**S.R. BATLIBOI & ASSOCIATES LLP**
Chartered Accountants

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## Limited Review Report

The Board of Directors
Centum Electronics Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Centum Electronics Limited (the 'Company') for the quarter ended June 30, 2017 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We have not audited or reviewed the accompanying unaudited standalone financial results and other financial information for the three months ended June 30, 2016, including the reconciliation of profit under Indian Accounting Standards ('Ind AS') of the corresponding quarter with the profit reported under previous GAAP which have been prepared solely based on the information compiled by management and has been approved by the Board of Directors.

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

per Sandeep Karnani
Partner
Membership number: 061207

Place: Bengaluru
Date: September 14, 2017

S.R. Batliboi & Associates LLP Bengaluru

**Centum Electronics Limited**

**Corporate Identity Number (CIN): L85110KA1993PLC013869**

Regd. Office: No. 44, KHB Industrial Area, Yelahanka New Township, Bangalore - 560 106

Phone: +91-80-41436000 Fax: +91-80-41436005

Email: ramua@centumelectronics.com Website : www.centumelectronics.com

**Statement of standalone unaudited financial results for the quarter ended June 30, 2017**

(Rs in lakhs)

| Sl. No. | Particulars | Quarter ended | |
|---|---|---|---|
| | | June 30, 2017 | June 30, 2016 |
| | | (Unaudited) | Refer note 2 |
| 1 | **Income** | | |
| | (a) Revenue from operations | | |
| | (i) Sales / Income from operations | 9,787.16 | 8,812.77 |
| | (ii) Other operating income | 143.69 | 115.49 |
| | (b) Other income | 94.17 | 111.65 |
| | **Total Income** | **10,025.02** | **9,039.91** |
| 2 | **Expenses** | | |
| | (a) Cost of materials consumed | 5,693.45 | 7,647.39 |
| | (b) Excise duty expenses | 335.66 | 254.66 |
| | (c) Changes in inventories of finished goods and work-in-progress | 188.31 | (2,216.03) |
| | (d) Employee benefits expenses | 1,397.31 | 1,202.85 |
| | (e) Finance costs | 199.77 | 72.63 |
| | (f) Depreciation and amortisation expenses | 293.56 | 155.55 |
| | (g) Other expenses | 1,111.41 | 1,178.78 |
| | **Total expenses** | **9,219.47** | **8,295.83** |
| 3 | **Profit/(loss) before exceptional items and tax (1-2)** | **805.55** | **744.08** |
| 4 | Exceptional items (Refer note 5) | - | (391.19) |
| 5 | **Profit/(loss) before tax (3+4)** | **805.55** | **352.89** |
| 6 | **Tax expense** | | |
| | (a) Current tax | 233.60 | 100.00 |
| | (b) Deferred tax | 75.50 | (7.04) |
| 7 | **Profit/(loss) for the period (5-6)** | **496.45** | **259.93** |
| 8 | **Other Comprehensive Income/ ( Expenses) (net of tax)** | | |
| | (a) Items that will not be reclassified to profit or loss | | |
| | (i) Remeasurements of the net defined benefit liability | (2.35) | (2.16) |
| | (ii) Income tax on above | 0.81 | 0.75 |
| | (b) (i) Items that will be reclassified to profit or loss | - | - |
| | (ii) Income tax on above | - | - |
| 9 | **Total comprehensive income for the period** (Comprising Profit/(Loss) and Other Comprehensive Income/( Expenses)(net of tax) for the period (7+8) | **494.91** | **258.52** |

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| Sl. No. | Particulars | Quarter ended | |
|---|---|---|---|
| | | June 30, 2017 | June 30, 2016 |
| | | (Unaudited) | Refer note 2 |
| 10 | Paid up equity share capital (Face value - Rs 10 per share) | 1,279.29 | 1,270.81 |
| 11 | **Earnings per equity share (EPS) (of Rs. 10 each) (not annualised) :** | | |
| | (a) Basic (Rs.) | 3.89 | 2.05 |
| | (b) Diluted (Rs.) | 3.86 | 2.02 |

(Rs in lakhs)

**Notes to the standalone unaudited financial results for the quarter ended June 30, 2017**

1 Investors can view the standalone unaudited financial results of Centum Electronics Limited ("the Company") on the Company's website www.centumelectronics.com or on the websites of BSE (www.bseindia.com) or NSE (www.nse-india.com)

2 The Company has adopted Indian Accounting Standards ("Ind AS") from April 1, 2017 (transition date being April 1, 2016) and accordingly the standalone unaudited financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 on Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013, read with relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

The Company has opted to avail relaxation provided by Securities and Exchange Board of India ("SEBI") vide the aforesaid circular dated July 5, 2016 in respect of disclosure requirements for figures of earlier periods. Accordingly, the figures for the quarter and year ended March 31, 2017 have not been presented. The reserves (excluding revaluation reserve), as per the balance sheet of the previous accounting year not being mandatory, have not been presented.

The standalone unaudited financial results for the quarter ended June 30, 2016 have not been subjected to limited review or audit. However, the management has exercised necessary diligence to ensure that the standalone financial results for the quarter ended June 30, 2016 provide a true and fair view of the Company's affairs.

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

4 Reconciliation of the standalone unaudited financial results to those reported in previous Indian GAAP for the quarter ended June 30, 2016 are summarized as below:

(Rs in lakhs)

| Particulars | Amount |
|---|---|
| **Profit after tax as per previous Indian GAAP** | **241.51** |
| **Add/ (Less):** | |
| Reversal of amortisation of Goodwill | 24.71 |
| Others | 2.51 |
| Income tax impact on above adjustments | (10.21) |
| **Total Comprehensive Income as per Ind AS** | **258.52** |

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5 The Board of Directors of the Company had considered and approved the investment of 51% controlling stake in Adetel Group S.A., France through its step-down subsidiary Centum Electronics UK Limited on June 17, 2016. The aforesaid transaction was completed on July 4, 2016. The Company had incurred certain expenses amounting to Rs 391.91 lakhs in connection with the aforesaid investment and had disclosed the same as an exceptional item during the quarter ended June 30, 2016.

6 The standalone unaudited financial results of the Company for the quarter ended June 30, 2017 have been reviewed by the Audit Committee in their meeting held on September 13, 2017 and approved by the Board of Directors in their meeting held on September 14, 2017.

7 The statutory auditor's of the Company have carried out a limited review of the standalone financial results for the quarter ended June 30, 2017.

8 Previous period figures have been regrouped/reclassified, wherever necessary to conform to current period classification.

**For Centum Electronics Limited**

Place: Bengaluru
Date: September 14, 2017

**Apparao V Mallavarapu**
Chairman & Managing Director

S.R. Batliboi & Associates LLP
Bengaluru