioned wholly owned subsidiary of the Company got amalgamated with the Company w.e.f. April 01, 2024. Since the amalgamated entity is under common control, the accounting of the said amalgamation has been done applying Pooling of interest method as prescribed in Appendix C of Ind AS 103 'Business Combinations' w.e.f the first day of the earliest period presented i.e. April 01, 2024. While applying Pooling of Interest method, the Company has recorded all assets, liabilities and reserves attributable to the wholly owned subsidiary company at their carrying value as appearing in the consolidated Ind AS financial statements of the Company immediately prior to the amalgamation as per guidance given in ITFG Bulletin 9.

Further, pursuant to the Scheme of Amalgamation, the authorised share capital of the Company has been increased to ₹ 156.00 million (March 31, 2025 - ₹155.00 million).

The previous year figures of Standalone Ind AS Balance Sheet, Standalone Ind AS Statement of Profit and Loss (including Other Comprehensive Income) and Standalone Ind AS Statement of Cash Flows have been restated considering that the amalgamation has taken place from the first day of the earliest period presented i.e., 1st April, 2024 as required under Appendix C of Ind AS 103. Below is the summary of restatement of previous year figures:

(A) Restated Ind AS balance sheet as at March 31, 2025

(₹ in million)

Particulars	As at March 31, 2025 (Reported)	Additions / (Eliminations) on account of amalgamation of WOS	As at March 31, 2025 (Restated)
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	1,034.08	12.35	1,046.43
(b) Capital work-in-progress	76.37	-	76.37
(c) Goodwill	36.35	-	36.35
(d) Other intangible assets	7.96	0.38	8.34
(e) Right-of-use assets	16.67	8.14	24.81
(f) Financial assets			
(i) Investments	1,538.83	(1.00)	1,537.83
(ii) Other financial assets	226.28	5.69	231.97
(g) Deferred tax assets (net)	152.27	36.93	189.20
(h) Non-current tax assets (net)	9.38	27.27	36.65
(i) Other assets	26.39	0.20	26.59
Total non - current assets	**3,124.58**	**89.96**	**3,214.54**
(2) Current assets			
(a) Inventories	3,267.74	6.42	3,274.16
(b) Financial assets			

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(₹ in million)

Particulars	As at March 31, 2025 (Reported)	Additions / (Eliminations) on account of amalgamation of WOS	As at March 31, 2025 (Restated)
(i) Trade receivables	3,139.10	31.82	3,170.92
(ii) Cash and cash equivalents	477.84	32.00	509.84
(iii) Bank balances other than cash and cash equivalents	618.77	-	618.77
(iv) Loans	10.00	(10.00)	-
(v) Other financial assets	39.18	(36.56)	2.62
(c) Other assets	474.15	(60.03)	414.12
Total current assets	**8,026.78**	**(36.35)**	**7,990.43**
Total assets (1+2)	**11,151.36**	**53.61**	**11,204.97**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	147.07	-	147.07
(b) Other equity	5,492.03	(54.51)	5,437.52
Total equity	**5,639.10**	**(54.51)**	**5,584.59**
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	77.96	-	77.96
(ii) Lease liabilities	-	2.63	2.63
(b) Government grants	11.02	-	11.02
(c) Net employee defined benefit liabilities	37.09	3.12	40.21
Total non-current liabilities	**126.07**	**5.75**	**131.82**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	883.13	-	883.13
(ii) Lease liabilities	3.30	7.79	11.09
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	202.38	-	202.38
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,453.92	44.87	1,498.79
(iv) Other financial liabilities	283.84	18.49	302.33
(b) Government grants	5.53	-	5.53
(c) Other liabilities	2,270.98	13.50	2,284.48
(d) Net employee defined benefit liabilities	7.97	0.18	8.15
(e) Provisions	140.11	17.54	157.65
(f) Liabilities for current tax (net)	135.03	-	135.03
Total current liabilities	**5,386.19**	**102.37**	**5,488.56**
Total equity and liabilities (1+2+3)	**11,151.36**	**53.61**	**11,204.97**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(B) Restated Ind AS statement of profit and loss for the year ended March 31, 2025

(₹ in million)

Particulars	For the year ended March 31, 2025 (Reported)	Additions / (Eliminations) on account of amalgamation of WOS	For the year ended March 31, 2025 (Restated)
I Income			
Revenue from operations	7,498.38	262.55	7,760.93
Other income	44.88	(3.68)	41.20
Finance income	25.07	(0.58)	24.49
Total income	**7,568.33**	**258.29**	**7,826.62**
II Expenses			
Cost of materials consumed	5,240.67	52.77	5,293.44
(Increase) / decrease in inventories of work-in-progress and finished goods	(292.70)	(1.74)	(294.44)
Employee benefits expense	1,026.19	222.82	1,249.01
Depreciation and amortisation expenses	186.11	9.00	195.11
Finance costs	191.51	3.15	194.66
Other expenses	504.52	67.28	571.80
Total expenses	**6,856.30**	**353.28**	**7,209.58**
III Profit / (loss) before tax (I - II)	**712.03**	**(94.99)**	**617.04**
IV Tax expenses			
Current tax	246.28	-	246.28
Tax relating to earlier years	1.79	-	1.79
Deferred tax (credit) /charge	(63.99)	(23.35)	(87.34)
Total tax expenses	184.08	(23.35)	160.73
V Profit / (loss) for the year (III - IV)	**527.95**	**(71.64)**	**456.31**
VI Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods :			
Re-measurement gains / (losses) on defined benefit plans	2.16	0.29	2.45
Income tax effect on above	(0.54)	(0.08)	(0.62)
Total other comprehensive income for the year (net of tax)	**1.62**	**0.21**	**1.83**
VII Total comprehensive income for the year (V + VI)	**529.57**	**(71.43)**	**458.14**

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(C) Restated Ind AS statement of cash flow for the year ended March 31, 2025

(₹ in million)

Particulars	For the year ended March 31, 2025 (Reported)	Additions / (Eliminations) on account of amalgamation of WOS	For the year ended March 31, 2025 (Restated)
Net cash flows (used in)/ from operating activities (A)	(198.43)	41.47	(156.96)
Net cash flows (used in)/ from investing activities (B)	(1,020.02)	(2.73)	(1,022.75)
Net cash flows from/ (used in) financing activities (C)	1,563.81	(10.73)	1,553.08

(D) Statement of reserve reconciliation on amalgamation of wholly owned subsidiary company as at April 01, 2024

(₹ in million)

Particulars	Securities premium	General reserve	Retained earnings	Effective portion of cash flow hedge	Share based payments reserve	Capital reserve	Total
Centum Electronics Limited	28.27	440.26	2,487.28	(0.15)	35.91	3.43	2,995.00
Centum T&S Private Limited	-	-	18.59	-	-	-	18.59
Total (a)	**28.27**	**440.26**	**2,505.87**	**(0.15)**	**35.91**	**3.43**	**3,013.59**
Elimination / Adjustments between the Company and wholly owned subsidiary							
Centum T&S Private Limited	-	-	(1.67)	-	-	-	(1.67)
Total (b)	**-**	**-**	**(1.67)**	**-**	**-**	**-**	**(1.67)**
Total (a+b)	**28.27**	**440.26**	**2,504.20**	**(0.15)**	**35.91**	**3.43**	**3,011.92**

Note: All the disclosures for the comparative period for the / as at year ended March 31, 2025 from note 41 to 56 have restated on account of scheme of amalgamation.

58 OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Company does not have any transactions with struck off company under section 248 of Companies Act, 2013.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

Notes to the Standalone Ind AS Financial Statements

for the year ended March 31, 2026

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

59 EVENTS AFTER REPORTING PERIOD

The Board of Directors have proposed dividend after the balance sheet date which are subject to approval by the shareholders at the annual general meeting. (Refer note 17).

As per our report of even date.
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Navin Agrawal
Partner
Membership number: 056102

Place : Bengaluru, India
Date : May 14, 2026

For and on behalf of Board of Directors of
Centum Electronics Limited

Apparao V Mallavarapu
Chairman and Managing Director
DIN: 00286308

Nikhil Mallavarapu
Joint Managing Director
DIN: 00288551

Indu H S
Company Secretary
Membership number: F12285

Sundararajan Parthasarathy
Chief Financial Officer

Place : Bengaluru, India
Date : May 14, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Centum Electronics Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated Ind AS financial statements of Centum Electronics Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2026, the consolidated Statement of Profit and Loss, including other comprehensive income/(loss), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit/(loss) including other comprehensive income/ (loss), their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group 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 consolidated Ind AS 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

EMPHASIS OF MATTER

We draw attention to Note 40 (b) of the accompanying consolidated Ind AS financial statements, which describes that, the management of the group has filed for Redressement Judiciaire in relation to Centum T&S Group Société Anonyme (S.A.) (a step-down subsidiary of Centum Electronics Limited) and certain underlying overseas subsidiaries, and bids have been received from prospective buyers. Pending relinquishment of control over such subsidiaries, the Company continues to consolidate the results of these subsidiaries as discontinued operations.

Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements.

The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Allowance for inventory obsolescence (as described in note 11 and 41 of the consolidated Ind AS financial statements)	
The Group held an inventory balance of ₹ 4,562.10 million as at March 31, 2026, as disclosed in Note 11 and is a material balance for the Group. Inventory obsolescence allowance is determined using policies/methodologies that the Group deems appropriate to the business. Significant judgement is exercised by the management in identifying the slow-moving and obsolete inventories and in assessing whether provision for obsolescence for slow moving, excess or obsolete inventory items should be recognized considering the production plan, forecast inventory usage, committed and expected orders, alternative usage, etc. Considering that the aforesaid assessment process is complex and involves significant estimates and judgements and the balance of inventory is material, we have identified this as a key audit matter.	Our procedures to evaluate the allowance of inventories obsolescence included: • We obtained an understanding of how the management identifies the slow-moving and obsolete inventories and assesses the amount of allowance for inventories; • We assessed and tested the design and operating effectiveness of the Company's internal financial controls over the allowance for inventory obsolescence. • We observed the inventory count performed by management and assessed the physical condition of the inventories; • We also assessed allowance policy based on historical sales trends of the products in their life cycle and comparing the actual loss to historical allowance recognized, on a sample basis; • We further tested the ageing of the inventories and the computation of the obsolescence level on a sample basis; • We have tested a sample of inventory items for significant components to assess the cost and tested the basis of determination of net realisable value of inventory. We also assessed the Group's disclosures concerning this in Note 41 on significant accounting estimates and judgements and Note 11 on Inventories to the consolidated Ind AS financial statements.
Discontinued Operations and Asset held for sale in relation to Centum T&S Group Société Anonyme (S.A.) Refer Note 2.3(h) and 40 of the consolidated Ind AS financial statements)	
'The Company has investments in Centum Electronics UK Limited, which in turn has made investment in Centum T&S Group Société Anonyme (S.A.). Centum T&S Group Société Anonyme (S.A.) and its underlying overseas subsidiaries have been incurring losses leading to erosion of net worth. The Board of Directors of the Company in their meeting held on December 19, 2025, decided to discontinue business operations of the Centum E&S (Centum Equipment's ET Systems), Canada, and Centum T&S (Centum Technologies ET Solutions), Canada, step-down subsidiaries of the Company ('Canada subsidiaries'). The Company is in the process of making necessary regulatory filings and intimations with the relevant regulatory authorities for liquidation of the Canadian operations Further, during the year ended March 31, 2026, the Group has filed for Redressement Judiciaire. for Centum T&S Group Société Anonyme (S.A.) and certain underlying overseas subsidiaries, under local laws as applicable.	Our procedures to evaluate the Discontinued Operations, Asset held for sale and Liabilities directly associated with assets held for sale included: • Obtained an understanding and assessed the effectiveness of process followed by the management in assessing the appropriateness of the Company's accounting policies in relation to discontinued operations; • Evaluated the basis of the management's assessment of treating the Centum T&S Group Société Anonyme (S.A.) and its underlying overseas subsidiaries as discontinued operations in accordance with the applicable accounting standards; • Obtained and read the board minutes, Redressement Judiciaire fillings, legal opinions obtained by the management, etc for understanding the impact on the consolidated Ind AS financial statements including identification of the assets and liabilities to be transferred and assessment of the key estimates and judgement involved therein;

Key audit matters	How our audit addressed the key audit matter
As at March 31, 2026, the Company has presented the operations of Centum T&S Group Société Anonyme (S.A.) and its underlying overseas subsidiaries as "Discontinued Operations" and its related assets/liabilities as "held for sale" and in accordance with Ind AS 105 (Non-current Assets held for Sale and Discontinued Operations). Accounting for discontinued operations being a significant non-routine event requires judgments and estimates to identify and separate the financial effects and disclosures from continuing and discontinued operations. Accordingly, this matter has been determined to be a key audit matter in our audit of the consolidated Ind AS financial statements.	• Performed procedures on the disclosures relating to discontinued operations made in the consolidated Ind AS financial statements for assessing the compliance with disclosure requirements

INFORMATION OTHER THAN THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are 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 these consolidated Ind AS financial statements.

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 consolidated Ind AS financial statements, 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 Holding Company has adequate internal financial controls with reference to consolidated Ind AS 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 management.

- Conclude on the appropriateness of management's 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 ability of the Group 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 consolidated Ind AS financial statements 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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 matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

(a) We did not audit the consolidated financial statements and other financial information, in respect of two subsidiaries located outside India (one of the said subsidiary has six underlying subsidiaries) whose consolidated financial statements (before adjustments for consolidation) include total assets of Rs 2,136.46 million as at March 31, 2026, and total revenue from operations of Rs 3,958.05 million and net cash inflows of Rs 59.29 million for the year ended on that date. These consolidated financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries are based solely on the reports of such other auditors.

These subsidiaries are located outside India whose financial statements 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 Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit of the Holding Company, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books except, as detailed in note 56 of the consolidated Ind AS financial statements, for the matters stated in the paragraph (f) and (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended;

   (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended;

(g) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer note 45(c)(ii) to the consolidated Ind AS financial statements;

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer note 21and 28 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2026.

iv. a) The management of the Holding Company, have represented to us that, to the best of its knowledge and belief, and as disclosed in note 55(v) to the consolidated Ind AS financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management of the Holding Company, have represented to us that, to the best of its knowledge and belief and as disclosed in note 55(vi) to the consolidated Ind AS financial statements, no funds have been received by the Holding Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 18 to the consolidated Ind AS financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to approval of members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi) Based on our examination which included test checks, the Holding Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except that, audit trail feature is not enabled for direct changes to data when using certain access rights, as described in note 56 to the Consolidated Ind AS financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting softwares where audit trail has been enabled. Additionally, the audit trail of relevant prior years has been preserved by the Holding company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in note 56 to the Consolidated Ind AS financial statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 26056102EDZPLI1421

Place of Signature: Bengaluru, India
Date: May 14, 2026

Annexure I

REFERRED TO IN CLAUSE 1 OF PARAGRAPH ON THE 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT OF EVEN DATE

Re: Centum Electronics Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the qualifications or adverse remarks by the respective auditors in their reports on Companies (Auditor's Report) Order, 2020 of the companies included in the Consolidated Ind AS Financial Statements are:

SI. No	Name	CIN	Holding company/ subsidiary	Clause number of the CARO report which is qualified or is adverse
1	Centum Electronics Limited	L85110KA1993PLC013869	Holding company	3(vii)(a)

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 26056102EDZPLI1421

Place of Signature: Bengaluru, India
Date: May 14, 2026

Annexure II

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF CENTUM ELECTRONICS LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated Ind AS financial statements of Centum Electronics Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Holding company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated Ind AS financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding company, has, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Navin Agrawal
Partner
Membership Number: 056102
UDIN: 26056102EDZPLI1421

Place of Signature: Bengaluru, India
Date: May 14, 2026

CENTUM

Corporate Identification Number (CIN): L85110KA1993PLC013869

Consolidated Ind AS Balance Sheet

As at March 31, 2026

(₹ in million)

Particulars	Notes	March 31, 2026	March 31, 2025
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	1,337.25	1,095.93
(b) Capital work-in-progress	3a	-	76.37
(c) Goodwill	4a	36.35	412.58
(d) Other intangible assets	4b	3.64	237.57
(e) Intangible assets under development	4c	-	74.09
(f) Right-of-use assets	44	21.35	427.86
(g) Financial assets			
(i) Other investments	6	-	0.57
(ii) Other financial assets	7	148.27	343.02
(h) Deferred tax assets (net)	8	194.25	189.20
(i) Non-current tax assets (net)	9	11.77	36.65
(j) Other assets	10	47.89	131.73
Total non-current assets		**1,800.77**	**3,025.57**
(2) Current Assets			
(a) Inventories	11	4,562.10	3,474.08
(b) Financial assets			
(i) Trade receivables	12	2,996.70	3,065.37
(ii) Cash and cash equivalents	13	379.12	677.64
(iii) Bank balances other than cash and cash equivalents	13	822.00	618.77
(iv) Other financial assets	14	37.29	463.21
(c) Other assets	15	344.71	1,069.82
Total current assets		**9,141.92**	**9,368.89**
(3) Assets held for sale	40	2,084.43	-
Total assets (1+2+3)		**13,027.12**	**12,394.46**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	16	147.41	147.07
(b) Other equity	17	3,284.69	3,905.16
Equity attributable to equity holders of the parent		3,432.10	4,052.23
Non-controlling interests	52	(181.35)	(109.58)
Total equity		**3,250.75**	**3,942.65**
Liabilities			
(2) Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	19	22.35	213.22
(ii) Lease liabilities	44	8.54	318.37
(b) Other liabilities	26	-	7.75
(c) Net employee defined benefit liabilities	20	25.37	40.21
(d) Provisions	21	-	9.57
(e) Government grants	22	13.26	11.02
Total non-current Liabilities		**69.52**	**600.14**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	1,197.57	1,234.61
(ii) Lease liabilities	44	6.30	107.23
(iii) Trade payables	24	2,529.75	2,200.14
(iv) Other financial liabilities	25	297.50	436.03
(b) Other liabilities	26	2,410.59	3,352.54
(c) Government grants	22	7.41	5.53
(d) Net employee defined benefit liabilities	27	11.20	8.15
(e) Provisions	28	130.60	372.41
(f) Current tax liabilities (net)	29	64.04	135.03
Total current liabilities		**6,654.96**	**7,851.67**
(4) Liabilities directly associated with assets held for sale	40	3,051.89	-
Total equity and liabilities (1+2+3+4)		**13,027.12**	**12,394.46**
Summary of material accounting policies	2.3		

The accompanying notes are an integral part of the consolidated Ind AS financial statements.
As per our report of even date

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

per Navin Agrawal
Partner
Membership number: 056102

Place: Bengaluru, India
Date : May 14, 2026

For and on behalf of Board of Directors of Centum Electronics Limited

Apparao V Mallavarapu
Chairman and Managing Director
DIN: 00286308

Nikhil Mallavarapu
Joint Managing Director
DIN: 00288551

Indu H S
Company Secretary
Membership number: F12285

Sundararajan Parthasarathy
Chief Financial Officer

Place: Bengaluru, India
Date : May 14, 2026

Corporate Identification Number (CIN): L85110KA1993PLC013869

Consolidated Ind AS Statement of Profit and loss

For the Year Ended March 31, 2026

(₹ in million)

		Notes	March 31, 2026	March 31, 2025
	Continuing operations			
I	**Income**			
	Revenue from operations	30	9,527.49	7,402.59
	Other income	31	58.69	41.20
	Finance income	32	99.47	24.74
	Total income		**9,685.65**	**7,468.53**
II	**Expenses**			
	Cost of materials consumed	33(a)	6,497.89	4,884.42
	(Increase)/ decrease in inventories of work-in-progress and finished goods	33(b)	(281.07)	(294.44)
	Employee benefits expense	34	1,317.44	1,249.01
	Depreciation and amortisation expenses	35	195.05	195.11
	Finance costs	36	169.12	195.00
	Other expenses	37	638.80	574.48
	Total expenses		**8,537.23**	**6,803.58**
III	**Profit/ (loss) before tax from continuing operations (I- II)**		**1,148.42**	**664.95**
IV	**Tax expenses**			
	Current tax	38	163.15	246.28
	Tax relating to earlier years		(14.78)	1.79
	Deferred tax (credit) / charge		(7.06)	(87.34)
	Total tax expenses		**141.31**	**160.73**
V	**Profit/ (loss) after tax from continuing operations (III - IV)**		**1,007.11**	**504.22**
	Discontinued operations			
VI	(Loss)/ profit before tax from discontinued operations	40	(1,525.17)	(528.92)
VII	Tax income/ (expense) of discontinued operations	40	-	5.43
VIII	**(Loss)/ profit after tax from discontinued operations (VI - VII)**		**(1,525.17)**	**(523.49)**
IX	**(Loss)/ profit for the year (V + VIII)**		**(518.06)**	**(19.27)**
X	**Other comprehensive (expense)/ income**			
	(A) Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
	Exchange (loss)/ gain on translating the financial statements of foreign operations		(74.79)	7.35
	Income tax effect on above		-	-
	(B) Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
	Remeasurement gains / (losses) on defined benefit plans	43(b)(ii)	8.00	2.45
	Income tax effect on above	38	(2.01)	(0.63)
	Other comprehensive (expense)/ income for the year, (net of tax)		**(68.80)**	**9.17**
	(Loss)/ profit for the year		**(518.06)**	**(19.27)**
	Attributable to			
	Equity holders of the parent		(466.54)	24.56
	Non-controlling interests		(51.52)	(43.83)
	Other comprehensive income for the year		**(68.80)**	**9.17**
	Attributable to			
	Equity holders of the parent		(48.55)	9.30
	Non-controlling interests		(20.25)	(0.13)
	Total comprehensive income for the year		**(586.86)**	**(10.10)**
	Attributable to			
	Equity holders of the parent		(515.09)	33.86
	Non-controlling interests		(71.77)	(43.96)
XI	**Earnings per equity share (nominal value of Rs 10 each)**			
	Earnings per share (₹) : Basic and diluted, computed on the basis of profit / (loss) attributable to equity holders of the parent (per equity share of ₹10 each)	39		
	(a) Earnings per share for continuing operations			
	Basic EPS from continuing operations (₹)		68.25	38.83
	Diluted EPS from continuing operations (₹)		68.19	38.49
	(b) (Loss)/ earnings per share for discontinued operations			
	Basic EPS from discontinued operations (₹)		(99.87)	(36.94)
	Diluted EPS from discontinued operations (₹)		(99.87)	(36.94)
	(c) Earnings/ (loss) per share for continuing and discontinued operations			
	Basic EPS from continuing operations and discontinued operations (₹)		(31.62)	1.89
	Diluted EPS from continuing operations and discontinued operations (₹)		(31.62)	1.88
	Summary of material accounting policies	2.3		

The accompanying notes are an integral part of the consolidated Ind AS financial statements.
As per our report of even date

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

per Navin Agrawal
Partner
Membership number: 056102

Place: Bengaluru, India
Date : May 14, 2026

For and on behalf of Board of Directors of Centum Electronics Limited

Apparao V Mallavarapu
Chairman and Managing Director
DIN: 00286308

Nikhil Mallavarapu
Joint Managing Director
DIN: 00288551

Indu H S
Company Secretary
Membership number: F12285

Sundararajan Parthasarathy
Chief Financial Officer

Place: Bengaluru, India
Date : May 14, 2026

CENTUM

Corporate Identification Number (CIN): L85110KA1993PLC013869

Consolidated Ind AS Statement of Cash Flows

For the Year Ended March 31, 2026

(₹ in million)

		March 31, 2026	March 31, 2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/ (loss) before tax from continuing operations	1,148.42	664.95
	(Loss)/ profit before tax from discontinued operations	(1,525.17)	(528.92)
	(Loss)/ profit before tax	**(376.75)**	**136.03**
	Adjustments to reconcile profit / (loss) before tax to net cash flows:		
	Depreciation and amortisation expenses	413.41	440.82
	Provisions/ liabilities no longer required, written back	(194.14)	(20.60)
	Net foreign exchange differences (unrealised)	187.33	31.06
	Provision for expected credit losses / bad debts written off/ doubtful advances/ other assets	187.67	6.56
	Provision for impairment of contract assets	69.66	3.25
	Employee share based compensation cost/ (reversals)	(17.16)	14.15
	Provision for inventory obsolescence	244.80	66.62
	Provision for onerous contract	(31.44)	48.53
	(Gain)/ loss on modification of leases (net)	(1.06)	-
	Government grants	(11.72)	(7.88)
	Provision for diminution in the value of investment/ receivables	(18.01)	148.32
	(Gain) / loss on sale/ disposal of property, plant and equipment (net)	(2.23)	-
	Impairment of property, plant and equipment, intangible assets (including under development) and Goodwill	613.89	-
	Share issue expenses	-	2.79
	Finance income	(99.47)	(26.33)
	Finance costs	273.07	329.02
	Operating profit / (loss) before working capital adjustments	**1,237.85**	**1,172.34**
	Working capital adjustments:		
	(Increase) / decrease in inventories	(1,349.24)	(362.21)
	Decrease/ (increase) in trade receivables/non-current/current financial assets and other assets	102.67	(979.80)
	Increase / (decrease) in trade payables, non-current/current provisions, net employee defined benefit liabilities, financial liabilities and other liabilities	812.52	76.69
	Cash generated (used in) / from operations	**803.80**	**(92.98)**
	Direct taxes paid (net of refunds)	(199.84)	(200.53)
	Net cash from/ (used in) operating activities (A)	**603.97**	**(293.51)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment, including capital work-in progress, intangible assets (including under development) and capital advances	(403.76)	(185.81)
	Proceeds from sale of property, plant and equipment	2.23	-
	(Investment)/ redemption in bank deposit (having original maturity of more than three months) and other bank balances (net)	(100.18)	(431.27)
	Interest income received	53.41	28.86
	Government grant received	15.84	-
	Net cash (used in) / from investing activities (B)	**(432.47)**	**(588.22)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issue of equity shares	0.34	2,100.00
	Transaction cost on issue of equity shares (including taxes)	-	(100.53)
	Proceeds from long term borrowings	-	46.21
	Repayment of long term borrowings	(135.20)	(294.91)
	Proceeds/ (repayment) of short term borrowings (net)	281.23	(214.35)
	Payment of principal portion of lease liabilities	(45.36)	(110.98)
	Payment of interest portion of lease liabilities	(10.87)	(14.02)
	Finance costs paid	(255.77)	(301.02)
	Dividend paid (including amount transferred to Investor Education and Protection Fund)	(88.24)	(38.93)
	Net cash (used in)/ from financing activities (C)	**(253.87)**	**1,071.47**
	Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(82.37)	189.74
	Cash and cash equivalents at the beginning of the year	654.56	461.11
	Effect of exchange differences on cash and cash equivalents held in foreign currency	50.19	3.71
	Cash and cash equivalents at the end of the year	**622.38**	**654.56**

Corporate Identification Number (CIN): L85110KA1993PLC013869

Consolidated Ind AS Statement of Cash Flows

For the Year Ended March 31, 2026

(₹ in million)

	March 31, 2026	March 31, 2025
Components of cash and cash equivalents for the purpose of cash flow statement		
Balances with banks (refer note 13)		
- On current accounts	129.64	315.44
- In QIP monitoring account	4.80	335.56
- On exchange earners foreign currency (EEFC) accounts	102.68	26.28
- Deposits with original maturity of less than three months	141.18	-
Cash on hand	0.82	0.36
Cash and cash equivalent attributable to entities held for sale (refer note 40)	255.81	-
Overdraft from banks (refer note 23)	(12.55)	(23.08)
Total cash and cash equivalents	**622.38**	**654.56**

Also refer note 40 for cash flows relating to discontinued operations.

EXPLANATORY NOTES TO CONSOLIDATED IND AS STATEMENT OF CASH FLOWS

1. Changes in liabilities arising from financing activities:-

(₹ in million)

Particulars	Liabilities arising from financing activities		
	Long term borrowings (including current maturities of long term borrowings) (refer note 19 and 23)	Short term borrowings excluding current maturities of long term borrowings and cash credits (refer note 23)	Lease liabilities (including current portion of lease liabilities) (refer note 44)
As at April 01, 2025	**592.56**	**832.19**	**425.60**
Cash flows	(135.20)	281.23	(56.23)
Non-cash changes			
Foreign exchange differences loss / (gain)	75.22	26.45	66.49
Provisions/ liabilities no longer required, written back-discontinued operations	(82.62)	-	-
Reversal of lease liabilities on termination of lease-discontinued operations	-	-	(91.78)
Adjustments on account discontinued operations	(368.60)	(14.89)	(350.80)
Interest Payable	-	1.03	-
Accretion of interest- continuing operations	-	-	1.80
Accretion of interest- discontinued operations	-	-	9.07
Modification of lease liabilities- continuing operations	-	-	10.69
As at March 31, 2026	**81.36**	**1,126.01**	**14.84**
As at April 01, 2024	**831.10**	**1,041.54**	**525.77**
Cash flows	(248.70)	(214.35)	(125.00)
Non-cash changes			
Foreign exchange differences loss / (gain)	10.16	3.85	9.95
Interest Payable	-	1.15	-
Accretion of interest- continuing operations	-	-	1.61
Accretion of interest- discontinued operations	-	-	12.41
Recognition of lease liabilities	-	-	0.86
As at March 31, 2025	**592.56**	**832.19**	**425.60**

Summary of material accounting policies 2.3

The accompanying notes are an integral part of the consolidated Ind AS financial statements.

As per our report of even date

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

per Navin Agrawal
Partner
Membership number: 056102

Place: Bengaluru, India
Date : May 14, 2026

For and on behalf of Board of Directors of Centum Electronics Limited

Apparao V Mallavarapu
Chairman and Managing Director
DIN: 00286308

Nikhil Mallavarapu
Joint Managing Director
DIN: 00288551

Indu H S
Company Secretary
Membership number: F12285

Sundararajan Parthasarathy
Chief Financial Officer

Place: Bengaluru, India
Date : May 14, 2026

Corporate Identification Number (CIN): L85110KA1993PLC013869

Consolidated Ind AS Statement of Changes in Equity

For the Year Ended March 31, 2026

(A) EQUITY SHARE CAPITAL

Equity shares of Rs 10 each issued, subscribed and fully paid

Particulars	Number	₹ in million
At April 01, 2024	**1,28,88,494**	**128.88**
Issue of shares on exercise of share options (refer note 47)	8,373	0.08
Issue of shares through QIP [(refer note (i)]	18,10,345	18.11
At March 31, 2025	**1,47,07,212**	**147.07**
Issue of shares on exercise of share options (refer note 47)	33,831	0.34
At March 31, 2026	**1,47,41,043**	**147.41**

(i) During the year ended March 31, 2025, the Company allotted 1,810,345 equity shares of ₹10 each aggregating ₹ 2,100.00 million at an issue price of ₹1,160 per equity share through Qualified Institutional Placement (QIP) process (refer note 48).

(B) OTHER EQUITY

(₹ in million)

Particulars	Attributable to equity shareholders								Non-controlling interests (B)	Total other equity and Non-controlling interests (A+B)
	Reserves and surplus (note 17)							Total Other equity (A)		
	Securities premium	General reserve	Retained earnings	Effective portion of cash flow hedge	Share based payments reserve	Capital reserve	Foreign currency translation reserve			
For the year ended March 31, 2026										
As at April 01, 2025	**2,020.27**	**440.26**	**1,301.36**	**(0.15)**	**50.06**	**48.30**	**45.06**	**3,905.16**	**(109.58)**	**3,795.58**
Profit / (loss) for the year	-	-	(466.54)	-	-	-	-	(466.54)	(51.52)	(518.06)
Other comprehensive income/(loss) for the year (net of taxes)*	-	-	5.99	-	-	-	(54.54)	(48.55)	(20.25)	(68.80)
Exercise of share options	13.88	-	-	-	(13.88)	-	-	-	-	-
Dividends (refer note 18)	-	-	(88.24)	-	-	-	-	(88.24)	-	(88.24)
Cancellation of vested share options	-	-	-	-	(2.10)	2.10	-	-	-	-
Compensation for options granted	-	-	-	-	(17.16)	-	-	(17.16)	-	(17.16)
Others	-	-	0.02	-	-	-	-	0.02	-	0.02
As at March 31, 2026	**2,034.15**	**440.26**	**752.59**	**(0.15)**	**16.92**	**50.40**	**(9.48)**	**3,284.69**	**(181.35)**	**3,103.34**

Corporate Identification Number (CIN): L85110KA1993PLC013869

Consolidated Ind AS Statement of Changes in Equity

For the Year Ended March 31, 2026

(₹ in million)

Particulars	Attributable to equity shareholders							Total Other equity (A)	Non-controlling interests (B)	Total other equity and Non-controlling interests (A+B)
	Reserves and surplus (note 17)									
	Securities premium	General reserve	Retained earnings	Effective portion of cash flow hedge	Share based payments reserve	Capital reserve	Foreign currency translation reserve			
For the year ended March 31, 2025										
As at April 01, 2024	**28.27**	**440.26**	**1,313.67**	**(0.15)**	**35.91**	**48.30**	**37.58**	**1,903.84**	**(65.62)**	**1,838.22**
Profit / (loss) for the year	-	-	24.56	-	-	-	-	24.56	(43.83)	(19.27)
Issue of share capital (refer note 17)	2,081.89	-	-	-	-	-	-	2,081.89	-	2,081.89
Transaction cost on issue of equity shares (refer note 17)	(90.42)	-	-	-	-	-	-	(90.42)	-	(90.42)
Other comprehensive income/(loss) for the year (net of taxes)*	-	-	1.82	-	-	-	7.48	9.30	(0.13)	9.17
Exercise of share options	0.53	-	-	-	-	-	-	0.53	-	0.53
Dividends (refer note 18)	-	-	(38.69)	-	-	-	-	(38.69)	-	(38.69)
Compensation for options granted	-	-	-	-	14.15	-	-	14.15	-	14.15
As at March 31, 2025	**2,020.27**	**440.26**	**1,301.36**	**(0.15)**	**50.06**	**48.30**	**45.06**	**3,905.16**	**(109.58)**	**3,795.58**

*As required under Ind AS compliant Schedule III, the Company has recognised remeasurement gains/(losses) of defined benefit plans as part of retained earnings.

Summary of material accounting policies 2.3

The accompanying notes are an integral part of the consolidated Ind AS financial statements.

As per our report of even date

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

per Navin Agrawal
Partner
Membership number: 056102

Place: Bengaluru, India
Date : May 14, 2026

For and on behalf of Board of Directors of Centum Electronics Limited

Apparao V Mallavarapu
Chairman and Managing Director
DIN: 00286308

Nikhil Mallavarapu
Joint Managing Director
DIN: 00288551

Indu H S
Company Secretary
Membership number: F12285

Sundararajan Parthasarathy
Chief Financial Officer

Place: Bengaluru, India
Date : May 14, 2026

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

1. CORPORATE INFORMATION

Centum Electronics Limited ("Centum" or "the Company" or "the Holding Company) is a public limited company domiciled in India. The registered office of the Company is located at Bangalore, India. Its equity shares are listed on National Stock Exchange and Bombay Stock Exchange in India.

The Company along with its subsidiaries ("the Group") and an associate (hereinafter collectively referred to as "the Group"), are primarily involved in the design and manufacture of advanced microelectronics modules, systems, subsystems and printed circuit board assembly catering to the Defence, Aerospace, Transportation and Industrial electronics markets. It also provides design services to its customers. These include systems, subsystems and modules. .

The consolidated Ind AS financial statements were approved by the Board of Directors and authorised for issue in accordance with a resolution of the directors on May 14, 2026.

The Holding Company has been registered under the provisions of Micro, Small and Medium Enterprise Development Act ("MSMED") Act, 2006 and has obtained the Udyam registration number ("URN") UDYAM - KR–03-0005545 on August 12, 2020

2. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied by the Group in the preparation of its consolidated Ind AS financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these consolidated Ind AS financial statements, unless otherwise indicated.

2.1. BASIS OF CONSOLIDATION

The consolidated Ind AS financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated Ind AS Financial Statement (CFS).

The consolidated Ind AS financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The functional and presentation currency of the Group is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Group operates and all values are rounded to the nearest million, except when otherwise indicated.

The consolidated Ind AS financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

- The Group's voting rights and potential voting rights.

- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Ind AS financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Ind AS financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated Ind AS financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated Ind AS financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

The Group has prepared the consolidated Ind AS financial statements on the basis that it will continue to operate as a going concern.

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated Ind AS financial statements at the acquisition date.

b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated Ind AS financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.2. CHANGE IN ACCOUNTING POLICIES AND DISCLOSURES:

New standards and amendments:

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 01, 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after April 01, 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have a material impact on the Company's consolidated Ind AS financial statements.

(ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after April 01, 2025 retrospectively in accordance with Ind AS 8.

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for the year ended March 31, 2026

The amendments have resulted in additional disclosures in note 19 but have not had an impact on the classification of Group's liabilities.

(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

As a result of implementing the amendments, the Group has provided additional disclosures about its supplier finance arrangement. Please refer to note 24.

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after April 01, 2025, but not for any interim periods ending on or before March 31, 2026.

The amendments had no impact on the Group's consolidated financial statements as the Group is not in scope of the Pillar Two model rules.

2.3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

a. Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred .

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Group recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

b. Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method after making necessary adjustments to achieve uniformity in application of accounting policies. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

When the Group's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

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for the year ended March 31, 2026

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

c. Current versus non-current classification

The Group segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified period up to twelve months as its operating cycle.

d. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated Ind AS financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated Ind AS financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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for the year ended March 31, 2026

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares
- Financial instruments (including those carried at amortised cost)

e. Revenue from contracts with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products and services

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products. Revenue from sale of services is recognized as the service is performed and there are no unfulfilled obligations.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated if any. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Fixed price contracts

These contracts which have a performance obligation either provide for the fixed price for the entire project or a price defined in a framework agreement for each type of service ordered by the customer as the project is performed. Revenues from fixed price contracts is recognised based on the stage of completion and the expected profit on completion. Depending on the contracts, the degrees of progress is determined according to the input method (notably according to the costs borne by the project and hours spent) or the output method (notably according to the deliverables made). In the event of an unexpected excess of total contract costs over total contract revenues, the expected losses on completion are provisioned.

Time and material contracts

These contracts, which are subject to best efforts clause, have a variable price determined according to the time spent and the seniority of the staff employed for these projects. Revenues generated by time and material contracts is recognised as the services are performed.

Scrip Sales

Export entitlements in the form of Merchandise Export from India (MEIS) are recognized in the consolidated Ind AS statement of profit and loss

Notes to the Consolidated Ind AS Financial Statements

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when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Management fees income

Income from management fees is recognised as per the terms of the agreement on the basis of services rendered.

Interest income

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Rental income

Rental income from lease of premises under operating lease is recognized in the income statement on a straight line basis over the term of the lease.

Commission income

Commission income is recognised at the time when services are rendered in accordance with the rates as per the agreements entered into with the parties.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer (which consist of unbilled revenue). If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Capitalised contract costs

Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Company recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

f. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

g. Taxes on income

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Group's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the consolidated Ind AS financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and Services Tax (GST) / value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/non-current assets/ liabilities in the balance sheet.

h. Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

a) The appropriate level of management is committed to a plan to sell the asset (or disposal group),

b) An active programme to locate a buyer and complete the plan has been initiated (if applicable),

c) The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

d) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

e) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised assets once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented separately as 'profit or loss before tax from discontinued operations,' tax expense/(income) of discontinued operations,' and 'profit or loss after tax from discontinued operations,' in the P&L.

Additional disclosures are provided in Note 40 All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

Notes to the Consolidated Ind AS Financial Statements

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i. Property, plant and equipment (‘PPE’) and Capital work in progress (‘CWIP’)

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at March 31, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 1, 2016.

Capital work in progress includes cost of property, plant and equipment under installation / under development net of accumulated impairment loss, if any, as at the balance sheet date. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

For domestic entities, the depreciation on the Property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on useful lives estimated by the management, which coincides with the lives prescribed under Schedule II of the Companies Act, 2013 except in case of certain Plant and equipment (including the related intellectual property), which the Group, based on technical assessment made by the technical expert and management estimate, depreciates over estimated useful lives of 8 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013.

Land is carried at historical cost and is not depreciated. Leasehold improvements are depreciated over the period of lease or estimated useful life, whichever is lower, on straight line basis.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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For overseas subsidiaries and associate, the Group provides depreciation based on estimated useful lives of the property, plant and equipment as determined by the management of such subsidiaries and associate. In view of different sets of environment in which such foreign subsidiaries and associate operate in their respective countries, depreciation is provided based on local laws and management estimates. These entities follow straight line method of depreciation spread over the useful life of each individual asset.

The estimated useful lives of the assets considered by aforementioned entities is as follows:

Asset category	Years	
	Minimum	Maximum
Plant & equipments	3	5
Electrical installation	5	10
Furniture & fixtures	5	10
Office equipments	3	8
Computer	3	5
Buildings	30	30

j. Intangible assets

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets as at March 31, 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible assets as on April 01, 2016

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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A summary of the policies applied to the Group's intangible assets is, as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Goodwill (including goodwill arising on consolidation)	Indefinite	No amortisation	Acquired
Customer relationship	Definite (8 years)	Straight-line basis	Acquired
Computer software	Definite (5 years)	Straight-line basis	Acquired
Intellectual property rights	Definite (3 to 8 years)	Straight-line basis	Acquired

k. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l. Leases

The Group has lease contracts for office spaces various items of plant and machinery, computers and other equipments. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets:

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (n) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

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Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Group applies the low-value asset recognition exemption on a lease-by-lease basis, if the lease qualifies as leases of low-value assets, with a value when new of up to ₹ 0.50 million. In making this assessment, the Company also factors below key aspects:

- The assessment is conducted on an absolute basis and is independent of the size, nature, or circumstances of the lessee.
- The assessment is based on the value of the asset when new, regardless of the asset's age at the time of the lease.
- The lessee can benefit from the use of the underlying asset either independently or in combination with other readily available resources, and the asset is not highly dependent on or interrelated with other assets.
- If the asset is subleased or expected to be subleased, the head lease does not qualify as a lease of a low-value asset.

Based on the above criteria, the Company has classified leases of IT equipment for individual employees as leases of low value assets.

m. Inventories

Inventories are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a) Raw materials and stores and spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

b) Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Cost of raw materials, stores and spares work-in-progress and finished goods is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

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n. Impairment of non-financial assets

As at the end of each accounting year, the Group reviews the carrying amounts of its PPE, intangible assets, including goodwill and investments in associate to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value in use; and

ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net fair value less costs of disposal and the value in use.

The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset.

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of

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the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Impairment losses relating to goodwill cannot be reversed in future periods.

o. Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated Ind AS statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated Ind AS financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

Decommissioning liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

p. Retirement and other employee benefits

Retirement benefit in the form of provident fund and pension fund are defined contribution scheme. The Group has no obligation, other than the contribution payable. The Group recognizes contribution payable to provident fund and pension fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting

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the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

The Group presents the leave as a current liability in the consolidated Ind AS balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out at each balance sheet date

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated Ind AS balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and

b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated Ind AS statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b) Net interest expense or income.

q. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the consolidated Ind AS statement of profit and loss.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price as disclosed in section 2.3.(e) Revenue recognition.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Investment in equity instruments issued by associate is measured at cost less impairment.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(i) Financial assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Impairment of financial assets excluding investment in associates

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit and loss.

The Group recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Financial Instruments.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

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De-recognition of financial assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in consolidated Ind AS statement of profit or loss.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the consolidated Ind AS statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a) Supplier finance arrangements

The Holding Company has established supplier finance arrangements [Refer Note 23(3)]. The Holding Company evaluates whether financial liabilities covered such arrangements continue to be classified within trade payables, or they need to be classified as a borrowing or as part of other financial liabilities/ as a separate line item on the face of the balance sheet. Such evaluation requires exercise of judgment basis specific terms of the arrangement.

The Holding Company classifies financial liabilities covered under supplier finance arrangement within trade payables in the balance sheet only if (i) the obligation represents a liability to pay for goods and services, (ii) is invoiced and formally agreed with the supplier, (iii) is part of the working capital used in its normal operating cycle, (iv) the company is not legally released from its original obligation to the supplier, and has not assumed a new obligation toward the bank, and another party (iv) there is no substantial modification to the terms of the liability.

If one or more of the above criteria are met, the Holding Company derecognises its original liability toward the supplier and recognise a new liability toward the bank which is classified as bank borrowing or other financial liability, depending on factors such as whether the Holding Company (i) has obligation toward bank, (ii) is getting extended credit period such that obligation is no longer part of its working capital cycle, (iii) is paying interest directly or indirectly, (iv) has provided guarantee or security, and/ or (v) is recognized as borrower in the bank books.

Cash flows related to liabilities arising from supplier finance arrangements that continue to be classified in trade payables in the standalone balance sheet are included in operating activities in the standalone statement of cash flows, when the Holding Company finally settles the liability.

In cases, where the Holding Company has derecognised its original liability toward the supplier and recognise a new liability toward the bank, the Holding Company has assessed that the bank is acting as its agent in making payment to the supplier. Accordingly, the Holding Company presents operating cash outflow and financing cash inflow, when bank made payment to the supplier. The payment made by the Holding Company to the bank toward interest, if any, as well as on settlement is presented as financing cash outflow.

b) Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

c) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated Ind AS statement of profit and loss.

Put Option Liability

The potential cash payments related to put options issued by the Group over the equity of subsidiary companies to non-controlling interests are accounted for as financial liabilities when such options may only be settled other than by exchange of a fixed amount of cash or another financial asset for a fixed number of shares in the subsidiary. The financial liability for such put option is accounted for under IND AS 109.

The amount that may become payable under the option on exercise is initially recognised at fair value under other financial liabilities with a corresponding charge directly to equity. All subsequent changes in the carrying amount of the financial liability are recognised in other equity attributable to the parent. The entity recognises both the non-controlling interest and the financial liability under the NCI put. It continues to measure non-controlling interests at proportionate share of net assets.

If the put option is exercised, the entity accounts for an increase in its ownership interest. At the same time, the entity derecognises the financial liability and recognises an offsetting credit in the same component of equity reduced on initial recognition. In the event that the option expires unexercised, the liability is derecognised with a corresponding adjustment to equity.

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Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated Ind AS balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

r. Derivative financial instruments and hedge accounting

The Group uses forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting

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exchange gains or losses are included in other income / expenses. Assets/ liabilities in this category are presented as current assets/current liabilities if they are expected to be realized within 12 months after the balance sheet date.

s. Cash and cash equivalents

Cash and cash equivalent in the consolidated Ind AS balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Group's cash management.

t. Share-based payments

Certain employees of the Group are entitled to share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

u. Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

v. Foreign currencies

The Group's consolidated Ind AS financial statements are presented in INR, which is also the holding company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Notes to the Consolidated Ind AS Financial Statements

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Transactions and balances:

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated Ind AS financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies:

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the consolidated Ind AS statement of profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

w. Research and development expenditure

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Group can demonstrate all the following:

i. The technical feasibility of completing the intangible asset so that it will be available for use or sale

ii. Its intention to complete the asset

iii. Its ability to use or sell the asset

iv. How the asset will generate future economic benefits

v. The availability of adequate resources to complete the development and to use or sell the asset

vi. The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on a straight line basis over the period of expected future benefit from the related project. Amortization is recognized in the consolidated Ind AS statement of profit and loss. During the period of development, the asset is tested for impairment annually.

x. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the parent by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

y. Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its separate Consolidated Ind AS financial statements. The Group will adjust the amounts recognised in its Consolidated Ind AS financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its separate financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

2.4 STANDARD NOTIFIED BUT NOT YET EFFECTIVE

(i) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In accordance with Ind AS 1 currently applicable, breach of an immaterial covenant is ignored deciding in current vs. non-current classification of liabilities. Also, in case of breach of a material covenant of a non-current loan on or before the reporting date, the entity can obtain waiver from the lender after the reporting date and continue to classify the loan as non-current liability.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

In accordance with changes to Ind AS 1 already notified by the MCA, the above relaxations to classify loan as non-current liability will not be available from FY 2026-27 onward and need to be applied retrospectively. Consequently:

- A breach of either material or immaterial covenant will trigger current classification of liability.
- To continue classifying loan as non-current liability, entities will need to obtain waiver from the breach on or before the reporting date.

The Group is currently assessing the impact the amendments will have on its financial statements.

2.5 CLIMATE – RELATED MATTERS

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the consolidated Ind AS financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation.

2.6 THE ENTITIES CONSOLIDATED IN THE CONSOLIDATED IND AS FINANCIAL STATEMENTS ARE LISTED BELOW:

Sl No.	Name of the entity	Country of Incorporation	Relationship as at March 31, 2026	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		Net Assets, i.e, total assets minus total liabilities				Share in total comprehensive income			
								March 31, 2026		March 31, 2025		March 31, 2026		March 31, 2025	
				March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	As a % of consolidated net assets	₹ in million	As a % of consolidated net assets	₹ in million	As % of total comprehensive income	₹ in million	As % of total comprehensive income	₹ in million
	Parent														
1	Centum Electronics Limited	India	Holding Company					171.76%	4,315.02	90.43%	5,584.59	32.72%	(1,164.51)	779.82%	458.14
	Foreign Subsidiaries														
2	Centum Electronics UK Limited	United Kingdom	Subsidiary	100.00%	100.00%	100.00%	100.00%	(0.04)%	(1.11)	27.02%	1,669.62	46.95%	(1,670.73)	57.00%	33.49
3	Centum T&S Group Société Anonyme (S.A.), France	France	Subsidiary	90.08%	90.08%	90.08%	90.08%	(71.73)%	(1,801.83)	(17.45)%	(1,078.36)	20.33%	(723.47)	(736.82)%	(432.88)
4	Centum T&S (Centum Technologies ET Solutions), France	France	Subsidiary	90.08%	90.08%	100.00%	100.00%								
5	Centum R&D (Centum Recherche Et Développement)	France	Subsidiary	90.08%	90.08%	100.00%	100.00%								
6	Centum Adetel Transportation System	France	Subsidiary	90.08%	90.08%	100.00%	100.00%								
7	Centum T&S (Centum Technologies ET Solutions)	Canada	Subsidiary	90.08%	90.08%	100.00%	100.00%								
8	Centum E&S (Centum Équipements ET Systèmes)	Canada	Subsidiary	90.08%	90.08%	100.00%	100.00%								
9	Centum Technologies ET Solutions - Société à responsabilité limite (SRL)	Belgium	Subsidiary	90.08%	90.08%	100.00%	100.00%								
	Foreign Associate														
10	Ausar Energy SAS*	France		-	27.43%	-	30.45%								

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

Sl No.	Name of the entity	Country of Incorporation	Relationship as at March 31, 2026	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting rights held as at		Net Assets, i.e, total assets minus total liabilities				Share in total comprehensive income			
								March 31, 2026		March 31, 2025		March 31, 2026		March 31, 2025	
				March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	As a % of consolidated net assets	₹ in million	As a % of consolidated net assets	₹ in million	As % of total comprehensive income	₹ in million	As % of total comprehensive income	₹ in million
	Subtotal							**100.00%**	**2,512.08**	**100.00%**	**6,175.85**	**100.00%**	**(3,558.71)**	**100.00%**	**58.75**
	Add / Less: Non controlling interests in all subsidiaries								(181.35)		(109.58)		71.77		43.96
	Consolidation adjustments/ eliminations								920.02		(2,123.62)		2,971.85		(68.85)
	Total								**3,250.75**		**3,942.65**		**(515.09)**		**33.86**

*Ausar was admitted to liquidation judiciaire proceedings effective April 01, 2025, and accordingly ceased to be an associate from the said date.

Notes:

a The amounts for net assets / (liabilities) and net profit / (loss) of Centum T&S Group Société Anonyme (S.A.), France and its subsidiaries and associate (refer Sl. No. 3 to 10 above) have been presented on a consolidated basis.

b The Bengaluru Bench of the National Company Law Tribunal ("NCLT") vide its order dated October 29, 2025, has approved the Scheme of Amalgamation (the "Scheme") of wholly owned subsidiary of the Company, Centum T&S Private Limited with the Company with an appointed date of April 01, 2024, under section 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder. The said Scheme has become effective from October 29, 2025 on compliance of all the conditions precedent mentioned therein. Consequently, above mentioned wholly owned subsidiary of the Company got amalgamated with the Company w.e.f. April 01, 2024. Since the amalgamated entity is under common control, the accounting of the said amalgamation has been done applying Pooling of interest method as prescribed in Appendix C of Ind AS 103 'Business Combinations' w.e.f the first day of the earliest period presented i.e. April 01, 2024. While applying Pooling of Interest method, the Company has recorded all assets, liabilities and reserves attributable to the wholly owned subsidiary company at their carrying value as appearing in the consolidated financial statements of the Company immediately prior to the amalgamation as per guidance given in ITFG Bulletin 9.

Further, pursuant to the Scheme of Amalgamation, the authorised share capital of the Company has been increased to ₹ 156.00 million (March 31, 2025 - ₹ 155.00 million).

c The financial statement of subsidiaries have been drawn upto the same reporting date as of the Company i.e. March 31, 2026 and March 31, 2025

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

3. PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

Particulars	Freehold land	Leasehold improvements	Building	Plant and equipments	Electrical installations	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold land	Total
Gross block (at cost/deemed cost)											
As at April 01, 2024	**5.81**	**29.87**	**547.28**	**1,305.86**	**246.85**	**77.66**	**72.42**	**66.68**	**51.57**	**114.61**	**2,518.61**
Additions	-	-	15.31	126.56	1.63	5.16	1.50	0.39	0.22	-	150.77
Exchange differences - translation adjustment	0.03	-	0.91	4.51	2.86	0.80	0.68	-	0.02	-	9.81
Disposal/discard during the year	-	-	-	(23.54)	(0.02)	(0.15)	(0.02)	-	-	-	(23.73)
As at March 31, 2025	**5.84**	**29.87**	**563.50**	**1,413.39**	**251.32**	**83.47**	**74.58**	**67.07**	**51.81**	**114.61**	**2,655.46**
Additions- continuing operations	-	-	-	445.24	-	5.52	0.25	0.72	15.30	-	467.03
Exchange differences - translation adjustment	0.25	-	7.23	37.18	28.16	7.60	5.92	-	0.19	-	86.53
Disposal/discard during the year- continuing operations	-	-	-	(6.95)	(0.04)	(0.87)	(1.62)	(0.01)	-	-	(9.49)
Transferred to assets held for sale (refer note 40)	(1.68)	-	(47.25)	(245.07)	(183.95)	(49.64)	(38.61)	-	(1.20)	-	(567.40)
As at March 31, 2026	**4.41**	**29.87**	**523.48**	**1,643.79**	**95.49**	**46.08**	**40.52**	**67.78**	**66.10**	**114.61**	**2,632.13**
Accumulated depreciation											
As at April 01, 2024	**-**	**17.67**	**148.68**	**834.02**	**189.36**	**65.23**	**69.07**	**36.59**	**31.95**	**-**	**1,392.57**
Charge for the year- continuing operations	-	2.23	17.94	116.95	8.86	4.80	0.74	6.32	9.41	-	167.25
Charge for the year- discontinued operations	-	-	0.96	3.34	5.51	2.38	0.72	-	0.02	-	12.93
Exchange differences - translation adjustment	-	-	0.64	4.60	3.72	0.80	0.73	-	0.02	-	10.51
Disposal/discard during the year	-	-	-	(23.54)	(0.02)	(0.15)	(0.02)	-	-	-	(23.73)
As at March 31, 2025	**-**	**19.90**	**168.22**	**935.37**	**207.43**	**73.06**	**71.24**	**42.91**	**41.40**	**-**	**1,559.53**
Charge for the year- continuing operations	-	2.31	18.36	124.28	8.72	4.15	0.66	6.22	10.45	-	175.15

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

3. PROPERTY, PLANT AND EQUIPMENT (CONTD...)

(₹ in million)

Particulars	Freehold land	Leasehold improvements	Building	Plant and equipments	Electrical installations	Computers	Office equipments	Furniture and fixtures	Vehicles	Leasehold land	Total
Charge for the year- discontinued operations		-	0.21	1.36	2.93	1.54	0.56	-	0.01	-	6.61
Exchange differences - translation adjustment	-	-	5.52	38.56	26.66	7.17	5.70	-	0.19	-	83.80
Disposal/discard during the year - continuing operations	-	-	-	(5.89)	(0.04)	(0.87)	(1.62)	(0.01)	-	-	(8.43)
Impairment- discontinued operations*	-	-	-	1.73	6.91	2.07	0.43	-	0.03	-	11.17
Transferred to assets held for sale (refer note 40)	-	-	(34.29)	(243.69)	(169.40)	(46.46)	(37.92)	-	(1.19)	-	(532.95)
As at March 31, 2026	**-**	**22.21**	**158.02**	**851.72**	**83.21**	**40.66**	**39.05**	**49.12**	**50.89**	**-**	**1294.88**
Net block											
As at March 31, 2026	**4.41**	**7.66**	**365.46**	**792.07**	**12.28**	**5.42**	**1.47**	**18.66**	**15.21**	**114.61**	**1,337.25**
As at March 31, 2025	**5.84**	**9.97**	**395.28**	**478.02**	**43.89**	**10.41**	**3.34**	**24.16**	**10.41**	**114.61**	**1,095.93**

Notes:

(a) Karnataka Industrial Area Development (KIADB) has allotted land to the Holding Company on a lease cum sale basis i.e. 24,280.60 sq. mts at Plot No. 58-P Bengaluru Aerospace Park, Industrial Area for a period of 10 years w.e.f., December 18, 2013. The aggregate capitalized cost of the land at the end of the year is ₹114.61 million (March 31, 2025: ₹114.61 million). The agreement gives a right to the Holding Company to acquire land at the end of the lease term at an additional consideration, if any fixed by KIADB, after reducing the amount already paid subject to compliance of certain terms and conditions. The lease term for the said agreement has expired and the Holding Company has applied for the transfer of the land in its name.

(b) The above are hypothecated against the borrowings as referred in note 19 and 23.

* During the year ended March 31, 2026, impairment loss of Rs 11.17 million represented the write-down value of certain property, plant and equipment of Centum E&S (Centum Equipment's ET Systems), Canada, and Centum T&S (Centum Technologies ET Solutions), Canada, step-down subsidiaries of the Company ('Canada subsidiaries') to the recoverable amount as a result of discontinued operations (refer note 40).

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

3a. CAPITAL WORK-IN-PROGRESS

(₹ in million)

Particulars	Capital work -in-progress
As at April 01, 2024	**2.87**
Additions	224.27
Capitalised during the year	(150.77)
As at March 31, 2025	**76.37**
Additions- continuing operations	390.66
Capitalised during the year- continuing operations	(467.03)
As at March 31, 2026	**-**

Capital work-in-progress ageing schedule as at March 31, 2026:

(₹ in million)

Particulars	Amount of capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

Capital work-in-progress ageing schedule as at March 31, 2025:

(₹ in million)

Particulars	Amount of capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	75.62	0.75	-	-	76.37
Projects temporarily suspended	-	-	-	-	-
	75.62	**0.75**	**-**	**-**	**76.37**

(a) The Group does not have any projects temporarily suspended or overdue or has exceeded its cost compared to its original plan/ revised approved plan.

(b) The above are hypothecated against the borrowings as referred in note 19 and 23.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

4a. GOODWILL

(₹ in million)

Particulars	Goodwill acquired through business combinations	Goodwill on consolidation	Total
At cost			
As at April 01, 2024	**36.35**	**376.23**	**412.58**
Additions / disposals	-	-	-
As at March 31, 2025	**36.35**	**376.23**	**412.58**
Impairment- discontinuing operations (refer note a)		(376.23)	(376.23)
As at March 31, 2026	**36.35**	**-**	**36.35**
Net block			
As at March 31, 2026	**36.35**	**-**	**36.35**
As at March 31, 2025	**36.35**	**376.23**	**412.58**

Notes:

a. The Company has investments in Centum Electronics UK Limited, which in turn has made investment in Centum T&S Group (CTSG) Société Anonyme (S.A.), France. The Group has accounted a goodwill on consolidation of ₹ 376.23 million.

   During the year ended March 31, 2026, the Group has filed for Redressement Judiciaire, etc. for Centum T&S Group Société Anonyme (S.A.) and certain underlying overseas subsidiaries, under local laws as applicable.

   Pending outcome of Redressement Judiciaire proceedings, the Company has provided for the carrying value of goodwill arising on consolidation of ₹ 376.23 million and disclosed the same as (loss)/ profit from discontinued operations in the consolidated Ind AS statements of profit and loss for the year ended March 31, 2026.

b. The Group had entered into a business transfer agreement with Centum Industries Private Limited, an enterprise where key managerial personnel or their relatives exercise significant influence during the year ended March 31, 2016 for the purchase of business on slump sale. As per the terms of agreement, the Group had purchased the net assets pertaining to plastic and defence and space of Centum Industries Private Limited for an aggregate consideration ₹ 57.00 million, which was arrived at based on the business valuation done by an independent professional firm. The goodwill relates to the said business.

   The aforementioned goodwill is tested for impairment annually. As at March 31, 2026 and March 31, 2025, the goodwill is not impaired.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

4b. OTHER INTANGIBLE ASSETS

(₹ in million)

Particulars	Computer software	Intellectual property rights	Customer relationships	Total
Gross block (at cost/deemed cost)				
As at April 01, 2024	**272.70**	**1,563.94**	**481.92**	**2,318.56**
Additions	4.90	61.65	-	66.55
Exchange differences - translation adjustment	4.14	35.21	-	39.35
Disposal/discard during the year	(4.50)	-	-	(4.50)
As at March 31, 2025	**277.24**	**1,660.80**	**481.92**	**2,419.96**
Additions- continuing operations	1.05	-	-	1.05
Additions- discontinued operations	-	85.99	-	85.99
Exchange differences - translation adjustment	38.27	269.45	-	307.72
Transferred to assets held for sale (refer note 40)	(214.61)	(2,006.73)	(481.92)	(2,703.26)
As at March 31, 2026	**101.95**	**9.51**	**-**	**111.46**
Accumulated amortisation				
As at April 01, 2024	**250.19**	**1,286.84**	**466.86**	**2,003.89**
Charge for the year- continuing operations	14.76	-	-	14.76
Charge for the year- discontinued operations	1.64	116.66	15.06	133.36
Exchange differences - translation adjustment	4.07	30.81	-	34.88
Disposal/discard during the year	(4.50)	-	-	(4.50)
As at March 31, 2025	**266.16**	**1,434.31**	**481.92**	**2,182.39**
Charge for the year- continuing operations	5.75	-	-	5.75
Charge for the year- discontinued operations	2.95	116.82	-	119.77
Exchange differences - translation adjustment	38.06	248.93	-	286.99
Impairment- discontinued operations*	-	216.18	-	216.18
Transferred to assets held for sale (refer note 40)	(214.61)	(2,006.73)	(481.92)	(2,703.26)
As at March 31, 2026	**98.31**	**9.51**	**-**	**107.82**
Net block				
As at March 31, 2026	**3.64**	**-**	**-**	**3.64**
As at March 31, 2025	**11.08**	**226.49**	**-**	**237.57**

Notes:

(a) The above are hypothecated against the borrowings as referred in note 19 and 23.

* During the year ended March 31, 2026, impairment loss of Rs 216.18 million represented the write-down value of certain intangible assets of the Centum T&S Group Société Anonyme (S.A.) and its underlying overseas subsidiaries to the recoverable amount as a result of discontinued operations (refer note 40).

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

4C. INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in million)

Particulars	Intangible assets under development
As at April 01, 2024	**100.99**
Exchange differences - translation adjustment	(0.65)
Additions	40.30
Capitalised during the year	(66.55)
As at March 31, 2025	**74.09**
Exchange differences - translation adjustment	12.75
Additions- continuing operations	1.05
Additions- discontinued operations	9.46
Impairment- discontinued operations*	(10.31)
Capitalised during the year- continuing operations	(1.05)
Capitalised during the year- discontinued operations	(85.99)
As at March 31, 2026	**-**

* During the year ended March 31, 2026, impairment loss of Rs 10.31 million represented the write-down value of Intangible assets under development of the Centum T&S Group Société Anonyme (S.A.) and its underlying overseas subsidiaries to the recoverable amount as a result of discontinued operations (refer note 40).

Intangible assets under development ageing schedule as at March 31, 2026:

(₹ in million)

Particulars	Amount of Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

Intangible assets under development ageing schedule as at March 31, 2025:

(₹ in million)

Particulars	Amount of Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	27.09	26.55	20.45	-	74.09
Projects temporarily suspended	-	-	-	-	-
	27.09	**26.55**	**20.45**	**-**	**74.09**

(a) No intangible assets under development are overdue or has exceeded its cost compared to its original plan/ revised approved plan.

(b) The above are hypothecated against the borrowings as referred in note 19 and 23.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

5 INVESTMENT IN ASSOCIATE

(i) Details of associate

Name of the entity	Place of Business	Percentage of effective ownership interest held as at		Percentage of voting right held as at		Nature of Activities	Accounting Method
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025		
(a) Associate:						Engaged in the consulting, engineering, research and development in Energy sector.	Equity Method
Ausar Energy SAS*	France	-	27.43%	-	30.45%		

Notes:

a. There is a quarter lag in the reporting dates of the associate with that of the parent company whose management certified financial statements for the year / period ended on and as at December 31, were considered for the purpose of consolidated Ind AS financial statements of the Group. The country of incorporation of the above entity is the same as its principal place of business.

b. The Group had investment in bonds and trade receivables aggregating to Rs 193.05 million in Ausar Energy SAS ("Ausar"), an associate of Centum T&S Group Société Anonyme (S.A.) as at March 31, 2025. During the year ended March 31, 2023, the Group had entered into a call and put agreement with John Cockerill Renewables SA ("John Cockerill") for divestment of its 30.45% stake in Ausar and full recovery of the aforesaid value of bonds / receivables, after meeting certain performance conditions as stipulated in the agreement. Hence these were considered fully recoverable by the Group.

On February 4, 2025, Ausar was placed in receivership ("Redressement Judiciaire"), under French laws, allowing Ausar to continue to operate, whilst bids will be invited for takeover of Ausar and restructuring of its business and debts/obligations. John Cockerill was the bidder for takeover and had entered into negotiated agreement with management of the group.

Pending final outcome in the matter and settlement of the recovery proceedings, as a matter of prudence, the management had provided for the carrying value of its investment in bonds and trade receivables in Ausar net of recovery from John Cockerill, bidder for takeover, amounting to Rs 148.32 million and the same had been disclosed as exceptional item in the financial statements for the year ended March 31, 2025 which has been restated under (loss)/ profit from discontinuing operations for the year ended March 31, 2025.

Further, during the year ended March 31, 2026, John Cockerill agreed to pay an additional amount of ₹ 17.65 million, which has been disclosed under (loss)/ profit from discontinuing operations in the consolidated Ind AS financial statements for the year ended March 31, 2026

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

5 INVESTMENT IN ASSOCIATE (CONTD...)

(ii) Financial information in respect of other associate

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Aggregate carrying amount of investments in equity shares of individually immaterial associate	-	-
Investment at amortised cost		
Investment in Nil (March 31, 2025: 800,000) unquoted bonds of Euro 1 in Ausar Energy SAS	-	84.17
Less : Provision for Impairment	-	(84.17)
Total investment in other associate	**-**	**-**
Aggregate amount of group's share of :		
- Profit / (loss) for the year	-	-
- Other comprehensive income for the year	-	-
- Total comprehensive income for the year	-	-

*Ausar was admitted to liquidation judiciaire proceedings effective April 01, 2025, and accordingly ceased to be an associate from the said date.

(iii) Contingent liabilities of associate

Based on information available, the Group has no contingent liabilities relating to its interests in its associate.

(iv) Commitments of / towards associate

Based on information available, the Group has no commitments relating to its interests in its associate.

6 FINANCIAL ASSETS: OTHER INVESTMENTS

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Unquoted equity shares		
Investment carried at fair value through consolidated statement of profit or loss		
Investments in other companies	-	0.57
Total other investments	**-**	**0.57**
Aggregate value of unquoted investments	-	0.57

* During the year ended March 31, 2026, impairment loss of ₹ 0.57 million represented the write-down value of investment of the Centum T&S Group Société Anonyme (S.A.) and its underlying overseas subsidiaries to the recoverable amount as a result of discontinued operations (refer note 40).

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

7 OTHER NON - CURRENT FINANCIAL ASSETS

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Unsecured, considered good		
Carried at amortised cost		
Security deposits - others	19.62	54.21
Subsidy receivable	-	80.80
Non-current bank balance (refer note 13)	128.65	208.01
	148.27	**343.02**

8 DEFERRED TAX ASSETS (NET)

(₹ in million)

Particulars		March 31, 2026	March 31, 2025
Deferred tax liability			
Property, plant and equipments and Intangible assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting		(10.69)	(8.82)
Leases		(1.64)	(2.48)
	(A)	**(12.33)**	**(11.30)**
Deferred tax asset			
Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis		37.38	63.32
Impact of provision for expected credit losses		10.30	5.78
Impact of business losses		-	20.93
Others		158.90	110.47
Sub - total	**(B)**	**206.58**	**200.50**
Deferred tax assets (net)	**(A+B)**	**194.25**	**189.20**
Movement for the year		5.05	92.14
Reconciliation to the consolidated Ind AS statement of profit and loss			
(Credit)/ expense during the year as above- continuing operations		(5.05)	(86.71)
Tax expense / (income) during the year recognized in OCI		2.01	0.63
(Credit) / expense during the year		(7.06)	(87.34)
(Credit)/ expense during the year as above- discontinued operations		-	(5.43)
Tax expense / (income) during the year recognized in OCI		-	-
(Credit) / expense during the year		-	(5.43)

9 NON-CURRENT TAX ASSETS (NET)

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Advance income tax (net of provision for current tax and including tax paid under protest)	11.77	36.65
	11.77	**36.65**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

10 OTHER NON-CURRENT ASSETS

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Capital advances		
(Unsecured, considered good)	27.57	12.81
Prepaid expenses	8.83	53.75
Deferred contract cost*	7.12	7.50
Balances with statutory / government authorities		
(Unsecured, considered good)	4.37	4.45
Contract assets		
(Unsecured, considered good)	-	53.22
(Credit impaired)	-	51.25
Impairment allowance on contract assets		
(Credit impaired)	-	(51.25)
Total other non-current assets	**47.89**	**131.73**

- The following table summarises the changes in the impairment allowance on contract assets:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Opening balance	51.25	47.44
Amount provided/ (reversed) during the year- discontinued operations (refer note 40)	69.66	3.25
Exchange differences - translation adjustment	10.28	0.56
Transferred to discontinued operations (refer note 40)	(131.19)	-
Closing balance	**-**	**51.25**

*Set out below is the movement

Deferred contract costs

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
At the beginning of the year	15.00	-
Additions during the year- continuing operations	53.42	15.00
Amortised during the year- continuing operations	(10.97)	-
At the end of the year	**57.45**	**15.00**

The same is shown under:

Current	50.33	7.50
Non current	7.12	7.50

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

11 INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Raw materials	3,322.06	2,456.27
[Includes raw material in transit ₹ 147.05 million (March 31, 2025: ₹ 146.05 million)]		
Work-in-progress	1,099.89	939.70
Finished goods	135.97	73.28
Stores and spares	4.18	4.83
Total inventories (valued at lower of cost and net realisable value)	**4,562.10**	**3,474.08**

The above are net of allowance for obsolete and non-moving inventory amounting to ₹ 404.45 million (March 31, 2025: ₹ 268.95 million)

12 TRADE RECEIVABLES

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Carried at amortised cost		
Receivables from related parties (refer note 42)	-	44.73
Other trade receivables	2,996.70	3,020.64
Total trade receivables	**2,996.70**	**3,065.37**

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Trade receivables:		
Unsecured, considered good	2,895.48	3,009.80
Trade receivables which have significant increase in credit risk	142.08	153.50
Trade receivables - credit impaired	-	-
	3,037.56	**3,163.30**
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured, considered good		
Trade receivables which have significant increase in credit risk	(40.86)	(97.93)
Trade receivables - credit impaired	-	-
Total trade receivables	**2,996.70**	**3,065.37**

Notes:-

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

12 TRADE RECEIVABLES (CONTD...)

- The following table summarises the changes in the loss allowance measured using ECL:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Opening balance	97.93	29.73
Amount provided/ (reversed) during the year:		
- Provision for expected credit losses- continuing operations (refer note 37)	17.90	6.56
- Provision for expected credit losses-discontinued operations (refer note 40)	108.93	64.15
Amount written off during the year- continuing operations	-	(3.21)
Amount written off during the year-discontinued operations	(50.86)	-
Exchange differences - translation adjustment	20.37	0.70
Transferred to discontinued operations (refer note 40)	(153.41)	-
Closing balance	**40.86**	**97.93**

12.1 Trade receivables ageing schedule

As at March 31, 2026*

(₹ in million)

Particulars	Unbilled	Current but not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	13.65	1,945.54	626.45	162.75	83.47	63.62	-	2,895.48
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	6.61	72.19	43.20	20.08	142.08
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Total	**13.65**	**1,945.54**	**626.45**	**169.36**	**155.66**	**106.82**	**20.08**	**3,037.56**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

12 TRADE RECEIVABLES (CONTD...)

As at March 31, 2025

(₹ in million)

Particulars	Unbilled	Current but not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	-	1,806.02	874.93	149.23	164.93	4.34	10.35	3,009.80
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	9.69	47.69	29.06	67.06	153.50
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**1,806.02**	**874.93**	**158.92**	**212.62**	**33.40**	**77.41**	**3,163.30**

* Does not include trade receivables which are included under assets held for sale.

13 CASH AND CASH EQUIVALENTS AND OTHER BANK BALANCES

(₹ in million)

Particulars		March 31, 2026	March 31, 2025
Balances with banks			
- On current accounts		129.64	315.44
- In QIP monitoring account		4.80	335.56
- On exchange earners foreign currency (EEFC) accounts		102.68	26.28
- Deposits with original maturity of less than three months		141.18	-
Cash on hand		0.82	0.36
Total cash and cash equivalents	**(A)**	**379.12**	**677.64**
Bank balances other than cash and cash equivalents			
Balance with banks			
- Unpaid dividend account		2.24	1.91
- Deposits with remaining maturity less than twelve months		492.14	450.00
- On margin money accounts		456.27	374.87
		950.65	**826.78**
Less: Amount disclosed under other non current financial assets (refer note 7)		(128.65)	(208.01)
Total bank balances other than cash and cash equivalents	**(B)**	**822.00**	**618.77**
	(A+B)	**1,201.12**	**1,296.41**

a. A charge has been created over the deposits towards various guarantees in favour of customer, statutory authorities and letter of credit facility. Refer note 45 (c) for further details.

b. Deposits are made for varying periods depending on the cash-requirement of the Group and earn interest at the respective deposit rates.

c. As at March 31, 2026, the unutilised funds from QIP amounting to ₹ 595.29 million (March 31, 2025: ₹450.00 million) has been placed in fixed deposits with banks and ₹ 4.80 million (March 31, 2025: ₹ 447.13 million) in other balance with bank.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

14 OTHER CURRENT FINANCIAL ASSETS

(₹ in million)

Particulars		March 31, 2026	March 31, 2025
Unsecured, considered good			
Carried at amortised cost			
Security deposits - others		4.56	0.03
	(A)	**4.56**	**0.03**
Staff advances		0.19	1.16
Subsidy receivables		-	100.85
Factored receivables [i]		-	359.73
Other receivables		-	1.44
	(B)	**0.19**	**463.18**
Derivative instruments at fair value through profit or loss			
Derivatives not designated as hedges			
Foreign exchange forward contracts (net) (refer note 50)		32.54	-
	(C)	**32.54**	**-**
Total other current financial assets	**(A+B+C)**	**37.29**	**463.21**

i) During the year ended March 31, 2024, the Group has entered into a factoring arrangement with a factoring agency/bank wherein the Group has transferred the relevant receivables in exchange of cash and has transferred all rights and obligations attached to the aforementioned receivables. The risk for non recovery of the receivables does not lie with the Group. The amount pending to be received under the factoring arrangement amounting to ₹ 318.14 million (March 31, 2025: ₹ 359.73 million) is presented as assets held for sale as at March 31, 2026 (March 31, 2025: other current financial assets) (refer note 40).

15 OTHER CURRENT ASSETS

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Unsecured considered good		
Prepaid expenses	54.67	115.28
Deferred contract cost (refer note 10)	50.33	7.50
Balances with statutory / government authorities	16.38	208.07
Advance to suppliers and other advances	202.24	241.16
Contract assets (refer note 51)	21.09	497.81
Total other current assets	**344.71**	**1,069.82**

16. EQUITY SHARE CAPITAL

(₹ in million)

Particulars	Equity shares of ₹ 10 each	
	In Numbers	**(₹ in million)**
Authorised share capital:		
At April 01, 2024	**1,55,00,000**	**155.00**
Increase / (decrease) during the year	-	-
At March 31, 2025	**1,55,00,000**	**155.00**
Increase / (decrease) during the year (refer note 2.6)	1,00,000	1.00
At March 31, 2026	**1,56,00,000**	**156.00**

Notes to the Consolidated Ind AS Financial Statements
for the year ended March 31, 2026

16. EQUITY SHARE CAPITAL (CONTD...)

(a) Issued equity share capital:

Equity shares of ₹ 10 each issued, subscribed and fully paid

	Equity shares of ₹ 10 each	
	In Numbers	(₹ in million)
At April 01, 2024	**1,28,88,494**	**128.88**
Issue of shares on exercise of share options (refer note 47)	8,373	0.08
Issue of shares through QIP [(refer note (i)]	18,10,345	18.11
At March 31, 2025	**1,47,07,212**	**147.07**
Issue of shares on exercise of share options (refer note 47)	33,831	0.34
At March 31, 2026	**1,47,41,043**	**147.41**

(i) During the year ended March 31, 2025, the Fund Raising Committee of the Board of Directors at its meeting held on March 10, 2025 and March 13, 2025 approved the issue and allotment of 1,810,345 equity shares having face value of ₹10 each through Qualified Institutional Placement ("QIP") to the eligible Qualified Institutional Buyers (QIB), at the issue price of ₹ 1,160 per equity share (including a premium of ₹ 1,150 per equity share), aggregating to approximately ₹ 2,100.00 million which took into account a discount of ₹ 59.65 per equity share (i.e. within 5% of the floor price), as permitted in terms of Regulation 176 (1) of Chapter VI of the SEBI ICDR Regulations. Refer note 48.

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	March 31, 2026		March 31, 2025	
	No. of shares held	% holding in class	No. of shares held	% holding in class
Equity shares of Rs 10 each fully paid				
Apparao V Mallavarapu	52,31,549	35.49%	58,97,549	40.10%
Nikhil Mallavarapu	6,52,855	4.43%	6,52,855	4.44%
Tanya Mallavarapu	6,44,240	4.37%	6,44,240	4.38%
Swarnalatha Mallavarapu	3,69,150	2.50%	3,69,150	2.51%
M S Swarnakumari	12,684	0.09%	12,684	0.09%
HDFC Mutual Fund	14,08,246	9.55%	12,09,859	8.23%
3P India Equity Fund 1	9,98,277	6.77%	6,46,002	4.39%

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

16. EQUITY SHARE CAPITAL (CONTD...)

(d) Details of shares held by promoters

As at March 31, 2026

Name of promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs 10 each fully paid					
Apparao V Mallavarapu	58,97,549	(6,66,000)	52,31,549	35.49%	(11.29)%
Nikhil Mallavarapu	6,52,855	-	6,52,855	4.43%	-
Tanya Mallavarapu	6,44,240	-	6,44,240	4.37%	-
Swarnalatha Mallavarapu	3,69,150	-	3,69,150	2.50%	-
M S Swarnakumari	12,684	-	12,684	0.09%	-

As at March 31, 2025

Name of promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of Rs 10 each fully paid					
Apparao V Mallavarapu	58,97,549	-	58,97,549	40.10%	-
Nikhil Mallavarapu	6,52,855	-	6,52,855	4.44%	-
Tanya Mallavarapu	6,44,240	-	6,44,240	4.38%	-
Swarnalatha Mallavarapu	3,69,150	-	3,69,150	2.51%	-
M S Swarnakumari	12,684	-	12,684	0.09%	-

(e) Shares reserved for issue under options

For details of shares reserved for issue under the share based payment plan of the Holding Company, refer note 47.

17. OTHER EQUITY

Particulars		(₹ in million)
Securities premium		
Balance as at April 01, 2024		**28.27**
Add: Issuance of share capital through QIP		2,081.89
Add: Exercise of share options		0.53
Less: Transaction cost on issue of equity shares		(90.42)
Balance as at March 31, 2025		**2,020.27**
Add: Exercise of share options		13.88
Balance as at March 31, 2026	**(A)**	**2,034.15**
General reserve		
Balance as at April 01, 2024		440.26
Balance as at March 31, 2025		**440.26**
Balance as at March 31, 2026	**(B)**	**440.26**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

17. OTHER EQUITY (CONTD...)

Particulars		(₹ in million)
Retained earnings		
Balance as at April 01, 2024		**1,313.67**
Profit for the year		24.56
Less: Dividends		(38.69)
Add: Other comprehensive income for the year		1.82
Balance as at March 31, 2025		**1,301.36**
Profit for the year		(466.54)
Less: Dividends		(88.24)
Add: Other comprehensive income for the year		5.99
Others		0.02
Balance as at March 31, 2026	**(C)**	**752.59**
Effective portion of cash flow hedge (net of tax)		
Balance as at April 01, 2024		(0.15)
Balance as at March 31, 2025		**(0.15)**
Balance as at March 31, 2026	**(D)**	**(0.15)**
Share based payments reserve		
Balance as at April 01, 2024		**35.91**
Add: Compensation for options granted		14.15
Balance as at March 31, 2025		**50.06**
Add: Compensation for options granted / (reversals)		(17.16)
Less: Transfer on cancellation of vested share options		(2.10)
Less: Transfer on exercise of shares options		(13.88)
Balance as at March 31, 2026	**(E)**	**16.92**
Capital reserve		
Balance as at April 01, 2024		48.30
Balance as at March 31, 2025		**48.30**
Add: Transfer on cancellation of vested share options		2.10
Balance as at March 31, 2026	**(F)**	**50.40**
Foreign currency translation difference account (FCTR)		
Balance as at April 01, 2024		**37.58**
Movement during the year		7.48
Balance as at March 31, 2025		**45.06**
Movement during the year		(54.54)
Balance as at March 31, 2026	**(G)**	**(9.48)**
Total other equity		
Balance as at March 31, 2025		**3,905.16**
Balance as at March 31, 2026	**(A+B+C+D+E+F+G)**	**3,284.69**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

17. OTHER EQUITY (CONTD...)

Nature and purpose of reserves

Securities premium

Securities premium reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

The Company created a general reserve in earlier years pursuant to the provisions of the Companies Act, 1956 where in certain percentage of profits was required to be transferred to General reserve before declaring dividends. As per Companies Act 2013, the requirements to transfer profits to general reserve is not mandatory. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Retained earnings

Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to consolidated Ind AS statement of profit and loss.

Effective portion of cash flow hedge

The Group uses hedging instruments as part of its management of foreign currency risk. For hedging foreign currency, the Group uses foreign currency forward contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the effective portion of cash flow hedges.

Share based payments reserve

The share-based payment reserve is used to recognise the value of equity-settled share-based options provided to employees, including key management personnel, as part of their remuneration. Refer to Note 47 for further details of these plans.

Capital reserve

The Group recognizes the forfeiture/ cancellation of vested options of the Group's equity-settled share-based payments to capital reserve.

Foreign currency translation difference account (FCTR)

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. INR) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

18. DISTRIBUTION MADE AND PROPOSED

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2025: ₹ 6 per share (March 31, 2024: ₹ 3 per share)	88.24	38.69
	88.24	**38.69**
Proposed dividend on equity shares		
Final dividend for the year ended on March 31, 2026: ₹ 5 per share (March 31, 2025: Rs 6 per share)	73.80	88.24
	73.80	**88.24**

a. Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31.

b. The Board of Directors of the Holding Company at its meeting held on May 14, 2026 had recommended a final dividend of 50% (i.e. ₹ 5 per equity share) for the year ended March 31, 2026 which is in compliance with Section 123 of the Companies Act, 2013 to the extent it applies to declaration of dividend.

19 NON-CURRENT FINANCIAL LIABILITIES: BORROWINGS

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Term loan		
From banks		
Foreign currency term loan (secured)	35.12	50.72
Foreign currency term loan (unsecured)	-	305.87
Indian rupee term loan (secured)	46.24	102.62
Bonds (secured)	-	92.32
Interest free loan from Government (unsecured)	-	41.03
	81.36	**592.56**
Less:- Current maturities of long term borrowings		
From banks		
Foreign currency term loan (secured)	12.77	18.98
Foreign currency term loan (unsecured)	-	185.92
Indian rupee term loan (secured)	46.24	56.40
Bonds (secured)	-	92.32
Interest free loan from Government (unsecured)	-	25.72
	59.01	**379.34**
Total non-current financial liabilities: Borrowings	**22.35**	**213.22**

a. Foreign currency term loans availed by Centum T&S Group Société Anonyme (S.A.) and its subsidiaries amounting to Nil (March 31, 2025: ₹ 7.43 million) carried interest rate ranging from 8.35% to 11.20% p.a. (March 31, 2025: 8.35% to 11.20% p.a.) and is secured by way of pledge of respective receivables and all other assets present and future of the borrowers along with the bank guarantee. The loan was repaid in entirety during the current year.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

19 NON-CURRENT FINANCIAL LIABILITIES: BORROWINGS (CONTD...)

b. Foreign currency term loan availed by Centum T&S Group Société Anonyme (S.A.) and its subsidiaries, amounting to Nil (March 31, 2025: ₹ 166.16 million) carried interest at 0% p.a for the first year and thereafter carried interest rate between 0.7% to 0.8% upto end of the tenure and the loans are guaranteed to the extent of 90% by the French government within framework of the COVID -19 health crisis. The term loan was repayable in forty eight equal installments commencing from 2023 till 2026. The said loan has been disclosed as discontinued operations and is not included in above. (Refer note 40).

c. Foreign currency term loan availed by Centum T&S Group Société Anonyme (S.A.) and its subsidiaries, amounting to Nil (March 31, 2025: ₹ 139.71 million) which carried interest at 0% p.a. for the first year and thereafter carried interest rate between 0.70% and 2.35% upto the end of the tenure and was to be repaid over the term of 4 years starting from 2023 till 2027. The said loan has been disclosed as discontinued operations and is not included in above. (Refer note 40).

d. Foreign currency term loan from a bank availed by the Holding Company amounting to ₹ 35.12 million (March 31, 2025: 43.29) carries interest rate @ 7.93% p.a (March 31, 2025: 7.93% p.a) payable on a monthly basis. The loan is repayable in 16 quarterly instalments. Refer note (h) below for security details.

e. Bonds amounting to Nil (March 31, 2025: ₹ 92.32 million) had a coupon rate of 14% p.a. and was secured by way of mortgage of immovable properties, plant and machinery and other moveable assets of Centum T&S Group Société Anonyme (S.A.). During the year ended March 31, 2025, the group had restructured repayment to these bond holders due to be paid by June 2025. Further, during the year ended March 31, 2026, the Company has entered into a settlement agreement with the bondholders for the full and final settlement of the outstanding bond liability for Euro 0.50 million which was repaid in entirety during the current year and the balance amount is written back and is disclosed as (loss)/ profit from discontinued operations during the year ended March 31, 2026 (Refer note 40).

f. Interest free loan from government amounting to Nil (March 31, 2025: ₹ 41.03 million) had been provided to carry out research and development activities and was payable on the successful outcome of the research and development. The said loan has been disclosed as discontinued operations and is not included in above table (Refer Note 40)

g. Indian rupee term loan from a bank availed by the Holding Company amounting to ₹ 46.24 million (March 31, 2025: ₹ 102.62 million) carries interest rate of 2.00% above 6 month Marginal Cost of Funds based Lending Rate ("MCLR") of the bank i.e @ 10.60% to 10.90% p.a (March 31, 2025: 10.55% to 10.99% p.a) payable on a monthly basis. The loan is repayable in 57 monthly instalments. Refer note (h) below for security details.

h. Borrowings are secured by way of :

   (i) Exclusive charge on plant & machinery and other assets financed by the bank.

   (ii) Hypothecation of present and future fixed assets pari passu first charge with other banks.

   (iii) Equitable mortgage of factory land and building at No. 44, KHB Industrial Area, Yelahanka, Bangalore - 560 064 belonging to the Company, on pari passu first charge with other banks; and

   (iv) Equitable mortgage on leasehold rights of factory land and equitable mortgage of building at Plot No. 58-P, Bengaluru Aerospace Park Industrial Area, Sy. No. 8 - Part of Unachur Village & Sy.No. 8 - Part of Dummanahalli Village, Jala Hobli, Bengaluru North, Yelahanka Taluk, Bengaluru Urban District, belonging to the Company on pari passu first charge with other banks.

i) Holding company's foreign currency term loan, packing credit loan, cash credit and overdraft and letter of credit at the end of each annual reporting period, are subject to the following covenants (as may be applicable)

   (i) Debt Service Coverage Ratio (DSCR)

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

19 NON-CURRENT FINANCIAL LIABILITIES: BORROWINGS (CONTD...)

(ii) Sales and net profit falling below projections by stated percentage as per sanction letter.

(iii) Total liabilities (TOL) including contingencies / Adjusted tangible net worth (ATNW)

(iv) Debt service reserve account (DSRA)

(iv) Debt / Earning before interest, tax, depreciation and amortisation (EBITDA)

(v) Net debt / Earning before interest, tax, depreciation and amortisation (EBITDA) arrived on the basis of Ind AS consolidated financial statements.

The Holding company has complied with the financial covenants for the year ended March 31, 2026. There are no indications that the Holding company would have difficulties complying with the covenants when they will be tested for the next financial year ending at March 31, 2027 as may be applicable.

20 NET NON-CURRENT EMPLOYEE DEFINED BENEFIT LIABILITIES

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Gratuity (refer note 43)	25.37	40.21
	25.37	**40.21**

21 NON-CURRENT PROVISIONS

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Provision for employee benefits		
Provision for pension	-	7.53
Provision for onerous contracts (refer note 28)	-	2.04
	-	**9.57**

22 GOVERNMENT GRANTS

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Government grants		
At April 1	16.55	24.43
Received during the year	15.84	-
Released to consolidated Ind AS statement of profit and loss	(11.72)	(7.88)
As at March 31	**20.67**	**16.55**
Current	7.41	5.53
Non - current	13.26	11.02
	20.67	**16.55**

Government grants have been received towards the purchase and construction of certain items of property, plant and equipment under Modified Special Incentive Package Scheme (M-SIPS) as notified by Ministry of Communications and Information Technology, Department of Information Technology. As per the scheme, the Holding Company is required to abide by all terms and conditions of M-SIPS policy, guidelines and amendments issued from time to time. The Holding Company vide its letter of undertaking dated May 02, 2018 has agreed to comply with all terms and conditions of M-SIPS policy, guidelines and amendments issued from time to time.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

23 CURRENT FINANCIAL LIABILITIES: BORROWINGS

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
From banks		
Cash credit and overdraft from banks (refer note (d)) (secured)	12.55	63.38
Packing credit loan from banks (secured)	888.29	669.52
Current maturities of long term borrowings (refer note 19)	59.01	379.34
Vendor financing facility (unsecured)	136.43	103.55
Letter of credit (secured)	96.33	-
Interest payable	4.96	18.82
	1,197.57	**1,234.61**

a. Cash credit and overdraft from banks, packing credit banks of the Holding Company are payable on demand and are secured by way of :

(i) Hypothecation of entire current assets viz. stock of raw materials/stores and spares/work-in-progress/finished goods, receivables / book debts and other current assets / moveable fixed assets on pari passu first charge with other banks;

(ii) Hypothecation of present and future fixed assets pari passu first charge with other banks, other than exclusively charged for the term loan availed;

(iii) Equitable mortgage of factory land and building at No. 44, KHB Industrial Area, Yelahanka, Bangalore - 560 064 belonging to the Company, on pari passu first charge with other banks; and

(iv) Equitable mortgage on leasehold rights of factory land and equitable mortgage of building at Plot No. 58-P, Bengaluru Aerospace Park Industrial Area, Sy. No. 8 - Part of Unachur Village & Sy.No. 8 - Part of Dummanahalli Village, Jala Hobli, Bengaluru North, Yelahanka Taluk, Bengaluru Urban District, belonging to the Company on pari passu first charge with other banks.

The rate of interest of Cash credit and overdraft from banks ranges from 9.70% to 11.70% p.a. (March 31, 2025: 10.55% to 11.70% p.a.).

The rate of interest of Packing credit loan from banks ranges from 5.32% to 9.50% p.a. (March 31, 2025: 5.99% to 9.50% p.a.).

The rate of interest of letter of credit is 2.99% to 8.00% p.a. (March 31, 2025: Nil)

The interest is payable on monthly basis.

b. Cash credit / overdraft from banks amounting to Nil (March 31, 2025: ₹ 26.74 million) was availed by Centum T&S Group Société Anonyme (S.A.). Also refer note 19 for details of security. The said loan has been disclosed as discontinued operations and is not included in above. (Refer note 40).

c. The Holding Company has established a vendor finance arrangement. Participation in the arrangement is at the suppliers' own discretion. Suppliers that participate in the supplier finance arrangement will receive payment on due date on invoices sent by the Holding Company to the Holding Company's external finance provider. In order for the finance provider to pay the invoices, the goods must have been received or supplied and the invoices approved by the Holding Company. As per the arrangement the bank agrees to pay amounts which Holding Company owes to it's suppliers and the Holding Company agrees to pay the bank at a date later than suppliers are paid. Consequently, the vendor financing liabilities which are funded through bank are classified as borrowings on the balance sheet. The Holding Company accounts for all payments made under the program in cash flow statement as part of financing activities. The Holding Company has paid interest @ 8.89% p.a. to 9.40% p.a. (March 31, 2025: 8.94% p.a. to 9.81% p.a.) on such facility.

d. Includes bank overdraft amounting to ₹ 12.55 million (March 31, 2025 ₹ 23.08 million).

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

24 FINANCIAL LIABILITIES: TRADE PAYABLES

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Carried at amortised cost		
Trade payables	2,526.89	2,197.23
Trade payables to related parties (refer note 42)	2.86	2.91
	2,529.75	**2,200.14**
The above amount includes		
Total outstanding dues of micro enterprises and small enterprises	94.96	204.95
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,434.79	1,995.19
	2,529.75	**2,200.14**

a) Trade payables include due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006), determined to the extent such parties have been identified on the basis of information available with the Group. The disclosure pursuant to the said Act is as under:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Principal amount remaining unpaid to any supplier as at the end of the accounting year.	94.70	202.53
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.26	2.42
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	0.26	2.42
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

b) Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing
- The dues to related parties are unsecured

Notes to the Consolidated Ind AS Financial Statements
for the year ended March 31, 2026

24 FINANCIAL LIABILITIES: TRADE PAYABLES (CONTD...)

24.1 Trade payable ageing schedule

As at March 31, 2026

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	11.81	80.95	2.20	-	-	-	94.96
Undisputed dues of creditors other than micro enterprises and small enterprises	334.65	811.30	1,229.50	16.38	41.32	1.64	2,434.79
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**346.46**	**892.25**	**1,231.70**	**16.38**	**41.32**	**1.64**	**2,529.75**

As at March 31, 2025

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	30.31	107.02	67.62	-	-	-	204.95
Undisputed dues of creditors other than micro enterprises and small enterprises	346.86	788.00	682.92	133.38	26.02	12.58	1,989.76
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	5.43	5.43
Total	**377.17**	**895.02**	**750.54**	**133.38**	**26.02**	**18.01**	**2,200.14**

25 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
At amortised cost		
Unpaid dividends (refer note 13)	2.24	1.91
Accrued salaries and benefits (refer note 42)	211.35	340.30
Payable for capital goods	83.91	93.82
	297.50	**436.03**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

26 OTHER LIABILITIES

(₹ in million)

Particulars	Non-current		Current	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Advance from customers	-	7.75	2,170.09	2,222.58
Withholding and other taxes / duties payable	-	-	54.79	575.05
Deferred revenue				
Related parties (refer note 42)	-	-	-	13.09
Others	-	-	185.31	536.23
Other liabilities	-	-	0.40	5.59
	-	**7.75**	**2,410.59**	**3,352.54**

27 NET CURRENT EMPLOYEE DEFINED BENEFIT LIABILITIES

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Gratuity (refer note 43)	11.20	8.15
	11.20	**8.15**

28 CURRENT PROVISIONS

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Provision for employee benefits		
Provision for compensated absences	89.86	299.31
Provision for onerous contracts	40.74	72.18
Provisions for litigations and contingencies	-	0.92
	130.60	**372.41**

(₹ in million)

Particulars	Provisions for litigations and contingencies	Provision for onerous contracts (Refer note 33(a))
As at April 1, 2024	**2.88**	**26.62**
Amount provided/ (reversed) during the year- continuing operations*	-	56.77
Amount utilised during the year- continuing operations*	-	(8.24)
Amount utilised during the year-discontinued operations	(1.98)	(0.98)
Exchange differences - translation adjustment	0.02	0.06
As at March 31, 2025	**0.92**	**74.22**
Amount provided/ (reversed) during the year-discontinued operations	23.51	-
Amount provided/ (reversed) during the year- continuing operations*	-	25.33
Amount utilised during the year- continuing operations*	-	(56.77)
Exchange differences - translation adjustment	1.70	0.37
Trasnferred to liabilities directly associated with assets held for sale (refer note 40)	(26.13)	(2.41)
As at March 31, 2026	**-**	**40.74**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

28 CURRENT PROVISIONS (CONTD...)

(₹ in million)

Particulars	Provisions for litigations and contingencies	Provision for onerous contracts (Refer note 33(a))
As at March 31, 2026		
Current	-	40.74
Non-current	-	-
As at March 31, 2025		
Current	0.92	72.18
Non-current	-	2.04

Provision for onerous contracts is recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under the contract.

*Accounted as part of Cost of materials consumed (Refer note 33(a))

29 CURRENT TAX LIABILITIES (NET)

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Provision for taxation, net of advance tax	64.04	135.03
	64.04	**135.03**

30 REVENUE FROM OPERATIONS

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Sale of products	9,384.71	7,264.55
Sale of services	118.47	118.97
Other operating revenues		
Sale of scrips on export entitlements	15.74	18.31
Sales commission	8.57	0.76
Total revenue	**9,527.49**	**7,402.59**

Refer note 51 for disclosures under Ind AS 115.

31 OTHER INCOME

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Provisions/ liabilities no longer required, written back	33.05	0.98
Recovery of bad debts written off	-	27.13
Government grants (refer note 22)	11.72	7.88
Gain on sale/discard of property, plant and equipment (net)	2.23	-
Other non-operating income	11.69	5.21
	58.69	**41.20**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

32 FINANCE INCOME

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Interest on bank deposits	76.22	24.14
Interest on income tax refund	2.39	-
Interest income on others*	20.86	0.60
	99.47	**24.74**

*Includes interest income receivable from KIADB amounting to ₹ 20.29 million (March 31, 2025: Nil), recognized by the Holding Company based on a letter dated November 28, 2025 received from KIADB. This interest was paid in earlier years and was charged to the consolidated Ind AS statement of profit and loss during the year ended March 31, 2014. The said amount is expected to be adjusted by KIADB against the additional sale consideration payable for the land proposed to be transferred in the name of the Holding Company (refer Note 3).

33(a) COST OF MATERIALS CONSUMED

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Inventory at the beginning of the year*	2,309.11	2,245.80
Add: Purchases	7,510.84	4,947.73
	9,819.95	**7,193.53**
Inventory at the end of the year	(3,322.06)	(2,309.11)
Cost of materials consumed	**6,497.89**	**4,884.42**

*Inventory at the beginning of the year is net of inventory amounting to Rs 147.16 million (March 31, 2025: Rs 179.73 million) pertaining to discontinued operations.

33(b) (INCREASE)/ DECREASE IN INVENTORIES OF WORK-IN-PROGRESS AND FINISHED GOODS

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Inventories at the end of the year		
Finished goods	135.97	73.28
Work-in-progress	1,099.89	881.51
	1,235.86	954.79
Inventory at the beginning of the year		
Finished goods	73.28	69.04
Work-in-progress	881.51	591.31
	954.79	660.35
(Increase) / decrease in inventories of work-in-progress and finished goods		
Finished goods	(62.69)	(4.24)
Work-in-progress	(218.38)	(290.20)
	(281.07)	**(294.44)**

*Inventory at the beginning of the year in relation to work-in-progress is net of inventory amounting to Rs 58.19 million (March 31, 2025: Rs 85.72 million) pertaining to discontinued operations.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

34 EMPLOYEE BENEFITS EXPENSE

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Salaries, wages and bonus (refer note 42)	1,166.82	1,082.49
Contribution to provident and other funds [refer note 43(a)]	45.39	42.72
Employee share based compensation cost (refer note 47)	(17.16)	14.15
Gratuity expenses [refer note 43(b)]	51.23	19.44
Staff welfare and recruitment expenses	71.16	90.21
	1,317.44	**1,249.01**

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes as follows: Code on Wages, 2019, Code on Social Security, 2020, Industrial Relations Code, 2020 and Occupational Safety, Health and Working Conditions Code 2020 (collectively referred to as the ”New Labour Codes”). The New Labour Codes are effective from November 21, 2025 and introduce changes that include, among other things, setting a uniform definition of wages. The Government is in the process of issuing related rules.

The Company has assessed the implications of the New Labour Codes and has recognized an incremental cost of ₹ 31.81 million towards employee benefits during the year ended March 31, 2026. The Company continues to monitor the developments pertaining to the New Labour Codes and the impact of these will be accounted in accordance with applicable accounting standards.

35 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Depreciation of property, plant and equipment (refer note 3)	175.15	167.25
Amortisation of other intangible assets (refer note 4b)	5.75	14.76
Depreciation of right-of-use assets (refer note 44)	14.15	13.10
	195.05	**195.11**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

36 FINANCE COSTS

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Interest expense:-		
- on debt and borrowings	84.90	125.18
- Exchange differences regarded as an adjustment to borrowing costs	16.09	-
- on lease liabilities [refer note 44]	1.80	1.61
- on income tax	7.76	13.16
- on dues to micro enterprises and small enterprises	-	2.42
Bank charges	58.57	52.63
	169.12	**195.00**

37 OTHER EXPENSES

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Rent and lease hire charges (refer note 44)	14.23	14.35
Rates and taxes	7.06	20.00
Power and fuel	66.76	65.57
Repairs and maintenance	70.88	73.95
Insurance	27.31	23.45
Legal and professional fees (includes payment to auditor) ((refer note (i))	111.20	84.33
Travelling and conveyance	79.33	68.63
Purchase of services	47.67	94.95
Corporate social responsibility expenditure	9.65	5.84
Freight outwards	49.21	44.19
Foreign exchange differences (net) (refer note (ii))	68.32	8.25
Provision for expected credit loss / bad debts written off/ doubtful advances (refer note 12)	17.90	6.56
Directors' sitting fees (refer note 42)	4.21	4.22
Miscellaneous expenses	65.07	60.19
	638.80	**574.48**

i. Includes Nil (March 31, 2025: ₹ 2.79 million) incurred in relation to share issued through QIP. Refer note 48 for details.

ii. Includes fair value gain on financial instruments at fair value through profit or loss (net) amounting to ₹ 32.54 million (March 31, 2025: Nil) (refer note 14).

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

38 INCOME TAX

Income tax expenses in the consolidated Ind AS statement of profit and loss consist of the following:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Tax expenses- continuing operations		
(a) Current tax	163.15	246.28
(b) Tax relating to earlier years (refer note (i))	(14.78)	1.79
(c) Deferred tax (credit)/ charge	(7.06)	(87.34)
(d) Deferred tax expense / (credit) related to items recognized in OCI during the year	2.01	0.63
Tax expenses- discontinued operations		
Deferred tax (credit)/ charge	-	5.43
Total taxes	**143.32**	**166.79**

(i) Consequent to the amalgamation of the wholly owned subsidiary into the Holding company with effect from Apri 01, 2024, the current tax and deferred tax expense for the year ended March 31, 2025 as recognized in the books by the Company and its wholly owned subsidiary have been recomputed. Accordingly, tax expenses for the year ended March 31, 2026, include reversal of current tax expenses of ₹ 21.11 million in relation to year ended March 31, 2025.

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Profit/ (loss) before tax from continuing operations	**1,148.42**	**664.95**
(loss)/ profit before tax from - discontinued operations	(1,525.17)	(528.92)
Profit/ (loss) before tax	(376.75)	136.03
Income tax expense at applicable tax rates applicable to individual profitable entities*	(257.01)	155.91
Tax effect on permanent non-deductible expenses	400.36	5.43
Adjustment of tax relating to earlier years	-	1.79
Tax effects on account of purchase price accounting for intangible assets--discontinued operations	-	5.43
Others	(0.03)	(1.77)
Total tax expenses	**143.32**	**166.79**

* Does not include taxes in relation to non-recognition of deferred tax assets on loss making overseas subsidiaries.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

39 EARNINGS PER SHARE ('EPS')

Basic EPS amounts are calculated by dividing the profit/ loss for the year attributable to equity shareholders of the parent by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Face value of equity shares (₹ per share)	10	10
(Loss)/ profit attributable to owners of the parent:		
Continuing operations	1,007.11	504.22
Discontinued operation	(1,473.65)	(479.66)
(Loss)/ profit attributable to equity holders of the parent for basic / diluted earnings per share (₹ in million)	(466.54)	24.56
Weighted average number of equity shares used for computing EPS (basic)	1,47,55,819	1,29,84,951
Add: Effect of dilutive issue stock options	12,945	1,13,639
Weighted average number of equity shares used for computing EPS (diluted)	1,47,68,764	1,30,98,590
Earnings per share for continuing operations		
Basic EPS from continuing operations (₹)	68.25	38.83
Diluted EPS from continuing operations (₹)	68.19	38.49
(Loss)/ earnings per share for discontinued operations		
Basic EPS from discontinued operations (₹)	(99.87)	(36.94)
Diluted EPS from discontinued operations (₹)*	(99.87)	(36.94)
Earnings/ (loss) per share for continuing and discontinued operations		
Basic EPS from continuing operations and discontinued operations (₹)	(31.62)	1.89
Diluted EPS from continuing operations and discontinued operations (₹)*	(31.62)	1.88

* Considering that the Company had incurred losses during the year ended March 31, 2026, the allotment of stock options would decrease the loss per share for the year ended March 31, 2026 and accordingly has not been considered for the purpose of calculation of diluted earnings per share.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

40 DISCONTINUED OPERATIONS

The Company has investments in Centum Electronics UK Limited, which in turn has made investment in Centum T&S Group Société Anonyme (S.A.). Centum T&S Group Société Anonyme (S.A.) and its underlying overseas subsidiaries have incurred losses leading to erosion of net worth.

a) The Board of Directors of the Company in their meeting held on December 19, 2025, decided to discontinue business operations of the Centum E&S (Centum Equipment's ET Systems), Canada, and Centum T&S (Centum Technologies ET Solutions), Canada, step-down subsidiaries of the Company ('Canada subsidiaries'). The Company is in the process of making necessary regulatory filings and intimations with the relevant regulatory authorities for liquidation of the Canadian operations.

As a matter of prudence, the management of the Company has provided for the carrying value of its assets amounting to ₹ 289.38 million and has written back liabilities amounting to ₹ 45.34 million in the consolidated Ind AS financial statement for the year ended March 31, 2026.

b) During the year ended March 31, 2026, the Group has filed for Redressement Judiciaire, etc. for Centum T&S Group Société Anonyme (S.A.) and certain underlying overseas subsidiaries, under local laws as applicable.

Pending outcome of Redressement Judiciaire ('RJ') proceedings, the Company has provided for the carrying value of goodwill arising on consolidation of ₹ 376.23 million, intangible assets (including under development) amounting to ₹ 178.33 million and inventory amounting to ₹ 100.78 million which had been procured to fulfil the sales order obligations in relation to Centum T&S Group Société Anonyme (S.A.), and disclosed the same as profit/(loss) from discontinued operations in the consolidated Ind AS financial statement for the year ended March 31, 2026. The management of the Company believes that there are no other obligations in this regard.

The Company continues to consolidate above mentioned subsidiaries as it continues to control these entities as per Ind AS 110 pending conclusion of the RJ proceedings in France.

The RJ proceedings are in advanced stage and several bids have been received and are expected to be concluded by the Court in June 2026. Accordingly, the management of the Company has assessed operations of Centum T&S Group Société Anonyme (S.A.) and its underlying overseas subsidiaries as discontinued operations in the consolidated Ind AS financial statement for year ending March 31, 2026 and previous year numbers have been restated (including reclassification of exceptional items disclosed in previous year pertaining to such business).

c) (Loss)/profit from discontinuing operations

(₹ in million)

	Particulars	March 31, 2026	March 31, 2025
I	**Income**		
	Revenue from operations	3,740.26	4,151.58
	Other Income	82.62	19.55
	Finance Income	-	1.59
	Total Income	**3,822.88**	**4,172.72**
II	**Expenses**		
	Cost of materials consumed	1,264.50	1,338.29
	Decrease/ (increase) in inventories of work-in-progress and finished goods	55.66	27.53
	Employee benefit expenses	2,410.48	2,388.14
	Depreciation and amortisation expenses	218.36	245.71
	Finance costs	120.04	134.02
	Other expenses	1,279.01	567.95
	Total Expenses	**5,348.05**	**4,701.64**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

40 DISCONTINUED OPERATIONS (CONTD...)

(₹ in million)

Particulars		March 31, 2026	March 31, 2025
III	**(Loss)/ profit before tax from discontinued operations (I- II)**	**(1,525.17)**	**(528.92)**
IV	**Tax expenses**		
	Current tax	-	-
	Deferred tax (credit) /charge	-	(5.43)
	Total tax expenses	**-**	**(5.43)**
V	**(Loss)/ profit after tax from discontinued operations (III - IV)**	**(1,525.17)**	**(523.49)**
	(Loss)/ profit after tax from discontinued operations		
	Attributable to		
	Equity holders of the parent	(1,473.65)	(479.66)
	Non-controlling interests	(51.52)	(43.83)

d) The details of assets/disposal classified as held for disposal and liabilties associated thereto are as under:

Assets classified as held for sale

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
(1) Non-current assets		
(a) Property, plant and equipment	34.45	-
(b) Right-of-use assets	281.79	-
(c) Other non-current financial assets	83.54	-
(d) Other non-current assets	57.47	-
	457.25	**-**
(2) Current assets		
(a) Inventories	41.98	-
(b) Trade receivables	332.32	-
(c) Cash and cash equivalents	255.81	-
(d) Other financial assets	388.28	-
(e) Other assets	608.79	-
	1,627.18	**-**
Total (1+2)	**2,084.43**	**-**

Liabilities classified as held for sale

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	368.60	-
(ii) Lease liabilities	209.59	-
(b) Net employee defined benefit liabilities	5.78	-
(c) Provisions	1.36	-
	585.33	**-**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

40 DISCONTINUED OPERATIONS (CONTD...)

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
(2) Current liabilities		
(a) Financial liabilities		-
(i) Borrowings	14.89	-
(ii) Lease liabilities	141.21	-
(iii) Trade payables	522.52	-
(iv) Other financial liabilities	194.53	-
(b) Other liabilities	1,335.79	-
(c) Provisions	257.62	-
	2,466.56	**-**
Total (1+2)	**3,051.89**	**-**

e) Net Cash flow attributable to Discountinued Operations are as follows :

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Cash from / (used in) operating activities	321.42	426.36
Cash (used in) / from investing activities	(8.90)	61.49
Cash (used in) / from financing activities	(253.18)	(495.75)
Net increase/ (decrease) in cash & cash equivalents	**59.34**	**(7.90)**

Trade receivables ageing schedule

As at March 31, 2026

(₹ in million)

Particulars	Unbilled	Current but not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	-	235.40	69.95	26.97	-	-	-	332.32
Total	**-**	**235.40**	**69.95**	**26.97**	**-**	**-**	**-**	**332.32**

Trade payables Ageing Schedule

As at March 31, 2026

(₹ in million)

Particulars	Unbilled dues	Current but not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total outstanding dues of creditors other than micro enterprises and small enterprises	124.39	166.90	166.48	18.74	18.83	27.18	522.52
Total	**124.39**	**166.90**	**166.48**	**18.74**	**18.83**	**27.18**	**522.52**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

41 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors, including expectations of future events that are considered to be relevant. The estimates and underlying assumptions are continually evaluated and any revisions thereto are recognised in the period of revision and future periods if the revision affects both the current and future periods. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key Sources of estimation uncertainty :

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of investments and goodwill

Determining whether investments and goodwill are impaired requires an estimation of the value in use of the respective asset or the relevant cash generating units. The value in use calculation is based on Discounted Cashflows Model ("DCF model"). The cash flows projections are based on estimates and assumptions which are considered as reasonable by the management.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 8 and 38 for further disclosures.

Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for customers. The provision matrix is initially based on the Group's historical observed default rates.

The assessment of the historical observed default rates and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances. The Group's historical credit loss experience may also not be representative of customer's actual default in the future.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

41 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTD...)

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

Provision for inventory obsolescence

Inventory obsolescence provision are determined using policies framed by the Company and in accordance with the methodologies that the Company deems appropriate to the business. There is a significant level of judgment involved in assessing whether provision for obsolescence for slow moving, excess or obsolete inventory items should be recognized considering orders in hand, expected orders, alternative usage, etc.

Revenue recognition

The group uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Group to estimate the efforts expended to date as a proportion of the total efforts to be expended. Efforts expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

41 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTD...)

Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Leases - Determining the lease term of contracts with renewal and termination options – Group as lessee and estimating the incremental borrowing rate

The Group determines the lease term as the non-cancellable term of the lease.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset)

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Intangible assets under development

The Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. As at March 31, 2026, the carrying amount of intangible assets under development is Nil (March 31, 2025: ₹ 74.09 million).

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

42 RELATED PARTY TRANSACTIONS

a) Names of related parties and description of relationship

Description of relationship	Name of related parties
Parties where control exists	Mr. Apparao V Mallavarapu
Associate Company	Ausar Energy SAS[iii]
Enterprises where key managerial personnel or their close members exercise significant influence (where transactions have taken place)	Centum Industries Private Limited
Key managerial personnel and their close members	Mr. Apparao V Mallavarapu - Chairman and Managing Director
	Mr. Nikhil Mallavarapu - Joint Managing Director (w.e.f May 22, 2025)[iv]
	Mrs. Tanya Mallavarapu - Director
	Mr. Apurva Chandra - Independent Additional Director (appointed w.e.f December 19, 2025)
	Mr. Ramesh Ramadurai - Independent Additional Director (appointed w.e.f February 14, 2026)
	Mr. Rajiv C Mody - Independent Director[i]
	Mr. Manoj Nagrath - Independent Director[i]
	Mr. Thiruvengadam P - Independent Director[ii]
	Mr. Tarun Sawhney - Independent Director (appointed w.e.f May 22, 2024)
	Dr. Udayant Malhoutra - Independent Director (appointed w.e.f May 22, 2025)
	Mrs. V Kavitha Dutt - Independent Women Director
	Mr. K S Desikan - Chief Financial Officer (superannuated w.e.f August 31, 2025)
	Mr. Sundararajan Parthasarathy - Chief Financial Officer (appointed w.e.f September 01, 2025)
	Mrs. Indu H S - Company Secretary

(i) Ceased to be Directors w.e.f August 06, 2025, on completion of two terms as Independent Directors.

(ii) Ceased to be a Director w.e.f December 27, 2025, on completion of two terms as Independent Director.

(iii) Ausar Energy SAS was admitted to liquidation judiciaire proceedings effective April 01, 2025, and accordingly ceased to be an associate from the said date.

(iv) Whole Time Director till May 21, 2025.

b) Summary of transactions and outstanding balances with above related parties are as follows:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
i) Sale of products (included under discontinued operations)		
Associate Companies		
- Ausar Energy SAS	-	14.00
ii) Remuneration to key managerial personnel and their close members		
Employee benefit expenses (excluding employee share based payments) (refer (i) below)		
- Mr. Apparao V Mallavarapu	27.76	39.72
- Mr. Nikhil Mallavarapu	27.57	39.72
- Mr. K S Desikan	7.16	12.32
- Mr. Sundararajan Parthasarathy	7.20	-
- Mrs. Indu H S	1.69	1.73

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

42 RELATED PARTY TRANSACTIONS (CONTD...)

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
iii) Directors' sitting fees (including commission paid to non-executive directors)		
Key managerial personnel		
- Mrs. Tanya Mallavarapu	0.65	0.68
- Mr. Rajiv C Mody	0.24	0.68
- Mr. Manoj Nagrath	0.30	0.83
- Mr. Thiruvengadam P	0.61	0.80
- Mrs. V Kavitha Dutt	0.80	0.65
- Mr. Apurva Chandra	0.17	-
- Mr. Ramesh Ramadurai	0.09	-
- Dr. Udayant Malhoutra	0.55	-
- Mr. Tarun Sawhney	0.80	0.58
iv) Issue of equity share capital		
Key managerial personnel and their close members	0.10	-
- Mr. K S Desikan		
v) Other expense (included under discontinued operations)		
Associate Companies		
- Ausar Energy SAS		
Provision for dimunition in the value of :		
- Trade receivables	-	64.15
- Investment in associates	-	84.17
vi) Outstanding balances as at the year ended:		
a) Trade receivables - Current		
Associate Companies		
- Ausar Energy SAS	-	44.73
b) Trade payables - Current		
Payable to key managerial personnel		
- Mr. Rajiv C Mody	0.18	0.50
- Mr. Manoj Nagrath	0.18	0.50
- Mr. Thiruvengadam P	0.37	0.50
- Mrs. V Kavitha Dutt	0.50	0.50
- Mrs. Tanya Mallavarapu	0.50	0.50
- Mr. Tarun Sawhney	0.50	0.41
- Mr. Apurva Chandra	0.14	-
- Mr. Ramesh Ramadurai	0.06	-
- Dr. Udayant Malhoutra	0.43	-

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

42 RELATED PARTY TRANSACTIONS (CONTD...)

(₹ in million)

Particulars		March 31, 2026	March 31, 2025
d)	**Other current financial liabilities - Accrued salaries and benefits-payable**		
	- Mr. Apparao V Mallavarapu	15.89	31.04
	- Mr. Nikhil Mallavarapu	16.35	29.44
	- Mr. K S Desikan	-	3.59
	- Mr. Sundararajan Parthasarathy	2.73	-
	- Mrs. Indu H S	0.22	0.37
e)	**Deferred revenue**		
	Associate Companies		
	- Ausar Energy SAS	-	13.09

c) Key managerial personnel's interests in the share based payments plan:

Share options held by key managerial personnel under the share based payments plan to purchase equity shares are as follows:

Share based payments plan	Exercise price	March 31, 2026	March 31, 2025
		Number outstanding	Number outstanding
Centum RSU - 2021 plan	₹ 10.00	-	14,500

No share options have been granted to the non-executive members of the Board of Directors under the share based payments plans of the Group. Refer to note 47 for further details on the scheme.

Notes:

(i) As the liability for gratuity and leave encashment is provided on actuarial basis for the Group as a whole, the amount pertaining to the key managerial personnel's are not disclosed above.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and normally interest free. There have been no guarantees provided to or received from any related party for payables or receivables. For the year ended March 31, 2026 and March 31, 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties other than as disclosed above.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

43 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS PLANS

(a) Defined contribution plan

The Group contribution to provident fund, employees' state insurance, pension and other funds are considered as defined contribution plans. The contributions are charged to the consolidated Ind AS statement of profit and loss as they accrue. Contributions to provident and other funds included in employee benefits expenses from continuing operations (note 34) are as under:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Contribution to provident fund	40.19	38.12
Contribution to employees' state insurance	5.20	4.60
	45.39	**42.72**

Excluding ₹ 724.30 million (March 31, 2025 ₹ 679.48 million) pertaining to discontinued operations.

(b) Defined benefit plans

The Holding company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972 and the Code on Social Security, 2020. Under the act, every employee who has completed five years or more of service gets a gratuity on departure at 15 days wages (based on last drawn wages) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age. The Gratuity plan is funded partially through contributions made to SBI Life Insurance Company Limited.

The following tables summarise the components of net benefit expense recognised in the consolidated Ind AS statement of profit or loss and amounts recognised in the consolidated Ind AS balance sheet for gratuity benefit:

i. Net benefit expenses (recognized in the consolidated Ind AS statement of profit and loss)

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Current service cost	16.19	14.87
Past service cost (refer note 34)	31.81	-
Interest cost on defined benefit obligation	5.60	5.76
Interest income on plan assets	(2.37)	(1.19)
Net benefit expenses	**51.23**	**19.44**

ii. Remeasurement (gains)/ loss recognised in other comprehensive income:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	(2.33)	(5.99)
Actuarial loss/ (gain) on obligations arising from changes in financial assumptions	(6.82)	2.49
Return on plan assets (excluding amounts included in net interest expense)	1.15	1.05
Actuarial (gain)/ loss recognised in OCI	**(8.00)**	**(2.45)**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

43 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS PLANS (CONTD...)

iii. Net defined benefit (liability)/ asset

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Defined benefit obligation	(125.13)	(88.02)
Fair value of plan assets	88.56	39.66
(Liability)/ asset recognised in the consolidated Ind AS balance sheet	**(36.57)**	**(48.36)**

iv. Changes in the present value of the defined benefit obligation are as follows:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Opening defined benefit obligation	88.02	77.69
Current service cost	16.19	14.87
Past service cost (refer note 34)	31.81	
Benefits paid	(7.34)	(6.80)
Interest cost on the defined benefit obligation	5.60	5.76
Actuarial (gain)/ loss on obligations arising from changes in experience adjustments	(2.33)	(5.99)
Actuarial loss/ (gain) on obligations arising from changes in financial assumptions	(6.82)	2.49
Closing defined benefit obligation	**125.13**	**88.02**

v. Changes in the fair value of plan assets are as follows:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Opening fair value of plan assets	39.66	16.59
Interest income on plan assets	2.37	1.19
Benefits paid	(7.32)	(0.07)
Contributions by the employer	55.00	23.00
Return on plan assets (lesser) / greater than discounted rate	(1.15)	(1.05)
Closing fair value of plan assets	**88.56**	**39.66**

vi. The following pay-outs are expected in future years:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Within next one year	11.20	8.15
Between 1 and 2 years	9.87	3.62
Between 2 and 3 years	10.34	6.87
Between 3 and 4 years	9.38	6.06
Between 4 and 5 years	12.39	6.04
Between 5 and 10 years	56.65	39.55

The average duration of the defined benefit plan obligation at the end of the reporting period is 12.90 years (March 31, 2025: 13.03-16.28 years)

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

43 GRATUITY AND OTHER POST-EMPLOYMENT BENEFITS PLANS (CONTD...)

vii. The principal assumptions used in determining gratuity obligations for the group's plan are shown below:

Particulars	March 31, 2026	March 31, 2025
Discount rate (in %)	7.54%	6.77%- 6.87%
Salary escalation (in %)	10.00%	10.00%
Employee turnover	Age 21 - 59 Yrs : upto 15%	Age 21 - 59 Yrs : upto 15%
Retirement age	60 years	60 years
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

Notes:

i) The estimate of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

ii) Plan Characteristics and Associated Risks:

The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death or disability. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

a. **Discount rate risk :** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase

b. **Salary inflation risk :** Higher than expected increases in salary will increase the defined benefit obligation

c. **Demographic risk :** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

viii. A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Discount rate		
Impact on defined benefit obligation due to 1% increase in discount rate	(9.74)	(7.65)
Impact on defined benefit obligation due to 1% decrease in discount rate	11.33	9.00
Salary escalation rate		
Impact on defined benefit obligation due to 1% increase in salary escalation rate	4.04	4.05
Impact on defined benefit obligation due to 1% decrease in salary escalation rate	(4.18)	(4.21)
Attrition rate		
Impact on defined benefit obligation due to 1% increase in attrition rate	(3.00)	(0.42)
Impact on defined benefit obligation due to 1% decrease in attrition rate	3.71	0.72

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

44 LEASES

I. Company as a lessee

The Group has lease contracts for office facilities and equipment (including vehicles and computer). The lease term for office facilities is generally 2 to 10 years and for equipments is 4 to 6 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases of computer and computer equipments with low value. The Group applies the 'short term lease' and 'lease of low value assets' recognition exemption for the leases.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The carrying amounts of right-of-use assets recognised and the movements during the year is as follows:

(₹ in million)

Particulars	Office Building	Plant and machinery	Vehicles	Leased computer	Total
Gross block					
As at April 01, 2024	**638.62**	**37.10**	**89.41**	**75.56**	**840.69**
Additions	0.86	-	-	-	0.86
Translation adjustment	13.84	-	2.08	1.60	17.52
Disposals / Discarded / Adjustment	(0.01)	-	(32.71)	(1.59)	(34.31)
As at March 31, 2025	**653.31**	**37.10**	**58.78**	**75.57**	**824.76**
Translation adjustment	100.67	-	10.41	12.28	123.36
Disposals / Discarded / Adjustment-continuing operations	-	-	-	(6.95)	(6.95)
Disposals / Discarded / Termination-discontinued operations	(147.39)	-	(24.48)	(25.87)	(197.74)
Modification / other adjustments-continuing operations	10.69	-	-	-	10.69
Transferred to assets held for sale (refer note 40)	(562.01)	-	(44.71)	(55.03)	(661.75)
As at March 31, 2026	**55.27**	**37.10**	**-**	**-**	**92.37**
Accumulated depreciation					
As at April 01, 2024	**201.08**	**17.85**	**59.18**	**32.81**	**310.92**
Charge for the year- continuing operations	8.48	4.62	-	-	13.10
Charge for the year- discontinued operations	64.81	-	16.19	18.41	99.41
Translation adjustment	5.16	-	1.68	0.93	7.77
Disposals / Discarded / Adjustment	-	-	(32.71)	(1.59)	(34.30)
As at March 31, 2025	**279.53**	**22.47**	**44.34**	**50.56**	**396.90**
Charge for the year- continuing operations	9.53	4.62	-	-	14.15
Charge for the year- discontinued operations	65.29	-	10.36	16.34	91.99
Translation adjustment	43.32	-	9.74	8.85	61.91

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

44 LEASES (CONTD...)

(₹ in million)

Particulars	Office Building	Plant and machinery	Vehicles	Leased computer	Total
Disposals / Discarded / Adjustment-continuing operations	-	-	-	(6.95)	(6.95)
Disposals / Discarded / Termination-discontinued operations	(56.91)	-	(24.48)	(25.63)	(107.02)
Transferred to assets held for sale (refer note 40)	(296.83)	-	(39.96)	(43.17)	(379.96)
As at March 31, 2026	**43.93**	**27.09**	**-**	**-**	**71.02**
Net block as on March 31, 2026	**11.34**	**10.01**	**-**	**-**	**21.35**
Net block as on March 31, 2025	**373.78**	**14.63**	**14.44**	**25.01**	**427.86**

The carrying amounts of lease liabilities recognised and the movements during the year is as follows:

(₹ in million)

Particulars	Amount
As at April 01, 2024	**525.77**
Additions	**0.86**
Accretion of interest- continuing operations	1.61
Accretion of interest- discontinued operations	12.41
Translation adjustment	9.95
Payments	(125.00)
As at March 31, 2025	**425.60**
Accretion of interest - continuing operations	1.80
Accretion of interest - discontinued operations	9.07
Modification of lease liabilities - continuing operations	10.69
Reversal of lease liabilities on termination of lease - discontinued operations	(91.78)
Translation adjustment	66.49
Transferred to liabilities directly associated with assets held for sale (Refer note 40)	(350.80)
Payments	(56.23)
As at March 31, 2026	**14.84**

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Current	6.30	107.23
Non-current	8.54	318.37

The maturity analysis of lease liabilities are disclosed in note 50.

The effective interest rate for lease liabilities is 1.6% to 10.90 % (March 31, 2025: 1.6% to 12.00%)

The following are the amounts recognised in the consolidated Ind AS statement of profit and loss:

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

44 LEASES (CONTD...)

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Depreciation expense of right-of-use assets- continuing operations and discontinued operations (refer note 35 and 40)	106.13	112.51
Interest expense on lease liabilities- continuing operations and discontinued operations (refer note 36 and 40)	10.87	14.02
Expense relating to short-term leases and leases of low-value assets (included in other expenses)		
- continuing operations (refer note 37)	14.23	14.35
- discontinued operations (refer note 40)	46.79	44.02
Total amount recognised in consolidated Ind AS statement of profit or loss	**178.02**	**184.90**

The Group had total cash outflows for leases of Rs 117.25 million in March 31, 2026 (March 31, 2025: 183.37 million).

45 COMMITMENTS AND CONTINGENCIES

(a) Capital commitments

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	58.94	166.03

(b) Power purchase agreement

The Group has commitment in nature of variable lease payment towards purchase of solar and wind power with various parties whereby the Group has committed to purchase and supplier has committed to sell contracted quantity of solar and wind power for period as defined in the power purchase agreements.

(c) Contingent liabilities

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Group's believes that none of the contingencies described below would have a material adverse effect on the Group's financial condition, results of operations or cash flows.

(₹ in million)

(i)

Particulars of guarantees	March 31, 2026	March 31, 2025
Bank guarantees (refer note 13)*	34.28	29.15

* Excludes performance bank guarantees given to various customers as the management is of the view that the same is not required to be disclosed here.

(ii) Contingent liabilities *

(₹ in million)

Description	March 31, 2026	March 31, 2025
Income taxes under dispute	45.62	92.06
Indirect taxes under dispute:	94.06	116.53
Others:		
- Other claims against the Group not acknowledged as debts	22.31	24.74

* The aforementioned amounts under disputes are as per the demands from various authorities for the respective periods and has not been adjusted to include further interest and penalty leviable, if any, at the time of final outcome of the appeals.

Notes to the Consolidated Ind AS Financial Statements
for the year ended March 31, 2026

46 SEGMENT INFORMATION - DISCLOSURE PURSUANT TO IND AS 108 "OPERATING SEGMENTS"

(a) Information about reportable segments

Basis of identifying operating segments / reportable segments:

(i) Basis of identifying operating segments:

Operating segments are identified as those components of the Group (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Group's other components); (b) whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available. The accounting policies consistently used in the preparation of financial statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segment on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group therefore believes that it is not practical to provide segment disclosures relating to such items and accordingly such items are separately disclosed as 'unallocated'.

(ii) Reportable segments:

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

The Company along with its subsidiaries and an associate 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".

(b) Geographical information

(₹ in million)

Particulars	Segment revenue*		Non-current assets**	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
(i) India	4,625.29	3,580.41	1,446.48	1,218.89
(ii) Europe and UK	3,101.13	2,909.81	-	975.87
(iii) North America	558.42	655.50	-	261.36
(iv) Rest of the world	1,242.65	256.87	-	-
Total	**9,527.49**	**7,402.59**	**1,446.48**	**2,456.12**

*Revenue by geographical area are based on the geographical location of the customers in relation to continuing operations.

**Non-current assets excludes financial assets and tax assets.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

47 SHARE-BASED PAYMENTS

A Description of the share based payment arrangements

The Holding Company has following share based payment arrangements:

(i) Share option plans (equity settled)

The Centum Employee Stock Option Plan ('ESOP') - 2013 plan.

(a) The Centum ESOP - 2013 plan was approved by the directors of the Holding Company in May 2013 and by the shareholders in August 2013. Centum ESOP - 2013 plan provides for the issue of 250,000 shares to the employees of the Holding Company and its subsidiaries (whether in India or outside India), who are in whole time employment with the Holding Company and/or it's subsidiaries.

The plan is administered by the Nomination and Remuneration committee. Options will be issued to employees of the Holding Company and/or it's subsidiaries at an exercise price, which shall not be less than the market price immediately preceding the date of grant. The equity shares covered under these options vest over a period ranging from twelve to forty eight months from the date of grant. The exercise period is ten years from the date of vesting.

The Centum Electronics Limited Restricted Stock Unit Plan 2021.

(a) The Centum Electronics Limited Restricted Stock Unit Plan 2021 was approved by the shareholders of the Holding Company in October 2021. Centum RSU - 2021 plan provides for the issue of 175,000 shares to the employees of the Holding Company and its subsidiaries (whether in India or outside India), who are in whole time employment with the Holding Company and/or it's subsidiaries.

The plan is administered by the Nomination and Remuneration committee. Options will be issued to employees of the Holding Company and/or it's subsidiaries at an exercise price, which shall be equal to the face value of the shares. RSUs granted under this Plan would vest not earlier than minimum vesting period of 1 (one) year or such other period as may be prescribed under applicable laws and not later than maximum vesting period of 8 (eight) years from the date of grant of such RSUs. The exercise period is 5 years from the date of last vesting of RSU.

B Measurement of fair values

The fair value of employee share options has been measured using Black Scholes model. The fair value of the options and the input used in the measurement of the grant- date fair values of both the plans are as follows:

Particulars	Centum ESOP - 2013	
	Year ended March 31, 2026	Year ended March 31, 2025
Fair value at grant date	-	₹ 11.65 - ₹ 277.30
Share price at grant date	-	₹ 71.25 & ₹ 637.05
Weighted average exercise price (WAEP)	-	₹ 71.25
Dividend yield (%)	-	10%
Expected life of share options (years)	-	1- 4 years
Risk free interest rate (%)	-	5.70 - 8.60%
Expected volatility (%)	-	48.31%

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

47 SHARE-BASED PAYMENTS (CONTD...)

Particulars	Centum RSU - 2021	
	Year ended March 31, 2026	Year ended March 31, 2025
Fair value at grant date	₹ 420.08 / 730.13	₹ 420.08 / 730.13
Share price at grant date	₹ 455.65 / 814.61	₹ 455.65 / 814.61
Weighted average exercise price (WAEP)	₹ 10	₹ 10
Dividend yield (%)	2.08% / 3.33%	2.08% / 3.33%
Expected life of share options (years)	1- 8 years	1- 8 years
Risk free interest rate (%)	7.12% / 7.30%	7.12% / 7.30%
Expected volatility (%)	56.15% / 52.48%	56.15% / 52.48%

C Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, Centum ESOP - 2013 plan during the year:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of options	WAEP	Number of options	WAEP
Options outstanding at April 01,	-	-	8,373	71.25
Granted during the period	-	-	-	-
Forfeited / lapsed during the period	-	-	-	-
Exercised during the period	-	-	8,373	71.25
Expired during the period	-	-	-	-
Options outstanding at March 31,	**-**	**-**	**-**	**-**
Exercisable at year end	-	-	-	-

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, Centum RSU - 2021 plan during the year:

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Number of options	WAEP	Number of options	WAEP
Options outstanding at April 01,	1,14,300	10	1,37,600	10
Granted during the period	-	-	-	-
Forfeited during the period	44,436	10	23,300	10
Cancelled during the period	5,000			
Exercised during the period	33,831	10	-	-
Expired during the period	-	-	-	-
Options outstanding at March 31,	**31,033**	**10**	**1,14,300**	**10**
Exercisable at year end	31,033	10	1,14,300	10

The options outstanding as at March 31, 2026 had an exercise price of ₹10 (March 31, 2025: ₹10) and the weighted average remaining contractual life of 4.15 years (March 31, 2025: 5.15 years)

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

47 SHARE-BASED PAYMENTS (CONTD...)

D Expense recognised in the consolidated Ind AS statement of profit and loss

The expense recognised for employee services received during the year is shown in the following table :

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Expense arising from equity settled share based payment transaction (refer note 34)*	(17.16)	14.15

* There is a reversal of employee share based compensation cost due to forfeiture of options on account of performance conditions not met during the year ended March 31, 2026.

48. ISSUE OF EQUITY SHARES THROUGH QIP

During the year ended March 31, 2025, the Fund Raising Committee of the Board of Directors of the Company at its meeting held on March 10, 2025 and March 13, 2025 approved the issue and allotment of 1,810,345 equity shares having face value of ₹ 10 each through Qualified Institutional Placement ("QIP") under the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018, as amended ("SEBI ICDR Regulation") and Section 42 and 62 of the Companies Act, 2013, including the rules made thereunder (as amended) to the eligible Qualified Institutional Buyers (QIB), at the issue price of ₹ 1,160 per equity share (including a premium of ₹ 1,150 per equity share), aggregating to approximately ₹ 2,100.00 million which took into account a discount of ₹ 59.65 per equity share (i.e. within 5% of the floor price), as permitted in terms of Regulation 176 (1) of Chapter VI of the SEBI ICDR Regulations.

(₹ in million)

Particulars		March 31, 2026	March 31, 2025
Unutilised QIP proceeds as at April 1		897.13	
Gross proceeds raised through issue of equity shares		-	2,100.00
	(A)	**897.13**	**2,100.00**
Expenses related to the issue of equity shares through QIP:			
Recognised in equity*		-	90.42
Expenses recorded in the consolidated Ind As statement of profit and loss		-	2.79
Others (refer note 1)		(7.32)	7.32
	(B)	**(7.32)**	**100.53**
Utilisation proceeds:			
Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by the Holding Company		47.58	1,102.34
Capital expenditure for purchases of new property, plant and equipment		256.78	-
	(C)	**304.36**	**1,102.34**
Unutilised QIP Proceeds as at March 31, 2026	**(A-B-C)**	**600.09**	**897.13**

*The share issue expenses directly attributable to the said transaction have been adjusted against Securities Premium as per Ind AS 32 and Section 52 of the Companies Act, 2013.

Unutilised QIP Proceeds as at March 31, 2026 (refer note 13):

a) Fixed deposits with the bank amounting to ₹ 595.29 million (March 31, 2025: ₹450.00 million).

b) Balance in QIP monitoring account and current account aggregating to ₹ 4.80 million (March 31, 2025: ₹ 447.13 million).

1. During the year ended March 31, 2026, net proceeds were revised from ₹ 1,999.47 million to ₹ 2,006.79 million on account of actual issue expenses being lower than estimated as disclosed in the offer document, by Rs 7.32 million.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

49 CAPITAL MANAGEMENT

The Group's capital management is intended to create value for the shareholders by facilitating the meeting of long term and short term goals of the Group.

The Group determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and long term and short term bank borrowings.

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders of the Group.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio at an optimum level to ensure that the debt related covenants are complied with.

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Borrowings (refer note 19 and 23)	1,219.92	1,447.83
Less: Cash and cash equivalents (refer note 13)	379.12	677.64
Net debt	**840.80**	**770.19**
Capital components		
Equity share capital (refer note 16)	147.41	147.07
Other equity (refer note 17)	3,284.69	3,905.16
Non-controlling interests	(181.35)	(109.58)
Total Capital	**3,250.75**	**3,942.65**
Capital and net debt	**4,091.55**	**4,712.84**
Gearing ratio	21%	16%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

50 DISCLOSURES ON FINANCIAL INSTRUMENTS

(a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2026 and March 31, 2025.

As at March 31, 2026

(₹ in million)

Particulars	Fair value through statement of profit or loss	Fair value through statement of other comprehensive income	Amortised cost	Total fair value	Total carrying value
Financial assets					
(i) Trade receivables	-	-	2,996.70	2,996.70	2,996.70
(ii) Cash and cash equivalents	-	-	379.12	379.12	379.12
(iii) Bank balances other than cash and cash equivalents	-	-	950.65	950.65	950.65
(iv) Derivative assets (net)	32.54	-	-	32.54	32.54
(iv) Other financial assets	-	-	24.37	24.37	24.37
Total	**32.54**	**-**	**4,350.84**	**4,383.38**	**4,383.38**
Financial liabilities					
(i) Borrowings	-	-	1,219.92	1,219.92	1,219.92
(ii) Lease liabilities	-	-	14.84	14.84	14.84
(iii) Trade payables	-	-	2,529.75	2,529.75	2,529.75
(iv) Other financial liabilities	-	-	297.50	297.50	297.50
Total	**-**	**-**	**4,062.01**	**4,062.01**	**4,062.01**

As at March 31, 2025

(₹ in million)

Particulars	Fair value through statement of profit or loss	Fair value through statement of other comprehensive income	Amortised cost	Total fair value	Total carrying value
Financial assets					
(i) Investments (other than investments in associates)	0.57	-	-	0.57	0.57
(ii) Trade receivables	-	-	3,065.37	3,065.37	3,065.37
(iii) Cash and cash equivalents	-	-	677.64	677.64	677.64
(iv) Bank balances other than cash and cash equivalents	-	-	826.78	826.78	826.78
(v) Other financial assets	-	-	598.22	598.22	598.22
Total	**0.57**	**-**	**5,168.01**	**5,168.58**	**5,168.58**

50 DISCLOSURES ON FINANCIAL INSTRUMENTS (CONTD...)

(₹ in million)

Particulars	Fair value through statement of profit or loss	Fair value through statement of other comprehensive income	Amortised cost	Total fair value	Total carrying value
Financial liabilities					
(i) Borrowings	-	-	1,447.83	1,447.83	1,447.83
(ii) Lease liabilities	-	-	425.60	425.60	425.60
(iii) Trade payables	-	-	2,200.14	2,200.14	2,200.14
(iv) Other financial liabilities	-	-	436.03	436.03	436.03
Total	**-**	**-**	**4,509.60**	**4,509.60**	**4,509.60**

Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(b) Fair value hierarchy

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

(₹ in million)

Particulars	Fair value measurements at reporting date using			
	Total	Level 1	Level 2	Level 3
March 31, 2026				
Financial assets				
Derivative assets (net) (refer note 14)	32.54	-	32.54	-
Financial liabilities				
Borrowings (refer note 19 & 23)	1,219.92	-	1,219.92	-
March 31, 2025				
Financial assets				
Investments (other than investments in associates)	0.57	-	-	0.57
Financial liabilities				
Borrowings (refer note 19 & 23)	1,447.83	-	1,447.83	-

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2026 and March 31, 2025.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

50 DISCLOSURES ON FINANCIAL INSTRUMENTS (CONTD...)

(c) Financial risk management objectives and policies

The Group's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Group through appropriate policies and procedures and the risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have appropriate skills, experience and supervision. It is the group policy that no trading in derivatives for speculative purposes may be undertaken.

The Group's financial liabilities (other than derivatives) comprises mainly of borrowings including interest accrual, leases, trade, capital and other payables. The Group's financial assets (other than derivatives) comprises mainly of investments, cash and cash equivalents, other balances with banks, loans, trade and other receivables In the ordinary course of business, the Company is exposed to Market risk, Credit risk and Liquidity risk.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and equity price risk.

(i) Market risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in million)

Particulars	Increase / decrease in basis points	Effect on profit before tax
March 31, 2026		
	+50	(5.90)
	-50	5.90
March 31, 2025		
	+50	(4.56)
	-50	4.56

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for the year ended March 31, 2026

50 DISCLOSURES ON FINANCIAL INSTRUMENTS (CONTD...)

(ii) Market risk- Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO & CAD exchange rates, with all other variables held constant.

(₹ in million)

Particulars	Change in currency	Effect on profit or loss	
		Strengthening	Weakening
March 31, 2026*			
USD	5%	34.82	(34.82)
EURO	5%	(2.96)	2.96
CAD	5%	0.77	(0.77)
March 31, 2025			
USD	5%	(14.27)	14.27
EURO	5%	(7.35)	7.35
CAD	5%	2.12	(2.12)

* Includes unhedged exposure from discontinued operations.

USD = United States Dollar

EUR = Euro

CAD = Canadian Dollar

(iii) Equity price risk

The Group does not have equity price risk except to the extent of impairment of investments.

(b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, investments, cash and cash equivalents, other bank balances and derivatives..

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk is carrying value of trade receivables, balances with bank, bank deposits, investments (other than investments in subsidiaries) and other financial assets.

Customer credit risk is managed by each entity / business unit based on the Group's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Group does not hold collateral as security.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

50 DISCLOSURES ON FINANCIAL INSTRUMENTS (CONTD...)

With respect to trade receivables, the Group has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Group creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Credit risk from balances with bank and financial institutions and in respect to loans and security deposits is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group have made certain strategic investments which have been approved by the Board of Directors.

(c) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group has obtained fund and non-fund based working capital limits from various banks. The Group invests its surplus funds in bank fixed deposit, which carry no or low market risk.

The Group monitors its risk of a shortage of funds on a regular basis. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, etc.

Maturity profile of financial liabilities :

The table below has been drawn up based on the undiscounted contractual maturities of the financial liabilities (excluding interest) upto the maturity of the instruments.

(₹ in million)

Particulars	0-1 years	1 to 5 years	> 5 years	Total
March 31, 2026				
Borrowings	1,197.57	22.35	-	1,219.92
Lease liabilities	7.16	9.20	-	16.36
Trade payables	2,529.75	-	-	2,529.75
Other financial liabilities	297.50	-	-	297.50
	4,031.98	**31.55**	**-**	**4,063.53**
March 31, 2025				
Borrowings	1,234.61	213.22	-	1,447.83
Lease liabilities	107.81	309.49	27.48	444.78
Trade payables	2,200.14	-	-	2,200.14
Other financial liabilities	436.03	-	-	436.03
	3,978.59	**522.71**	**27.48**	**4,528.78**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

51 DISCLOSURE UNDER IND AS 115

a) Timing of revenue recognition

March 31, 2026

(₹ in million)

Particulars	Performance obligation satisfied at point in time	Performance obligation satisfied over time*	Total
Sale of products	9,318.97	65.74	9,384.71
Sale of services	-	118.47	118.47
Sale of scrips on export entitlements	15.74	-	15.74
Sales commission	8.57	-	8.57
Total	**9,343.28**	**184.21**	**9,527.49**

March 31, 2025

(₹ in million)

Particulars	Performance obligation satisfied at point in time	Performance obligation satisfied over time*	Total
Sale of products	7,154.84	109.71	7,264.55
Sale of services	-	118.97	118.97
Sale of scrips on export entitlements	18.31	-	18.31
Sales commission	0.76	-	0.76
Total	**7,173.91**	**228.68**	**7,402.59**

* The Group recognises revenue from these sources over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group.

b) Contract Balances:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Trade receivables (including unbilled revenue) (refer note 12)		
- Current (gross)	3,037.56	3,163.30
- Provision for impairment loss (current)	(40.86)	(97.93)
Contract assets		
- Non-current (gross) (refer note 10)	-	104.47
- Current (gross) (refer note 15)	21.09	497.81
- Impairment allowance on contract assets	-	(51.25)
Contract Liabilities		
Deferred revenue (refer note 26)		
- Current	185.31	549.32
Advance from customers (refer note 26)		
- Non-current	-	7.75
- Current	2,170.09	2,222.58

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

51 DISCLOSURE UNDER IND AS 115 (CONTD...)

c) Revenue recognised during the year

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Arising out of contract liabilities as at the beginning of the year	1,021.10	601.14
	1,021.10	**601.14**

d) Reconciliation of revenue recognised in the consolidated Ind AS statement of profit and loss with the contracted price

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Revenue as per contracted price	9,548.89	7,419.89
Less:		
Cash discount	(21.40)	(17.30)
Revenue from contract with customers	**9,527.49**	**7,402.59**

e) Revenue recognised during the year on account of contract modifications etc. although performance obligation was satisfied in prior years: ₹ 0.71 million (March 31, 2025 : ₹ 16.20 million).

f) Revenue from sale of products includes ₹ 0.95 million (March 31, 2025: 138.69 Million) accounted in respect of contracts with certain customers on net basis in accordance with Ind AS 115 during the year ended March 31, 2026. The gross value of invoicing in respect of such contract is ₹ 29.70 million (March 31, 2025: 819.42 million) during the year ended March 31, 2026.

52 INTERESTS IN MATERIAL PARTLY-OWNED SUBSIDIARIES

Financial information of subsidiaries that have material non-controlling interests is provided below:

Details of material partly-owned subsidiaries

Particulars	Country of incorporation and operation	March 31, 2026	March 31, 2025
Centum T&S Group Société Anonyme (S.A.)	France	90.08%	90.08%

Accumulated balances of material non-controlling interest:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Centum T&S Group Société Anonyme (S.A.)	(181.35)	(109.58)

(Loss) / profit allocated to material non-controlling interest:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Centum T&S Group Société Anonyme (S.A.)	(51.52)	(43.83)

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

Summarised financial position

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Non-current assets		
Property, plant and equipment	-	49.50
Other intangible assets	-	229.23
Intangible assets under development	-	74.09
Right-of-use assets	-	403.06
Financial and other assets	-	239.87
Total	**-**	**995.75**
Current assets		
Inventories	-	207.43
Financial and other assets	-	1,908.64
Total	**-**	**2,116.07**
Assets held for sale	**2,134.85**	**-**
Non-current liabilities		
Financial liabilities (including borrowings)	-	451.01
Other liabilities	-	663.56
Total	**-**	**1,114.57**
Current liabilities		
Financial liabilities (including borrowings)	-	1,534.30
Other liabilities	-	1,541.31
Total	**-**	**3,075.61**
Liability directly associated with assets held for sale	**3,936.68**	**-**
Total equity	**(1,801.83)**	**(1,078.36)**
Attributable to:		
Equity holders of parent	(1,620.48)	(968.78)
Non-controlling interests	(181.35)	(109.58)

Summarised statement of profit and loss

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
A. Continuing Operations		
Income		
Revenue from operations	-	-
Other Income	-	-
Finance Income	-	-
Total Income	**-**	**-**

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Expenses		
Cost of materials consumed	-	-
Decrease/ (increase) in inventories of work-in-progress and finished goods	-	-
Employee benefit expenses	-	-
Finance costs	-	-
Depreciation and amortisation expenses	-	-
Other expenses	-	-
Total Expenses	**-**	**-**
(Loss)/ profit before tax from continuing operations	**-**	**-**
Tax Expenses	-	-
(Loss)/ profit after tax from continuing operations	**-**	**-**
B. Discontinued operations		
(Loss)/ profit before tax from discontinued operations	(519.32)	(431.60)
Tax income/ (expense) of discontinued operations	-	-
(Loss)/ profit after tax from discontinued operations	**(519.32)**	**(431.60)**
Other comprehensive income / (expense) (net of tax)		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(204.15)	(1.27)
Total comprehensive income for the year	**(723.47)**	**(432.87)**
Attributable to non-controlling interest	(51.52)	(43.83)

Summarised cashflow information:

(₹ in million)

Particulars	March 31, 2026	March 31, 2025
Cash from / (used in) operating activities	321.42	426.36
Cash (used in) / from investing activities	(8.90)	61.49
Cash (used in) / from financing activities	(253.18)	(495.75)
Net increase/ (decrease) in cash & cash equivalents	**59.34**	**(7.90)**

53 MCA has amended the Rule 3 of the Companies (Accounts) Rules, 2014 (the "Accounts Rules") vide notification dated August 05, 2022, relating to the mode of keeping books of account and other books and papers in electronic mode. Back-ups of the books of account and other books and papers of the companies incorporated in India maintained in electronic mode are now required to be retained on a server located in India on daily basis (instead of back-ups on a periodic basis as provided earlier) as prescribed under Rule 3(5) of the Accounts Rules. With respect to the above, the Holding Company has complied with the requirement for all the IT applications.

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

54 As at March 31, 2026, gross trade payables amounting to ₹ 281.15 million (March 31, 2025: ₹ 82.57 million), gross advance from customers amounting to Rs 321.20 million (March 31, 2025: ₹ 651.06 million) and gross trade receivables amounting to ₹ 52.74 million (March 31, 2025: ₹ 671.44 million) towards purchase and sale of goods and services respectively (before consolidation adjustments), which are outstanding beyond permissible time period stipulated under the Master Circular on Import of Goods and Services and Master Circular on Export of Goods and Services issued by Reserve Bank of India ('the RBI'). Considering that the balances are outstanding for more than the stipulated time, the Group is in the process of intimating the appropriate regulatory authorities and seeking requisite approvals for extensions.

During the year ended March 31, 2026, the Holding Company has written off trade receivables amounting to ₹ 396.00 million (March 31, 2025: Nil) in respect of export of goods and services to its Canadian subsidiaries . Further, the Holding Company has written back advances received from a customer, outstanding for more than three years, amounting to ₹ 33.05 million (March 31, 2025: Nil) and disclosed the same under other income in the consolidated Ind AS statement of profit and loss (refer note 31). The management is in the process of regularising the same with the appropriate regulatory authorities for approval to write off/write back. The management is confident that required approvals would be received and penalties, if any that may be imposed on the Company would not be material. Accordingly, no adjustments have been made by the management to these consolidated Ind AS financial statements in this regard.

55 OTHER STATUTORY INFORMATION

(i) The Holding Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Holding Company does not have any transactions with struck off company under section 248 of Companies Act, 2013.

(iii) The Holding Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Holding Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

Notes to the Consolidated Ind AS Financial Statements

for the year ended March 31, 2026

(vi) The Holding Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Holding Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Holding Company has not been declared as a wilful defaulter by any banks or financial institutions.

56 The Holding Company has used certain accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that, audit trail feature is not enabled for certain changes made, if any, to data using privileged/ administrative access rights in so far it relates to the aforesaid applications. Further, no instances of audit trail feature being tampered with respect to the above accounting software has been noted where audit trail has been enabled. Further, the Holding Company have also used certain accounting softwares which are operated by third-party software service providers, for maintaining its books of account which has complied with all the requirements for audit trail based on SOC 2- Type 2 report issued by an external expert.

Additionally, the audit trail of prior year(s) has been preserved by the Holding company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

57 The Holding Company is in the process of conducting a transfer pricing study as required by the transfer pricing regulations under the IT Act ('regulations') to determine whether the transactions entered during the year ended March 31, 2026, with the associated enterprises were undertaken at "arm's length price". The management confirms that all the transactions with associate enterprises are undertaken at negotiated prices on usual commercial terms and is confident that the aforesaid regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

58 EVENTS AFTER THE REPORTING PERIOD

The board of directors have proposed dividend after the balance sheet date which are subject to approval by the shareholders at the annual general meeting. (Refer note 18).

As per our report of even date

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

per Navin Agrawal
Partner
Membership number: 056102

Place: Bengaluru, India
Date : May 14, 2026

For and on behalf of Board of Directors of Centum Electronics Limited

Apparao V Mallavarapu
Chairman and Managing Director
DIN: 00286308

Nikhil Mallavarapu
Joint Managing Director
DIN: 00288551

Indu H S
Company Secretary
Membership number: F12285

Sundararajan Parthasarathy
Chief Financial Officer

Place: Bengaluru, India
Date : May 14, 2026

Centum Electronics Limited

Corporate Identity Number (CIN) – L85110KA1993PLC013869
Registered Office: No.44, KHB Industrial Area, Yelahanka New Town, Bengaluru – 560 064
Tel. No: +91 080 4143 6000 Fax No: +91 080 4143 6005
Email: investors@centumelectronics.com Website: www.centumelectronics.com

NOTICE OF THE 33RD ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Third (33rd) Annual General Meeting (AGM) of the Members of Centum Electronics Limited ("the Company") will be held on Thursday, August 13, 2026 at 10:30 a.m. IST through Video Conferencing / Other Audio Visual Means ("VC / OAVM") to transact the following business:

The venue of the meeting shall be deemed to be the Registered Office of the Company at No. 44, KHB Industrial Area, Yelahanka New Town, Bengaluru - 560 064.

ORDINARY BUSINESS:

Item No. 1 – Adoption of Standalone Financial Statements

To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2026, along with the reports of the Board of Directors and Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the audited standalone financial statements of the Company for the financial year ended March 31, 2026 together with the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby approved and adopted."

Item No. 2 – Adoption of Consolidated Financial Statements

To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended March 31, 2026, along with the report of the Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2026 together with the report of the Auditors thereon, as circulated to the members, be and are hereby approved and adopted."

Item No. 3 – Declaration of Dividend

To declare the final dividend on equity shares for the financial year ended March 31, 2026 and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT approval be and is hereby accorded for declaration and payment of final dividend of ₹ 5 (Rupees five only) per equity share of the face value of ₹ 10 (Rupees Ten) each fully paid up, of the Company, as recommended by the Board of Directors for the financial year ended March 31, 2026."

Item No. 4 – Retirement of Director by rotation

To appoint a Director in place of Ms.Tanya Mallavarapu (DIN: 01728446) who retires by rotation and being eligible, offers herself for the re-appointment.

SPECIAL BUSINESS:

Item No.5 – Remuneration payable to the Cost Auditors

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. K.S. Kamalakara & Co., Cost Accountants (Firm Registration No. 000296), appointed as Cost Auditors by the Board of Directors to audit the cost records of the Company for the financial year 2026–27, be paid a remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand) per annum plus applicable taxes and out-of-pocket expenses that may be incurred during the course of audit.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary & Compliance Officer of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary, proper, or expedient to give effect to this resolution."

By Order of the Board of Directors
For Centum Electronics Limited

Place: Bengaluru
Date: May 14, 2026

Indu H S
Company Secretary
& Compliance Officer

Registered Office:
No.44, KHB Industrial Area
Yelahanka New Town
Bengaluru – 560 064
CIN: L85110KA1993PLC013869

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has, vide its General Circular dated September 22, 2025 read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ("Act") read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM of the Company is being held through VC / OAVM.

2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto.

3. A statement pursuant to the provisions of Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM, is annexed hereto. Further, additional information as required under Listing Regulations and Circulars issued thereunder are also annexed.

4. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.

5. In terms of the provisions of Section 152 of the Act, Ms. Tanya Mallavarapu, Non-Executive Director of the Company, will retire by rotation at the Meeting. The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended her re-appointment. Ms. Tanya Mallavarapu, Director of the Company, is interested in the Ordinary Resolution set out at Item No. 4, of this Notice with regard to her re-appointment.

6. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking re-appointment at the Annual General Meeting is furnished and forms a part of the Notice. The Director has furnished the requisite consent / declarations for the re-appointment.

7. In compliance with the MCA Circulars and Regulation 36(1)(a) of the Listing Regulations, Notice of the AGM along with the Annual Report for the financial year 2025-26 is being sent only through electronic mode to those members whose e-mail address is registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Further, in compliance with Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link, including the exact path, where Annual Report for the financial year 2025-26 is available, is being sent to those members whose e-mail address is not registered with the Company / Registrar and Transfer Agent / Depository Participants / Depositories. Members may note that this Notice and Annual Report for the financial year 2025-26 will also be available on the Company's website at www.centumelectronics.com, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of Company's Registrar and Transfer Agent, KFin Technologies Limited ("KFinTech") at https://evoting.kfintech.com. The Company shall send a physical copy of the Annual Report 2025-26 to those Members who request the same at investors@centumelectronics.com mentioning their Folio No./DP ID and Client ID.

8. The Company has enabled the Members to participate at the 33rd AGM through the VC / OAVM facility provided by KFin Technologies Limited, Registrar and Transfer Agent. The instructions for participation by Members are given in the subsequent paragraphs. Participation at the AGM through VC / OAVM shall be allowed on a first come-first-serve basis.

9. As per the provisions under the MCA Circulars, Members attending the 33rd AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

10. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and Insta Poll during the AGM. The process of remote e-voting with necessary User ID and Password is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 33rd AGM being held through VC / OAVM.

11. Members joining the meeting through VC / OAVM, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through Insta Poll at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC / OAVM but shall not be entitled to cast their vote again.

12. The Company has appointed Mr. S.P. Nagarajan, Practicing Company Secretary (Membership No. ACS 10028), who in the opinion of the Board is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of two (2) working days from the date of conclusion of Annual General Meeting, submit his report of the votes cast in favour or against, if any, to the Chairman of the Company. The result of the same will be disclosed through the Annual General Meeting proceedings. The e-voting results will also be uploaded in the website of the Company https://www.centumelectronics.com.

13. Corporate Members are required to access the link https://evoting.kfintech.com and upload a certified copy of the Board Resolution authorizing their representative to attend the AGM through VC / OAVM and vote on their behalf. Institutional Investors are encouraged to attend and vote at the meeting through VC / OAVM.

14. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

15. The Company has fixed Friday, July 31, 2026, as Record Date for determining the members eligible for Dividend on Equity Shares, if declared at the Annual General Meeting.

16. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if approved by the members will be paid within 30 days from the date of declaration to those members whose names appear in the Register of Members on the Record Date.

    Members holding shares in demat form are requested to note that the bank details furnished by the respective Depositories to the Company will be considered for remittance of dividend in accordance with Mandate SEBI requirements. The Company or Registrar and Transfer Agent cannot act on any request received directly from such Members for any change in bank particulars or mandates.

    Pursuant to the SEBI Master Circular dated May 7, 2024 (effective April 1, 2024), and Master Circular for Registrars to an Issue and Share Transfer Agents dated February 6, 2026, dividend to Members holding shares in physical mode shall be paid only through electronic mode, subject to furnishing of Permanent Account Number ('PAN'), contact details (postal address, mobile number and e-mail address), bank account details, specimen signature, etc., for their respective folios with the Company or its Registrar and Transfer Agent.

    Accordingly, to ensure timely credit of dividend, Members are requested to keep their bank account details updated with their respective DPs in case of shares held in demat form, and with the Registrar and Transfer Agent in case of shares held in physical mode, by submitting the prescribed forms and documents. Dividend payments will be made through electronic mode based on such updated details.

17. Pursuant to the Income-tax Act, 2025, dividend income will be taxable in the hands of shareholders, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Income-tax Act, 2025 and amendments thereof. The shareholders are requested to update their PAN with the Company/ Registrar and Transfer Agent (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

    A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 121 (Previously known as Form 15G/15H as per Income Tax Act, 1961) to avail the benefit of non-deduction of tax at source by email to einward.ris@kfintech.com or investors@centumelectronics.com. Shareholders are requested to note that incase their PAN is not registered; tax will be deducted at a higher rate of 20%.

    Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. self -attested copy of the Permanent Account Number (PAN Card), if any, allotted by the Indian authorities; self-attested copy of Tax Residency Certificate (TRC) valid as on the AGM date obtained from the tax authorities of the country of which the shareholder is resident; self-declaration in Form 41 (Previously known as Form 10F as per Income Tax Act, 1961). Self-declaration confirming not having a Permanent Establishment in

India and eligibility to Tax Treaty benefit by sending an email to einward.ris@kfintech.com or investors@centumelectronics.com. TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided.

The aforesaid declarations and documents need to be submitted by the shareholders latest by Wednesday, August 5, 2026.

18. Members are requested to note that the dividends not encashed or claimed within 7 (seven) years from the date of transfer to the Unpaid Dividend Account, will as per Section 124 of the Companies Act, 2013, along with the respective shares lying in the pool account be transferred to the Investor Education and Protection Fund (IEPF). Members who have not encashed or claimed the dividend for the earlier years are requested to approach the Company / Registrar and Transfer Agent and whose shares are transferred to IEPF can claim by making an application in form IEPF-5 to IEPF Authority through Company's Nodal Officer and Registrar and Transfer Agent at the earliest.

19. Updation of PAN and KYC details

    Physical Holding:

    SEBI vide its Master Circular dated May 07, 2024, mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, in respect of such folios only through electronic mode with effect from April 1, 2024 upon completion/submission of the requisite documents/details in entirety. In this connection, shareholders holding shares in physical form are requested to update their PAN, KYC, Nomination details, if not provided earlier to KFin Technologies Limited, the Registrar and Transfer Agent of the Company, by submitting the following forms.

    i. Form ISR-1: Request for Registering PAN/KYC, Bank details or Changes/Updation thereof
    ii. Form ISR-2: Confirmation of Signature of Shareholders by the Banker

    The said Form can also be downloaded from our website www.centumelectronics.com under Investor Relations Section. In case of any query / assistance, Members are requested to contact the Company's Registrar and Transfer Agent, KFin Technologies Limited.

    Demat Holding:

    Update the PAN and KYC (i.e. postal address with pin code, email address, mobile number, bank account details) through your Depository Participants (DPs). The Company has sent reminders to those shareholders whose bank details are not available with the Registrar and Transfer Agent, requesting them to update KYC to enable the Company for payment of dividend. The Company, before processing the request for payment of Unclaimed/Unpaid Dividend, has been in practice of obtaining necessary particulars of Bank Account of the Payee.

20. Nomination facilities:

    Section 72 of the Act read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, provides for the facility of nomination to security holders of the Company. This facility is mainly useful in the case of those holders who hold their shares in their own name. Investors are advised to avail of this facility to avoid any complication in the process of transmission, in case of death of the holders. Where more than one person holds the securities of a company jointly, the joint holders may together nominate, in the prescribed manner, any person to whom all the rights in the securities shall vest in the event of death of all the joint holders. In case the shares are held in physical mode, the nomination form may be obtained from the Registrar and Transfer Agent. In case of shares held in Demat form, such nomination is to be conveyed to the DPs as per the formats prescribed by them. In this connection, shareholders holding shares in physical form are requested to update their Nomination details, if not provided earlier to KFin Technologies Limited, the Registrar and Transfer Agent of the Company, by submitting the following forms.

    i. Form ISR-3: Declaration to Opt-out of Nomination
    ii. Form SH-13: Nomination Form
    iii. Form SH-14: Change in Nomination
    iv. Form SH-14 and ISR-3: Cancellation of Nomination

    The Nomination form is available at the website of the Company at www.centumelectronics.com

21. Dispute Resolution Mechanism (SMART ODR):

    In order to strengthen the dispute resolution mechanism for all disputes between a listed company and/or registrars and transfer agents and its shareholder(s)/investor(s), SEBI had issued a Standard Operating Procedure ('SOP') vide Circular dated May 30, 2022.

    As per this Circular, shareholder(s)/investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its Registrar and Transfer Agent. Further, SEBI vide Circular dated July 31, 2023 (updated as on December 28, 2023), introduced the Online Dispute Resolution (ODR) Portal. After exercising and exhausting all the available options for resolution of the grievance, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform., if the Shareholder is still not satisfied with the outcome, they may initiate dispute resolution through the Online Dispute Resolution Portal ("ODR") at https://smartodr.in/login. The process for online resolution of disputes in the securities market has been provided by SEBI in its Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 28, 2023. With the said Circular, the existing dispute resolution mechanism in the Indian securities market is being streamlined under the aegis of Stock Exchanges and Depositories by expanding their scope and by establishing a common ODR Portal which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian securities market. The aforesaid Circular issued by SEBI in this regard can be accessed on the website of the Company at www.centumelectronics.com. Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform.

22. Dematerialisation of physical shares:

    Members may please note that in view of the proviso to Regulation 40(1) of the SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialised form (DEMAT) with effect from April 1, 2019. Dematerialisation of shares would help to eliminate risks associated with Physical Shares. In this regard, SEBI has clarified by a Press Release No. 12/2019 dated March 27, 2019, that the said amendments do not prohibit an investor from holding the shares in physical mode and the investor has the option of holding shares in physical mode even after April 1, 2019.

    However, any investor who is desirous of transferring shares (which are held in physical mode) after April 1, 2019 can do so only after the shares are dematerialized. As per the SEBI Circular dated January 30, 2026, Registrar and Transfer Agents/Companies are required to process shareholder service requests (including transmission, transposition, subdivision, consolidation, renewal, exchange, and name changes/deletions) and issue securities exclusively in dematerialised form, credited directly to the claimant's demat account, within 30 days of receipt of the request after resolving objections.

23. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 read with Circular No. SEBI/ HO/ MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025, has mandated the listed companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, subdivision/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled in and signed Form ISR – 4. The said form can be downloaded from the Company's website, www.centumelectronics.com.

24. Forms ISR-1, ISR-2, ISR-3, ISR-4 & SH-13 along with the supporting documents as stated above are required to be submitted to KFintech at the address mentioned below:

    KFin Technologies Limited

    Unit: Centum Electronics Limited
    Selenium Building, Tower-B, Plot No 31 & 32,
    Financial District, Nanakramguda, Serilingampally,
    Hyderabad, Rangareddy, Telangana,
    India - 500 032.
    Email ID: einward.ris@kfintech.com
    Toll Free / Phone Number: 1800 309 4001
    WhatsApp Number: (91) 910 009 4099

25. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, KFin Technologies Limited, at the address mentioned above.

26. The following documents will be available for inspection by the Members electronically during the 33rd AGM. Members seeking to inspect such documents can send an email to investors@centumelectronics.com.

    a) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013.

    b) The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013.

27. Members are requested to send all communications relating to Shares including dividend matters to our Registrar and Transfer Agents.

28. KFin Technologies Limited, Registrar and Transfer Agent ("RTA") of the Company, has launched a unified platform 'KPRISM' for the benefit of shareholders. KPRISM is a self-service portal / mobile based application that enables the shareholders to access their portfolios serviced by Registrar and Transfer Agent, and check details like dividend status and make request for annual reports, change of address, update bank mandate, download standard forms, etc. The portal can be accessed at https://kprism.kfintech.com.

29. A Senior Citizens Investor Cell has been formed by the Registrar and Transfer Agent to assist exclusively the senior citizens (above 60 years of age) in redressing their grievances, complaints and queries. The senior citizens wishing to avail this service can send the communication to senior.citizen@kfintech.com. Alternatively, you may also contact Registrar and Transfer Agent's toll-free number: 1-800-309-4006, dedicated for Senior Citizens, for any queries or information.

30. All documents referred to in the Notice will be available for inspection at the Company's Registered Office during normal business hours on working days up to the date of the Annual General Meeting.

31. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and in compliance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, it is mandatory to extend to the Members of the Company, the facility to vote at the Annual General Meeting (AGM) by electronic means. Members of the Company can transact all the items of the business through electronic voting system as contained in the Notice of the Meeting.

PROCEDURE AND INSTRUCTIONS FOR E-VOTING AND ATTENDING THE AGM THROUGH VC / OAVM:

32. The Company has entered into an agreement with KFin Technologies Limited (KFintech) for facilitating e-voting and for conducting the Annual General Meeting through Video Conferencing / Other Audio-Visual Means. The instructions are as follows:

    i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-voting are given in subsequent paragraphs.

    ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

    iii. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-voting facility.

    iv. The remote e-voting period commences on Monday, August 10, 2026, at 9.00 a.m. to Wednesday, August 12, 2026, at 5.00 p.m. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being Thursday, August 6, 2026, may cast their vote by electronic means in the manner and process set out hereinabove. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not vote by way of poll, held at the Meeting.

    v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

    vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFintech for remote e-voting then he /she can use his / her existing User ID and Password for casting the vote.

    vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the

Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date may follow steps mentioned below under "Login method for remote e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

viii. The details of the process and manner for remote e-voting and e-AGM are explained herein below:

Step 1: Access to Depositories e-voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFintech e-voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3: Access to join virtual meetings (AGM) of the Company on KFintech system to participate in AGM and vote at the AGM.

Details on Step 1 are mentioned below:

Login method for remote e-voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. For OTP based login you can click on** https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on the company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. **2. Existing Internet-based Demat Account Statement ("IDeAS") facility Users:** i. Visit the e-services website of NSDL https://eservices.nsdl.com either on a personal computer or on a mobile. ii. On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. Thereafter enter the existing user id and password. iii. After successful authentication, Members will be able to see e-voting services under 'Value Added Services'. Please click on "Access to e-voting" under e-voting services, after which the e-voting page will be displayed. iv. Click on company name i.e. 'Centum Electronics Limited' or ESP i.e. KFin. v. Members will be re-directed to KFin's website for casting their vote during the remote e-voting period. **3. Those not registered under IDeAS:** i. Visit https://eservices.nsdl.com for registering. ii. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp iii. Visit the e-voting website of NSDL https://www.evoting.nsdl.com. iv. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section. A new screen will open. v. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen. vi. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page. vii. Click on company name i.e 'Centum Electronics Limited' or ESP name i.e KFin after which the Member will be redirected to ESP website for casting their vote during the remote e-voting period. viii. Members can also download the NSDL Mobile App "NSDL Speed-e" facility by scanning the QR code mentioned below for seamless voting experience.

Type of shareholders	Login Method
	NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Electronic Access To Securities Information ("Easi/ Easiest") facility:** i. Visit https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com. ii. Click on New System Myeasi. iii. Login to Myeasi option under quick login. iv. Login with the registered user ID and password. v. Members will be able to view the e-voting Menu. vi. The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication. **2. User not registered for Easi/ Easiest** i. Visit https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration or https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration for registering. ii. Proceed to complete registration using the DP ID, Client ID (BO ID), etc. iii. After successful registration, please follow the steps given in point no. 1 above to cast your vote. **3. Alternatively, by directly accessing the e-voting website of CDSL** i. Visit www.cdslindia.com. ii. Provide demat account number and PAN. iii. System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account. iv. After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. 'Centum Electronics Limited' or select KFin.
Individual Shareholder login through their demat accounts / Website of Depository Participant	i. Members can also login using the login credentials of their demat account through their DPs registered with the Depositories for e-voting facility. ii. Once logged-in, Members will be able to view e-voting option. iii. Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature iv. Click on options available against 'Centum Electronics Limited' or 'KFin'. Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-62343625, 022-62343626, 022-62343259

Details on Step 2 are mentioned below:

Login method for e-voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of e-voting Event Number (EVEN), User ID and Password. They will have to follow the below process:

i. Launch internet browser by typing the URL: https://emeetings.kfintech.com.

ii. Enter the login credentials (i.e. User ID and Password). In case of physical folio, User ID will be EVEN (e-voting Event Number), followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and Password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Centum Electronics Limited - AGM" and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

x. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id cs@nagarajsp818.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

xi. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of https://evoting.kfintech.com or call KFin on 1800 309 4001 (toll free).

Details on Step 3 are mentioned below:

Instructions for all the shareholders, for attending the AGM of the Company through VC /OAVM and e-voting during the meeting.

i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/ KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned above.

ii. Facility for joining AGM though VC / OAVM shall open atleast 30 minutes before the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at investors@centumelectronics.com. Questions /queries received by the Company till Tuesday, August, 11, 2026, shall only be considered and responded during the AGM.

vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member cast votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

viii. Facility of joining the AGM through VC / OAVM shall be available for atleast 2,000 members on first-come-first-serve basis.

ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS:

I. Speaker Registration: The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the User ID and Password provided in the mail received from KFintech. On successful login, select 'Speaker Registration' which will open from Sunday, August 9, 2026 to Tuesday, August 11, 2026. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

II. Post your Question: The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the User ID and Password provided in the mail received from KFintech. On successful login, select 'Post Your Question' option which will opened from Sunday, August 9, 2026 at 9:00 a.m. to Tuesday, August 11, 2026 at 5:00 p.m.

III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact Mr. N Shiva Kumar, Manager at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, August 6, 2026, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

V. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

33. Members who may require any technical assistance or support before or during the AGM are requested to contact KFin Technologies Limited at toll free number 1800-3094-001 or write to them at evoting@kfintech.com.

34. A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL https://emeetings.kfintech.com/ under the "eAGM Tutorial" tab placed on the top of the page.

By Order of the Board of Directors
For Centum Electronics Limited

Place: Bengaluru
Date: May 14, 2026

Indu H S
Company Secretary &
Compliance Officer

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.5:

The provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 mandates the Company to get its cost records audited every year. The Board of Directors has considered the appointment of M/s. K.S. Kamalakara & Co., Cost Accountants (Firm Registration No. 000296) as the Cost Auditors of the Company for the financial year 2026-27 at a remuneration of ₹1,50,000/- (Rupees One Lakh Fifty Thousand Only) apart from applicable taxes and out-of-pocket expenses, if any.

Ratification of remuneration payable to Cost Auditors needs to be done by the Shareholders of the Company in terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, due to which consent of the Members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2026-27.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Resolution No. 5 of the Notice.

The Board of Directors recommends the ordinary resolution for approval by the members, as set out in the Item no.5 of the notice convening the meeting.

By Order of the Board of Directors
For Centum Electronics Limited

Place: Bengaluru
Date: May 14, 2026

Indu H S
Company Secretary &
Compliance Officer

DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE 33RD ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETING]

Ms.Tanya Mallavarapu

Date of birth	09.02.1989
Date of appointment	27.05.2023

Profile:

Ms. Tanya completed her Master's Degree in Economics from Duke University, in U.S. She graduated from the University of Southern California with a Bachelor's Degree in Business Administration and was on the Dean's List.

Ms. Tanya is the founder of TMR Design Co. LLP, an interdisciplinary design firm that emphasizes on innovation, creativity and functionality in a wide array of industries from healthcare, residential, commercial and hospitality. Prior to this Tanya served as a marketing executive in the luxury retail industry, involved in building marketing strategies for global retail expansion. She launched an Indian based luxury brand across cities including New York, Hong Kong, London and Delhi. Prior to this she worked as a business analyst at Intuit, creating revenue models and marketing strategies to launch the newly developed GoPayment product.

No. of shares held in the Company	6,44,240
Names of Listed entities in which she holds the Directorship as on March 31, 2026	Centum Electronics Limited
Inter-se relationship with other Directors	Ms.Tanya Mallavarapu is the daughter of Mr. Mallavarapu Venkata Apparao, Chairman & Managing Director, Dr.Swarnalatha Mallavarapu, Promoter and sister of Mr. Nikhil Mallavarapu, Joint Managing Director.

Centum Electronics Limited

44, KHB Industrial Area, Yelahanka Newtown,
Bengaluru 560064, India.

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