



Ref: CEL/AR/10072025

10<sup>th</sup> July, 2025

To,

|   |   |
|---|---|
| Listing Department,<br>National Stock Exchange of India Limited,<br>Exchange Plaza,<br>Bandra Kurla Complex,<br>Bandra (East), Mumbai – 400 051 | Department of Corporate Services – Listing,<br>BSE Limited,<br>P. J. Towers,<br>Dalal Street,<br>Mumbai – 400 001 |
|---|---|

**Re: Scrip Symbol: CENTUM/ Scrip Code: 517544**

Dear Sir/ Madam,

**Sub: Submission of Annual Report under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the 32<sup>nd</sup> (Thirty Second) Annual Report along with the Notice of 32<sup>nd</sup> (Thirty Second) Annual General Meeting of the Company for the financial year ended 31<sup>st</sup> March, 2025, as dispatched to the shareholders through electronic mode whose e-mail addresses are registered with the Company / Depository Participants / Registrar and Transfer Agent.

The aforesaid documents are also available on the website of the Company at [www.centumelectronics.com](http://www.centumelectronics.com)

Yours faithfully,  
For **Centum Electronics Limited**

**Indu H S**  
**Company Secretary & Compliance Officer**

Encl: as above

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**Centum Electronics Limited**

# 44, KHB Industrial Area, Yelahanka New Town, Bangalore - 560 106, Karnataka, India

Tel +91-(0)80-4143-6000 Fax +91-(0)80-4143-6005 Website [www.centumelectronics.com](http://www.centumelectronics.com)

E-mail [info@centumelectronics.com](mailto:info@centumelectronics.com) CIN - L85110KA1993PLC013869





**Precision.  
Performance.  
Possibility.**

**CENTUM ELECTRONICS LIMITED**

Annual Report 2024-25

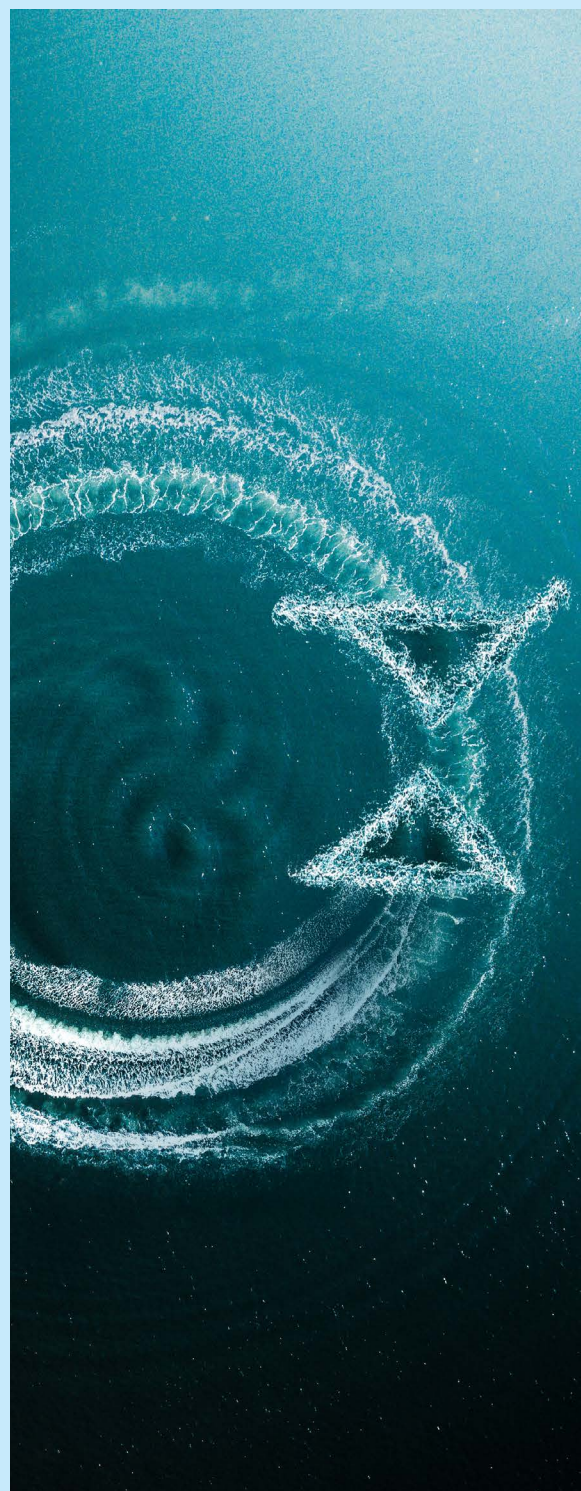




At Centum, **precision** is not just a practice—it is a philosophy that permeates every aspect of the business, from high-reliability engineering to flawless execution. This deep-rooted culture of precision is the catalyst that drives consistent **performance**, delivering quality, efficiency, and dependability in sectors that require unwavering precision. And it is this same precision that opens up a world of **possibilities**, enabling the company to venture into cutting-edge domains, win trust across global markets, and co-create next-generation solutions with its clients. At Centum, precision powers progress, performance, and a future full of possibility.

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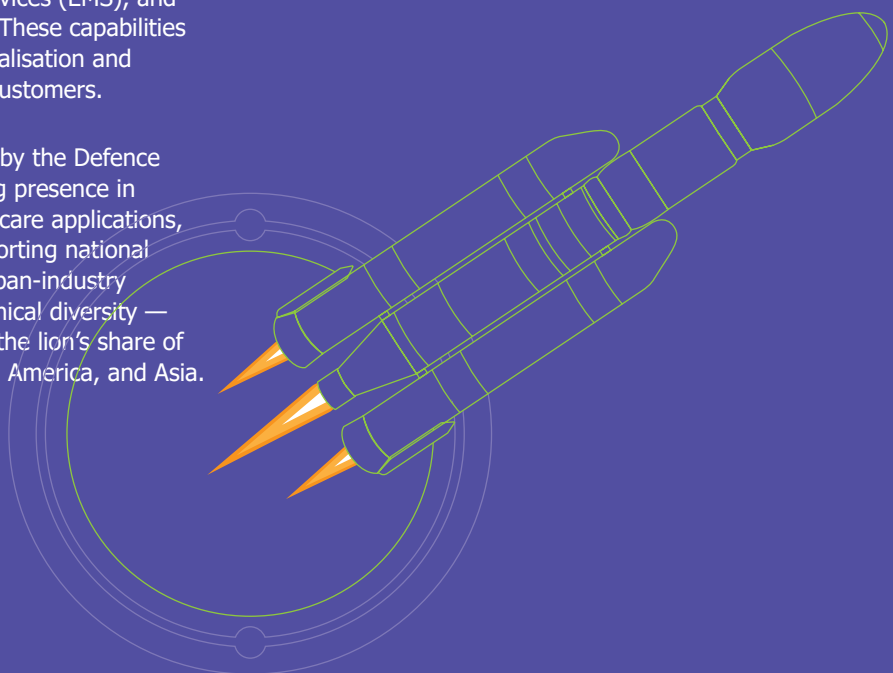
## ABOUT CENTUM

At Centum, we do more than electronics — we enable our clients to deliver on their boldest missions, with precision and confidence.

At Centum Electronics, we have steadily built one of India's most trusted platforms in electronics system design and manufacturing. Since our inception in 1993, we've grown into a key partner for mission-critical sectors, serving clients across Defence, Space, Aerospace, Transportation, Energy, and Healthcare domains. Our differentiation lies in our ability to deliver high-complexity, high-reliability solutions that are engineered to perform in the most demanding environments.

Our operations are anchored by state-of-the-art design and manufacturing centres in India, Europe, and North America, giving us global reach and local responsiveness. From concept to deployment, we offer integrated engineering and manufacturing services across three verticals: Engineering R&D Services (ER&D), Electronic Manufacturing Services (EMS), and Build-to-Specification (BTS) systems. These capabilities are designed to accelerate product realisation and ensure unmatched reliability for our customers.

With over half of our business driven by the Defence and Aerospace sectors, and a growing presence in Transportation, Industrial, and Healthcare applications, we remain deeply committed to supporting national missions and global OEMs alike. Our pan-industry relevance is matched by our geographical diversity — with Europe and the UK contributing the lion's share of our revenue, followed by India, North America, and Asia.





# HIGHLIGHTS OF THE COMPANY

## 30+ YEARS

Proven expertise in electronics design and manufacturing solutions.

## ACTIVE IN EMS, ER&D, DEFENCE & SPACE

Focus on high-growth, mission-critical verticals.

## ₹17,364 MN ORDER BOOK

Robust visibility as of 31st March 2025.

## CONCEPT TO COMMISSIONING

Full lifecycle capabilities from design to delivery.

## 69% REVENUE FROM OVERSEAS

Strong presence in advanced global markets.

## SUSTAINABILITY FOCUSED

Committed to environmental responsibility and clean operations.

## HIGH-TECH, HIGH- BARRIER SEGMENTS

Operating in domains with deep entry thresholds.

## 1,900+ EMPLOYEES, 600+ DESIGNERS

Skilled talent base driving engineering and execution.

## TRUSTED BY MARQUEE CLIENTS

Long-term partnerships with global industry leaders.

## ~80% SINGLE- SOURCE PRODUCTS

Sole supplier for the majority of manufactured items.

## 3 CONTINENTS

Operations across Asia, Europe, and North America.

## 600+ SUPPLIERS

Strong and reliable global supply chain ecosystem.



## MESSAGE FROM THE **CHAIRMAN & MANAGING DIRECTOR**



Dear Shareholders,

I hope this letter finds you in good health and high spirits. FY25 has been a year that marked a crucial phase in Centum Electronics' transformation journey. This letter provides a comprehensive overview of how your Company navigated the year with a strategic focus, operational discipline, and an unwavering commitment to innovation and national purpose. I invite you to explore the progress we have made, the challenges we've overcome, and the roadmap that lies ahead as we scale to new heights.



We ended FY25 with a record order book of ₹17,364 million, including ₹13,296 million on a standalone basis. This reflects both the increasing traction for our BTS and EMS capabilities, as well as the trust that new customers are placing in our systems engineering and manufacturing excellence.

FY25 has been a defining year in Centum Electronics' journey — a year where we shifted from tactical execution to strategic consolidation. It was a period of disciplined delivery, confident recalibration, and committed preparation for the future. Amid macroeconomic uncertainties and global realignments, your Company demonstrated agility and vision, strengthening its capabilities in key verticals while staying true to its purpose of enabling critical missions in Defence, Space, Industrial and Energy domains.

This progress is anchored in our mission to deliver value through quality, innovation, and excellence, guided by a vision to be a globally respected electronics company that makes a difference through engineering. Our strategic choices are deliberate steps on a roadmap that aims to shape the next generation of high-technology solutions — from deep space to national security and critical infrastructure.

Centum's standalone financial performance in FY25 reflects our focus on execution, customer intimacy, and operational discipline. Revenues grew by 18.5% to ₹7,498 million on a net accounting basis, and profit after tax (PAT) surged by 45.63% to ₹528 million. Our standalone EBITDA margin improved to 13.6%, backed by a richer product mix and a more disciplined cost structure.

On a consolidated basis, despite global headwinds such as slow down of Automotive Business affecting our subsidiaries, we maintained revenue growth and a stable EBITDA margin of 8.3%, underscoring our focus on margin resilience and long-term fundamentals. The softness in our Canadian subsidiary and the underutilisation of our French engineering operations are being addressed through targeted structural actions.

Our strategy of being a full fledged ESDM company and offering Build to specifications, engineering services and manufacturing services is highly rewarding as we are able to cross sell and our customers appreciate this and most of our customers engage us at least in two of our offerings if not all the three.

The continued success of the Build-To-Specification vertical — a full-stack capability that integrates product design, engineering, and manufacturing played a key role in driving both top-line growth and margin improvement throughout the year. Our execution on several flagship Indian Defence and Space programmes — such as PSLV C58-C60, GLSV, SSLV, SPADEX and other confidential strategic systems in Missiles, EW and Radar areas — reaffirmed our status as a trusted and long-term partner to India's most vital missions. BTS allows Centum to embed deeply into our clients' value chains, creating sticky relationships, IP opportunities, and higher operating leverage. The business also acts as a platform to accelerate time-to-market for new solutions and offer differentiated value that aligns with customer roadmaps.

The EMS business is also on a high growth trajectory with many new customers coming on board from the industrial and semiconductor sectors along with many new engagements with our existing customers.

A significant proportion of new EMS customers advanced to the qualification and New Product Introduction (NPI) stages during the year. This builds a strong foundation for FY26 and beyond, as these accounts transition to volume production and recurring revenues.

With standard structural shifts and focus on increased defence budgets in Europe, we expect the engineering service business to pickup and shake off some of the effects of slow down of the automotive sectors. There is also renewed focus on domestic engineering service business, and we hope to see the benefits in the future.

We ended FY25 with a record order book of ₹17,364 million, including ₹13,296 million on a standalone basis. This reflects both the increasing traction for our BTS and EMS capabilities, as well as the trust that new customers are placing in our systems engineering and manufacturing excellence.

After the initial IPO in 1995 and after 30 Years of the company's long journey we successfully raised ₹ 2,100 million through a Qualified Institutional Placement (QIP).



## MESSAGE FROM THE CHAIRMAN & MANAGING DIRECTOR (CONT.)

This equity raise was not just a financing event but a strategic affirmation of our growth trajectory, governance standards, and investor trust. This capital infusion equips Centum with enhanced agility and the financial muscle to scale responsibly and sustainably.

Centum is proud to be playing a pivotal role in India's technological self-reliance. In FY25, we made meaningful contributions to the country's space, defence, rail, and energy sectors. Whether in powering satellite launches, enabling solar observatories, or strengthening indigenous defence platforms, Centum is not just manufacturing subsystems and systems — we are co-creating national capability.

We are aligning our engineering roadmap with future-focused themes, including AI-enabled diagnostics, digital twins for predictive engineering, and high-reliability systems for space and defence platforms. At the same time, we are pursuing cost optimisation, automation, and quality excellence to improve throughput and operational efficiency.

Centum Electronics today is at a defining threshold. Our operational resilience, robust order book, strong balance sheet, and intellectual capital position us to scale sustainably and shape the future of strategic electronics. We are not only aligned with national missions but are also becoming integral to the global value chain of high-reliability systems.

Our focus will be on expanding scale in key verticals, improving capital efficiency, enhancing design-led offerings, and creating new platforms that integrate electronics, systems engineering, and embedded intelligence. The investments we are making today—in R&D, manufacturing, people, and partnerships—are setting the stage for long-term compounding.

Over the long term, we envision Centum as a technology-first company with globally benchmarked capabilities and an enduring impact on the strategic autonomy of nations we serve. We will continue to blend innovation with purpose, agility with scale, and performance with responsibility.

In closing, I would like to express my sincere gratitude to our customers, whose trust continues to inspire us to raise the bar. I thank our investors for believing in our long-term vision, our Board of Directors for their strategic counsel, and our employees for their relentless pursuit of excellence.

Warm regards,

**Mallavarapu Venkata Apparao**  
Chairman and Managing Director

# HIGHLIGHTS OF THE YEAR

A year marked by revenue momentum, operational consolidation, and margin improvement amidst sectoral shifts.

Centum Electronics Limited demonstrated resilient performance in FY25, navigating global softness in certain segments while delivering strong standalone growth and improving its operational efficiency. Strengthened by a solid order book, strategic realignment of subsidiaries, and capital market confidence, the company remains positioned for long-term growth.



## ORDER BOOK:

- Total consolidated order book stood at **₹17,364 million** as on March 31, 2025.
- The standalone order book increased to **₹13,296 million** up from **₹11,178 million** in FY24, led by strong order inflows in the Build-to-Spec (BTS) segment.

## SEGMENT PERFORMANCE:

- **EMS** remained the largest contributor to revenue **47%**
- **BTS** contributed **32%**, and **ER&D 21%**  
BTS drove revenue growth for domestic Defence and Space customers, while EMS momentum continued.

## GEOGRAPHIC DISTRIBUTION:

- **69%** of revenues were from overseas markets, primarily Europe and North America.

## WORKING CAPITAL:

- Consolidated working capital days rose to **87 days**, from 68 days in FY24.



## OUR BUSINESS MODEL

### Customer Value Proposition



#### **Defence & Aerospace**

Radar systems, missile electronics, avionics subsystems.



#### **Space Technology**

Satellite electronics, launch vehicle modules, payload support.



#### **Industrial & Energy**

Power converters, EV control modules, hydrogen systems. Transportation: Public Address & Passenger Information System (PAPIS). High-reliability electronics for mission-critical applications with deep client collaboration.

### Profit Formula

#### **Vertical Integration:**

ER&D → EMS → BTS value chain delivers cost and time advantages.

#### **High Entry Barrier:**

**Reduced Competition, Long-Term Profitability, Brand Loyalty & Market Position**

#### **Customer Centricity:**

**Higher Customer Retention, Reduced Support Costs, Cross-Selling and Upselling**

#### **India Cost Base + Global Clients:**

Higher margins through cost arbitrage and global market access.

## Key Resources

### Human Capital:

**1,900+ EMPLOYEES**, **600+ DESIGN ENGINEERS** across India, France and Canada.

### Global Infrastructure:

Plants and design centres in **BANGALORE**, **BELGIUM**, **FRANCE**, AND **CANADA**.

### Tech Backbone:

MES-enabled production, **ISO/AS9100-CERTIFIED FACILITIES**, cleanrooms, SMT lines.

### Intellectual Property:

**12+ PATENTS**, custom IP with OEM partners.

## Key Processes



### ER&D:

Full-stack design including RF, FPGA, simulation, embedded systems.



### EMS:

High-mix, medium-volume, quality-intensive manufacturing.



### BTS:

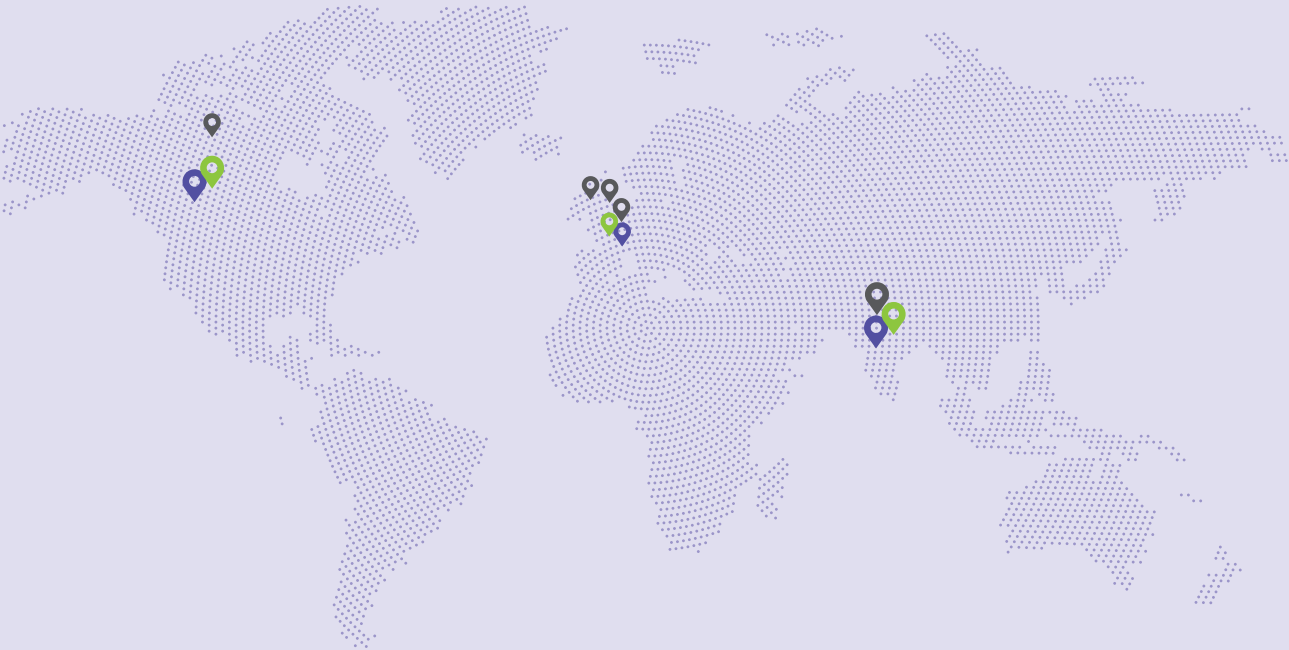
Concept-to-deployment turnkey solutions.












### Customer Engagement Models:

Flexible engagement models depending on the specific project requirements of customers



# GEOGRAPHICAL PRESENCE



| Country | Design  | Manufacturing   | Sales and Support   |
|---------|---|---|---|
| India   |  |  |  |
| Canada  |  |  |  |
| France  |  |  |  |
| UK      |   |   |  |
| Belgium |   |   |  |

## STRATEGICALLY ALIGNED ACROSS HIGH-IMPACT SECTORS

Centum operates across a diverse range of high-impact sectors, each pivotal to global progress and national priorities. From enabling critical advancements in aerospace, defence, and space to powering innovation in industry & energy, and healthcare technologies, Centum stands at the forefront of transformation. The Company's presence in these segments reflects a commitment to precision engineering, mission-critical reliability, and domain-centric solutions. Its focus on transportation and automotive technologies further underscores its role in shaping smarter mobility and electrification trends. By catering to these strategically significant industries, Centum not only strengthens its technological depth but also ensures a steady alignment with long-term, resilient demand cycles and national self-reliance goals.

### Sectors Served



Aerospace



Defence



Industry & Energy



Space



Healthcare



Transportation



Automotive





## DEFINING MOMENTS OF FY25

Centum presented turnkey DC-DC converters to VSSC Trivandrum, marking a milestone in avionics with VSSC Director praising Centum's contribution to PSLV Avionics.



Centum participated in ABB Supplier Meeting 2024, receiving the "Business Collaboration" award and reaffirming commitment to support localization under the "Make in India" initiative.



Centum signed an MoU with Hindustan Aeronautics Limited (HAL) to collaborate on indigenous products for export markets, reinforcing innovation and self-reliance.



Centum received a memento from ISRO's Inertial Systems Unit during IISU Industry Day 2024, acknowledging the collaborative efforts and dedication.



**Dr. S. Somanath**, Former Chairman, ISRO, visited Centum's Space Division and appreciated the 23-year journey in satellite payloads, recognizing key role in the Indian Space Ecosystem.



Centum Electronics Ltd. has been awarded "Best Performer-Electronic Hardware Exports-Bengaluru (Exports up to ₹2000 cr.)" at STPI IT Export Awards-Karnataka 2024



Mr. Mallavarapu Venkata Apparao spoke at the India-Germany CEO's Forum, highlighting workforce skill development and collaboration to make India a global manufacturing hub.



Centum hosted Dr. K. Sudhakar, Member of Parliament, highlighting commitment to Make in India and innovation in India's electronics landscape.





Centum showcased pioneering contributions at Bengaluru Space Expo 2024, with Mr. Apparao Mallavarapu emphasising unified growth and the importance of public-private partnerships in space innovation.



Mr. Nikhil Mallavarapu attended France India Foundation Young Leaders Program, engaging in discussions on sustainability, AI, healthcare, and strengthening France-India relations.



Centum hosted GIFAS delegation from France, exchanging insights on aerospace industry collaboration and showcasing advanced design and manufacturing capabilities.



Centum hosted BHEL leadership to discuss the roadmap of the MEMU Project, emphasizing collaborative innovation in Passenger Announcements and Communication Systems.



At the inaugural CII-IN-SPACe Conclave, Mr. Mallavarapu Venkata Apparao highlighted India's growing space economy and the transformative impact of space applications across industries.



Centum won three major awards at SEEM National Energy Management and Sustainability Awards, including the Platinum Award for Energy Management, marking four consecutive years of recognition.



In November 2024, Centum received an award from Dr. Jitendra Singh, Union Minister for Space, recognising it as a leading company in the space sector, presented by the Indian Space Association (ISA).



Mr. Nikhil Mallavarapu met the Civil Aviation Minister Shri Kinjarapu Ram Mohan Naidu, discussing Centum's role in India's aviation and Made in India civil aircraft vision.



Centum hosted Rafael Advanced Defense Systems CEO and delegation to foster technology collaboration supporting India's defense forces and Atmanirbhar Bharat.



Major General Eva Portier and delegation visited Centum's space facility, appreciating Centum's space technology capabilities and commitment to innovation and excellence.



# MANUFACTURING AND ENGINEERING CAPABILITIES

Centum Electronics Limited operates multiple manufacturing and engineering facilities globally.

**India: Bangalore**



**France: Paris**



**France: Grenoble**



**France: Toulouse**



**India: Bangalore**



**Belgium: Waterloo**



**Canada: Montreal**



**France: Lyon (Ecully)**





# PRODUCTS & SERVICES

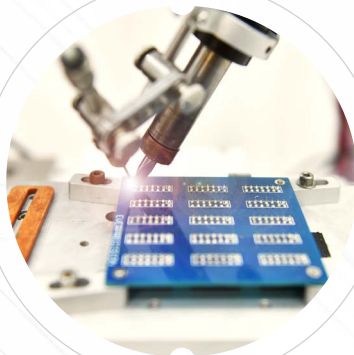


## Engineering R&D Services (ER&D)

At Centum, we take pride in being a catalyst in our customers' innovation journey. Our Engineering R&D Services are designed to turn complex ideas into tangible, high-performance electronic solutions. Whether it's electronic hardware, embedded software, FPGA design, analogue, RF systems, power electronics, we bring multidisciplinary expertise to the table.

Over the past three decades, we've built a globally distributed design network with over 600 design engineers based across India, Europe, and North America. This footprint enables us to collaborate closely with international customers while maintaining a dynamic mix of onshore and offshore engineering capabilities.

Our teams operate seamlessly across disciplines to deliver mission-critical, customised designs often in highly specialised, high-tech segments. To support varying customer needs, we offer engagement flexibility through both consulting and fixed-price models, allowing clients to choose the structure that best suits their project scope and timeline.



## Electronic Manufacturing Services (EMS)

We understand that manufacturing isn't just about assembly—it's about reliability, precision, and seamless execution. That's why our EMS offerings focus on high-complexity, high-reliability products for demanding sectors. From printed circuit board assemblies to line-replaceable units and complete system integration, our facilities are geared for full-spectrum manufacturing.

Our strength lies in our ability to adapt. We work closely with our customers to align with their product goals, leveraging streamlined internal systems and cross-functional teams to achieve this alignment. This collaborative model enables us to deliver scalable solutions while navigating the intricacies of the supply chain and meeting lifecycle expectations.

By integrating best-in-class practices with proactive planning, we help customers reduce time-to-market and drive down total cost of ownership, making us a trusted partner throughout the product lifecycle.



## Build to Specification (BTS)

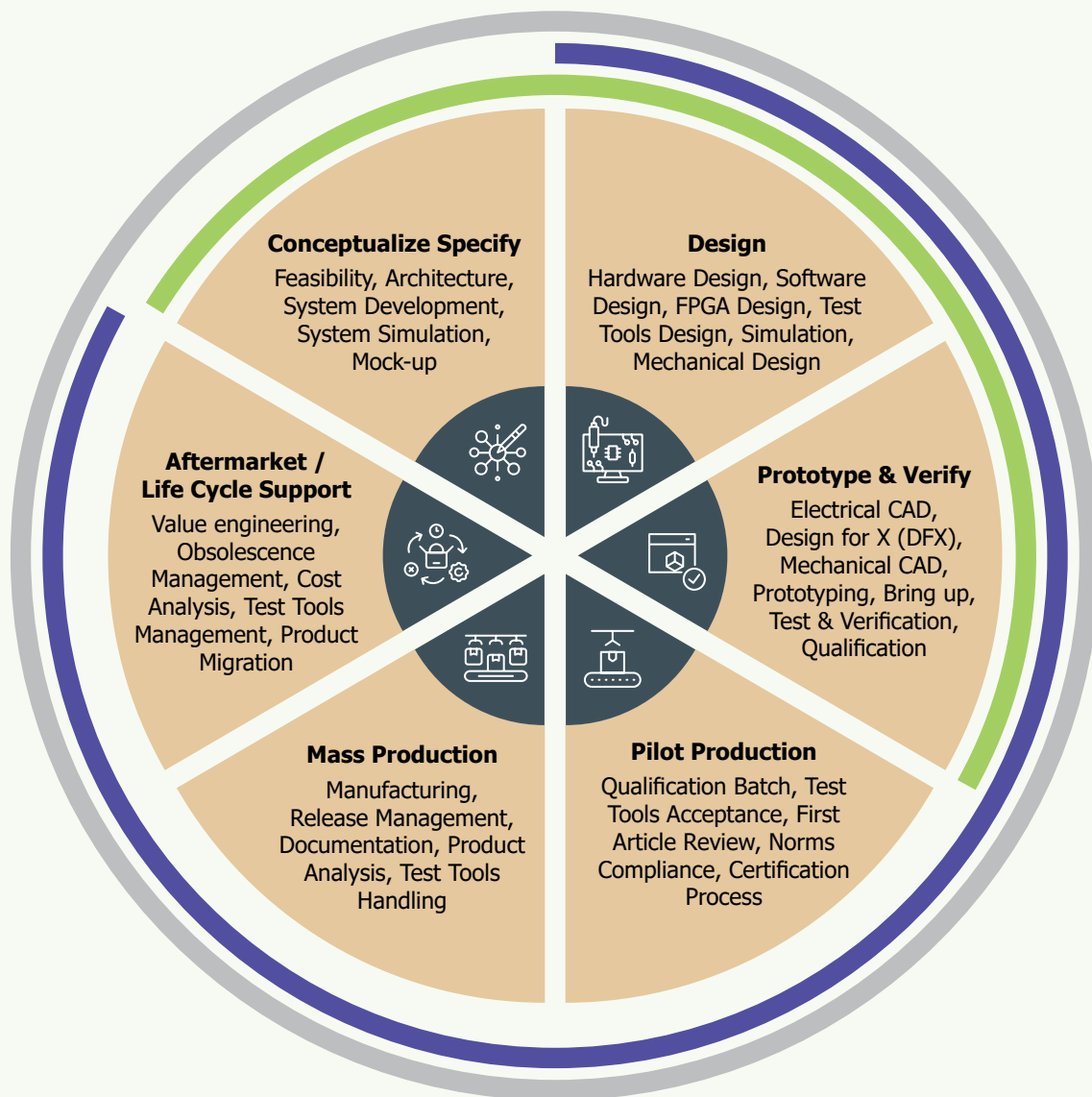
Our Build to Specification model is where our engineering, manufacturing, and industrialization expertise come together as a single, integrated value proposition. We own the process from a customer's concept to mass production—providing a single point of accountability for speed, cost, and quality.

Customers often turn to us for turn-key solutions because we simplify what would otherwise be a complex, multi-interface process. With our Design-to-Cost framework, we're able to reduce overall product costs while accelerating development timelines.

Beyond execution, we also help manage product evolution. Whether it's handling obsolescence, enabling performance upgrades, or localizing products for specific markets, our proactive lifecycle management ensures that customers derive long-term value from their engagements with us.

## BUSINESS SEGMENTS

- Our business is built around delivering value across the entire product lifecycle.
- We drive innovation through engineering research and development, covering everything from concept and design to prototyping this forms 21% of our focus. We scale ideas into reality through robust manufacturing capabilities under our EMS segment, which accounts for 47% of our operations. We ensure long-term product relevance and customer satisfaction through our Build to Support services, contributing 32%.
- We manage lifecycle needs such as obsolescence and cost optimisation.



21%

47%

32%

ER&D EMS BTS

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Mr. Mallavarapu Venkata Apparao**  
Chairman & Managing Director

**Mr. Nikhil Mallavarapu**  
Joint Managing Director

**Ms. Tanya Mallavarapu**  
Non-Executive Director

**Mr. Rajiv Chandrakant Mody**  
Independent Director

**Mr. Manoj Nagrath**  
Independent Director

**Mr. Thiruvengadam Parthasarathi**  
Independent Director

**Ms. V Kavitha Dutt**  
Independent Director

**Mr. Tarun Sawhney**  
Independent Director

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

## CHIEF FINANCIAL OFFICER

**Mr. K S Desikan**

## COMPANY SECRETARY AND COMPLIANCE OFFICER

**Ms. Indu H S**

## STATUTORY AUDITORS

**Messrs. S.R. Batliboi & Associates LLP**  
Chartered Accountants,  
UB City, Canberra Block, 12<sup>th</sup> & 13<sup>th</sup> Floor,  
No. 24, Vittal Mallya Road,  
Bangalore – 560 001

## INTERNAL AUDITORS

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

## COST AUDITORS

**Messrs. K.S. Kamalakara & Co., Cost Accountants**  
#999/30, "Nithya Mansion", 1<sup>st</sup> Floor, 1<sup>st</sup> Main, 4<sup>th</sup> Cross, Vijayanagar, Bangalore - 560 040

## SECRETARIAL AUDITORS

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

## AUDIT COMMITTEE

**Mr. Manoj Nagrath**, Chairman

**Mr. Mallavarapu Venkata Apparao**, Member

**Mr. Thiruvengadam Parthasarathi**, Member

**Ms. V Kavitha Dutt\***, Member

**Mr. Tarun**

**Sawhney\***, Member

\*The Committee was reconstituted on May 22, 2025 to include Ms. V Kavitha Dutt and Mr. Tarun Sawhney as Members with effect from May 23, 2025.

## NOMINATION & REMUNERATION COMMITTEE

**Mr. Manoj Nagrath**, Chairman

**Mr. Rajiv Chandrakant Mody**, Member

**Mr. Mallavarapu Venkata Apparao**, Member

**Ms. V Kavitha Dutt**, Member

**Mr. Tarun**

**Sawhney\***, Member

**Dr. Udayant Malhoutra\***, Member

\*The Committee was reconstituted on May 22, 2025 to include Mr. Tarun Sawhney and Dr. Udayant Malhoutra as Members with effect from May 23, 2025.

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

**Mr. Manoj Nagrath**, Chairman

**Mr. Nikhil Mallavarapu**, Member

**Ms. Tanya Mallavarapu**, Member

**Dr. Udayant Malhoutra\***, Member

\*The Committee was reconstituted on May 22, 2025 to include Dr. Udayant Malhoutra as Member with effect from May 23, 2025.

## CSR COMMITTEE

**Mr. Thiruvengadam Parthasarathi**, Chairman

**Ms. V Kavitha Dutt**, Member

**Ms. Tanya Mallavarapu**, Member

**Mr. Nikhil Mallavarapu\***, Member

\*The Committee was reconstituted on May 22, 2025 to include Mr. Nikhil Mallavarapu as Member with effect from May 23, 2025.

## RISK MANAGEMENT COMMITTEE

**Mr. Thiruvengadam Parthasarathi**, Chairman

**Mr. Nikhil Mallavarapu**, Member

**Mr. K S Desikan**, Member

**Ms. Tanya**

**Mallavarapu\***, Member

**Mr. Sundararajan**

**Parthasarathy\***, Member

\*The Committee was reconstituted on May 22, 2025 to include Ms. Tanya Mallavarapu and Mr. Sundararajan Parthasarathy as Members with effect from September 1, 2025.

## REGISTERED & CORPORATE OFFICE

No.44 KHB Industrial area,  
Yelahanka New Town,  
Bangalore – 560 106

## EQUITY SHARES LISTED AT

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

## REGISTRAR & SHARE TRANSFER AGENTS

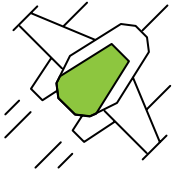
KFin Technologies Limited,  
Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District,  
Nanakramguda, Hyderabad – 500 032  
Toll Free Number: 1800 309 4001  
Email Id.: einward.ris@kfintech.com

## BANKERS

State Bank of India  
Kotak Mahindra Bank Limited  
HDFC Bank Limited



## REVIEW OF BUSINESS ACROSS SECTORS



### Defence, Space & Aerospace

Centum's deepest capabilities and most strategic contributions continue to be in the defence, space, and aerospace domains. This segment, contributing over half of the company's revenues, reflects the trust placed in Centum by national and global institutions for mission-critical systems. The company is a long-standing partner to ISRO, DRDO, and defence PSUs, delivering high-performance subsystems for satellites, missiles, tanks, and radar platforms. Centum has steadily moved up the value chain from being a supplier of components to becoming a partner in the complete development of satellite payloads and advanced defence electronics. In the aerospace industry, the company continues to play a significant role in the cockpit and avionics systems of leading global original equipment manufacturers (OEMs). The company is also reshaping its engineering services business in France to focus on high-value engagements in defence and aerospace. Through these focused efforts, Centum is not just delivering precision-engineered systems but actively contributing to the nation's strategic autonomy and advancing the global aerospace ecosystem.



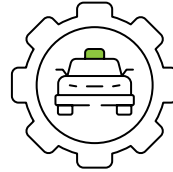
#### HIGHLIGHTS OF THE YEAR:

Revenue Contribution  
in FY25

**56%**



Deepened involvement in payloads for electronic intelligence missions, contributed to the execution of critical radar and missile platforms, and repositioned the European engineering operations to align with global aerospace demand.



### Transport & Automotive

Centum continues to create value in the global transportation and automotive ecosystem by offering next-generation electronics and integrated manufacturing solutions. The company's technology is embedded in advanced passenger information systems deployed across key geographies including North America, Europe, and Asia. In the automotive segment, Centum continues to support the global shift towards electric mobility by delivering advanced electronics for electric vehicles. The company's engagements span inverters, control systems, and energy management technologies that enhance the efficiency and sustainability of mobility platforms. By collaborating with global and domestic players in biometrics and automotive solutions, Centum is laying the foundation for the next wave of value-driven innovation in mobility.



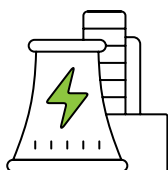
#### HIGHLIGHTS OF THE YEAR:

Revenue Contribution  
in FY25

**21%**



Initiated turnaround efforts in the transportation systems business, expanded offerings for electronics related to electric vehicles and onboarded new programs in emerging automotive sub-segments.



## Industrial & Energy

In the industrial and energy domain, Centum continues to position itself as a partner of choice for intelligent electronics that power modern infrastructure. The company's contributions extend to energy conversion systems, industrial automation, and electronics that support renewable integration and grid modernisation. Through design-led EMS programs, Centum is enabling OEMs to accelerate innovation cycles while ensuring supply chain resilience. Recent wins in semiconductor equipment and biometric systems reflect the company's expanding relevance in high-growth industrial technologies. With a clear focus on co-creating solutions for customers across geographies, Centum is building long-term value in sectors aligned with digital infrastructure, clean energy, and innovative industrial systems.



### HIGHLIGHTS OF THE YEAR:

Revenue Contribution in FY25

**14%**



Scaled up design and manufacturing engagements with new industrial clients, particularly in semiconductor and energy system domains, and reinforced readiness for supporting India's energy transition.



## Healthcare

Centum's engagement in the healthcare space reflects the company's commitment to improving lives through reliable and responsive medical technologies. The company supports leading healthcare equipment OEMs by designing and delivering customised electronics for radiology, diagnostic imaging, infusion systems, and surgical automation. While this vertical represents a modest share of overall revenue, the nature of the work is high-value and deeply integrated into essential clinical functions. Centum remains focused on enhancing system efficiency, patient safety, and operational precision in healthcare environments. By embedding its engineering expertise into critical care and diagnostic systems, Centum continues to create enduring value for both technology partners and healthcare ecosystems.



### HIGHLIGHTS OF THE YEAR:

Revenue Contribution in FY25

**9%**



Sustained collaborations with medical OEMs to deliver performance-critical systems and expanded design scope across imaging and patient support technologies.

## FINANCIAL HIGHLIGHTS

### Consolidated

(₹ in million)

| Statement of Profit & Loss Account   | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 |
|--|---------|---------|---------|---------|---------|
| Total Income   | 11,641  | 10,976  | 9,288   | 7,880   | 8,232   |
| Earnings Before Interest Tax Depreciation and Amortization (EBITDA) <sup>1</sup> | 967     | 858     | 762     | 742     | 895     |
| Earnings Before Interest and Tax (EBIT) <sup>2</sup>                             | 613     | 474     | 382     | 391     | 500     |
| Earnings Before Tax (EBT) <sup>2</sup>   | 284     | 128     | 109     | 127     | 205     |
| Earnings per Share(₹)  | 1.89    | 1.36    | 7.55    | (23.7)  | 13.3    |
| Book Value per Share(₹)  | 275     | 158     | 164     | 158     | 186     |

(₹ in million)

| Balance Sheet                                     | 2024-25      | 2023-24      | 2022-23      | 2021-22      | 2020-21      |
|---|--------------|--------------|--------------|--------------|--------------|
| PPE, Intangible Assets, CWIP, Goodwill and IAUD   | 1,897        | 1,957        | 2,015        | 2,032        | 2,162        |
| Investments                                       | 1            | 85           | 96           | 73           | 488          |
| Net Assets (Current and Non-Current) <sup>3</sup> | 3,493        | 1,818        | 2,595        | 2,606        | 2,935        |
|   | <b>5,391</b> | <b>3,860</b> | <b>4,706</b> | <b>4,711</b> | <b>5,585</b> |
| Share Capital                                     | 147          | 129          | 129          | 129          | 129          |
| Other equity and Non-controlling interest         | 3,796        | 1,838        | 1,912        | 1,856        | 2,272        |
| Borrowings <sup>4</sup>                           | 1,448        | 1,893        | 2,665        | 2,726        | 3,184        |
|   | <b>5,391</b> | <b>3,860</b> | <b>4,706</b> | <b>4,711</b> | <b>5,585</b> |

| Key Ratios   | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 |
|--|---------|---------|---------|---------|---------|
| EBITDA <sup>1</sup> (% to Revenue from Operations) | 8.4%    | 7.9%    | 8.3%    | 9.5%    | 11.0%   |
| Fixed Assets (No of times) <sup>5</sup>            | 6.1     | 5.6     | 4.6     | 3.9     | 3.8     |
| EBT <sup>2</sup> / Revenue from Operations         | 2%      | 1%      | 1%      | 2%      | 3%      |
| Return on Capital Employed (%) <sup>#6</sup>       | 13.1%   | 15.6%   | 10.0%   | 10.2%   | 10.6%   |

<sup>1</sup> Excludes exceptional item & share of profit / loss from associate / finance income/other income

<sup>2</sup> Excludes exceptional item & share of profit / loss from associate

<sup>3</sup> Total assets excluding Property, plant and equipment (PPE), Capital work-in-progress (CWIP), Other intangible assets, Intangible assets under development (IAUD) and Investments

<sup>4</sup> Includes Current Maturity of long term borrowings & Interest accrued but not due on borrowings

<sup>5</sup> Revenue from operations/PPE, Other intangible assets, CWIP, Goodwill and IAUD

<sup>6</sup> EBIT/(Share capital, Other Equity, Non-Controlling interest and Borrowings less Goodwill, other intangible assets and IAUD)

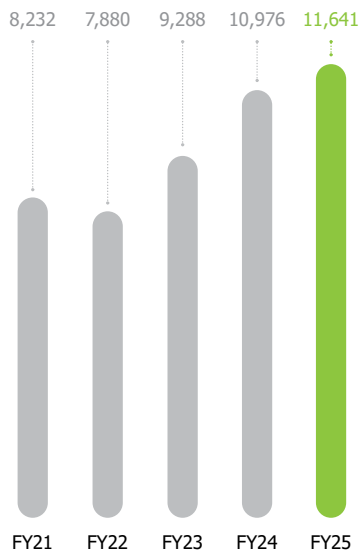
<sup>7</sup> (Current assets-current liabilities excluding short term borrowings)\*365/revenue from operations

<sup>8</sup> Borrowings/Total equity



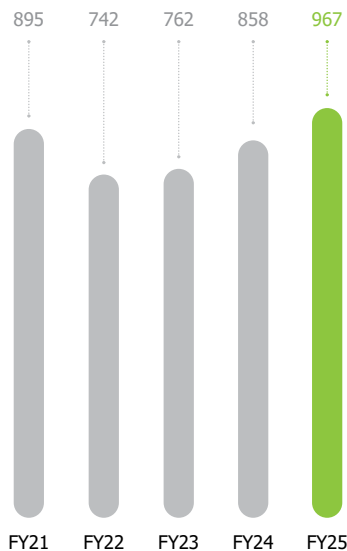
### Total Income

(₹ in million)



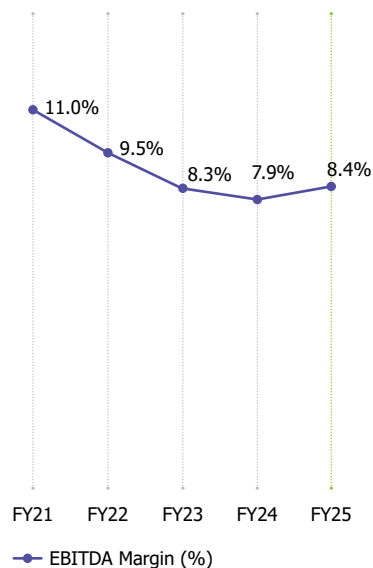
### EBITDA

(₹ in million)



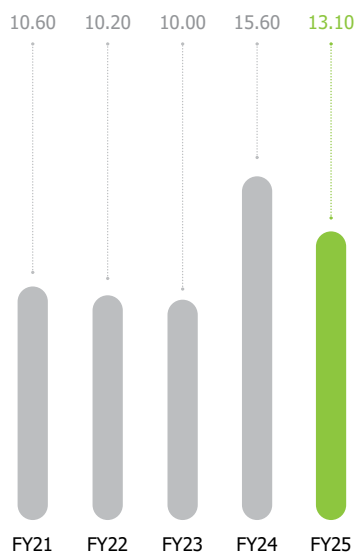
### EBITDA Margin

(in %)



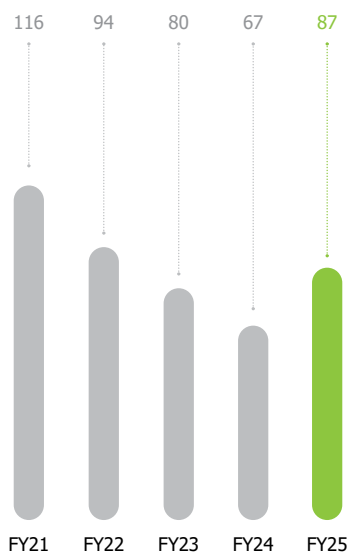
### ROCE<sup>#</sup>

(in %)



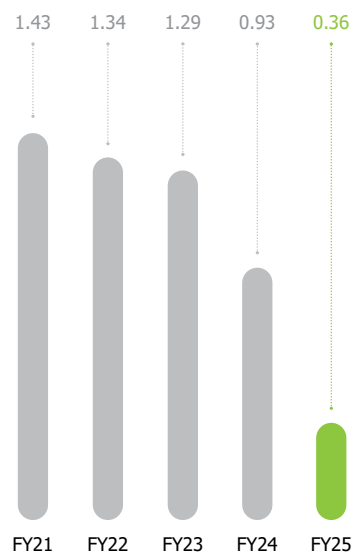
### Net Working Capital<sup>#7</sup>

(in days)



### Debt to Equity<sup>#8</sup>

(no of times)



# Adjusted

# HUMAN CAPITAL

## Five HR Strategic Priorities

### Digital Transformation

Strengthen people organization through complete automation from Hire to Retire

### Pay for Performance

Identifying the talent and high performers and pay as per the market

### Drive Efficiency

Invest in people skills and growth for Centum to be future ready organization

### Best place to work

By focusing on employee engagement to make employees more productive

### Innovative Organization

Target "Attract talent and retain" to build Centum as a Global Center of Excellence for innovative engineering & manufacturing

## Talent Acquisition and Retention

Our ability to attract and retain top talent is reinforced through targeted engagement initiatives, robust systems, and market-aligned HR practices. Each initiative is closely monitored to ensure effectiveness. We fully automated the performance appraisal process, which was completed on schedule and brought greater transparency and clarity to goal setting for the upcoming year.

Compensation structures are regularly benchmarked against market standards, allowing timely adjustments to remain competitive. Our open-door policy and responsive grievance redressal mechanism further fosters trust and accountability. A multi-channel recruitment strategy enables us to hire critical talent promptly, contributing significantly to the retention of high-performing employees.



## Leadership Development Initiatives

Leadership development remains a key priority in our human capital strategy. We adopted a structured approach to identify future leaders through assessment centers and formal evaluations. Twenty-three managers were selected for a customized leadership development program tailored to their growth needs.

Alongside these formal interventions, we strengthened mentoring and coaching efforts to support personal and professional development. Technical and soft skill upskilling continued throughout the year. Special emphasis was placed on building people management capabilities among our managerial cadre. These initiatives led to improved productivity, readiness to lead complex technology projects, and empowered, decentralized decision-making.



## Training and Development & Knowledge Management

We believe a learning organization gains a lasting competitive edge. Guided by this philosophy, we ensure every employee undergoes a minimum of four days of structured training during the year. This includes a mix of technical, functional, and behavioral learning modules.

We continue to promote a culture of knowledge sharing and continuous learning. During our annual Innovation Day, teams showcased impactful Kaizen initiatives that contributed to business and customer success.

Domain experts and senior leaders conduct regular knowledge-sharing sessions, while informal peer learning remained a strong pillar of our culture. Structured onboarding program for new hires, particularly trainee engineers, provided deep technical, organizational, and cultural insights—ensuring seamless integration and long-term knowledge continuity.



## Employee Well-being

Our focus on employee well-being extended beyond physical health to emotional and psychological wellness. Various initiatives, including stress management workshops and accessible support mechanisms, were rolled out to promote a healthy work environment.



## Digitization

This year, we launched several new HR digitization initiatives aligned with our strategic goals. A comprehensive HR automation project was undertaken to consolidate processes onto a single digital platform, enhancing the overall experience for both managerial and non-managerial employees.

## Community Volunteering

Employee participation in community outreach remained strong, reflecting our commitment to social responsibility. A large number of employees actively engaged in volunteering activities such as teaching at a school for visually impaired children, running the TCS 10K to support an NGO that provides wheelchairs to underprivileged individuals, and organizing a workplace food festival to raise funds for government school infrastructure.

Every year few hundreds of our employees come forward to donate blood.

Employees also participated in cleanliness and sustainability drives around our factory premises. These efforts not only created social impact but also enhanced employee engagement, pride, and unity.





## BOARD OF DIRECTORS



**Mallavarapu Venkata Apparao**  
Chairman & Managing Director

Mallavarapu founded Centum Electronics in 1993 and has grown it into a global Electronics Design and Manufacturing Company. He has successfully led global joint ventures. He holds a Bachelor's in Mechanical Engineering from Bangalore University and a Master's degree from Daltech University, Canada, and has completed the Harvard Business School Presidential Program. He is also a Ford Foundation scholar. He is the Chairman of the CII National Committee on Space and the Convenor of the CII Karnataka Panel on Technology for the year 2025-26.



**Nikhil Mallavarapu**  
Joint Managing Director

Nikhil has been associated with the Centum since August 2012. Before Centum, he worked with Analogue Devices in the MEMS sensors division. He holds Master's and Bachelor's degrees in Electrical & Computer Engineering from Carnegie Mellon University and an MBA from INSEAD, France. He brings strategic foresight in electronics, business development, and innovation.



**Manoj Nagrath**  
Independent Director

Manoj Nagrath is a seasoned Chartered Accountant with over four decades of professional experience spanning Direct Taxation, Assurance, Corporate and Legal Advisory, Structuring & Transactions, Regulatory Representation, and Arbitration. He is the Managing Partner of S.P. Nagrath & Co. LLP, a legacy firm established over 70 years ago, which he has led into a respected, multidisciplinary practice serving a wide spectrum of Indian and multinational clients.



**Rajiv C Mody**  
Independent Director

Rajiv C Mody is the Founder, Chairman, Managing Director & CEO, of Sasken Technologies Ltd. (Sasken). Under his leadership, Sasken has grown into a global powerhouse in Product Engineering and Digital Transformation services. Before founding Sasken, he worked with corporations like AMD, Seattle Tech Inc., and VLSI Technology Inc. Mr Mody has served as an Executive Council Member of NASSCOM (2001–2008) and is part of the Harvard Business School South Asia Advisory Board.



**P. Thiruvengadam**  
Independent Director

Thiruvengadam was a National Director at Deloitte Touche Tohmatsu India Pvt. Ltd (DTTIPL), where he provided leadership to the HR transformation practice. He has over 40 years of global experience in management consulting, with expertise in HR strategy and talent management, Business Process Improvement, and Strategic Planning, among other advisory services. He is a Cost Accountant from The Institute of Cost Accountants of India and a graduate of the Indian Institute of Technology, Madras.



**V Kavitha Dutt**  
Independent Director

V Kavitha Dutt is the Joint Managing Director at The KCP Ltd., an 84-year-old diversified business group involved in the manufacture of Cement, Heavy Engineering, Sugar, Power Generation, and hospitality. She has been involved in various business, social and cultural activities. She has 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.

## BOARD OF DIRECTORS



**Tanya Mallavarapu**  
Non-Executive Director

Tanya is the founder of TMR Design Co. LLP, a cross-disciplinary firm focused on innovation and functionality across industries. Earlier, she was a marketing executive in global luxury retail and a business analyst at Intuit. She holds a Master's in Economics from Duke University and a Bachelor's in Business Administration from the University of Southern California. Her strengths lie in brand strategy, global marketing, and design-led business innovation.



**Tarun Sawhney**  
Independent Director

Tarun Sawhney is the Vice Chairman & Managing Director of Triveni Engineering & Industries Ltd. (TEIL), a leading Indian producer of ethanol, sugar, and bioenergy. He also chairs Sir Shadi Lal Enterprises and serves on the boards of Triveni Turbine, Triveni Energy Solutions, Centum Electronics, and Jagran Prakashan. A Wharton MBA and Cambridge alumnus, Tarun has held key industry roles, including President of the Indian Sugar Mills Association, and is active in CII, ICAR, and ICFA. He has received several honors, including the Industry Excellence Award from former President Pratibha Patil and the Chevalier du Tastevin title in 2023.



**Udayant Malhoutra**  
Independent Director

Malhoutra is CEO & MD of Dynamatic Technologies, a global supplier to Airbus, Boeing, BMW, and others in aerospace and automotive sectors. He also chairs Eisenwerk Erla GmbH, Germany and Dynamatic Ltd., UK. With over three decades of leadership, he drives innovation, design, and manufacturing excellence. He chairs CII's Design Council and served on IIT Kanpur's Board. He was conferred an honorary doctorate for his contributions to strategic manufacturing, R&D, and national industrial development.



## SENIOR MANAGEMENT



**Mallavarapu Venkata Apparao**  
Chairman & Managing Director  
Centum Group



**Nikhil Mallavarapu**  
Joint Managing Director



**K S Desikan**  
CFO & Head of Strategy Centum  
Group



**Vinod Chippalkatti**  
President - Strategic Electronics  
Business Unit



**Jagadish Singh**  
President - EMS Business Unit



**Vishwanath Muddegowdara**  
CEO Centum T&S Group Société  
Anonyme (S.A.)



**Sandhya Thyagarajan**  
Vice-President - Strategic Electronics  
Business Unit



**Nanda Kishore Vempati**  
Head - HR

## ENVIRONMENT & ENERGY INITIATIVES

Centum Electronics has made a decisive shift toward renewable energy, with green power sourced from solar and wind accounting for approximately 90% of its total energy consumption in FY 2024-25. This strategic procurement, achieved through open access power agreements, significantly reduced the company's carbon footprint, lowering CO<sub>2</sub> emissions from 5,427 tonnes in 2017-18 to just 334 tonnes in 2024-25. This achievement underlines Centum's commitment to sustainability and aligns with its long-term climate accountability goals.

### Improving energy efficiency through innovation

Centum's operations have embraced a series of innovative technologies to reduce energy intensity and optimise resource consumption. These include the implementation of Variable Frequency Drives (VFDs) across air handling units, sensor-based automation systems for nitrogen gas usage, and temperature control systems for enhanced HVAC efficiency. A redesigned mechanical vibration fixture now enables multi-device testing simultaneously, leading to nearly 50% reduction in energy usage during quality screening processes. Additionally, motion-sensor lighting, digitised UPS monitoring, and thermography-guided electrical maintenance have collectively contributed to smarter, energy-efficient facilities.

### Reducing greenhouse gas emissions

The company has proactively undertaken several measures to lower both direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions. Total emissions in these categories were contained to 2,681 tCO<sub>2</sub>e in FY 2024-25 despite operational growth. In parallel, Centum has begun reporting on Scope 3 emissions across multiple categories, including business travel, employee commuting, and logistics, and is expanding this coverage to reflect a more comprehensive picture of its value chain impact.

### Enhancing water conservation and circular use

Water management remains a critical area of focus. Despite business expansion, Centum successfully reduced its total water withdrawal and consumption

from 63,841 kilolitres in FY 2023-24 to 41,433 kilolitres in FY 2024-25—a significant reduction of over 35%. A key enabler has been the operation of an in-house sewage treatment and water recirculation system, with re-treated water being effectively reused for landscaping, minimising reliance on fresh groundwater. Furthermore, a digitised water monitoring system enables real-time data tracking to improve operational controls and water use efficiency.

### Responsible air emission management

The company ensures monthly monitoring of emissions like NO<sub>x</sub>, SO<sub>x</sub>, and particulate matter through assessments conducted by NABL- and MoEF-approved laboratories. Even as output increased, Centum continued to stay within prescribed thresholds for air pollutants, underscoring its compliance with national environmental standards. Sensor-based emission control mechanisms also help reduce nitrogen and helium gas leakage from machines, thereby mitigating adverse ecological impacts.

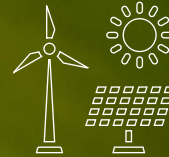
### Sustainable waste management practices

Centum has adopted the 3R approach—Reduce, Recover, and Reuse—across all departments to curb hazardous and non-hazardous waste generation. In FY 2024-25, waste recycling and reuse increased by nearly 40% compared to the previous year. Recovered solder waste is reused in production processes, while non-hazardous materials, such as paper and corrugated boxes, are segregated and sent for recycling. Hazardous materials are collected, stored, and disposed of strictly through certified vendors in adherence to environmental regulations.

### Creating a resilient and compliant ecosystem

The company complies with all applicable Indian environmental laws, including the Water Act, Air Act, and Environment Protection Act. No significant environmental impacts were reported across its operations or value chain, and none of its facilities are located in ecologically sensitive areas. Centum's integrated environmental strategy is complemented by a robust Business Continuity Plan (BCP), ensuring resilience in the face of ecological disruptions and disasters.

# Highlights



**90%** of Total Energy Sourced from **RENEWABLES** (WIND AND SOLAR)

**CO<sub>2</sub>**

**334 TONNES** of CO<sub>2</sub> emissions in FY25, down from 5,427 tonnes in FY18



**REDUCTION** in water consumption year-on-year



**SIGNIFICANT DROP** in nitrogen and helium emissions through **SENSOR-BASED CONTROLS**

**NO OPERATIONS** in ecologically sensitive zones; **FULL COMPLIANCE** with environmental laws

**IN-HOUSE REUSE** of treated wastewater for landscape maintenance



## Management Discussion & Analysis

### Business Environment

The global business landscape underwent rapid transformation during the last financial year. Ongoing geopolitical conflicts have disrupted supply chains, while shifts in political leadership have influenced global trade dynamics, fuelling protectionist sentiments. As a result, the global economy is expected to experience slower growth in 2025–2026, with notable regional disparities. Contributing factors include uncertainty in trade policies, tighter financial conditions, and declining business confidence.

Despite these global headwinds, India remains on a robust growth trajectory. Its share of global GDP has increased from 1.9% in 2008 to 3.4% in 2023. The Government of India now aims to raise this figure to 8–10% by 2040. Domestic demand continues to demonstrate strength and resilience, underpinning the country's economic momentum.

India has displayed steady economic growth, with its GDP growing to 6.4% in FY25 and remains close to the decadal average. GDP is expected to continue to grow between 6.3% to 6.8% in FY26. Key factors driving this optimistic outlook include investment in infrastructure development including digital infrastructure, policy reforms to promote investment, green energy initiatives and strengthening global trade partnerships.

### 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 operational presence spans across India, Europe, and North America, supported 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 organizations, 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 emphasizes 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 revenue of ₹ 11,554 million and the revenue break down for FY 25 is given below:

| Industry wise              |     | Geography wise    |     | Segment wise                            |     |
|----------------------------|-----|-------------------|-----|---|-----|
| Defense, Space & Aerospace | 56% | Europe            | 59% | Engineering R&D services (ER&D)         | 21% |
| Transport & Automotive     | 21% | India             | 31% | Electronic Manufacturing Services (EMS) | 47% |
| Industrial & Energy        | 14% | North America     | 8%  | Built-To-Specification (BTS)            | 32% |
| Healthcare                 | 9%  | Rest of the world | 2%  |   |     |

### Industry Overview

Electronics System Design and Manufacturing (ESDM) continues to rank among the fastest-growing sectors globally, reshaping industries, economies, and everyday life.

The expansion is fuelled by sustained momentum in consumer electronics, industrial automation, medical devices, aerospace and defence systems, and increasingly, smart mobility solutions. Technologies such as Artificial Intelligence (AI), 5G, Internet of Things (IoT), and Clean-Tech are redefining the design and complexity of electronic systems.

India's share in the global Electronics System Design and Manufacturing (ESDM) industry is projected to rise to 6–7% by 2027, underscoring its growing strategic importance in the global value chain. This momentum is being driven by global supply chain diversification, geopolitical shifts, and the push for more resilient and sustainable manufacturing ecosystems. In FY24, India's electronics and digital technology sector saw robust growth, fuelled by strong policy support, rising domestic demand, and targeted investments in self-reliance and innovation.

Domestic electronics manufacturing surged from ₹ 5.54 lakh crore (~USD 76 billion) in FY21 to ₹ 9.52 lakh crore (~USD 115 billion) in FY24, achieving a CAGR of nearly 20%. The sector is on track to reach USD 300 billion by 2026. Key government initiatives—including the Semicon India Programme, PLI 2.0 for electronics and IT hardware, SPECS, EMC 2.0, and the newly announced ₹ 30,000 crore Electronics Component Manufacturing Scheme (ECMS)—are catalysing growth in semiconductor design, component manufacturing, and infrastructure development. 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 reached an all-time high of USD 2.7 trillion in 2024, marking a 9.4% year-on-year increase, the steepest rise since 1988. This spending accounts for approximately 2.5% of global GDP, indicating the growing priority governments are placing on national defence, strategic autonomy, and technological preparedness.

European nations led the surge, with NATO members collectively increasing the spend by 11.7%. Germany unveiled a landmark rearmament plan, targeting 3.5% of GDP by 2029, while all 32 NATO countries have committed to a goal of spending 5% of GDP on defence by 2035, including allocations for cyber, infrastructure, and logistics. Meanwhile, Israel recorded the steepest global increase, with defence expenditure soaring to 8.8% of GDP, amid ongoing conflicts and rising regional threats.

### Indian Defence, Aerospace and Space Sector

India is the 7th largest aerospace and defence (A&D) market globally and hosts the second largest armed force. In FY24, the Indian defence sector continued its emphasis on indigenization, with over 70% of defence procurement routed to Indian entities, enabled by the 'Make in India' and 'Aatmanirbhar Bharat' initiatives. With an annual spend of USD 79 billion, reflecting a 4.2% year-on-year growth, India stands as the fifth-largest global defence spender.

These investments are being concentrated in key domains such as air and missile defence, electronic warfare (EW), cybersecurity, autonomous systems, and military-grade communications infrastructure. These priorities reflect a clear shift towards networked, multi-domain operations, resilient battlefield electronics, and accelerated deployment of dual-use technologies—trends that present strategic alignment with Centum's capabilities in high-reliability defence and aerospace subsystems.

The global space sector has continued its rapid evolution, driven by technological breakthroughs, commercial

innovation, and ambitious government programs. Private players like SpaceX, Blue Origin, and Rocket Lab have expanded their roles in satellite deployment, reusable launch systems, and satellite internet constellations. FY25 saw further advancements in multi-orbit satellite networks, AI-enabled mission planning, and deeper collaboration between national space agencies and private enterprises.

India's space program, led by ISRO, has made significant progress. The Chandrayaan-3 mission's successful lunar landing in 2023 was followed in FY25 by the return of its propulsion module to Earth orbit for re-entry simulations, laying the groundwork for Chandrayaan-4. ISRO also advanced its Gaganyaan human spaceflight program and launched the NISAR satellite in partnership with NASA. The Indian government reinforced its commitment through increased budget allocations, policy reforms, and incentives to boost private sector participation.

India's private space ecosystem is gaining momentum, with startups developing indigenous technologies in satellite communications, Earth observation, and defence. Strategic collaborations, both domestic and international, are positioning India as a rising force in the global space economy.

The global commercial aerospace sector saw a strong resurgence in 2024. Demand for new aircraft remains high, with OEM backlogs exceeding 17,000 aircrafts globally, driven by rising air travel, fleet renewal needs, and expanding routes in emerging markets. Alongside volume growth, the industry is undergoing a fundamental transformation with increasing focus on sustainability and decarbonization. Key trends include the rapid scale-up of Sustainable Aviation Fuel (SAF) and the development of hybrid-electric and hydrogen propulsion technologies, particularly for regional and narrow-body aircraft. Aircraft OEMs and engine manufacturers are investing heavily in cleaner propulsion systems, advanced materials, and digital flight optimization technologies to reduce emissions and operating costs.

### 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 long-overdue modernisation journey to overcome legacy constraints and position itself for the future.

### Mobility Sector Trends

The automotive sector is rapidly evolving with growing demand for safety features, ADAS, connectivity, and EVs. The global automotive electronics market is set to grow to USD 540–650 billion by 2032, from USD 250 billion in 2022. India's auto-electronics market, currently worth USD 10.6 billion, is expected to grow at a CAGR of 21.5%, reaching USD 70.3–74.4 billion by 2032.

## Rail Mobility Market

Rail infrastructure investments are increasing globally, with a focus on digitalization. The global digital railway market, which includes operations and passenger systems, is expanding. In India, metro networks are growing rapidly, with over 1,700 kilometres of metro lines planned. The government is also introducing high-speed trains like the 'Vande Bharat' for domestic and export markets.

## Industrial & Energy Sectors

The industrial sector, encompassing Oil & Gas, Industrial Automation, Electrification, 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 electrification, 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 India, the industrial market is poised for substantial growth, bolstered by investments in smart manufacturing, infrastructure, and energy-efficient solutions. The Indian government's increased focus on electrification and renewable energy projects is accelerating the demand for sophisticated electronic components and systems. With substantial government initiatives, India's renewable energy capacity is on track for significant expansion, positioning the country as a leader in the sector.

## Healthcare

The global medical devices industry is experiencing strong growth, fuelled by technological advancements, an aging population, and rising healthcare expenditures. Innovations in diagnostics, wearable technology, and minimally invasive procedures are enhancing patient care, improving outcomes, and driving cost efficiencies. Evolving regulatory frameworks are ensuring safety and efficacy while facilitating quicker market access for breakthrough devices.

In India, the medical devices sector is set for substantial expansion, supported by government initiatives such as the Production Linked Incentive (PLI) scheme and the establishment of dedicated medical device parks. The rising demand for affordable healthcare solutions and a push for indigenous manufacturing are key growth drivers. Currently, India imports around 70-75% of its medical devices, with key imports including diagnostic imaging, consumables, orthopaedic devices, prosthetics, and dental products. The sector is diversifying into advanced imaging, in-vitro diagnostics, and implantable devices, catering to both domestic needs and export opportunities.

## Strategy & Business Outlook

Centum Electronics has consciously cultivated a strong presence in high-reliability sectors characterized 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 conceptualisation, 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.

During the FY25, the Centum group's consolidated revenue stood at ₹ 11,554 million. The past year marked a significant step forward in Centum's journey of profitable growth, particularly within the standalone business. Operational revenue for the standalone entity grew by 18.5% year-on-year to ₹ 7,498 million, supported by strong traction in both the EMS and Build-to-Specification (BTS) segments.

The consolidated order book at the end of FY25 was at ₹ 17,364 million. On a standalone basis, the order book was at ₹ 13,296 million registering a growth of 19%. 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.

To strengthen our balance sheet and prepare for the next phase of growth, we successfully raised ₹ 2,100 million through a Qualified Institutional Placement (QIP) during the year. The proceeds will be primarily used for debt reduction and are also earmarked for capacity expansion and other strategic initiatives. This capital infusion from marquee institutional investors reflects their confidence in Centum's business fundamentals and long-term potential.

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 Electronics Manufacturing Services (EMS) business



continues to be the largest revenue contributor to Centum's consolidated performance, accounting for nearly half of the top line in FY25.

Centum's EMS division provides a comprehensive suite of manufacturing services that support the realization and delivery of electronic products for high-reliability applications. Its capabilities span the full spectrum—from printed circuit board (PCB) assemblies and complex box builds to complete system integration—delivering mission-critical products based on customer designs. A significant share of this business is export-oriented, with key customers across Europe, North America, the Middle East and Israel.

The EMS segment has demonstrated strong growth in recent years, a trend that continued through FY25. This was driven by the addition of new customers in sectors such as In-flight Entertainment (IFE), Flight Avionics, Semiconductor Equipment, and Biometrics & Security. At the same time, existing clients—particularly in the defence sector—increased their order volumes, reflecting heightened global demand amid rising geopolitical tensions.

This growth has been reinforced by Centum's strategic alignment with India's "Make in India" initiative, which has opened substantial opportunities for import substitution. Additionally, the global shift towards supply chain diversification away from China has positioned India as a compelling alternative for international OEMs. In response, Centum is actively investing in expanding its manufacturing capacity and upgrading its technological capabilities. Accelerating digitalisation across its operations remains a key strategic focus to enhance productivity and strengthen global competitiveness.

### 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 globally distributed team of engineers and seasoned domain specialists, Centum supports the development of next-generation technologies as well as the modernization of legacy platforms. Its proven expertise in safety-critical applications remains a key differentiator in high-reliability markets.

However, the ER&D segment continues to face profitability headwinds, particularly in its Canadian subsidiary. Despite sustained cost optimization efforts over the past two years, revenue and margin levels have remained inadequate to offset operating costs. The Company is actively evaluating strategic alternatives to stem ongoing losses in this geography.

In France, the business experienced a marked slowdown in volumes, especially in the automotive sector and select aerospace programs. This decline significantly impacted capacity utilization, resulting in revenue contraction and losses during the year. In response, targeted cost

containment measures are being implemented to reduce overheads and mitigate the impact on the Group's overall profitability.

Looking ahead, Centum is sharpening its focus on European defence customers, where increased government spending is expected to unlock new business opportunities. This strategic pivot is aimed at restoring utilization levels and driving a recovery in the ER&D segment's performance in FY26. Encouragingly, our sharper focus on strategic accounts is yielding improved customer visibility and early signs of traction for future growth.

### Strategic Electronics

Centum's Strategic Electronics Business Unit plays a vital role in supporting India's self-reliance agenda in defence and space technology. This business unit is dedicated to the design, development, and manufacture of indigenous subsystems and systems for the Indian Defence, Space, and Aerospace sectors. Our primary customers include Defence Public Sector Undertakings (DPSUs), Defence Research and Development Organisation (DRDO), and Indian Space Research Organisation (ISRO).

This business unit witnessed robust growth in both revenue and order book during FY25, reflecting our deep domain focus and execution capabilities. Over the year, we successfully delivered several critical programs aligned with national indigenization goals, including advanced electronics for tank platforms, space payloads for military applications, and key subsystems in the missile domain. These achievements underscore our role as a trusted partner for mission-critical applications in defence and space.

Order intake was particularly strong in the Space segment, where we secured repeat and new program wins, as well as in radar subsystems—an area where sustained investments in technology and capabilities over the years are now yielding commercial success. The solutions developed by our team are technologically advanced, uniquely suited to Indian operating requirements, and in several cases, represent first-of-their-kind capabilities developed in India.

We continue to go deeper in our chosen areas of focus—such as RF, power, signal processing and embedded computing—with the aim of expanding our share of wallet and enhancing the value we deliver to our customers. Our strategy to move up the value chain includes greater investments in R&D, co-development with domestic partners, and select technology partnerships with global OEMs to bring world-class capabilities to India.

Looking ahead, we expect continued momentum in revenue and order book growth, driven by a strong pipeline of opportunities. A key strategic goal is to emerge as a leading player in India's Intelligence, Surveillance and Reconnaissance (ISR) ecosystem, offering best-in-class products and subsystems to users across the tri-services and allied strategic agencies.

As a result, the Strategic Electronics division is well-positioned to be a catalyst for growth and innovation, contributing meaningfully to India's defence and space capabilities in the years to come.

### 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:

|   |   |
|---|---|
| <b>1. Market Risks</b>                    | 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.   |
| <b>2. Customer Concentration</b>          | 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.  |
| <b>3. Supply Chain Disruptions</b>        | 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.  |
| <b>4. Technology and Innovation</b>       | 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.  |
| <b>5. Regulatory and Compliance Risks</b> | 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.  |
| <b>6. Operational Risks</b>               | <p>Long and unpredictable timelines for securing defence and space contracts can affect revenue visibility.</p> <p>L1-based tendering processes may lead to aggressive pricing and margin pressures</p> <p>Delays in certification and approvals from government agencies can extend execution cycles</p> <p>Variability in customer demand forecasts may result in excess inventory and working capital strain</p> <p>Delays in executing long-term fixed-price engineering contracts can lead to cost overruns and profitability challenges</p> |
| <b>7. Financial Risks</b>                 | 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.  |
| <b>8. Cybersecurity and Data Privacy</b>  | As a technology-driven organization, 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.   |
| <b>9. Geopolitical and Economic Risks</b> | 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.  |
| <b>10. Human Capital</b>                  | 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, 2025, our workforce exceeded 1,900 employees, including around 600 designers—underscoring our strong capabilities in high-end Electronics Design and Manufacturing.

Our HR strategy focuses 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, 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 organization.

### Conclusion

In conclusion, Centum Electronics has demonstrated strong performance across its business units, supported by strategic investments, operational efficiencies and alignment with the Indian national priorities. The group remains well-positioned to capitalise on emerging opportunities in high-reliability sectors, while continuing to invest in innovation, talent and infrastructure to drive sustainable growth.

### Financial condition

#### A. Consolidated

##### i. Share capital

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

##### ii. Borrowings

The Loans have been reduced by ₹ 445 million from ₹ 1,893 million as on March 31, 2024 to ₹ 1,448 million as on March 31, 2025.

##### iii. Fixed Assets

The Capital expenditure in relation to Property, Plant & Equipment for 2024-25 is ₹ 151 million.

##### iv. Working Capital

Inventories has increased by ₹ 300 million from ₹ 3,174 million as on March 31, 2024 to ₹ 3,474 million as on March 31, 2025.

Receivables have increased by ₹ 785 million from ₹ 2,280 million as on March 31, 2024 to ₹ 3,065 million as on March 31, 2025.

Current liabilities have increased by ₹ 797 million from ₹ 7,055 million as on March 31, 2024 to ₹ 7,852 million as on March 31, 2025.

#### v. Cash flows

| Particulars          | ₹ in million |
|----------------------|--------------|
| Operating activities | (293)        |
| Financing activities | 1,071        |
| Investing activities | (588)        |

#### vi. Results of Operations

The business operations for 2024-25 resulted in the Company, achieving total income of ₹ 11,641 million as against ₹ 10,976 million for 2023-24.

Profit / (loss) before exceptional items and tax for the year 2024-25 is ₹ 284 million as against ₹ 128 for the year 2023-24.

#### vii. Key financial parameters

| Particulars   | FY 25 | FY 24 |
|---|-------|-------|
| Adjusted Debt /Equity <sup>1**</sup>                              | 0.36  | 0.93  |
| Debtors Turnover Ratio (Days) <sup>2</sup>                        | 84    | 94    |
| Inventory Turnover Ratio (Days) <sup>3</sup>                      | 204   | 201   |
| Current Ratio <sup>4</sup>  | 1.19  | 1.08  |
| Interest Coverage Ratio without exceptional items <sup>5***</sup> | 1.86  | 1.37  |
| Operating Profit Margin <sup>6</sup>                              | 5%    | 4%    |
| PAT Margin <sup>7</sup>   | 0%    | 0%    |

<sup>1</sup> Non current borrowings + Current borrowings/ Equity attributable to equity holders of parents

<sup>2</sup> Average receivables / Revenue from operations x 365 days

<sup>3</sup> Average inventory / (Cost of materials consumed + Decrease/(Increase) in inventory of work-in-progress and finished goods) x 365 days

<sup>4</sup> Current assets / Current liabilities

<sup>5</sup> EBIT\*/ Finance cost

<sup>6</sup> EBIT\*/ Total income

<sup>7</sup> PAT / Total income

\* Exclude exceptional item & share of profit/ loss from associate and including other income and finance income

Reason for variation (>25%):

\*\* on account of the increase in repayment of debt during the year.

\*\*\* increase is on account of increase in profit before tax and exceptional items during the year.

#### B. Standalone

##### i. Share capital

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



## ii. Borrowings

The Loans have reduced by ₹ 210 million from ₹ 1,171 million as on March 31, 2024 to ₹ 961 million as on March 31, 2025.

## iii. Fixed Assets

The Capital expenditure in relation to Property, Plant & Equipment for 2024-25 is ₹ 146 million.

## iv. Working Capital

Inventories has increased by ₹ 394 million from ₹ 2,874 million as on March 31, 2024 to ₹ 3,268 million as on March 31, 2025.

Receivables has increased by ₹ 936 million from ₹ 2,203 million as on March 31, 2024 to ₹ 3,139 million as on March 31, 2025.

Current liabilities has increased by ₹ 1,017 million from ₹ 4,369 million as on March 31, 2024 to ₹ 5,386 million as on March 31, 2025.

## v. Cash flows

| Particulars          | ₹ in million |
|----------------------|--------------|
| Operating activities | (198)        |
| Financing activities | 1,564        |
| Investing activities | (1,020)      |

## vi. Results of Operations

The business operations for 2024-25 resulted in the Company, achieving total income of ₹ 7,568 million as against ₹ 6,395 million for 2023-24.

The Profit /(Loss) before tax for the year 2024-25 is ₹ 712 million as against ₹ 490 million for the year 2023-24.

## vii. Key financial parameters

| Particulars  | FY 25 | FY 24 |
|--|-------|-------|
| Adjusted Debt /Equity <sup>1*</sup>                              | 0.17  | 0.38  |
| Debtors Turnover Ratio(Days) <sup>2</sup>                        | 130   | 124   |
| Inventory Turnover Ratio(Days) <sup>3</sup>                      | 227   | 235   |
| Current Ratio <sup>4</sup>                                       | 1.49  | 1.32  |
| Interest Coverage Ratio without exceptional items <sup>5**</sup> | 4.72  | 3.72  |
| Operating Profit Margin <sup>6</sup>                             | 12%   | 10%   |
| PAT Margin <sup>7</sup>  | 7%    | 6%    |

<sup>1</sup> Non current borrowings + Current borrowings/ Total Equity

<sup>2</sup> Average Receivables/ Revenue from operations X 365

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

<sup>4</sup> Current assets/ Current liabilities

<sup>5</sup> EBIT/ Finance cost

<sup>6</sup> EBIT/ Total income

<sup>7</sup> PAT/ Total income

Reason for variation (>25%):

\* decrease is on account of increase in shareholder's equity during the year.

\*\* on increase is on account of increase in profit before tax during the year.

## BOARD'S REPORT

Dear Members,

We have pleasure in presenting the Thirty Second Annual Report on the Business and Operations of the Company together with the Audited Statement of Accounts for the Financial Year ended March 31, 2025.

### 1. Financial Highlights:

A summary of the Standalone and Consolidated Financial Performance of your Company, for the financial year ended March 31, 2025, is as under:

| Particulars  | Consolidated |         | Standalone |         |
|--|--------------|---------|------------|---------|
|  | 2024-25      | 2023-24 | 2024-25    | 2023-24 |
| Total Income   | 11,641       | 10,976  | 7,568      | 6,395   |
| Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)* | 967          | 858     | 1,020      | 787     |
| Depreciation   | 441          | 453     | 186        | 184     |
| Interest   | 329          | 346     | 192        | 180     |
| Profit Before Tax**  | 284          | 128     | 712        | 490     |
| Profit After Tax***  | (19)         | (28)    | 528        | 362     |

(₹ in million)

\* 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 ₹ 11,641 million compared to previous financial year total income of ₹ 10,976 million. Your Company has earned a Profit Before Tax of ₹ 284 million.

At standalone level, total income was ₹ 7,568 million compared to previous financial year total income of ₹ 6,395 million. Further, your Company has earned a net profit before tax of ₹ 712 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 ₹ 4.91 million and earned a net profit of ₹ 1.67 million.

#### b. Centum T&S Private Limited

During the year, Centum T&S Private Limited, a wholly owned subsidiary company, has registered total income of ₹ 287.25 million and incurred a net loss after tax of ₹ 70.10 million for the year.

#### c. 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 ₹ 4,385.79 million and incurred a net loss of ₹ 283.30 million before exceptional items.

During the financial year, your Board of Directors reviewed the affairs of the subsidiaries. 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](http://www.centumelectronics.com).

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

The Board of Directors at its meeting held on August 9, 2024, approved the Scheme of Amalgamation of Centum T&S Private Limited, wholly-owned subsidiary of Centum Electronics Limited, with the Company, with effect from April 1, 2024, being the appointed date, in accordance with the provisions of the Act and other applicable laws, subject to necessary statutory and regulatory approvals, including approval of the Hon'ble National Company Law Tribunal, Bengaluru.

Upon the Scheme of Amalgamation becoming effective, all shares issued by Centum T&S Private Limited shall stand cancelled and extinguished.

#### **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](http://www.centumelectronics.com).

#### **5. Dividend:**

Your directors are pleased to recommend a Final Dividend of ₹ 6 per equity share (60%) having face value of ₹ 10 per equity share for the financial year ended March 31, 2025. 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](http://www.centumelectronics.com)

The total proposed dividend payout for financial year 2024-25 will be ₹ 88.24 million for 1,47,07,152 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:**

The Board of Directors have decided to retain the entire amount of profit under Retained Earnings. Accordingly, your Company has not transferred any amount to General Reserves for the year ended March 31, 2025.

#### **9. Share Capital:**

During the year, there was change in the share capital of the Company. As on March 31, 2025 the Authorised Share Capital of the Company was ₹ 15,50,00,000/- divided into 1,55,00,000 equity shares of ₹ 10/- each and paid-up equity share capital of the Company is ₹ 14,70,71,520/- divided into ₹ 1,47,07,152 equity shares of ₹ 10/- each.

During the financial year 2024-25, the Company has allotted equity shares as below:

- 8,373 equity shares under ESOP Plan 2013 which were listed on NSE and BSE vide letters NSE/LIST/2024/41990 and LOD / ESOP / TP / No. 48/ 2024-2025.
- The Company allotted 18,10,345 equity shares through Qualified Institutional Placement (QIP) at an issue price of ₹ 1,160 per equity share (including a premium of ₹ 1,150 per equity share and reflecting a discount of ₹ 59.65 (i.e.4.89%) on the floor price of ₹ 1,219.65 per equity share) aggregating to ₹ 2,100 million on March 13, 2025. The issue was made in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and Sections 42 and 62 of the Companies Act, 2013 as amended, including the rules made thereunder. 18,10,345 equity shares allotted under Qualified Institutional Placement were listed on NSE and BSE vide letters NSE/LIST/47679 and LOD/QIP/TT/TP/433/2024-25

#### **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 equity shares of face value ₹ 10 each of the company to Qualified Institutional Buyers (QIB's) at the issue price of ₹ 1,160 per equity share, (including a premium of ₹ 1,150 per equity share) aggregating to ₹ 2,100 million.

The proceeds of funds raised under Qualified Institutional Placement of the Company are planned to be utilized as per Objects of the Issue. The disclosure in compliance with the Regulation 32 (7A) of the SEBI

(Listing Obligations and Disclosure Requirements) Regulations, 2015 and the details of utilization of proceeds from QIP, net of QIP expenses (inclusive of GST) are as follows:

(₹ in million)

| Objects of the issue as per Placement Document   | Amount to be utilised as per Placement Document | Utilization upto March 31, 2025 | Balance as on March 31, 2025 |
|--|---|---------------------------------|------------------------------|
| Repayment / prepayment, in part or in full of certain outstanding borrowings availed by the Company. | 1,149.92  | 1,102.34                        | 47.58                        |
| Capital expenditure for purchase of new equipment and machinery                                      | 349.68  | -                               | 349.68                       |
| General Corporate Purposes   | 499.87  | -                               | 499.87                       |

Out of the total fund raised by the Company under Qualified Institutional Placement, an amount of ₹ 897.13 million is unutilized as on March 31, 2025.

#### 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. Depository system:

Your Company's equity shares are tradable only in electronic form. As on March 31, 2025, 99.53% of the Company's total paid up equity share capital representing 1,46,38,673 shares are in dematerialized form.

#### 12. 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 ₹ 5,83,951/- to IEPF, (the amount in Final 2016-17 and Interim 2017-18 dividend accounts) 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 9,397 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](http://www.iepf.gov.in)) along with requisite fee as decided by IEPF Authority from time to time.

#### 13. 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.



#### 14. Directors and Key Managerial Personnel:

The Board of Directors of the Company as on March 31, 2025 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.

##### **Appointments, Re-appointments, and Re-designation of Directors**

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 Second 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 Second Annual General Meeting.

Pursuant to the applicable provisions of the Companies Act, 2013, the Nomination and Remuneration Committee and the Board of Directors at their respective Meetings held on May 22, 2025, have recommended and approved the following appointments and changes, subject to the approval of the shareholders:

1. Appointment of Dr. Udayant Malhoutra (DIN: 00053714) as an Independent Director of the Company for a term of five years, commencing from May 22, 2025, to May 21, 2030.
2. Re-appointment of Mr. Mallavarapu Venkata Apparao (DIN: 00286308) as the Chairman and Managing Director of the Company for a further term of five years, effective from August 1, 2025.
3. Continuation of Mr. Mallavarapu Venkata Apparao as Chairman and Managing Director of the Company post attaining the age of seventy years.
4. Re-designation of Mr. Nikhil Mallavarapu (DIN: 00288551) from Executive Director to Joint Managing Director of the Company. w.e.f May 22, 2025.

The Board has resolved to obtain Shareholders' approval for the proposed appointments by way of a

Special Resolution through Postal Ballot, prior to the ensuing Annual General Meeting.

##### **Chief Financial Officer – Succession and Appointment**

Based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, the Board of Directors has 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 applicable SEBI Listing Regulations.

Mr. K S Desikan, the current Chief Financial Officer, has been associated with the Company for over two decades. During his tenure, he has made significant contributions to the Company's growth through his expertise in Finance, Accounting, Strategy, and Information Technology. As he approaches the age of superannuation, Mr. Desikan will retire from his position effective August 31, 2025.

The Board places on record its sincere appreciation for Mr. Desikan's exemplary service and leadership. To ensure a seamless transition and as part of the Company's broader succession planning for key leadership roles, Mr. Sundararajan Parthasarathy will assume the responsibilities of Chief Financial Officer and KMP from September 1, 2025.

None of the Directors of the Company are disqualified under Section 164(2) of the Companies Act, 2013.

In compliance with Section 203 of the Companies Act, 2013, Mr. Mallavarapu Venkata Apparao, Chairman & Managing Director, Mr. Nikhil Mallavarapu, Joint Managing Director, Mr. K S Desikan, 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.

##### **a. Board Meetings:**

The Board of Directors duly met six (6) 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 Thursday, March 13, 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.

### **15. 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, 2025, 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, 2025 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, 2025.

### **16. Particulars of Loans, Guarantees or Investments:**

The particulars of loans given, investments made, securities provided and guarantees given as required under Section 186 of the Companies Act, 2013 are provided in note 5, 6 and 44(c)(i) forming part of the standalone financial statements.

## 17. 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.

## 18. 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 29<sup>th</sup> Annual General Meeting till the conclusion of the 34<sup>th</sup> Annual General Meeting.

The Report of the Statutory Auditors for the financial year 2024-25 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 2024-25 is given as part of the Corporate Governance Report.

### b. Secretarial audit

In terms of Section 204(1) of the Companies Act, 2013, the Board had appointed Ms. Aarthi G Krishna, Practicing Company Secretary (CP No.5645), to conduct Secretarial Audit for the financial year 2024-25. The Secretarial Audit Report for the financial year ended March 31,

2025 is enclosed as "**Annexure-2**" to this Report.

The said secretarial audit report does not contain any qualification, reservation, adverse remark or disclaimer made by the secretarial auditor.

The Board of Directors of the Company, based on the recommendation made by the Audit Committee, and subject to the approval of the shareholders of the Company at the ensuing AGM, have approved the appointment of Mr. K Rajshekar as the Secretarial Auditor of the Company to conduct the audit of the secretarial records for a period of five consecutive years from the financial year 2025-26 to the financial year 2029-30, in terms of provisions of Regulation 24A of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024. Mr. K Rajshekar has given his consent and confirmed that he is not disqualified from being appointed as the Secretarial Auditor of the Company and satisfies the eligibility criteria.

### 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 2025-26 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.

## 19. 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 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 by the Members of the

Senior Management Personnel of the Company is also attached to this Report.

## 20. 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.

## 21. Corporate Social Responsibility:

As part of the Company's initiatives under "Corporate Social Responsibility (CSR)", the Company has funded several projects that aid and improve education, literacy and healthcare for children. It has also funded and participated in projects that support and aid children with disabilities.

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.

## 22. 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.

## 23. 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.

## 24. Prevention, Prohibition and Redressal of Sexual Harassment at workplace:

The Company has zero tolerance for sexual harassment at workplace and has formulated a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has also constituted an Internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action. All the employees of the Company as a part of induction are sensitized about the provisions of the said Act.

The Company has not received any complaint of sexual harassment during the financial year 2024-25.

## 25. 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/>.

## 26. 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.

## 27. 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"**.

## 28. Employee Stock Option Plan:

As a measure of rewarding the employees, your Company had introduced an Employee Stock Option Plan (ESOP) during the year 2013.

Further, "Centum Electronics Limited - Restricted Stock Unit Plan 2021" scheme was 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 ESOP 2013 and RSU 2021 in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2011 has been uploaded on the website of the Company at [www.centumelectronics.com](http://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, 2011 has been uploaded on the website of the Company at [www.centumelectronics.com](http://www.centumelectronics.com).

### 29. Awards and Recognitions:

We are proud to share that the Company has been honored with the following prestigious awards:

- Best Performer – Electronic Hardware Exports (Exports up to ₹ 2,000 Crores)
- Space Industry Award from Indian Space Association
- National Level Sustainability Management Gold Award from the Society of Energy Engineers and Managers

### 30. 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. There is no remuneration received by the Managing Director/ Joint Managing Director from the subsidiary company.
- e. No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and the Company's operations in future.
- f. No application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- g. There are no 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. No frauds are reported by Auditors under sub-section (12) of section 143.

### 31. 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  
Date: May 22, 2025

**Mallavarapu Venkata Apparao**  
Chairman & Managing Director  
DIN: 00286308

**Nikhil Mallavarapu**  
Joint Managing Director  
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]

#### Part "A": Subsidiaries

| Sl. No.        | Name of the subsidiary   | Currency | Share capital | Reserves | Total Assets | Total Liabilities (excl. capital & reserves) | "Investments (excluding in subsidiaries) (see note:1)" | Turnover | Profit/ (Loss) before taxation | Total tax expenses | Profit/ (Loss) after taxation | Proposed dividend | % of Shareholding by the company |
|----------------|--|----------|---------------|----------|--------------|--|--|----------|--------------------------------|--------------------|-------------------------------|-------------------|----------------------------------|
| (in ₹ million) |  |          |               |          |              |  |  |          |                                |                    |                               |                   |                                  |
| 1              | Centum T&S Private Limited, India  | INR      | 1             | (51)     | 312          | 362  | -  | 287      | (93)                           | 23                 | (70)                          | -                 | 100%                             |
| 2              | Centum Electronics UK Limited  | EUR      | 1,534         | 135      | 1,672        | 2  | -  | -        | 2                              | -                  | 2                             | -                 | 100%                             |
| 3              | Centum T&S Group Société Anonyme (S.A.), (CTSG), France                            | EUR      | 407           | 424      | 2,769        | 1,938  | -  | 225      | (130)                          | -                  | (130)                         | -                 | 90.08%                           |
| 4              | Centum T&S (Centum Technologies ET Solutions), France                              | EUR      | 231           | 624      | 2,835        | 1,980  | -  | 3,360    | (154)                          | -                  | (154)                         | -                 | held by CTSG 100%                |
| 5              | Centum R&D (Centum Recherche Et Développement), France                             | EUR      | 23            | (6)      | 149          | 133  | -  | 358      | 3                              | -                  | 3                             | -                 | held by CTSG 100%                |
| 6              | Centum Adétel Transportation System SAS (CATS), France                             | EUR      | 753           | (711)    | 229          | 187  | -  | 264      | (26)                           | -                  | (26)                          | -                 | held by CTSG 100%                |
| 7              | Centum T&S (Centum Technologies ET Solutions), Canada                              | CAD      | 5             | (346)    | 312          | 653  | -  | 315      | (113)                          | -                  | (113)                         | -                 | held by CATS 100%                |
| 8              | Centum E&S (Centum Equipements ET Systèmes), Canada                                | CAD      | 3             | (170)    | 449          | 616  | -  | 515      | (10)                           | -                  | (10)                          | -                 | held by CATS 100%                |
| 9              | Centum Technologies ET Solutions - Société à responsabilité limitée (SRL), Belgium | EUR      | 1             | 7        | 86           | 79   | -  | 266      | (3)                            | -                  | (3)                           | -                 | held by CTSG 100%                |

#### Part "B": Associate

| Sl. No. | Name of the associate         | Currency | Shares of Associate held by the Company on the year end |                                   |                     | Network attributable to Shareholding as per latest audited Balance Sheet (Note 2) | Profit/ (Loss) for the year | OCI for the year |
|---------|-------------------------------|----------|---|-----------------------------------|---------------------|---|-----------------------------|------------------|
|         |                               |          | Number in million                                       | Amount of Investment in associate | Extent of holding % |   |                             |                  |
| 1       | Ausar Energy SAS (see note:1) | EUR      | 1   | -                                 | held by CTSG 30.45% | -   | -                           | -                |

Note:1 On February 4, 2025, Ausar Energy SAS has been placed in receivership ("Redressement Judiciaire"), under French laws, allowing Ausar Energy SAS to continue to operate, whilst bids will be invited for takeover of Ausar Energy SAS and restructuring of its business and debts/obligations. John Cockerill is the bidder for takeover and has 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.

Note 2: The financial statement for Associate is not available.

## Annexure - 2 Form No. MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2025

[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 ₹ 15.50 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, 2025 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, 2025 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;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;<sup>1</sup>
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;<sup>2</sup> and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;<sup>2</sup>
- (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.

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

- (i) Issued and allotted 18,10,345 Equity Shares of ₹ 10/- each at a premium of ₹ 1150/- each to Qualified Institutional Buyers through Qualified Institutional Placement.
- (ii) Allotted 8,373 shares of ₹ 10/- each on the exercise of options vested to the employees of the company under the 'Employees Stock Option Plan, 2013'.

**AARTHI GOPALAKRISHNA**

FCS# 5706 CP# 5645

Peer Review Cert# 1110/2021

UDIN: F005706G000406260

Date : 22<sup>nd</sup> May, 2025

<sup>1</sup> To be read with the letter annexed hereto which forms an integral part of this report

<sup>2</sup> 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

**AARTHI GOPALAKRISHNA**  
FCS# 5706 CP# 5645

Date : 22<sup>nd</sup> May, 2025

## Annexure - 3

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

#### 1. CONSERVATION OF ENERGY:

The Company continues to accord top priority to energy conservation, with a dedicated "Energy Saving Team" working consistently to minimize energy consumption through numerous innovative and sustainable projects. Regular evaluations and upgrades are being undertaken to identify potential areas for energy and resource savings. Key efforts and achievements include:

##### Energy Monitoring, Control & Automation:

- Power factor continuously maintained at 0.99 via automatic power factor control panels.
- Use of SCADA software for daily, hourly energy management and power consumption monitoring.
- Remote monitoring and control systems:
  - o HMI-based monitoring and data logging in burn-in chambers.
  - o Automated temperature control and programming in climatic chambers using AI & IoT.
  - o UPS remote monitoring system provides automatic fault alerts via email.
- Integration of sensors and VFDs (Variable Frequency Drives) for Air Handling Units (AHUs) to control HVAC systems based on real-time demand.

##### Energy Efficiency Measures:

- Timers installed for AHUs and exhausts in both office and production areas to optimize operation schedules.
- Motion and Lux-based light controls in office and low-occupancy areas.
- Idle systems and machines not in the production plan are powered down daily to reduce standby consumption.
- Implementation of inverter-based process chillers, VFDs for cooling tower fans and chiller pumps to lower energy usage.
- Installation of Airton energy-efficient devices for non-inverter ACs.

##### Process & Utility Optimization:

- Top energy-consuming systems (HVAC, chillers, compressors) are monitored daily and thresholds are enforced.

- Air pressure optimization based on real-time equipment requirements.
- Consumption control for Nitrogen gas using auto-control valves in reflow ovens.
- Elimination of oil vacuum pump systems by switching to air-based vacuum generation.
- Redesigned mechanical vibration fixtures allow testing multiple DUTs simultaneously, reducing energy and maintenance by up to 50%.
- Increased loading capacity of ESS chambers with jig modifications, cutting energy use by 40% per cycle.

##### Maintenance & Predictive Measures:

- Regular HVAC and compressor maintenance to ensure efficiency.
- Thermography studies conducted on all electrical panels with predictive maintenance protocols.
- Condenser tubes and pipelines are regularly descaled to enhance chiller performance.
- Annual electrical maintenance shutdowns identify and rectify system defects.

##### Water & Resource Management:

- RO system implemented for HVAC to reduce scaling and improve condenser performance.
- RO reject water reused for domestic applications.
- Automatic sensor-based DI water flow at cleaning machines prevents unnecessary flow.
- Cooling tower water automatically bled based on TDS levels.
- Digitized water management using advanced sensors and real-time analytics.

##### Renewable Energy & Carbon Footprint:

- 91% (2023-24) and ~90% (2024-25) of energy used is sourced from renewable sources (solar + wind).
- Use of heat pumps to generate hot water via reverse recovery, which is twice as efficient as conventional water heaters.
- Continued focus on reducing the company's carbon footprint and enhancing CSR contributions.

### Awards and Recognition:

- o Platinum Award at National Energy Management Awards by SEEM.
- o Gold Award in the Corporate Business House Category for impactful sustainability initiatives.

## 2. TECHNOLOGY AND RESEARCH & DEVELOPMENT

- Helical coil insertion capability developed in-house to meet aerospace and defense needs.  
New Processes Developed  
The Process, Design & NPI Team has introduced several innovative processes to enhance product performance and manufacturing capabilities:
- Assembly processes for high-density digital and RF boards with varied PCB materials and layer counts.
- Processes for hybridized high-power DC-DC converters.
- Introduction and qualification of advanced PCBA equipment and methods.

- Development of a portable 6KW chiller unit for thermal testing of liquid cold plates allowing precise control of temperature, pressure, and flow during product development.

## 3. EXPENDITURE ON R & D

| ₹ in million  |         |         |
|---|---------|---------|
| Particulars   | 2024-25 | 2023-24 |
| A. Capital  | 5.33    | 90.78   |
| B. Recurring  | 158.73  | 115.71  |
| C. Total  | 164.06  | 206.49  |
| <b>Total R&amp;D expenditure as a % of total turnover</b> | 2.19%   | 3.26%   |

## 4. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earnings: ₹ **3,742.20 Million** and Outgo: ₹ **3,753.75 Million** for the year ended March 31, 2025.

## 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                    | Designation              | Position | No. of meetings held during the FY 24-25 | No. of meetings attended during the FY 24-25 |
|-------------------------|--------------------------|----------|--|--|
| Mr. Thiruvengadam P     | Independent Director     | Chairman | 1  | 1  |
| Ms. V Kavitha Dutt      | Independent Director     | Member   | 1  | 1  |
| Ms. Tanya Mallavarapu   | Non – Executive Director | Member   | 1  | 1  |
| Mr. Nikhil Mallavarapu* | Joint Managing Director  | Member   | NA                                       | NA   |

\*The Committee was reconstituted on May 22, 2025 to include Mr. Nikhil Mallavarapu as Member with effect from May 23, 2025.

#### 3. The Company has formulated a CSR Policy and the web-link where the Composition of the Committee, CSR Policy and CSR Projects approved by the Board are disclosed is available at Investor page on the Company website:

<https://www.centumelectronics.com/wp-content/uploads/2023/08/CSR-Committee-Composition-Project.pdf>

#### 4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

Not Applicable

#### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

| Sr No. | Financial Year | Amount available for set-off from preceding financial years (in ₹) | Amount required to be set-off for the financial year, if any (in ₹) |
|--------|----------------|--|---|
| 1      | 2022-23        | 898  | -   |
| 2      | 2023-24        | 2,97,342   | -   |
| 3      | 2024-25        | 83,220   | -   |
|        | Total          | 381,460  | -   |

#### 6. Average net profits of the Company as per Section 135(5): ₹ 28,79,14,021/-

- 2% of the average Net Profit of the Company as per section 135(5): ₹ 57,58,280/-
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- Amount required to be set off for the financial year: Nil
- Total CSR obligation for the financial year (a+b-c) = ₹ 57,58,280/-



8. a. 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) |
| 58,41,500   | Nil   | Nil   |

b. Details of CSR amount spent against ongoing projects for the financial year: Nil

c. Details of CSR amount spent against other than ongoing projects for the financial year:

| Sr. No.      | Name of the Project                       | Item from the list of activities in schedule VII to the Act | Local Area (Yes /No) | Location of the project |           | Amount spent for the project (in ₹) | Mode of Implementation – Direct (Yes/ No) | Details of Implementation Agency           |
|--------------|---|---|----------------------|-------------------------|-----------|-------------------------------------|---|--|
|              |   |   |                      | State                   | District  |                                     |   |  |
| 1.           | Promoting Education - Blind School        | Education   | Yes                  | Karnataka               | Bangalore | 7,80,000                            | No  | Mathru Educational Trust - CSR00015120     |
| 2.           | Meal Distribution                         | Eradicating Hunger  | Yes                  | Karnataka               | Bangalore | 8,11,500                            | No  | The Akshaya Patra Foundation - CSR00000286 |
| 3.           | Healthcare – Distribution of wheel chairs | Healthcare  | Yes                  | Karnataka               | Bangalore | 2,50,000                            | No  | proVISION ASIA - CSR00009130               |
| 4.           | Art & Culture                             | Promotion and Development of art and culture                | Yes                  | Karnataka               | Bangalore | 40,00,000                           | No  | Art & Photography Foundation - CSR00000053 |
| <b>Total</b> |   |   |                      |                         |           | <b>58,41,500</b>                    |   |  |

d. Amount spent in Administrative Overheads: Nil

e. Amount spent in Impact Assessment: Not Applicable

f. Total amount spent for the Financial Year: ₹ 58,41,500 /-

g. Excess amount for set off:

| Sr. No. | Particulars   | Amount (in ₹) |
|---------|---|---------------|
| (i)     | Two percent of average net profit of the Company as per section 135(5)                                  | 57,58,280     |
| (ii)    | Total amount spent for the Financial Year   | 58,41,500     |
| (iii)   | Excess amount spent for the financial year [(ii) -(i)]  | 83,220        |
| (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)]                                 | 83,220        |

9. a. Details of Unspent CSR amount for the preceding three financial years: Nil
- b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in financial year:  
Not Applicable
11. 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 22, 2025

**Mallavarapu Venkata Apparao**  
Chairman and Managing Director  
DIN: 00286308

**Thiruvengadam P**  
Chairman of CSR Committee  
DIN: 00016375

## 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 2024-25, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25 are as under:**

| Sl. No. | Name of the Director/KMP and Designation | % increase in Remuneration in the Financial Year 2024-25 | Ratio of remuneration of each Director/to median remuneration of employees |
|---------|--|--|--|
| 1       | Mallavarapu Venkata Apparao              | 45%  | 48.03  |
|         | Chairman and Managing Director           |  |  |
| 2       | Nikhil Mallavarapu                       | 45%  | 48.03  |
|         | Joint Managing Director                  |  |  |
| 3       | Manoj Nagrath                            | 8%   | 1.00   |
|         | Non-Executive Independent Director       |  |  |
| 4       | Rajiv C Mody                             | 5%   | 0.82   |
|         | Non-Executive Independent Director       |  |  |
| 5       | Thiruvengadam P                          | 8%   | 0.97   |
|         | Non-Executive Independent Director       |  |  |
| 6       | V Kavitha Dutt                           | 0%   | 0.79   |
|         | Non-Executive Independent Director       |  |  |
| 7       | Tarun Sawhney*                           | NA   | 0.70   |
|         | Non-Executive Independent Director       |  |  |
| 8       | Tanya Mallavarapu                        | 25%  | 0.82   |
|         | Non-Executive Director                   |  |  |
| 9       | K. S. Desikan**                          | 0%   | Not applicable   |
|         | Chief Financial Officer                  |  |  |
| 10      | Indu H S**                               | 12.5%  | Not applicable   |
|         | Company Secretary                        |  |  |

\*Tarun Sawhney was appointed w.e.f May 22, 2024.

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

- (i) During the financial year, there was an increase of 17.60% in the median remuneration of employees.
- (ii) On standalone basis, there were 1,347 permanent employees on the rolls of Company as on March 31, 2025.
- (iii) Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year i.e., 2024-25 was 5.21% and increase in the managerial personnel for the same financial year was 38.55%.
- (iv) Affirmation that the remuneration is as per the Remuneration Policy of the Company.

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

## 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, 2025, 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 22, 2025. 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, 2025 is as follows:

| Name of the Director            | Category                                     | Designation                  | No. of shares held and percentage to paid up share capital | Number of other Directorships |              | Number of other Committees Membership/ Chairmanship |              | Name of other Listed entities & category of Directorships* |
|---------------------------------|--|------------------------------|--|-------------------------------|--------------|---|--------------|--|
|                                 |  |                              |  | Chair-manship                 | Mem-ber-ship | Chair-manship                                       | Mem-ber-ship |  |
| Mr. Mallavarapu Venkata Apparao | Promoter - Executive and Non-Independent     | Chairman & Managing Director | 58,97,549<br>40.09   | -                             | 2            | -   | -            | -  |
| Mr. Nikhil Mallavarapu          | Promoter - Executive and Non-Independent     | Joint Managing Director**    | 6,52,855<br>4.44   | -                             | 1            | -   | -            | -  |
| Mr. Manoj Nagrath               | Non-Executive and Independent                | Director                     | -  | -                             | -            | -   | -            | -  |
| Mr. Rajiv C Mody                | Non-Executive and Independent                | Director                     | -  | 1                             | 2            | -   | 1            | 1. Sasken Technologies Limited – CMD                       |
| Ms. Tanya Mallavarapu           | Promoter - Non-Executive and Non-Independent | Director                     | 6,44,240<br>4.38   | -                             | -            | -   | -            | -  |



| Name of the Director | Category                      | Designation | No. of shares held and percentage to paid up share capital | Number of other Directorships |            | Number of other Committees Membership/ Chairmanship |            | Name of other Listed entities & category of Directorships*   |
|----------------------|-------------------------------|-------------|--|-------------------------------|------------|---|------------|--|
|                      |                               |             |  | Chairmanship                  | Membership | Chairmanship  | Membership |  |
| Mr. Thiruvengadam P  | Non-Executive and Independent | Director    | -  | -                             | 10         | 1   | 4          | 1. Fine Organic Industries Limited – ID<br>2. Western India Plywoods Limited – NED<br>3. The K.C.P. Limited – ID   |
| Ms. V Kavitha Dutt   | Non-Executive and Independent | Director    | -  | -                             | 9          | 2   | 3          | 1. The K.C.P. Limited – JMD<br>2. DCM Shriram Industries Limited – NED<br>3. Apollo Hospitals Enterprise Limited – ID  |
| Mr. Tarun Sawhney*** | Non-Executive and Independent | Director    | -  | 1                             | 6          | -   | 6          | 1. Triveni Engineering & Industries Limited – MD<br>2. Triveni Turbine Limited – NED<br>3. Sir Shadi Lal Enterprises Limited – Chairman & ED<br>4. Jagran Prakashan Limited – ID |

\* CMD – Chairman and Managing Director; MD – Managing Director; ED – Executive Director; ID – Independent Director; JMD – Joint Managing Director; NED - Non-Executive Director

\*\* Redesignated as Joint Managing Director w.e.f May 22, 2025

\*\*\* Was appointed with effect from May 22, 2024

- 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.

### Changes in Board Composition and Senior Leadership

#### Appointments, Re-appointments, and Re-designation of Directors

Pursuant to the applicable provisions of the Companies Act, 2013, the Nomination and Remuneration Committee and the Board of Directors at their respective Meetings held on May 22, 2025, have recommended and approved the following appointments and changes, subject to the approval of the shareholders:

- Appointment of Dr. Udayant Malhoutra (DIN: 00053714) as an Independent Director of the Company for a term of five years, commencing from May 22, 2025, to May 21, 2030.
- Re-appointment of Mr. Mallavarapu Venkata Apparao (DIN: 00286308) as the Chairman and Managing Director of the Company for a further term of five years, effective from August 1, 2025.

3. Continuation of Mr. Mallavarapu Venkata Apparao as Chairman and Managing Director of the Company post attaining the age of seventy years.
4. Re-designation of Mr. Nikhil Mallavarapu (DIN: 00288551) from Executive Director to Joint Managing Director of the Company.

The Board has resolved to obtain Shareholders' approval for the proposed appointments by way of a Special Resolution through Postal Ballot, prior to the ensuing Annual General Meeting.

• **Chief Financial Officer – Succession and Appointment**

Based on the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, the Board of Directors has 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

applicable SEBI Listing Regulations.

Mr. K S Desikan, the current Chief Financial Officer, has been associated with the Company for over two decades. During his tenure, he has made significant contributions to the Company's growth through his expertise in Finance, Accounting, Strategy, and Information Technology. As he approaches the age of superannuation, Mr. Desikan will retire from his position effective August 31, 2025.

The Board places on record its sincere appreciation for Mr. Desikan's exemplary service and leadership. To ensure a seamless transition and as part of the Company's broader succession planning for key leadership roles, Mr. Sundararajan Parthasarathy will assume the responsibilities of Chief Financial Officer and KMP from September 1, 2025.

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. |
| Mr. Manoj Nagrath               | Risk Management, Financial Management, Governance, Stakeholder Management, Performance Management and Evaluation.  |
| Mr. Rajiv C Mody                | Knowledge on key industry and technology trends, Global Business, Strategy and Planning, Risk Management, Financial Management, Performance Management and Evaluation.                                     |
| Mr. Thiruvengadam P             | Knowledge on key industry and technology trends, Global Business, Strategy and Planning, Risk Management, Financial Management, Governance, 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. |

\*Appointed with effect from May 22, 2025

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 2024-25 are as follows:

| Sl. No. | Day & Date                 |
|---------|----------------------------|
| 1       | Wednesday, May 22, 2024    |
| 2       | Friday, August 9, 2024     |
| 3       | Tuesday, November 12, 2024 |
| 4       | Tuesday, January 21, 2025  |
| 5       | Friday, February 14, 2025  |
| 6       | Wednesday, March 19, 2025  |

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 |
|---------------------------------|-----------------------------|----------------------------|
| Mr. Mallavarapu Venkata Apparao | 6                           | Yes                        |
| Mr. Nikhil Mallavarapu          | 5                           | Yes                        |
| Mr. Manoj Nagrath               | 6                           | Yes                        |
| Mr. Rajiv C Mody                | 6                           | Yes                        |
| Ms. Tanya Mallavarapu           | 6                           | Yes                        |
| Mr. Thiruvengadam P             | 5                           | Yes                        |
| Ms. V Kavitha Dutt              | 5                           | Yes                        |
| Mr. Tarun Sawhney*              | 5                           | Yes                        |

\*Appointment with effect from May 22, 2024

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 2024-25. 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 2024-25 the meeting of the Independent Directors was held on Thursday, March 13, 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 Auditor
- 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 | 5                  | 5        |
| 2.      | Mr. Mallavarapu Venkata Apparao | Member   | 5                  | 5        |
| 3.      | Mr. Thiruvengadam P             | Member   | 5                  | 5        |
| 4.      | Ms. V Kavitha Dutt*             | Member   |                    | NA       |
| 5.      | Mr. Tarun Sawhney*              | Member   |                    | NA       |

\*The Committee was reconstituted on May 22, 2025 to include Ms. V Kavitha Dutt and Mr. Tarun Sawhney as Members with effect from May 23, 2025.

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, Five 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, 2024, August 8, 2024, November 11, 2024, February 13, 2025 and March 18, 2025. The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on August 9, 2024, 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 2024-25 was as follows:

| Sl. No. | Name                            | Position | Number of meetings |          |
|---------|---------------------------------|----------|--------------------|----------|
|         |                                 |          | Held               | Attended |
| 1.      | Mr. Manoj Nagrath               | Chairman | 3                  | 3        |
| 2.      | Ms. V Kavitha Dutt              | Member   | 3                  | 3        |
| 3.      | Mr. Rajiv C Mody                | Member   | 3                  | 2        |
| 4.      | Mr. Mallavarapu Venkata Apparao | Member   | 3                  | 3        |
| 5.      | Mr. Tarun Sawhney*              | Member   |                    | NA       |
| 6.      | Dr. Udayant Malhoutra*          | Member   |                    | NA       |

\*The Committee was reconstituted on May 22, 2025 to include Mr. Tarun Sawhney and Dr. Udayant Malhoutra as Members with effect from May 23, 2025.

The Nomination & Remuneration Committee Meetings were held on May 14, 2024, May 22, 2024 and November 12, 2024. The Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on August 9, 2024 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, 2025 are as follows:

| (Amount in ₹)                   |                      |              |             |             |
|---------------------------------|----------------------|--------------|-------------|-------------|
| Name of the Director            | Salary & Perquisites | Sitting Fees | Commission  | Total       |
| Mr. Mallavarapu Venkata Apparao | 91,73,013            | -            | 3,05,49,190 | 3,97,22,203 |
| Mr. Nikhil Mallavarapu          | 1,08,28,036          | -            | 2,88,94,167 | 3,97,22,203 |
| Mr. Manoj Nagrath               | -                    | 3,30,000     | 5,00,000    | 8,30,000    |
| Mr. Rajiv C Mody                | -                    | 1,80,000     | 5,00,000    | 6,80,000    |
| Ms. Tanya Mallavarapu           | -                    | 1,80,000     | 5,00,000    | 6,80,000    |
| Mr. Thiruvengadam P             | -                    | 3,00,000     | 5,00,000    | 8,00,000    |
| Ms.V Kavitha Dutt               | -                    | 1,50,000     | 5,00,000    | 6,50,000    |
| Mr. Tarun Sawhney*              | -                    | 1,50,000     | 4,28,767    | 5,78,767    |

\*Appointed with effect from May 22, 2024.

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 (Rupees Five Lakhs) 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, 2024, 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 | 1                  | 1        |
| Mr. Nikhil Mallavarapu | Member   | 1                  | 1        |
| Ms. Tanya Mallavarapu  | Member   | 1                  | 1        |
| Dr. Udayant Malhoutra* | Member   | NA                 |          |

\*The Committee was reconstituted on May 22, 2025 to include Dr. Udayant Malhoutra as Member with effect from May 23, 2025.

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

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 Regulations. 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 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 01.04.2024 to 31.03.2025

| Sl. No.      | Nature of Complaints             | Opening Balance | Received     | Redressed    | Pending    |
|--------------|----------------------------------|-----------------|--------------|--------------|------------|
| 1.           | Non receipt of securities        | NIL             | 40           | 40           | NIL        |
| 2.           | Non receipt of Dividend Warrants | NIL             | 149          | 149          | NIL        |
| 3.           | Non receipt of Annual reports    | NIL             | 1            | 1            | NIL        |
| 4.           | Through SEBI                     | NIL             | 9            | 9            | NIL        |
| 5.           | Through Stock Exchange           | NIL             | -            | -            | NIL        |
| 4.           | General Enquiries                | NIL             | 1,543        | 1,543        | NIL        |
| <b>Total</b> |                                  | <b>NIL</b>      | <b>1,742</b> | <b>1,742</b> | <b>NIL</b> |

#### 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, 2024. The details of attendance of the Committee Members in the meeting are given below.

| Name                    | Position | Number of meetings |          |
|-------------------------|----------|--------------------|----------|
|                         |          | Held               | Attended |
| Mr. Thiruvengadam P     | Chairman | 1                  | 1        |
| Ms. V Kavitha Dutt      | Member   | 1                  | 1        |
| Ms. Tanya Mallavarapu   | Member   | 1                  | 1        |
| Mr. Nikhil Mallavarapu* | Member   | NA                 |          |

\*The Committee was reconstituted on May 22, 2025 to include Mr. Nikhil Mallavarapu as Member with effect from May 23, 2025.

#### 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 June 24, 2024, August 31, 2024 and March 28, 2025. The details of attendance of the Committee Members in the meetings are given below.

| Sl. No. | Name                            | Position | Number of Meetings |          |
|---------|---------------------------------|----------|--------------------|----------|
|         |                                 |          | Held               | Attended |
| 1.      | Mr. Thiruvengadam P             | Member   | 3                  | 3        |
| 2.      | Mr. Nikhil Mallavarapu          | Member   | 3                  | 3        |
| 3.      | Mr. K S Desikan                 | Member   | 3                  | 3        |
| 4.      | Ms. Tanya Mallavarapu*          | Member   | NA                 | NA       |
| 5.      | Mr. Sundararajan Parthasarathy* | Member   | NA                 | NA       |

\*The Committee was reconstituted on May 22, 2025 to include Ms. Tanya Mallavarapu and Mr. Sundararajan Parthasarathy as Members with effect from September 1, 2025.

The terms of reference of the committee include the matters as specified in Regulation 21 of SEBI Listing Regulations, 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:**

Particulars of senior management of the Company are as below:

| Sl No. | Name of Senior Management Personnel | Designation           |
|--------|-------------------------------------|-----------------------|
| 1      | Vinod Chippalkatti                  | President - SEBU      |
| 2      | Jagadish Singh                      | President - EMS       |
| 3      | Sandhya Thyagarajan                 | Vice President - SEBU |
| 4      | Nanda Kishore Vempati               | General Manager - HR  |

**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. Centum T&S Private Limited\*, a wholly owned Indian subsidiary company.

\*Scheme of Amalgamation with the Company pending before the NCLT.

2. Centum Electronics UK Limited, UK based company.

Centum T&S Group Société Anonyme (S.A.) French based company, which 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, 2025 fees paid to Statutory Auditors are as follows:

| Particulars                | Fees (in ₹)<br>(Excluding GST) |
|----------------------------|--------------------------------|
| Audit and related services | 63,00,000                      |
| Fees paid for Subsidiary   | 7,00,000                       |
| <b>Total</b>               | <b>70,00,000</b>               |

**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 2024-25.

**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 |
|---------|-----------------|---|-----------|-------------------------------|
| 2021-22 | August 12, 2022 | Meeting held through Video Conference from the Registered Office: No.44, KHB Industrial Area, Yelahanka New Town, Bangalore – 560 106 | 4.30 P.M  | 0                             |
| 2022-23 | August 11, 2023 | Meeting held through Video Conference from the Registered Office: No.44, KHB Industrial Area, Yelahanka New Town, Bangalore – 560 106 | 4.30 P.M  | 0                             |
| 2023-24 | August 9, 2024  | Meeting held through Video Conference from the Registered Office: No.44, KHB Industrial Area, Yelahanka New Town, Bangalore – 560 106 | 11.30 A.M | 1                             |

The below special resolutions were passed through Postal Ballot dated January 14, 2025:

1. Re-appointment of Ms. V Kavitha Dutt (DIN: 00139274) as an Independent Director of the Company for a second term of 5 years commencing from March 25, 2025.
2. Re-appointment of Mr. Nikhil Mallavarapu (DIN: 00288551) as Whole Time Director, designated as Executive Director of the Company.
3. To raise funds in one or more tranches, by way of a preferential allotment or a private placement(s), Qualified Institutions Placement and/or any combination to eligible investors through issuance of equity shares and/or other eligible securities.

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 Listing Regulations, 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](http://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 – Bangalore & Mumbai editions and Vijayavani/Pravani – Bangalore 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 32<sup>nd</sup> AGM along with the Annual Report of the Company for the financial year ended 31 March 2025 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 31st March 2025 is also available on the Company's website [www.centumelectronics.com](http://www.centumelectronics.com), websites of the Stock Exchanges i.e.BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

## 6) General Shareholder Information

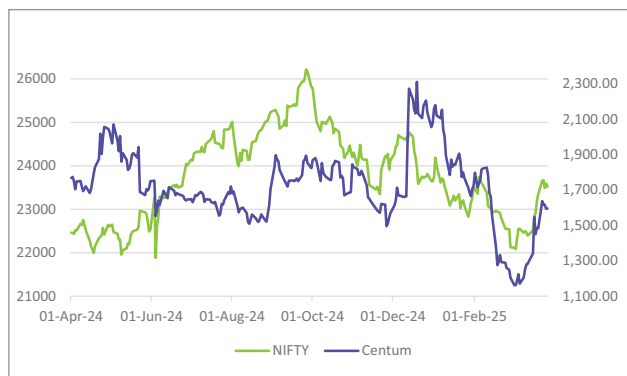
|    |  |   |   |
|----|--|---|---|
| 1  | Registration Details                           | Company is registered in the State of Karnataka and the Corporate Identity Number allotted by Ministry of Corporate Affairs (MCA) is L85110KA1993PLC013869  |   |
| 2  | Registered Office                              | No.44, KHB Industrial Area, Yelahanka New Town, Bangalore – 560 106   |   |
| 3  | Compliance Officer                             | Ms. Indu H S  |   |
| 4  | Date, time & venue of the 32 <sup>nd</sup> AGM | Tuesday, August 5, 2025 at 10:30 a.m. IST<br>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                                 | 2024-2025   |   |
| 6  | Record Date for Dividend                       | July 25, 2025   |   |
| 7  | Dividend                                       | The Board of Directors of the Company have recommended a dividend of ₹ 6/- (60%) 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 25, 2025.            |   |
| 8  | Listing in Stock Exchanges                     | The Equity Shares of the Company are listed in the following Stock Exchanges: <ul style="list-style-type: none"><li>• The National Stock Exchange of India Limited</li><li>• BSE Limited</li></ul>  |   |
| 9  | Stock Code                                     | <ul style="list-style-type: none"><li>• National Stock Exchange of India Limited – CENTUM</li><li>• BSE Limited – 517544</li></ul>  |   |
| 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                      | Total Bank Loan Facilities Rated  | ₹ 433.13 Crores<br>(Rupees Four Hundred Thirty-Three Crore and Thirteen Lakhs Only) |
|    |  | Long Term Bank Facilities   | CARE BBB; Stable<br>(Triple B; Outlook: Stable )                                    |
|    |  | Long Term / Short Term Bank Facilities  | CARE BBB; Stable / CARE A3+ (Triple B; Outlook: Stable / A Three Plus )             |

## 7) Stock Performance

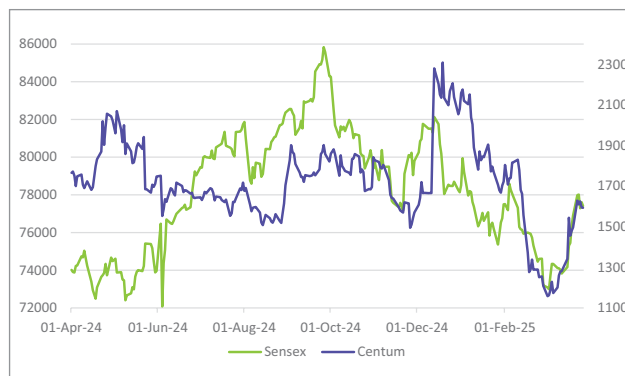
The performance of the stock in National Stock Exchange of India Limited and BSE Limited for the period from April 1, 2024, to March 31, 2025, was as follows:

| Month     | National Stock Exchange of India Limited (NSE) |          |                           | BSE Limited (BSE) |          |                           |
|-----------|--|----------|---------------------------|-------------------|----------|---------------------------|
|           | High   | Low      | Total Turnover (In Lakhs) | High              | Low      | Total Turnover (In Lakhs) |
| April     | 2,099.00                                       | 1,606.50 | 15,879.18                 | 2,097.15          | 1,607.40 | 1,754.27                  |
| May       | 2,089.65                                       | 1,553.05 | 23,504.15                 | 2,082.05          | 1,560.00 | 1,969.51                  |
| June      | 1,814.95                                       | 1,451.35 | 8,430.63                  | 1,848.00          | 1,456.50 | 687.89                    |
| July      | 1,734.95                                       | 1,550.00 | 6,818.99                  | 1,732.25          | 1,544.65 | 818.52                    |
| August    | 1,754.00                                       | 1,487.05 | 6,349.89                  | 1,753.45          | 1,500.00 | 578.22                    |
| September | 1,949.00                                       | 1,690.10 | 11,956.78                 | 1,948.75          | 1,690.25 | 1,254.67                  |
| October   | 1,929.00                                       | 1,606.30 | 4,866.79                  | 1,929.20          | 1,605.10 | 429.33                    |
| November  | 1,849.00                                       | 1,424.20 | 7,547.81                  | 1,852.20          | 1,428.60 | 374.70                    |
| December  | 2,390.05                                       | 1,565.00 | 29,603.11                 | 2,400.00          | 1,545.00 | 2,660.86                  |
| January   | 2,239.45                                       | 1,632.00 | 6,995.14                  | 2,339.95          | 1,630.00 | 575.34                    |
| February  | 1,890.00                                       | 1,188.65 | 6,324.96                  | 1,924.95          | 1,189.40 | 544.27                    |
| March     | 1,725.00                                       | 1,140.30 | 18,032.50                 | 1,721.00          | 1,140.15 | 2,428.91                  |

Exchange: NSE; Date: 01-04-2024 End date: 31-03-2025



Exchange: BSE; Date: 01-04-2024 End date: 31-03-2025



## 8) Dematerialisation of shares

The ISIN for the Equity Shares of the Company is INE320B01020. A total of 1,46,38,673 Equity Shares aggregating to 99.53% of the total shares of the Company are in dematerialised form as on March 31, 2025.

## 9) 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.: +91 040 6716 2222,

Fax No.: +91 040 23001153

Toll Free No. 1800 3454 001

Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

## 10) 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. K S Desikan                 | 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 Listing Regulations, 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.



### 11) Distribution of shareholding

The distribution of the shareholding as on March 31, 2025 is as follows:

| Category (Shares) | No. of Shareholders | %             | No. of Shares      | % to Equity   |
|-------------------|---------------------|---------------|--------------------|---------------|
| 1-5000            | 18,040              | 99.39         | 15,06,724          | 10.25         |
| 5001- 10000       | 49                  | 0.27          | 3,59,167           | 2.44          |
| 10001- 20000      | 19                  | 0.10          | 2,64,195           | 1.80          |
| 20001- 30000      | 9                   | 0.05          | 2,25,717           | 1.53          |
| 30001- 40000      | 5                   | 0.03          | 1,93,600           | 1.32          |
| 40001- 50000      | 4                   | 0.02          | 1,79,975           | 1.22          |
| 50001- 100000     | 10                  | 0.06          | 6,62,045           | 4.50          |
| 100001 & Above    | 14                  | 0.08          | 1,13,15,729        | 76.94         |
| <b>Total</b>      | <b>18,150</b>       | <b>100.00</b> | <b>1,47,07,152</b> | <b>100.00</b> |

### 12) Shareholding Pattern

Categories of Shareholders as on March 31, 2025 is as follows:

| Category                            | No. of Shares      | % to Total Shares |
|-------------------------------------|--------------------|-------------------|
| Promoters & Promoter Group          | 75,76,478          | 51.52             |
| Employees                           | 1,37,831           | 0.93              |
| Mutual Funds                        | 12,70,204          | 8.64              |
| Financial Institutions / Banks      | 9,88,931           | 6.72              |
| Non-Resident Indians                | 28,880             | 0.20              |
| Non-Resident Indian Non Repatriable | 34,556             | 0.23              |
| Foreign Portfolio- CORP             | 1,20,346           | 0.82              |
| Indian Public                       | 29,69,835          | 20.19             |
| Bodies Corporate                    | 13,77,377          | 9.37              |
| IEPF                                | 1,10,321           | 0.75              |
| HUF                                 | 92,393             | 0.63              |
| <b>Total</b>                        | <b>1,47,07,152</b> | <b>100.00</b>     |

Promoters / Promoter group haven't pledged any equity shares of the Company held by them in the Company during the financial year 2024-25.

### 13) 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 ₹ 5,83,951/- to Investor Education and Protection Fund Account which was pertaining to Unpaid Final Dividend Account - Centum Electronics Limited 2016-17 and Unpaid Interim Dividend Account 2017-18 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:

| SI 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 - Interim | 06-02-2019   | 1.00                      | 10-03-2026  |
| 2      | 2018-19 - Final   | 13-08-2019   | 4.00                      | 19-09-2026  |
| 3      | 2019-20- Final    | 18-09-2020   | 2.50                      | 24-10-2027  |
| 4      | 2020-21 - Interim | 10-02-2021   | 2.00                      | 18-03-2028  |
| 5      | 2020-21- Final    | 12-08-2021   | 2.00                      | 10-09-2028  |
| 6      | 2021-22 - Final   | 12-08-2022   | 2.50                      | 25-08-2029  |
| 7      | 2022-23 – Final   | 11-08-2023   | 4.00                      | 24-08-2030  |
| 8      | 2023-24 – Interim | 07-02-2024   | 3.00                      | 14-03-2031  |
| 9      | 2023-24 – Final   | 09-08-2024   | 3.00                      | 16-09-2031  |

**14) 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 6,991 shares to the Demat Account of the IEPF Authority.

**15) Disclosures with respect to the Demat Suspense Account / Unclaimed Suspense Account:**

There are no equity shares lying in the Demat suspense account

**16) Financials Release Dates for 2025-26**

| Quarter   | Release Date (tentative & subject to change) |
|---|--|
| 1 <sup>st</sup> Quarter ending June 30, 2025      | Second week of August 2025                   |
| 2 <sup>nd</sup> Quarter ending September 30, 2025 | Second week of November 2025                 |
| 3 <sup>rd</sup> Quarter ending December 31, 2025  | Second week of February 2026                 |
| 4 <sup>th</sup> Quarter ending March 31, 2026     | Last week of May 2026                        |

Internet access: [www.centumelectronics.com](http://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](mailto: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,  
Bangalore – 560 106  
Telephone: +91 080 41436000  
Fax : +91 080 41436005

**17) Registered Office & Plant Address /Phone and Fax Numbers**

| Location I  | Location II  |
|---|--|
| Centum Electronics Limited<br>No. 44, KHB Industrial Area,<br>Yelahanka New Town,<br>Bangalore – 560 106.<br>Telephone: +91 080 41436000<br>Fax: +91 080 41436005 | Centum Electronics Limited<br>Avansa, Plot-58P, Survey No.8, KIADB, Bangalore Aerospace Park, Industrial Area, Jala Hobli, Budigere Post, Bangalore – 562 129.<br>Telephone: +91 080 71214000<br>Fax: +91 080 71214005 |

**18) Compliance with discretionary requirements:**

All mandatory requirements of the SEBI Listing Regulations 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 Regulations are as under:

- 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 22, 2025

**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 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025. 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 : 22<sup>nd</sup> May, 2025  
UDIN: F004078G000406315

**RAJSHEKAR**  
Practicing Company Secretary  
FCS 4078, CP No 2468



## 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 Bangalore 560106 (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](http://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 31<sup>st</sup> March, 2025 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 |
|--------------------------------|---------------------------------|--------------------------------------|---|
| <b>Executive Directors</b>     |                                 |                                      |   |
| 1                              | Mr. Apparao Venkata Mallavarapu | 00286308                             | 08.01.1993                              |
| 2                              | Mr. Nikhil Mallavarapu          | 00288551                             | 13.02.2020                              |
| <b>Non-Executive Directors</b> |                                 |                                      |   |
| 3                              | Mr. Manoj Nagrath               | 01974412                             | 05.01.2010                              |
| 4                              | Mr. Rajiv Chandrakanth Mody     | 00092037                             | 07.08.2010                              |
| 5                              | Mr. Thiruvengadam Parthasarathi | 00016375                             | 08.02.2016                              |
| 6                              | Ms. V Kavitha Dutt              | 00139274                             | 25.03.2020                              |
| 7                              | Ms. Tanya Mallavarapu           | 01728446                             | 27.05.2023                              |
| 8                              | Mr. Tarun Sawhney               | 00382878                             | 22.05.2024                              |

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 : 22<sup>nd</sup> May, 2025  
UDIN: F004078G000406337

**RAJSHEKAR**  
Practicing Company Secretary  
FCS 4078, CP No 2468

## 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, 2025

Place : Bangalore  
Date : May 22, 2025

**Mallavarapu Venkata Apparao**  
Chairman and Managing Director  
DIN: 00286308

**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, Bangalore – 560 106

This is to certify that:

- a. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2025 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, 2025, 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 2024-2025.

**For CENTUM ELECTRONICS LIMITED**

**Mallavarapu Venkata Apparao**  
Chairman & Managing Director  
DIN: 00286308

**K S Desikan**  
Chief Financial Officer

Bengaluru  
May 22, 2025

## Annexure - 7

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING – FY 2024-25

#### SECTION A: GENERAL DISCLOSURES

##### I. Details of the listed entity

|    |  |   |
|----|--|---|
| 1  | <b>Corporate Identity Number (CIN) of the Listed Entity</b>  | L85110KA1993PLC013869   |
| 2  | <b>Name of the Listed Entity</b>   | Centum Electronics Limited  |
| 3  | <b>Year of incorporation</b>   | 1993  |
| 4  | <b>Registered office address</b>   | No. 44, KHB Industrial Area, Yelahanka New Town, Bangalore – 560 106  |
| 5  | <b>Corporate address</b>   | No. 44, KHB Industrial Area, Yelahanka New Town, Bangalore – 560 106  |
| 6  | <b>E-mail</b>  | <a href="mailto:investors@centumelectronics.com">investors@centumelectronics.com</a>  |
| 7  | <b>Telephone</b>   | 080 4143 6000   |
| 8  | <b>Website</b>   | <a href="http://www.centumelectronics.com">www.centumelectronics.com</a>  |
| 9  | <b>Financial year for which reporting is being done</b>  | 2024-25   |
| 10 | <b>Name of the Stock Exchange(s) where shares are listed</b>   | a. BSE Limited<br>b. National Stock Exchange of India Limited   |
| 11 | <b>Paid-up Capital</b>   | ₹ 147 million   |
| 12 | <b>Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report</b>  | Telephone: 080 4143 6000<br>email id : <a href="mailto:investors@centumelectronics.com">investors@centumelectronics.com</a> |
| 13 | <b>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)</b> | Standalone  |
| 14 | <b>Whether the company has undertaken reasonable assurance of the BRSR Core?</b>   | Not Applicable  |
| 15 | <b>Name of Assurance Provider</b>  | Not Applicable  |
| 16 | <b>Type of Assurance obtained</b>  | 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    | 21                              |
| 2      | Contract Manufacturing | 26104    | 79                              |

### 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)         | 10     |
| International (No. of Countries) | 18     |

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

53%

##### 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)            | 486       | 373     | 77      | 113      | 23      |
| 2         | Other than Permanent (E) | -         | -       | -       | -        | -       |
| 3         | Total employees (D + E)  | 486       | 373     | 77      | 113      | 23      |
| WORKERS   |                          |           |         |         |          |         |
| 4         | Permanent (F)            | 861       | 632     | 73      | 229      | 27      |
| 5         | Other than Permanent (G) | -         | -       | -       | -        | -       |
| 6         | Total workers (F + G)    | 861       | 632     | 73      | 229      | 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) |
| <b>Board of Directors</b>       | 8         | 2                             | 25      |
| <b>Key Management Personnel</b> | 4         | 1                             | 25      |



**22. Turnover rate for permanent employees and workers:**

| Particulars                | 2024-25 |        |       | 2023-24 |        |       | 2022-23 |        |       |
|----------------------------|---------|--------|-------|---------|--------|-------|---------|--------|-------|
|                            | Male    | Female | Total | Male    | Female | Total | Male    | Female | Total |
| <b>Permanent Employees</b> | 33.16   | 33.48  | 33.23 | 30.85   | 20.81  | 28.51 | 34.72   | 25.56  | 32.79 |
| <b>Permanent Workers</b>   | 33.99   | 31.94  | 33.45 | 40.83   | 41.15  | 40.92 | 45.62   | 20.28  | 32.66 |

**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 T&S Private Limited  | Subsidiary  | 100                               | No   |
| 2      | Centum Electronics UK Limited   | Subsidiary  | 100                               | No   |

**VI. CSR Details****24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes**

- Turnover (in ₹)** – FY 23-24 : 6,328 million
- Net worth (in ₹)** – FY 23-24 : 3,124 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)* | 2024-25                                    |  |         | 2023-24                                    |  |         |
|---|---|--|--|---------|--|--|---------|
|   |   | 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   | 199  | -  | -       | 204  | -  | -       |
| 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      | Fraud                       | R  | This can result in significant financial losses and place considerable strain on the organization's internal control systems.   | Awareness sessions and training programs are conducted to promote a culture of transparency and to encourage the reporting of fraud and unethical practices. | Negative   |
| 2      | Climate                     | O  | Presents an opportunity to mitigate and adapt to climate change through enhanced resource efficiency, cost optimization, and the transition to low-emission energy sources.                           | -  | Positive   |
| 3      | Compliance                  | R  | Forms the foundation for building trust among both external stakeholders and employees. Strong compliance practices contribute to organizational integrity, reputation, and long-term sustainability. | Digitally enabled, comprehensive compliance management system is in place to monitor and adhere to regulatory and internal requirements.                     | Negative   |
| 4      | Product Design & Innovation | O  | Integrating user-centric design, sustainable practices, and a culture of innovation can drive competitive advantage and market expansion  | -  | Positive   |

## 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 & Transparency   | Product Responsibility | Human Resources | Responsiveness to Stakeholders | Respect for Human Rights | Environment restoration | Public Policy Advocacy | Inclusive Growth | Customer Engagement |
| <b>Policy and management processes</b>  |   |                        |                 |                                |                          |                         |                        |                  |                     |
| 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   | <a href="http://www.centumelectronics.com">www.centumelectronics.com</a>  |                        |                 |                                |                          |                         |                        |                  |                     |
| 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, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | <ul style="list-style-type: none"> <li>• ISO Certificate for Quality Management System (ISO 9001:2015).</li> <li>• ISO Certificate for Occupational Health and safety management System (ISO 45001:2018).</li> <li>• ISO Certificate for Environment Management System (ISO 14001:2015).</li> <li>• ISO Certificate for Information Security Management System (ISO/IEC 27001:2013).</li> <li>• ISO Certificate for Medical Standard (ISO 13485:2003).</li> <li>• ISO Certificate for Automotive Standard (ISO 16949:2009).</li> <li>• ESD association 20-20 certified.</li> <li>• IRIS Railway certification.</li> <li>• IPC certified for IPC-A-610 Class III &amp; II application specialist.</li> </ul> |                        |                 |                                |                          |                         |                        |                  |                     |

**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          | <ul style="list-style-type: none"> <li>Code of Conduct for Board of Directors and Senior Management</li> <li>Policy for Determination of materiality of events for disclosure to Stock Exchanges</li> <li>Code of Practices and Procedures for Fair Disclosure of UPSI</li> <li>Whistle Blower Policy</li> <li>Company's core values</li> </ul> |
| The Company adheres to fair and transparent conduct by adopting best practices and standards of ethical behavior.   |                                |   |
| P2  | Product Responsibility         | <ul style="list-style-type: none"> <li>Quality Policy, Information Security Policy</li> </ul>   |
| Proper mechanisms are in place for conducting life cycle assessments of products. Product labeling complies with all regulatory and customer requirements.  |                                |   |
| P3  | Human Resources                | <ul style="list-style-type: none"> <li>Code of Conduct</li> <li>HR Policies (including Prevention of Sexual Harassment Policy)</li> <li>HR Handbook</li> </ul>  |
| 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 | <ul style="list-style-type: none"> <li>Corporate Social Responsibility Policy</li> <li>Code of Conduct</li> </ul>   |
| The Company regularly engages with stakeholders to discuss environmental, social, and governance issues.  |                                |   |
| P5  | Respect for Human Rights       | <ul style="list-style-type: none"> <li>Code of conduct</li> <li>Whistle Blower Policy</li> <li>HR Policies</li> <li>Prevention of Sexual Harassment Policy</li> </ul>   |
| The Human Resource department communicates labor laws and other policies to all employees.  |                                |   |
| P6  | Environment Restoration        | <ul style="list-style-type: none"> <li>Environment Policy</li> <li>Energy Management Policy</li> <li>Quality Policy</li> </ul>  |
| 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               | <ul style="list-style-type: none"> <li>Corporate Social Responsibility Policy</li> <li>HR Policies</li> </ul>   |
| 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            | <ul style="list-style-type: none"> <li>Code of Conduct</li> <li>Quality policy</li> <li>Information Security Policy</li> </ul>  |
| 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, our commitment to environmental, social, and governance (ESG) principles remains unwavering as we strive to create lasting value for all our stakeholders.

We are focused on reducing our environmental footprint by improving energy efficiency, minimizing waste, and adopting sustainable sourcing practices. On the social front, fostering diversity, inclusion, and employee well-being remains a central priority. Navigating evolving regulatory frameworks and stakeholder expectations remain our key priorities.

This year, we successfully reduced our carbon footprint, optimized energy consumption, and enhanced waste management practices. Our strengthened governance framework has improved transparency and stakeholder engagement. Notably, our sustainability efforts have been recognized externally, with Centum Electronics receiving the prestigious Sustainability Award from SEEM (Society of Environmental and Energy Managers), underscoring our leadership in sustainable business practices.

Our CSR commitments continued with impactful contributions to communities. We supported Mathru Blind School, enhancing educational access and infrastructure for visually impaired students. Our partnership with Akshaya Patra ensured nutritious meals for the underprivileged children, promoting health and education. Additionally, we supported the Museum of Art and Photography (MAP) Foundation, promoting cultural preservation and community engagement through various initiatives, thereby fostering inclusive growth.

Centum Electronics remains dedicated to embedding ESG values deeply into our operations and culture, striving to be a beacon of responsible business and sustainability leadership.
- 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  | <p>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.</p> <p>Details of External assessment:</p> <p>Policies and procedures of the organization are subject to audits/ reviews during ISO 9001, ISO 14001, ISO 45001, ISO 27001 Audits.</p>   |    |    |    |    |    |    |    |    |
| Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances   |   |    |    |    |    |    |    |    |    |
| Subject for Review   | Frequency (Annually/Half yearly/Quarterly/Any other - please specify)   |    |    |    |    |    |    |    |    |
| Performance against above policies and follow up action  | <p>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.</p>   |    |    |    |    |    |    |    |    |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances   |   |    |    |    |    |    |    |    |    |
| <b>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.</b> | <p>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.</p> <p>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.</p> |    |    |    |    |    |    |    |    |

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

| Questions   | P1  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|----|----|----|----|----|----|----|----|
| The entity does not consider the Principles material to its business (Yes/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)                         |   |    |    |    |    |    | No |    |    |
| It is planned to be done in the next financial year (Yes/No)  |   |    |    |    |    |    |    |    |    |
| Any other reason (please specify)   | <p>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.</p> |    |    |    |    |    |    |    |    |

## 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

- 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   |

- 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.

- 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

- 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](http://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                         | 2024-25 | 2023-24 |
|-------------------------------------|---------|---------|
| Number of days of accounts payables | 122     | 135     |

**9. Open-ness of business:**

| Parameter                         | Metrics   | 2024-25 | 2023-24 |
|-----------------------------------|---|---------|---------|
| <b>Concentration of Purchases</b> | a. Purchases from trading houses as % of total purchases                            | 4.36%   | 3.78%   |
|                                   | b. Number of trading houses where purchases are made                                | 72      | 65      |
|                                   | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 87.44%  | 69.80%  |
| <b>Concentration of Sales</b>     | 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   | -       | -       |
| <b>Share of RPTs in</b>           | a. Purchases (Purchases with related parties/Total Purchases)                       | 3.31%   | 2.33%   |
|                                   | b. Sales (Sales to related parties/Total Sales)                                     | 4.30%   | 4.93%   |
|                                   | c. Loans & advances given to related parties/Total loans & advances                 | 66.26%  | 19.41%  |
|                                   | 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)**
  - 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 wastewater 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 |         |
|-------------------------|--|---------|
|                         | 2024-25  | 2023-24 |
| Solder Dross            | 57   | 55      |

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<br>(A) | % of employees covered by |            |                    |            |                    |            |                   |            |                     |            |
|---------------------------|--------------|---------------------------|------------|--------------------|------------|--------------------|------------|-------------------|------------|---------------------|------------|
|                           |              | Health Insurance          |            | Accident Insurance |            | Maternity Benefits |            | Paternity Workers |            | Day Care facilities |            |
|                           |              | Number<br>(B)             | %<br>(B/A) | Number<br>(C)      | %<br>(C/A) | Number<br>(D)      | %<br>(D/A) | Number<br>(E)     | %<br>(E/A) | Number<br>(F)       | %<br>(F/A) |
| Permanent Employees       |              |                           |            |                    |            |                    |            |                   |            |                     |            |
| Male                      | 373          | 373                       | 100        | 373                | 100        | N.A.               | N.A.       | -                 | -          | -                   | -          |
| Female                    | 113          | 113                       | 100        | 113                | 100        | 10                 | 9          | N.A.              | N.A        | -                   | -          |
| Total                     | 486          | 486                       | 100        | 486                | 100        | 10                 | 2.06       | -                 | -          | -                   | -          |
| Other Permanent Employees |              |                           |            |                    |            |                    |            |                   |            |                     |            |
| Male                      |              |                           |            |                    |            |                    |            |                   |            |                     |            |
| Female                    |              |                           |            |                    |            | -                  |            |                   |            |                     |            |
| Total                     |              |                           |            |                    |            |                    |            |                   |            |                     |            |

##### b. Details of measures for the well-being of workers:

| Category                | Total<br>(A) | % of workers covered by |            |                    |            |                    |            |                   |            |                     |            |
|-------------------------|--------------|-------------------------|------------|--------------------|------------|--------------------|------------|-------------------|------------|---------------------|------------|
|                         |              | Health Insurance        |            | Accident Insurance |            | Maternity Benefits |            | Paternity Workers |            | Day Care facilities |            |
|                         |              | Number<br>(B)           | %<br>(B/A) | Number<br>(C)      | %<br>(C/A) | Number<br>(D)      | %<br>(D/A) | Number<br>(E)     | %<br>(E/A) | Number<br>(F)       | %<br>(F/A) |
| Permanent workers       |              |                         |            |                    |            |                    |            |                   |            |                     |            |
| Male                    | 632          | 97                      | 15         | 632                | 100        | N.A.               | N.A.       | -                 | -          | -                   | -          |
| Female                  | 229          | 42                      | 18         | 229                | 100        | 6                  | 3          | N.A               | N.A        | -                   | -          |
| Total                   | 861          | 139                     | 16         | 861                | 100        | 6                  | 0.70       | -                 | -          | -                   | -          |
| Other Permanent workers |              |                         |            |                    |            |                    |            |                   |            |                     |            |
| Male                    |              |                         |            |                    |            |                    |            |                   |            |                     |            |
| Female                  |              |                         |            |                    |            | -                  |            |                   |            |                     |            |
| Total                   |              |                         |            |                    |            |                    |            |                   |            |                     |            |

##### c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent)

| Particulars  | 2024-25 | 2023-24 |
|--|---------|---------|
| Cost incurred on wellbeing measures as a % of total revenue of the company | 0.80    | 0.91    |

## 2. Detail of retirement benefits, for Current Financial Year and Previous Financial Year.

| Benefits                       | 2024-25   |  |  | 2023-24   |  |  |
|--------------------------------|---|--|--|---|--|--|
|                                | 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.) |
| <b>PF</b>                      | 100   | 100  | YES  | 100   | 100  | YES  |
| <b>Gratuity</b>                | 100   | 100  | YES  | 100   | 100  | YES  |
| <b>ESI</b>                     | -   | 78   | YES  | 0.4   | 78.5   | YES  |
| <b>Others – please specify</b> | -   |  |  |   |  |  |

## 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      | 100%                | 100%           | 83%                 | 83%            |

## 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 (If yes, give the details of mechanism in brief) |
|--------------------------------|---|
| 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) and Regulation 22 of SEBI LODR, 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](http://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  | 2024-25      |                                  |              |                         |              | 2023-24      |                                  |              |                         |              |
|-----------|--------------|----------------------------------|--------------|-------------------------|--------------|--------------|----------------------------------|--------------|-------------------------|--------------|
|           | Total<br>(A) | On Health and<br>safety measures |              | On Skill<br>upgradation |              | Total<br>(D) | On Health and<br>safety measures |              | On Skill<br>upgradation |              |
|           |              | No. (B)                          | % (B /<br>A) | No. (C)                 | % (C /<br>A) |              | No. (E)                          | % (E /<br>D) | No. (F)                 | % (F /<br>D) |
| EMPLOYEES |              |                                  |              |                         |              |              |                                  |              |                         |              |
| Male      | 373          | 373                              | 100          | 172                     | 46.11        | 375          | 375                              | 100          | 168                     | 44.8         |
| Female    | 113          | 113                              | 100          | 57                      | 50.44        | 120          | 120                              | 100          | 45                      | 37.5         |
| Total     | 486          | 486                              | 100          | 229                     | 47.12        | 495          | 495                              | 100          | 213                     | 43.03        |
| WORKERS   |              |                                  |              |                         |              |              |                                  |              |                         |              |
| Male      | 632          | 632                              | 100          | 632                     | 100          | 592          | 592                              | 100          | 592                     | 100          |
| Female    | 229          | 229                              | 100          | 229                     | 100          | 203          | 203                              | 100          | 203                     | 100          |
| Total     | 861          | 861                              | 100          | 861                     | 100          | 795          | 795                              | 100          | 795                     | 100          |

**9. Details of performance and career development reviews of employees and workers:**

| Category         | 2024-25   |         |           | 2023-24   |         |           |
|------------------|-----------|---------|-----------|-----------|---------|-----------|
|                  | Total (A) | No. (B) | % (B / A) | Total (C) | No. (D) | % (D / C) |
| <b>EMPLOYEES</b> |           |         |           |           |         |           |
| Male             | 373       | 373     | 100       | 375       | 375     | 100       |
| Female           | 113       | 113     | 100       | 120       | 120     | 100       |
| Total            | 486       | 486     | 100       | 495       | 495     | 100       |
| <b>WORKERS</b>   |           |         |           |           |         |           |
| Male             | 632       | 632     | 100       | 592       | 592     | 100       |
| Female           | 229       | 229     | 100       | 203       | 203     | 100       |
| Total            | 861       | 861     | 100       | 795       | 795     | 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. (Y/N)**

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/<br>Number  | Category  | 2024-25 | 2023-24 |
|---|-----------|---------|---------|
| Lost Time Injury<br>Frequency Rate<br>(LTIFR) (per one<br>million-person<br>hours worked) | Employees | -       | -       |
|   | Workers   | -       | -       |
| Total recordable<br>work-related<br>injuries  | Employees | -       | -       |
|   | Workers   | -       | -       |
| No. of fatalities   | Employees | -       | -       |
|   | Workers   | -       | -       |
| High<br>consequence<br>work-related<br>injury or ill-<br>health (excluding<br>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:**

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  | <ul style="list-style-type: none"> <li>Addressing Customer feedback</li> <li>Addressing Customer grievances</li> <li>Providing information regarding products and services</li> </ul> |
| Investors/ Shareholders              | N   | Email, Newspaper, Website and Other   | O  | <ul style="list-style-type: none"> <li>Business update;</li> <li>Financial Performance</li> <li>Statutory Communications</li> </ul>   |
| Employees                            | N   | Email, Notice Board and Other   | O  | <ul style="list-style-type: none"> <li>Employee Productivity</li> <li>Talent management</li> <li>Learning and development</li> </ul>  |
| Regulatory and Statutory Authorities | N   | Email, 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. Additionally, the Company has a Memorandum of Understanding with the Art and Photography Foundation for promoting art.

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

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category               | 2024-25   |                                       |           | 2023-24   |                                       |           |
|------------------------|-----------|---------------------------------------|-----------|-----------|---------------------------------------|-----------|
|                        | Total (A) | No. of employees/ workers covered (B) | % (B / A) | Total (C) | No. of employees/ workers covered (D) | % (D / C) |
| <b>Employees</b>       |           |                                       |           |           |                                       |           |
| Permanent              | 486       | 486                                   | 100       | 495       | 495                                   | 100       |
| Other than permanent   | -         | -                                     | -         | -         | -                                     | -         |
| <b>Total Employees</b> | 486       | 486                                   | 100       | 495       | 495                                   | 100       |
| <b>Workers</b>         |           |                                       |           |           |                                       |           |
| Permanent              | 861       | 861                                   | 100       | 795       | 795                                   | 100       |
| Other than permanent   | -         | -                                     | -         | -         | -                                     | -         |
| <b>Total Workers</b>   | 861       | 861                                   | 100       | 795       | 795                                   | 100       |

- Details of minimum wages paid to employees and workers, in the following format:

| Category             | 2024-25      |                          |              |                           |              | 2023-24      |                          |              |                           |              |
|----------------------|--------------|--------------------------|--------------|---------------------------|--------------|--------------|--------------------------|--------------|---------------------------|--------------|
|                      | Total<br>(A) | Equal to<br>Minimum Wage |              | More than<br>Minimum Wage |              | Total<br>(D) | Equal to<br>Minimum Wage |              | More than<br>Minimum Wage |              |
|                      |              | No.<br>(B)               | % (B /<br>A) | No.<br>(C)                | % (C /<br>A) |              | No.<br>(E)               | % (E /<br>D) | No.<br>(F)                | % (F /<br>D) |
| Permanent Employees  |              |                          |              |                           |              |              |                          |              |                           |              |
| Male                 | 373          | -                        | -            | 373                       | 100          | 375          | -                        | -            | 375                       | 100          |
| Female               | 113          | -                        | -            | 113                       | 100          | 120          | -                        | -            | 120                       | 100          |
| Others               | -            | -                        | -            | -                         | -            | -            | -                        | -            | -                         | -            |
| Other than permanent |              |                          |              |                           |              |              |                          |              |                           |              |
| Male                 | -            |                          |              |                           |              |              |                          |              |                           |              |
| Female               |              |                          |              |                           |              |              |                          |              |                           |              |
| Others               |              |                          |              |                           |              |              |                          |              |                           |              |
| Permanent Workers    |              |                          |              |                           |              |              |                          |              |                           |              |
| Male                 | 632          | -                        | -            | 632                       | 100          | 592          | -                        | -            | 592                       | 100          |
| Female               | 229          | -                        | -            | 229                       | 100          | 203          | -                        | -            | 203                       | 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)         | 6      | 8,15,000  | 2      | 6,65,000  |
| Key Managerial Personnel         | 3      | 39,722,203  | 1      | 1,731,203   |
| Employees other than BoD and KMP | 373    | 9,45,792  | 113    | 6,52,428  |
| Workers                          | 632    | 2,28,156  | 229    | 2,28,156  |

#### b. Gross wages paid to females:

| Particulars  | 2024-25 | 2023-24 |
|--|---------|---------|
| Gross wages paid to females<br>(Gross wages paid to females as % of total wages) | 18%     | 18%     |

### 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 24-25 and FY 23-24.

### 7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

| Particulars  | 2024-25 | 2023-24 |
|--|---------|---------|
| 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 2024-25. 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 2024-25.



## 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       | 2024-25           | 2023-24           |
|---|-------------|-------------------|-------------------|
| <b>From Renewable Sources</b>   |             |                   |                   |
| Total electricity consumption (A)   | GJ          | 25,707.60         | 16,412.40         |
| Total fuel consumption (B)  | GJ          | -                 | -                 |
| Energy consumption through other sources (C)  | GJ          | -                 | 11,147.40         |
| <b>Total energy consumed from renewable sources (A+B+C)</b>   | <b>GJ</b>   | <b>25,707.60</b>  | <b>27,559.80</b>  |
| <b>From non-renewable sources</b>   |             |                   |                   |
| Total electricity consumption (D)   | GJ          | 3,125.14          | 2,335.11          |
| Total fuel consumption (E)  | GJ          | 625.22            | 517.32            |
| Energy consumption through other sources (F)  | GJ          | -                 | -                 |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b>   | <b>GJ</b>   | <b>3,750.36</b>   | <b>2,852.43</b>   |
| <b>Total energy consumed (A+B+C+D+E+F)</b>  | <b>GJ</b>   | <b>29,457.96</b>  | <b>30,412.23</b>  |
| <b>Energy intensity per rupee of turnover (Total energy consumption / Revenue from operations)</b>  | <b>GJ/₹</b> | <b>0.00000393</b> | <b>0.00000480</b> |
| <b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)<br/>(Total energy consumed / Revenue from operations adjusted for PPP)</b> | <b>GJ/₹</b> | <b>0.00008116</b> | <b>0.00010996</b> |
| <b>Energy intensity in terms of physical Output</b>   | <b>GJ</b>   | <b>1.17686346</b> | <b>0.0275374</b>  |

**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  | 2024-25   | 2023-24  |
|--|-----------|----------|
| <b>Water withdrawal by source (in kiloliters)</b>  |           |          |
| (i) Surface water  | -         | -        |
| (ii) Groundwater   | 40,470    | 62,549   |
| (iii) Third party water  | 963       | 1,292    |
| (iv) Seawater / desalinated water  | -         | -        |
| (v) Others   | -         | -        |
| <b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>  | 41,433    | 63,841   |
| <b>Total volume of water consumption (in kiloliters)</b>   | 41,433    | 63,841   |
| <b>Water intensity per rupee of turnover (Total water consumption / Revenue from operations)</b>   | 0.0000055 | 0.000010 |
| <b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)<br/>(Total water consumption / Revenue from operations adjusted for PPP)</b> | 0.000114  | 0.000230 |
| <b>Water intensity in terms of physical output</b>   | 1.152726  | 0.057806 |

**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  | 2024-25      | 2023-24       |
|--|--------------|---------------|
| <b>Water discharge by destination and level of treatment (in kiloliters)</b> |              |               |
| (i) To Surface water   | 6,969        | 10,657        |
| - No treatment   | -            | -             |
| - With treatment - please specify level of treatment                         | 6,969        | 10,657        |
| (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   | 90           | 18            |
| - No treatment   | 90           | 18            |
| - With treatment - please specify level of treatment                         | -            | -             |
| (v) Others   | -            | -             |
| - No treatment   | -            | -             |
| - With treatment - please specify level of treatment                         | -            | -             |
| <b>Total water discharged (in kiloliters)</b>                                | <b>7,059</b> | <b>10,675</b> |

**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 | 2024-25  | 2023-24  |
|-------------------------------------|---------------------|--|--|
| NOx                                 | Mg/nm3              | 752.66   | 607.80   |
| SOx                                 | Mg/nm3              | 317.17   | 136.20   |
| Particulate matter (PM)             | Mg/nm3              | 843.50   | 381.10   |
| 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      | 2024-25    | 2023-24    |
|--|-----------|------------|------------|
| Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                              | tCo2e     | 1,936      | 1,197      |
| Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                              | tCo2e     | 745        | 622        |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)   | tCo2e / ₹ | 0.00000036 | 0.00000028 |
| 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 / ₹ | 0.00000739 | 0.00000657 |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output   | tCo2e     | 0.14523047 | 0.00164705 |

**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 2024-25.
- 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  | 2024-25      | 2023-24      |
|--|--------------|--------------|
| <b>Total Waste generated (in metric tonnes)</b>  |              |              |
| Plastic waste (A)  | 18.67        | 22.79        |
| E-waste (B)  | 6.30         | 3.43         |
| Bio-medical waste (C)  | -            | -            |
| Construction and demolition waste (D)  | -            | -            |
| Battery waste (E)  | -            | -            |
| Radioactive waste (F)  | -            | -            |
| Other Hazardous waste. Please specify, if any (G)<br>(Spent solvents, lead bearing residues, contaminated cotton rags, oil-soaked cotton waste, empty barrels, waste residues containing oil)    | 19.27        | 13.97        |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)<br>Corrugated cotton box, Paper, Metal waste, Aluminium etc. | 68.32        | 49.43        |
| Total (A+B + C + D + E + F + G + H)  | 112.55       | 89.62        |
| Waste intensity per rupee of turnover<br>(Total waste generated / Revenue from operations)   | 0.00000002   | 0.00000001   |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)<br>(Total waste generated / Revenue from operations adjusted for PPP)   | 0.00000031   | 0.00000032   |
| Waste intensity in terms of physical output  | 0.00138763   | 0.00008115   |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>   |              |              |
| Category of waste  |              |              |
| (i) Recycled   | 3.20         | 2.29         |
| (ii) Re-used   | 3.20         | 2.29         |
| (iii) Other recovery operations  | -            | -            |
| <b>Total</b>   | <b>6.40</b>  | <b>4.58</b>  |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>  |              |              |
| Category of waste  |              |              |
| (i) Incineration   | 17.28        | 10.99        |
| (ii) Landfilling   | -            | -            |
| (iii) Other disposal operations  | -            | -            |
| <b>Total</b>   | <b>17.28</b> | <b>10.99</b> |

**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 of our own office building occurred, therefore no environmental assessment of projects undertaken by us was necessary.

**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                  | 2024-25      | 2023-24      |
|---|-----------------------|--------------|--------------|
| Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | MtCo <sub>2</sub> e   | 532.92*      | 1.15         |
| Total Scope 3 emissions per rupee of turnover   | MtCo <sub>2</sub> e/₹ | 0.0000000711 | 0.0000000007 |

\*During the previous year, Scope 3 emissions were disclosed for only one category. Accordingly, year-over-year data is not comparable.

Currently, Scope 3 emissions are reported for the following categories:

3.4 – Upstream transportation and distribution

3.5 – Waste generated in operations

3.6 – Business travel

3.7 – Employee commuting

3.9 – Downstream transportation and distribution



We are actively working toward expanding our Scope 3 reporting to include all remaining 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 (Web-link, if any, may be provided along-with summary)  | Outcome of the initiative   |
|---------|--|---|---|
| 1       | Purchase of renewable energy                         | Purchase of open access power from solar & wind energy through third party  | <ul style="list-style-type: none"> <li>90% of overall energy consumption comes from renewable sources.</li> <li>Reduction of Co2 emission from 5,427 ton in 2017-18 to 334 ton of Co2 emission in 2024-25.</li> </ul> |
| 2       | Remote Monitoring system                             | Remote monitoring and automatic temperature control have been implemented using sensor-based systems, and Variable Frequency Drives (VFDs) have been installed for the Air Handling Unit (AHU). | These installations enable efficient temperature control and contribute to significant energy savings.  |
| 3       | Oil vacuum pump has been eliminated                  | The oil vacuum pump system was eliminated by implementing an air-based vacuum generation system.  | This change has effectively eliminated emissions associated with the oil pump and reduced operating costs through lower energy consumption and decreased expenditure on consumables.                                  |
| 4       | Integrated process and 245TR chiller.                | Optimized resource utilization according to load demands to reduce power consumption by integrating the process with a 245TR chiller.   | Power consumption reduced by 82,944 KWH   |
| 5       | Installation of motion based light control           | Installed motion-sensor lighting controls in areas with occasional occupancy.   | This system reduces energy consumption by automatically turning off lights when no movement is detected, while also extending the lifespan of bulbs and fixtures.   |
| 6       | Redesign of Mechanical Vibration Fixtures            | Mechanical vibration fixtures were redesigned and enhanced to enable simultaneous vibration screening of multiple Devices Under Test (DUTs).  | This improvement has resulted in up to a 50% reduction in energy consumption and lowered maintenance costs.   |
| 7       | Thermography Studies & Annual Electrical Maintenance | Conducted thermography studies and annual electrical maintenance shutdowns to identify and rectify defects in electrical systems.   | Improves overall system efficiency and reliability.   |

| Sr. No. | Initiative undertaken                      | Details of the initiative (Web-link, if any, may be provided along-with summary)   | Outcome of the initiative   |
|---------|--|--|---|
| 8       | Digitization of Water Consumption          | Implemented advanced sensors and data analytics to transform the monitoring and management of water resources.                                 | This enables real-time reporting for accurate tracking of water consumption and distribution.   |
| 9       | UPS Remote Monitoring System               | Introduced a UPS remote monitoring system that allows continuous observation of UPS performance.   | The system automatically sends email alerts to the maintenance team in case of faults, ensuring prompt response and minimizing downtime.      |
| 10      | Remote Monitoring and Control of Chambers  | Implemented HMI-based remote monitoring and data logging for Burn-In chambers.   | This automation reduces human error by logging operational data in real time, with graphs and reports that can be easily shared and reviewed. |
| 11      | Helical Coil Insertion In-House Capability | Developed in-house capabilities for Helical coil insertion at Centum, addressing all installation requirements for space and defense products. | This initiative has significantly reduced reliance on outsourced services.  |

**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   | 2024-25 | 2023-24 |
|---|---------|---------|
| Directly sourced from MSMEs/ small producers                        | 39      | 56      |
| Sourced directly from within the district and neighboring districts | 75      | 70      |

\* 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 2024-25 | % of Job creation 2023-24 |
|--------------|---------------------------|---------------------------|
| 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 2024-2025, 1 Patent is granted and 5 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       | Promoting Education - Blind School - Mathru Educational Trust | 164   | 100  |
| 2       | Meal Distribution – The Akshaya Patra Foundation              | 541   | 60   |
| 3       | proVISION ASIA  | 21  | 100  |
| 4       | Art & Photography Foundation                                  | Not Applicable                              | Not Applicable   |



## 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 directly 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:**

| Particulars   | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product |                                   |
| Safe and responsible usage                                  | 100%                              |
| Recycling and/or safe disposal                              |                                   |

**3. Number of consumer complaints in respect of the following:**

| Particulars                    | 2024-25                  |                                   | Remarks | 2023-24                  |                                   | Remarks |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
|                                | Received during the year | Pending resolution at end of year |         | Received during the year | Pending resolution at end of year |         |
| Data privacy                   |                          |                                   |         |                          |                                   |         |
| Advertising                    |                          |                                   |         |                          |                                   |         |
| Cyber-security                 |                          |                                   |         |                          |                                   |         |
| Delivery of essential services |                          |                                   |         |                          |                                   |         |
| Restrictive Trade Practices    |                          |                                   |         |                          |                                   |         |
| Unfair Trade Practices         |                          |                                   |         |                          |                                   |         |
| Other                          |                          |                                   |         |                          |                                   |         |

**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](http://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.

## 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, 2025, 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, 2025, its profit including other comprehensive income, 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, 2025. 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  |
|--|---|
| <b>(a) Allowance for inventory obsolescence (as described in note 2.3(j), note 10 and note 40 of the standalone Ind AS financial statements)</b>   |   |
| The Company held an inventory balance of ₹ 3,267.74 million as at March 31, 2025, 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. | <p>Our procedures to evaluate the allowance of inventories included:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of how the management identifies the slow-moving and obsolete inventories and assesses the amount of allowance for inventories;</li> <li>• We assessed and tested the design and operating effectiveness of the Company's internal financial controls over the allowance for inventory obsolescence;</li> <li>• We observed the inventory count performed by management and assessed the physical condition of the inventories;</li> <li>• We also assessed the allowance policy based on historical sales performance of the products in their life cycle and comparing the actual loss to historical allowance recognized, on a sample basis;</li> <li>• We further tested the ageing of the inventories and the computation of the obsolescence level on a sample basis;</li> </ul> |

| Key audit matters   | How our audit addressed the key audit matter  |
|---|---|
|   | <ul style="list-style-type: none"> <li>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, on a sample basis.</li> <li>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.</li> </ul>   |
| <b>Impairment testing of investments in a subsidiary (as described in note 2.3(k), note 5 and note 40 of the standalone Ind AS financial statements)</b>  |   |
| <p>As at March 31, 2025, the carrying amount of investment in Centum Electronics UK Limited, a subsidiary of the Company is ₹ 1,537.83 million which has underlying investment in Centum T&amp;S Group Société Anonyme (S.A.). Centum T&amp;S Group Société Anonyme (S.A.) has been incurring losses leading to erosion of net worth whereby the carrying value of the investment in Centum T&amp;S Group Société Anonyme (S.A.) as at March 31, 2025, is higher than Centum T&amp;S Group Société Anonyme (S.A.)'s net worth. The determination of recoverable amounts of the Company's investments in Centum Electronics UK Limited relies on management's estimates of future cash flows and their judgment with respect to the Centum T&amp;S Group Société Anonyme (S.A.)'s performance. Significant judgements are required to determine the key assumptions used in the discounted cash flow models, such as revenue growth, price, terminal value and discount rates. Due to the uncertainty of forecasting and discounting future cash flows, being inherently subjective, the level of management's judgement involved and the significance of the Company's investment as at March 31, 2025, we have considered this as a key audit matter.</p> <p>The basis of impairment of investment in subsidiary is presented in the accounting policies in Note 2.3(1) to the standalone Ind AS financial statements.</p> | <p>Our procedures to evaluate the impairment of investment included:</p> <ul style="list-style-type: none"> <li>We assessed whether the Company's accounting policy with respect to impairment is in accordance with Ind AS 36 "Impairment of assets".</li> <li>We have carried out assessment of forecasts of future cash flows prepared by the management, evaluating the assumptions and comparing the estimates to externally available industry, economic and financial data;</li> <li>We have also assessed the valuation methodology and the key assumptions adopted in the cash flow forecasts with the support of our in-house valuation experts;</li> <li>We also assessed the recoverable value headroom by performing sensitivity testing of key assumptions used.</li> <li>We discussed potential changes in key drivers as compared to previous year / actual performance with management to evaluate whether the inputs and assumptions used in the cash flow forecasts were appropriate.</li> <li>We discussed with senior management personnel, the justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same to assess their reasonableness;</li> <li>We tested the arithmetical accuracy of the financial projection model;</li> <li>We assessed the Company's disclosures concerning this in Note 40 on significant accounting estimates and judgements and Note 5 pertaining to the disclosures of investment in subsidiary to the standalone Ind AS financial statements.</li> </ul> |

### 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.

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

#### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial 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, 2025, 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 57 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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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, 2025 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 27 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, other than as disclosed in the 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 the 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 18 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 57 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 has been preserved by the Company as per the statutory requirements for record retention.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Navin Agrawal**

Partner

Membership Number: 056102

UDIN: 25056102BMMHDS2181

Place of Signature: Bengaluru

Date: May 22, 2025

## 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 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) | NA   | 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, 2025.
- (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 by them as at March 31, 2025. 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 22 to the standalone Ind AS financial statements, the Company has been sanctioned working capital limits in excess of ₹ 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) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable

to the Company. However, the Company has an outstanding loan of ₹ 10 million as at March 31, 2025 given to Centum T&S Private Limited ('CTNSI'), a subsidiary company.

- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company. However, the Company has an outstanding loan of ₹ 10 million as at March 31, 2025, given to Centum T&S Private Limited ('CTNSI'), a subsidiary company.
- (c) In respect of loan granted to the subsidiary company, the schedule of repayment of principal and payment of interest has been stipulated and the receipts are regular
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days post renewal of the same as covered in clause (e) below.
- (e) The Company had granted loan to its subsidiary which had fallen due during the year and the Company has extended the loan granted to its subsidiary to settle the dues of the existing loan.

The aggregate amount of such dues extended and the percentage of the aggregate to the total loan granted during the year are as follows:

| Name of Parties            | Aggregate amount of loans or advances in the nature of loans granted during the year | Aggregate overdue amount settled by extension to same party (₹ in million) | Percentage of the aggregate to the total loan granted during the year |
|----------------------------|--|--|---|
| Centum T&S Private Limited | -  | 10.00  | 100%  |

- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 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 INR million) | Period to which the amount relates    | Forum where the dispute is pending                                       |
|-------------------------------|---|-------------------------|---------------------------------------|--|
| Income Tax Act, 1961          | Disallowance of exemptions              | 46.44                   | Financial year 2016-2017              | Commissioner of Income Tax (Appeals) - Bangalore                         |
| Income Tax Act, 1961          | Disallowances/ additions                | 45.62                   | Financial year 2022-2023              | Honourable High Court of Karnataka                                       |
| Central Excise Act, 1944      | Non-payment of service tax              | 89.25<br>(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<br>(0.21)*         | Financial year 2004-2005 to 2005-2006 | Commissioner of Central Excise, Bangalore                                |
| Central Excise Act, 1944      | Disallowance of CENVAT Credit availed   | 22.26                   | Financial year 2010-2011 to 2012-2013 | CESTAT, Bangalore  |
| The Goods and Service Tax Act | Recovery of erroneous refund sanctioned | 2.72<br>(0.44)*         | Financial year 2017-2018              | Additional Commissioner Central Tax (Appeals)                            |

\* Amount in parenthesis 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 or associate companies. The Company does not have any joint venture. 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 complied with provisions of Sections 42 and 62 of the Companies Act, 2013 in respect of the private placement of equity shares through Qualified Institutional Placement ("QIP") during the year. As disclosed in note 46 to the standalone Ind AS financial statements, the amount raised, have been used for the purposes for which the funds were raised except for ₹ 897.13 million which have been invested in fixed deposits with banks and other bank balances.
- The Company has not made any preferential allotment of shares/ fully or partially or optionally convertible debentures or private placement of fully or partially or optionally convertible debentures during the year under audit.
- (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 53 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 53 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: 25056102BMMHDS2181

Place of Signature: Bengaluru

Date: May 22, 2025

## ANNEXURE 2

### TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE 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")

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, 2025, 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] 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, 2025, 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: 25056102BMMHDS2181

Place of Signature: Bengaluru

Date: May 22, 2025

Corporate Identification Number (CIN): L85110KA1993PLC013869

## Standalone Ind AS Balance Sheet as at March 31, 2025

|  | Notes | March 31, 2025   | March 31, 2024  |
|--|-------|------------------|-----------------|
| (₹ in million)   |       |                  |                 |
| <b>ASSETS</b>  |       |                  |                 |
| <b>(1) Non-current assets</b>  |       |                  |                 |
| (a) Property, plant and equipment  | 3     | 1,034.08         | 1,053.03        |
| (b) Capital work-in-progress   | 3a    | 76.37            | 2.87            |
| (c) Goodwill   | 4     | 36.35            | 36.35           |
| (d) Other intangible assets  | 4     | 7.96             | 17.59           |
| (e) Right-of-use assets  | 44(a) | 16.67            | 22.84           |
| (f) Financial assets   |       |                  |                 |
| (i) Investments  | 5     | 1,538.83         | 1,080.81        |
| (ii) Other financial assets  | 6     | 218.88           | 157.70          |
| (g) Deferred tax assets (net)  | 7     | 152.27           | 88.82           |
| (h) Non-current tax assets (net)   | 8     | 9.38             | 9.38            |
| (i) Other assets   | 9     | 26.39            | 10.24           |
| <b>Total non - current assets</b>  |       | <b>3,117.18</b>  | <b>2,479.63</b> |
| <b>(2) Current assets</b>  |       |                  |                 |
| (a) Inventories  | 10    | 3,267.74         | 2,874.16        |
| (b) Financial assets   |       |                  |                 |
| (i) Trade receivables  | 11    | 3,139.10         | 2,202.63        |
| (ii) Cash and cash equivalents   | 12    | 477.84           | 129.50          |
| (iii) Bank balances other than cash and cash equivalents                               | 12    | 612.39           | 234.58          |
| (iv) Loans   | 13    | 10.00            | 10.00           |
| (v) Other financial assets   | 14    | 52.96            | 19.04           |
| (c) Other assets   | 15    | 474.15           | 278.48          |
| <b>Total current assets</b>  |       | <b>8,034.18</b>  | <b>5,748.39</b> |
| <b>Total assets (1+2)</b>  |       | <b>11,151.36</b> | <b>8,228.02</b> |
| <b>EQUITY AND LIABILITIES</b>  |       |                  |                 |
| <b>(1) Equity</b>  |       |                  |                 |
| (a) Equity share capital   | 16    | 147.07           | 128.88          |
| (b) Other equity   | 17    | 5,492.03         | 2,995.00        |
| <b>Total equity</b>  |       | <b>5,639.10</b>  | <b>3,123.88</b> |
| <b>Liabilities</b>   |       |                  |                 |
| <b>(2) Non-current liabilities</b>   |       |                  |                 |
| (a) Financial liabilities  |       |                  |                 |
| (i) Borrowings   | 19    | 77.96            | 102.62          |
| (ii) Lease liabilities   | 44(a) | -                | 2.70            |
| (b) Government grants  | 20    | 11.02            | 16.40           |
| (c) Net employee defined benefit liabilities   | 21    | 37.09            | 49.88           |
| (d) Other liabilities  | 25    | -                | 563.37          |
| <b>Total non-current liabilities</b>   |       | <b>126.07</b>    | <b>734.97</b>   |
| <b>(3) Current liabilities</b>   |       |                  |                 |
| (a) Financial liabilities  |       |                  |                 |
| (i) Borrowings   | 22    | 883.13           | 1,068.10        |
| (ii) Lease liabilities   | 44(a) | 3.30             | 2.25            |
| (iii) Trade payables   | 23    |                  |                 |
| Total outstanding dues of micro enterprises and small enterprises                      |       | 202.38           | 73.78           |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |       | 1,453.92         | 1,420.26        |
| (iv) Other financial liabilities   | 24    | 283.84           | 159.36          |
| (b) Government grants  | 20    | 5.53             | 8.03            |
| (c) Other liabilities  | 25    | 2,270.98         | 1,500.55        |
| (d) Net employee defined benefit liabilities   | 26    | 7.97             | 7.90            |
| (e) Provisions   | 27    | 140.11           | 81.04           |
| (f) Liabilities for current tax (net)  | 28    | 135.03           | 47.90           |
| <b>Total current liabilities</b>   |       | <b>5,386.19</b>  | <b>4,369.17</b> |
| <b>Total equity and liabilities (1+2+3)</b>  |       | <b>11,151.36</b> | <b>8,228.02</b> |

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

**For and on behalf of Board of Directors of**

**Centum Electronics Limited**

**Apparao V Mallavarapu**

Chairman and Managing Director

DIN: 00286308

**Indu H S**

Company Secretary

Membership number: F12285

**Nikhil Mallavarapu**

Joint Managing Director

DIN: 00288551

**K.S. Desikan**

Chief Financial Officer

Place : Bengaluru, India

Date : May 22, 2025

Place : Bengaluru, India

Date : May 22, 2025



Corporate Identification Number (CIN): L85110KA1993PLC013869

## Standalone Ind AS Statement of Profit and Loss for the year ended March 31, 2025

|   |         | (₹ in million)  |                 |
|---|---------|-----------------|-----------------|
|   | Notes   | March 31, 2025  | March 31, 2024  |
| <b>I Income</b>   |         |                 |                 |
| Revenue from operations   | 29      | 7,498.38        | 6,327.98        |
| Other income  | 30      | 44.88           | 46.87           |
| Finance income  | 31      | 25.07           | 20.35           |
| <b>Total income</b>   |         | <b>7,568.33</b> | <b>6,395.20</b> |
| <b>II Expenses</b>  |         |                 |                 |
| Cost of materials consumed  | 32      | 5,240.67        | 4,184.83        |
| (Increase) / decrease in inventories of work-in-progress and finished goods                     | 33      | (292.70)        | (149.92)        |
| Employee benefits expense   | 34      | 1,026.19        | 960.15          |
| Depreciation and amortisation expenses  | 35      | 186.11          | 184.35          |
| Finance costs   | 36      | 191.51          | 180.19          |
| Other expenses  | 37      | 504.52          | 545.62          |
| <b>Total expenses</b>   |         | <b>6,856.30</b> | <b>5,905.22</b> |
| <b>III Profit/ (loss) before tax (I - II)</b>   |         | <b>712.03</b>   | <b>489.98</b>   |
| <b>IV Tax expenses</b>  |         |                 |                 |
| Current tax   | 38      | 246.28          | 151.62          |
| Tax relating to earlier years   |         | 1.79            | 3.70            |
| Deferred tax (credit) /charge   |         | (63.99)         | (27.86)         |
| <b>Total tax expenses</b>   |         | <b>184.08</b>   | <b>127.46</b>   |
| <b>V Profit / (loss) for the year (III - IV)</b>  |         | <b>527.95</b>   | <b>362.52</b>   |
| <b>VI Other comprehensive income</b>  |         |                 |                 |
| (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) | 2.16            | 4.60            |
| Income tax effect on above  | 38      | (0.54)          | (1.21)          |
| (B) Other comprehensive income to be reclassified to profit or loss in subsequent periods :     |         |                 |                 |
| Net movement on effective portion of cash flow hedge  | 51      | -               | (0.22)          |
| Income tax effect on above  | 38      | -               | 0.06            |
| <b>Total other comprehensive income for the year (net of tax)</b>                               |         | <b>1.62</b>     | <b>3.23</b>     |
| <b>VII Total comprehensive income for the year (V + VI)</b>                                     |         | <b>529.57</b>   | <b>365.75</b>   |
| <b>VIII Earnings per equity share (EPS) (nominal value of ₹ 10 each)</b>                        | 39      |                 |                 |
| Basic (₹)   |         | 40.66           | 28.13           |
| Diluted (₹)   |         | 40.31           | 27.82           |

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

### For and on behalf of Board of Directors of Centum Electronics Limited

### Apparao V Mallavarapu

Chairman and Managing Director

DIN: 00286308

### Indu H S

Company Secretary

Membership number: F12285

### Nikhil Mallavarapu

Joint Managing Director

DIN: 00288551

### K.S. Desikan

Chief Financial Officer

Place : Bengaluru, India

Date : May 22, 2025

Place : Bengaluru, India

Date : May 22, 2025

Corporate Identification Number (CIN): L85110KA1993PLC013869

## Standalone Ind AS Statement of Cash Flows for the year ended March 31, 2025

|   | (₹ in million)    |                 |
|---|-------------------|-----------------|
|   | March 31, 2025    | March 31, 2024  |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>   |                   |                 |
| Profit/ (loss) before tax   | 712.03            | 489.98          |
| <b>Non-cash adjustments to reconcile profit / (loss) before tax to net cash flows:</b>                                |                   |                 |
| Depreciation and amortisation expenses  | 186.11            | 184.35          |
| Provisions no longer required, written back   | (0.98)            | (25.99)         |
| Fair value loss/ (gain) on financial instruments  | -                 | 0.22            |
| Net foreign exchange differences (unrealised)   | (1.05)            | (2.20)          |
| (Gain)/ loss on sale/discard of property, plant and equipment   | -                 | (1.07)          |
| Provision for expected credit loss / bad debts written off/ doubtful advances   | 6.56              | -               |
| Provision for inventory obsolescence  | 58.84             | (9.88)          |
| Provision for onerous contract  | 48.53             | 8.24            |
| Government grants   | (7.88)            | (8.16)          |
| Employee share based compensation cost  | 14.15             | 21.68           |
| Impairment of non-current investments   | -                 | 13.26           |
| Share issue expenses  | 2.79              | -               |
| Finance income  | (25.07)           | (20.35)         |
| Finance costs   | 191.51            | 180.19          |
| <b>Operating profit before working capital changes</b>  | <b>1,185.54</b>   | <b>830.28</b>   |
| Working capital adjustments:  |                   |                 |
| (Increase) / decrease in inventories  | (452.42)          | (547.39)        |
| (Increase)/ decrease in trade receivables   | (937.66)          | (97.21)         |
| (Increase)/ decrease in non current/ current financial assets, loans and other assets                                 | (235.79)          | (75.23)         |
| Increase / (decrease) in trade payables, non current/ current provisions, financial liabilities and other liabilities | 415.99            | 954.46          |
| <b>Cash generated (used in)/ from operations</b>  | <b>(24.34)</b>    | <b>1,064.91</b> |
| Direct taxes paid (net of refunds)  | (174.09)          | (228.13)        |
| <b>Net cash flow (used in)/ from operating activities</b>   | <b>(198.43)</b>   | <b>836.78</b>   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>   |                   |                 |
| Purchase of property, plant and equipment, including intangible assets and capital advances                           | (149.15)          | (225.51)        |
| Proceeds from sale of property, plant and equipment   | -                 | 1.65            |
| Purchase of non-current investments   | (458.02)          | (331.09)        |
| Investment in bank deposits (having original maturity of more than three months) and other bank balances (net)        | (440.45)          | (119.40)        |
| Interest income received  | 27.60             | 8.96            |
| Repayment of loans granted  | -                 | 10.00           |
| <b>Net cash flow (used in) / from investing activities</b>  | <b>(1,020.02)</b> | <b>(655.39)</b> |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>   |                   |                 |
| Proceeds from issue of equity shares  | 2,100.00          | -               |
| Transaction cost on issue of equity shares (including taxes)  | (100.53)          | -               |
| Proceeds from long term borrowings  | 46.21             | 154.32          |
| Repayment of long term borrowings   | (54.62)           | -               |
| Payment of principal portion of lease liabilities   | (2.51)            | (3.84)          |
| Payment of interest portion of lease liabilities  | (0.53)            | (0.98)          |
| (Repayment)/ proceeds of short term borrowings (net)  | (210.65)          | 42.39           |
| Finance costs paid  | (174.63)          | (170.10)        |
| Dividend paid (including amount transferred to Investor Education & Protection Fund)                                  | (38.93)           | (90.67)         |
| <b>Net cash flow from/ (used in) financing activities</b>   | <b>1,563.81</b>   | <b>(68.88)</b>  |
| Net increase/ (decrease) in cash and cash equivalents (A+B+C)   | 345.36            | 112.51          |
| Cash and cash equivalents at the beginning of the year  | 109.40            | (3.33)          |
| Effect of exchange differences on cash and cash equivalents held in foreign currency                                  | -                 | 0.22            |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>454.76</b>     | <b>109.40</b>   |

Corporate Identification Number (CIN): L85110KA1993PLC013869

## Standalone Ind AS Statement of Cash Flows for the year ended March 31, 2025

|   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| <b>Components of cash and cash equivalents for the purpose of cash flow statement</b> |                |                |
| Cash on hand (refer note 12)  | 0.35           | 1.13           |
| Balance with banks (refer note 12)  |                |                |
| - On current accounts   | 115.65         | 11.05          |
| - In QIP monitoring account   | 335.56         |                |
| - Deposit with original maturity of less than three months                            | -              | 80.14          |
| - On exchange earners foreign currency (EEFC) accounts                                | 26.28          | 37.18          |
| Overdraft from banks (refer note 22)  | (23.08)        | (20.10)        |
| <b>Total cash and cash equivalents</b>  | <b>454.76</b>  | <b>109.40</b>  |

### Explanatory notes to statement of cash flows

Changes in liabilities arising from financing activities:-

|  | (₹ in million)   |  |   |
|--|--|--|---|
|  | Liabilities arising from financing activities  |  |   |
| Particulars                                | Long term borrowings<br>(including current maturities of long term borrowings)<br>(refer note 19 and 22) | Short term borrowings<br>(excluding current maturities of long term borrowings and cash credits) (refer note 22) | Lease liabilities<br>(including current portion of lease liabilities)<br>[refer note 44(a)] |
| <b>As at April 01, 2024</b>                | <b>154.32</b>  | <b>996.31</b>  | <b>4.95</b>   |
| Cash flows                                 | (8.41)   | (210.65)   | (3.04)  |
| Non-cash changes                           |  |  |   |
| Foreign exchange fluctuations loss/ (gain) | -  | 3.24   | -   |
| Interest payable                           | -  | 3.21   | -   |
| Accretion of interest                      | -  | -  | 0.53  |
| Additions of lease liabilities             | -  | -  | 0.86  |
| <b>As at March 31, 2025</b>                | <b>145.91</b>  | <b>792.11</b>  | <b>3.30</b>   |
| <b>As at April 01, 2023</b>                | <b>-</b>   | <b>956.48</b>  | <b>14.04</b>  |
| Cash flows                                 | 154.32   | 42.39  | (4.82)  |
| Non-cash changes                           |  |  |   |
| Interest payable                           | -  | (2.56)   | -   |
| Accretion of interest                      | -  | -  | 0.98  |
| Modification of lease liabilities          | -  | -  | (5.25)  |
| <b>As at March 31, 2024</b>                | <b>154.32</b>  | <b>996.31</b>  | <b>4.95</b>   |

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

#### For and on behalf of Board of Directors of Centum Electronics Limited

#### Apparao V Mallavarapu

Chairman and Managing Director

DIN: 00286308

#### Indu H S

Company Secretary

Membership number: F12285

#### Nikhil Mallavarapu

Joint Managing Director

DIN: 00288551

#### K.S. Desikan

Chief Financial Officer

Place : Bengaluru, India

Date : May 22, 2025

Place : Bengaluru, India

Date : May 22, 2025

Corporate Identification Number (CIN): L85110KA1993PLC013869

## Standalone Ind AS Statement of Changes in Equity for the year ended March 31, 2025

### (a) Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid

| Particulars  | Number             | ₹ in million  |
|--|--------------------|---------------|
| <b>At April 01, 2023</b>                                     | <b>1,28,84,841</b> | <b>128.85</b> |
| Issue of shares on exercise of share options (refer note 45) | 3,653              | 0.03          |
| <b>At March 31, 2024</b>                                     | <b>1,28,88,494</b> | <b>128.88</b> |
| 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         |
| <b>At March 31, 2025</b>                                     | <b>1,47,07,212</b> | <b>147.07</b> |

- (i) During the year, 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                |                                 |                                   |  |  |                                 |                    |
|  | Securities premium (refer note 17)  | General reserve (refer note 17) | Retained earnings (refer note 17) | Effective portion of cash flow hedge (refer note 17) | Share based payments reserve (refer note 17) | Capital reserve (refer note 17) |                    |
| 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           |
| Profit / (loss) for the year                                   | -                                   | -                               | 527.95                            | -  | -  | -                               | 527.95             |
| Issue of share capital (refer note 17)                         | 2,081.89                            | -                               | -                                 | -  | -  | -                               | 2,081.89           |
| Transaction cost on issue of equity shares (refer note 17)     | (90.42)                             | -                               | -                                 | -  | -  | -                               | (90.42)            |
| Dividends (refer note 18)                                      | -                                   | -                               | (38.69)                           | -  | -  | -                               | (38.69)            |
| Compensation for options granted (refer note 45)               | -                                   | -                               | -                                 | -  | 14.15  | -                               | 14.15              |
| Other comprehensive income/(loss) for the year (net of taxes)* | -                                   | -                               | 1.62                              | -  | -  | -                               | 1.62               |
| Exercise of share options (refer note 17)                      | 0.53                                | -                               | -                                 | -  | -  | -                               | 0.53               |
| As at March 31, 2025   | 2,020.27                            | 440.26                          | 2,978.16                          | (0.15)   | 50.06  | 3.43                            | 5,492.03           |
| For the year ended March 31, 2024                              |                                     |                                 |                                   |  |  |                                 |                    |
| As at April 01, 2023   | 28.07                               | 440.26                          | 2,211.58                          | 0.01   | 14.23  | 3.43                            | 2,697.58           |
| Profit / (loss) for the year                                   | -                                   | -                               | 362.52                            | -  | -  | -                               | 362.52             |
| Dividends (refer note 18)                                      | -                                   | -                               | (90.21)                           | -  | -  | -                               | (90.21)            |
| Compensation for options granted (refer note 45)               | -                                   | -                               | -                                 | -  | 21.68  | -                               | 21.68              |
| Other comprehensive income/(loss) for the year (net of taxes)* | -                                   | -                               | 3.39                              | (0.16)   | -  | -                               | 3.23               |
| Exercise of share options (refer note 17)                      | 0.20                                | -                               | -                                 | -  | -  | -                               | 0.20               |
| As at March 31, 2024   | 28.27                               | 440.26                          | 2,487.28                          | (0.15)   | 35.91  | 3.43                            | 2,995.00           |

\*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 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

**For and on behalf of Board of Directors of  
Centum Electronics Limited**

**Apparao V Mallavarapu**

Chairman and Managing Director

DIN: 00286308

**Indu H S**

Company Secretary

Membership number: F12285

**Nikhil Mallavarapu**

Joint Managing Director

DIN: 00288551

**K.S. Desikan**

Chief Financial Officer

Place : Bengaluru, India

Date : May 22, 2025

Place : Bengaluru, India

Date : May 22, 2025

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 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 Bangalore, 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, 2025, were approved by the Board of Directors and authorised for issue in accordance with a resolution of the directors on May 22, 2025.

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 ("Rs.") which is the currency of the primary economic environment in which the Company operates and all values are rounded to the nearest million, 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, 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

#### (i) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Company's separate financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

#### (ii) Amendments to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after April 01, 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.



## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

The amendments do not have a material impact on the Company's financial statements.

### 2.3. Summary of material accounting policies

#### a. Current versus non-current classification

The Company presents assets and liabilities in the standalone Ind AS balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle,
- ii. It is held primarily for the purpose of trading,
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Advance tax paid is classified as non-current assets.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

#### 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 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 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.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

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)

### c. Revenue Recognition

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. 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, non-cash 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.

#### 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 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.

#### 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. 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.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

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).

### 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 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 it 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

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

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.

### f. Property, plant and equipment ('PPE')

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 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 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.

### g. Intangible assets

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

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

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). 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.



## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (I) 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.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### 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

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

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 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.

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 Company 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 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.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### I. Provisions and contingent liabilities

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.

Provisions and contingent liability are reviewed at each balance sheet.

### 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,

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

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 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

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

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 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 approximate 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.

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 22(2)]. The Company evaluates whether financial liabilities



## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

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 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.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### **o. Derivative financial instruments**

The Company uses derivative financial instruments, such as interest rate swaps to hedge its interest fluctuation risks, etc. 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 through statement of profit and loss. 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.

### **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.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

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. 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.

## 2.4. Standard notified but not yet effective

### (i) Amendments to Ind AS 21-Lack of exchangeability

The MCA notified amendments to 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 Ind AS 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 1 April 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Company's Ind AS 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.

### Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

#### 3. Property, plant and equipment

(₹ in million)

| Particulars                              | Free-hold land | Leasehold improvements | Building      | Plant and equipment | Electrical installations | Computers    | Office equipments | Furniture and fixtures | Vehicles     | Leasehold land | Total           |
|--|----------------|------------------------|---------------|---------------------|--------------------------|--------------|-------------------|------------------------|--------------|----------------|-----------------|
| <b>Gross block (at cost/deemed cost)</b> |                |                        |               |                     |                          |              |                   |                        |              |                |                 |
| <b>As at April 01, 2023</b>              | <b>4.41</b>    | <b>-</b>               | <b>505.52</b> | <b>904.63</b>       | <b>94.45</b>             | <b>35.95</b> | <b>39.85</b>      | <b>61.38</b>           | <b>38.23</b> | <b>114.61</b>  | <b>1,799.03</b> |
| Additions                                | -              | 1.31                   | 2.65          | 203.82              | 0.20                     | 1.60         | 0.35              | 2.10                   | 12.35        | -              | 224.38          |
| Disposal/discard during the year         | -              | -                      | -             | (5.18)              | (0.24)                   | (1.56)       | (0.15)            | (0.49)                 | -            | -              | (7.62)          |
| <b>As at March 31, 2024</b>              | <b>4.41</b>    | <b>1.31</b>            | <b>508.17</b> | <b>1,103.27</b>     | <b>94.41</b>             | <b>35.99</b> | <b>40.05</b>      | <b>62.99</b>           | <b>50.58</b> | <b>114.61</b>  | <b>2,015.79</b> |
| Additions                                | -              | -                      | 15.31         | 126.45              | -                        | 3.01         | 0.45              | 0.23                   | 0.22         | -              | 145.67          |
| Disposal/discard during the year         | -              | -                      | -             | (23.54)             | (0.02)                   | (0.15)       | (0.02)            | -                      | -            | -              | (23.73)         |
| <b>As at March 31, 2025</b>              | <b>4.41</b>    | <b>1.31</b>            | <b>523.48</b> | <b>1,206.18</b>     | <b>94.39</b>             | <b>38.85</b> | <b>40.48</b>      | <b>63.22</b>           | <b>50.80</b> | <b>114.61</b>  | <b>2,137.73</b> |
| <b>Accumulated depreciation</b>          |                |                        |               |                     |                          |              |                   |                        |              |                |                 |
| <b>As at April 01, 2023</b>              | <b>-</b>       | <b>-</b>               | <b>104.13</b> | <b>529.90</b>       | <b>56.53</b>             | <b>28.05</b> | <b>38.43</b>      | <b>29.30</b>           | <b>20.13</b> | <b>-</b>       | <b>806.47</b>   |
| Charge for the year                      | -              | 0.40                   | 17.59         | 114.69              | 8.88                     | 4.35         | 0.56              | 5.96                   | 10.90        | -              | 163.33          |
| Disposal/discard during the year         | -              | -                      | -             | (4.60)              | (0.24)                   | (1.56)       | (0.15)            | (0.49)                 | -            | -              | (7.04)          |
| <b>As at March 31, 2024</b>              | <b>-</b>       | <b>0.40</b>            | <b>121.72</b> | <b>639.99</b>       | <b>65.17</b>             | <b>30.84</b> | <b>38.84</b>      | <b>34.77</b>           | <b>31.03</b> | <b>-</b>       | <b>962.76</b>   |
| Charge for the year                      | -              | 0.53                   | 17.94         | 116.99              | 8.76                     | 4.53         | 0.53              | 5.93                   | 9.41         | -              | 164.62          |
| Disposal/discard during the year         | -              | -                      | -             | (23.54)             | (0.02)                   | (0.15)       | (0.02)            | -                      | -            | -              | (23.73)         |
| <b>As at March 31, 2025</b>              | <b>-</b>       | <b>0.93</b>            | <b>139.66</b> | <b>733.44</b>       | <b>73.91</b>             | <b>35.22</b> | <b>39.35</b>      | <b>40.70</b>           | <b>40.44</b> | <b>-</b>       | <b>1,103.65</b> |
| <b>Net block</b>                         |                |                        |               |                     |                          |              |                   |                        |              |                |                 |
| <b>As at March 31, 2025</b>              | <b>4.41</b>    | <b>0.38</b>            | <b>383.82</b> | <b>472.74</b>       | <b>20.48</b>             | <b>3.63</b>  | <b>1.13</b>       | <b>22.52</b>           | <b>10.36</b> | <b>114.61</b>  | <b>1,034.08</b> |
| <b>As at March 31, 2024</b>              | <b>4.41</b>    | <b>0.91</b>            | <b>386.45</b> | <b>463.28</b>       | <b>29.24</b>             | <b>5.15</b>  | <b>1.21</b>       | <b>28.22</b>           | <b>19.55</b> | <b>114.61</b>  | <b>1,053.03</b> |

#### 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, 2024: ₹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 19 and 22.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 3a. Capital work-in-progress

| (₹ in million)              |                          |
|-----------------------------|--------------------------|
| Particulars                 | Capital work-in-progress |
| <b>As at April 01, 2023</b> | <b>54.09</b>             |
| Additions                   | 175.33                   |
| Capitalised during the year | (226.55)                 |
| <b>As at March 31, 2024</b> | <b>2.87</b>              |
| Additions                   | 224.01                   |
| Capitalised during the year | (150.51)                 |
| <b>As at March 31, 2025</b> | <b>76.37</b>             |

#### Capital work-in-progress ageing schedule

| (₹ 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        | -           | -                 | <b>76.37</b> |
| Projects temporarily suspended | -  | -           | -           | -                 | -            |
| <b>Total</b>                   | <b>75.62</b>                                       | <b>0.75</b> | -           | -                 | <b>76.37</b> |

| (₹ in million)                 |  |             |             |                   |             |
|--------------------------------|--|-------------|-------------|-------------------|-------------|
| As at March 31, 2024           | 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           | 2.87   | -           | -           | -                 | <b>2.87</b> |
| Projects temporarily suspended | -  | -           | -           | -                 | -           |
| <b>Total</b>                   | <b>2.87</b>  | -           | -           | -                 | <b>2.87</b> |

- (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 19 and 22.

### 4. Other intangible assets and goodwill

| (₹ in million)                             |                         |                   |                              |               |
|--|-------------------------|-------------------|------------------------------|---------------|
| Particulars                                | Other intangible assets |                   |                              |               |
|  | Goodwill (refer note b) | Computer software | Intellectual property rights | Total         |
| <b>Gross block (at cost / deemed cost)</b> |                         |                   |                              |               |
| <b>As at April 01, 2023</b>                | <b>36.35</b>            | <b>103.57</b>     | <b>9.51</b>                  | <b>113.08</b> |
| Additions                                  | -                       | 2.17              | -                            | 2.17          |
| Disposal/discard during the year           | -                       | (6.73)            | -                            | (6.73)        |
| <b>As at March 31, 2024</b>                | <b>36.35</b>            | <b>99.01</b>      | <b>9.51</b>                  | <b>108.52</b> |
| Additions                                  | -                       | 4.84              | -                            | 4.84          |
| Disposal/discard during the year           | -                       | (4.50)            | -                            | (4.50)        |
| <b>As at March 31, 2025</b>                | <b>36.35</b>            | <b>99.35</b>      | <b>9.51</b>                  | <b>108.86</b> |
| <b>Accumulated amortization</b>            |                         |                   |                              |               |



## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 4. Other intangible assets and goodwill (Contd...)

(₹ in million)

| Particulars                      | Other intangible assets    |                      |                                    |               |
|----------------------------------|----------------------------|----------------------|------------------------------------|---------------|
|                                  | Goodwill<br>(refer note b) | Computer<br>software | Intellectual<br>property<br>rights | Total         |
| <b>As at April 01, 2023</b>      | -                          | <b>74.67</b>         | <b>9.30</b>                        | <b>83.97</b>  |
| Charge for the year              | -                          | 13.48                | 0.21                               | 13.69         |
| Disposal/discard during the year | -                          | (6.73)               | -                                  | (6.73)        |
| <b>As at March 31, 2024</b>      | -                          | <b>81.42</b>         | <b>9.51</b>                        | <b>90.93</b>  |
| Charge for the year              | -                          | 14.47                | -                                  | 14.47         |
| Disposal/discard during the year | -                          | (4.50)               | -                                  | (4.50)        |
| <b>As at March 31, 2025</b>      | -                          | <b>91.39</b>         | <b>9.51</b>                        | <b>100.90</b> |
| <b>Net block</b>                 |                            |                      |                                    |               |
| <b>As at March 31, 2025</b>      | <b>36.35</b>               | <b>7.96</b>          | -                                  | <b>7.96</b>   |
| <b>As at March 31, 2024</b>      | <b>36.35</b>               | <b>17.59</b>         | -                                  | <b>17.59</b>  |

- (a) The above are hypothecated against the borrowings as referred in note 19 and 22.
- (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, 2025 and March 31, 2024, the goodwill is not impaired.

### 5. Non - current financial assets: Investments

(₹ in million)

| Particulars  | March 31, 2025  | March 31, 2024  |
|--|-----------------|-----------------|
| <b>Investment carried at cost</b>  |                 |                 |
| - <b>Unquoted equity shares</b>  |                 |                 |
| <b>i. Subsidiary Company</b>   |                 |                 |
| Centum Electronics UK Limited (refer note 41)<br>15,300,516 (March 31, 2024: 11,158,164 ) equity shares<br>of GBP 1 each, fully paid up. | 1,537.83        | 1,079.81        |
| Centum T&S Private Limited<br>100,000 (March 31, 2024: 100,000) equity shares of ₹10<br>each, fully paid up.                             | 1.00            | 1.00            |
| <b>Investment carried at fair value through statement<br/>    of profit and loss account</b>   |                 |                 |
| <b>ii. Others</b>  |                 |                 |
| <b>Unquoted equity shares</b>  |                 |                 |
| Qulsar Inc.<br>74,184 (March 31, 2024: 74,184) equity shares of USD<br>0.01 each, fully paid up.   | 13.26           | 13.26           |
| Less : Provision for Impairment  | (13.26)         | (13.26)         |
| <b>Total investments (i+ii)</b>  | <b>1,538.83</b> | <b>1,080.81</b> |
| Aggregate value of unquoted investments  | 1,538.83        | 1,080.81        |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 5. Non - current financial assets: Investments (Contd...)

- 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.). CTSG and its underlying subsidiaries have incurred losses leading to erosion of networth and the carrying value of the investment of ₹ 1,537.83 million continues to be higher than the net worth of CTSG.

As at March 31, 2025, the management has carried out the annual impairment exercise in respect of its carrying value of investment in its subsidiaries and, basis valuation carried out by an external expert, has concluded that carrying value of investment in subsidiaries is appropriate considering their recoverable amounts which, inter-alia, includes estimation of their value-in-use based on management projections. These projections have been made for a period of five years and consider various factors, such as market scenario, growth trends, growth and margin projections, and terminal growth rates specific to the business. For such projections, discount rate of 11.50% (March 31, 2024 - 11%) and terminal growth rate of 1.00% (March 31, 2024 - 0.90%) have been considered. Discount rate has been determined considering the Weighted Average Cost of Capital (WACC) of market benchmarks. The Company has also performed sensitivity analysis around the base assumptions.

Based on the above assessment, no impairment has been recognised during the year.

- b. The Company has investments in Qulsar Inc. Based on internal assessment performed with regard to future operations, the management of the Company created provision for impairment amounting to ₹13.26 million during the year ended March 31, 2024.
- c. The Company has filed an application for the scheme of amalgamation of Centum T&S Private Limited (Transferor Company) with Centum Electronics Limited (Transferee Company) under section 230 and 232 of the Companies Act, 2013, with National Company Law Tribunal ("NCLT"), Bengaluru, on March 20, 2025.

### 6. Other non-current financial assets

| (₹ in million)                                  |                |                |
|---|----------------|----------------|
| Particulars                                     | March 31, 2025 | March 31, 2024 |
| <b>Unsecured, considered good</b>               |                |                |
| <b>Carried at amortised cost</b>                |                |                |
| Security deposits - others (refer note 41)      | 18.90          | 20.37          |
| Non-current bank balance (refer note 12)        | 199.98         | 137.33         |
| <b>Total other non-current financial assets</b> | <b>218.88</b>  | <b>157.70</b>  |

### 7. Deferred tax assets (net)

| (₹ in million)  |              |                |                |
|---|--------------|----------------|----------------|
| Particulars   |              | March 31, 2025 | March 31, 2024 |
| <b>Deferred tax liability</b>   |              |                |                |
| Property, plant and equipments: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting |              | (11.27)        | (19.73)        |
| Leases  |              | (3.37)         | (4.50)         |
|   | <b>(A)</b>   | <b>(14.64)</b> | <b>(24.23)</b> |
| <b>Deferred tax assets</b>  |              |                |                |
| Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis                                   |              | 58.08          | 43.78          |
| Impact of provision for expected credit losses  |              | 5.78           | 4.94           |
| Others  |              | 103.05         | 64.33          |
|   | <b>(B)</b>   | <b>166.91</b>  | <b>113.05</b>  |
| <b>Deferred tax assets (net)</b>  | <b>(A+B)</b> | <b>152.27</b>  | <b>88.82</b>   |
| Movement for the year   |              | <b>(63.45)</b> | <b>(26.71)</b> |
| <b>Reconciliation to the Ind AS statement of profit and loss</b>  |              |                |                |
| (Credit)/ charge during the year as above   |              | (63.45)        | (26.71)        |
| Tax expense / (income) during the year recognized in OCI  |              | 0.54           | 1.15           |
| (Credit)/ charge during the year  |              | (63.99)        | (27.86)        |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 8. Non-current tax assets (net)

| (₹ in million)   |                |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| Advance income tax (net of provision for current tax and including tax paid under protest) | 9.38           | 9.38           |
|  | <b>9.38</b>    | <b>9.38</b>    |

### 9. Other non-current assets

| (₹ in million)   |                |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| <b>Capital advances</b>                                | 12.81          | 1.79           |
| (Unsecured, considered good)                           |                |                |
| Prepaid expenses                                       | 9.21           | 4.08           |
| <b>Balance with statutory / government authorities</b> |                |                |
| (Unsecured, considered good)                           | 4.37           | 4.37           |
| <b>Total other non-current assets</b>                  | <b>26.39</b>   | <b>10.24</b>   |

### 10. Inventories (valued at lower of cost and net realisable value)

| (₹ in million)  |                 |                 |
|---|-----------------|-----------------|
| Particulars   | March 31, 2025  | March 31, 2024  |
| Raw materials   | 2,310.37        | 2,212.15        |
| [Includes raw material in transit ₹ 150.88 million (March 31, 2024: ₹159.46 million)] |                 |                 |
| Work-in-progress  | 879.26          | 590.80          |
| Finished goods  | 73.28           | 69.04           |
| Stores and spares   | 4.83            | 2.17            |
| <b>Total inventories (valued at lower of cost and net realisable value)</b>           | <b>3,267.74</b> | <b>2,874.16</b> |

The above are net of allowance for obsolete and non-moving inventory amounting to ₹ 219.46 million (March 31, 2024: ₹ 160.62 million)

### 11. Trade receivables

| (₹ in million)                                   |                 |                 |
|--|-----------------|-----------------|
| Particulars                                      | March 31, 2025  | March 31, 2024  |
| <b>Carried at amortised cost</b>                 |                 |                 |
| Receivables from related parties (refer note 41) | 540.96          | 355.42          |
| Other trade receivables                          | 2,598.14        | 1,847.21        |
| <b>Total trade receivables</b>                   | <b>3,139.10</b> | <b>2,202.63</b> |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 11. Trade receivables (Contd...)

#### Break-up for security details:

| (₹ in million)   |                 |                 |
|--|-----------------|-----------------|
| Particulars  | March 31, 2025  | March 31, 2024  |
| <b>Trade receivables:</b>  |                 |                 |
| Unsecured, considered good   | 3,086.06        | 2,183.55        |
| Trade receivables which have significant increase in credit risk   | 76.00           | 38.69           |
| Trade receivables - credit impaired                                | -               | -               |
|  | <b>3,162.06</b> | <b>2,222.24</b> |
| <b>Impairment allowance (allowance for bad and doubtful debts)</b> |                 |                 |
| Unsecured, considered good   | -               | -               |
| Trade receivables which have significant increase in credit risk   | (22.96)         | (19.61)         |
| Trade receivables - credit impaired                                | -               | -               |
| <b>Total trade receivables</b>                                     | <b>3,139.10</b> | <b>2,202.63</b> |

- 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)(c) for details pertaining to expected credit loss.

#### 11.1 Trade receivables ageing schedule

| 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                                | -        | 1,649.58            | 932.25   | 218.04            | 286.08        | -            | 0.11              | 3,086.06        |
| 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                                  | -        | -                   | -  | -                 | -             | -            | -                 | -               |
| <b>Total</b>  | <b>-</b> | <b>1,649.58</b>     | <b>932.25</b>  | <b>227.55</b>     | <b>330.70</b> | <b>17.98</b> | <b>4.00</b>       | <b>3,162.06</b> |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 11.1 Trade receivables ageing schedule (Contd...)

| As at March 31, 2024  |             |                     | (₹ 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                                | 1.92        | 1,106.48            | 644.16   | 284.83            | 144.62        | 0.11        | 1.43              | 2,183.55        |
| Undisputed trade receivables - which have significant increase in credit risk | -           | -                   | -  | 7.81              | 17.83         | 4.17        | 8.88              | 38.69           |
| 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                                  | -           | -                   | -  | -                 | -             | -           | -                 | -               |
| <b>Total</b>  | <b>1.92</b> | <b>1,106.48</b>     | <b>644.16</b>  | <b>292.64</b>     | <b>162.45</b> | <b>4.28</b> | <b>10.31</b>      | <b>2,222.24</b> |

### 12. Cash and cash equivalents and other bank balances

|  |              | (₹ in million)  |                |
|--|--------------|-----------------|----------------|
| Particulars  |              | March 31, 2025  | March 31, 2024 |
| <b>Balances with banks:</b>  |              |                 |                |
| - On current accounts  |              | 115.65          | 11.05          |
| - In QIP monitoring account  |              | 335.56          | -              |
| - Deposit with original maturity of less than three months               |              | -               | 80.14          |
| - On exchange earners foreign currency (EEFC) accounts                   |              | 26.28           | 37.18          |
| Cash on hand   |              | 0.35            | 1.13           |
| <b>Total cash and cash equivalents</b>                                   | <b>(A)</b>   | <b>477.84</b>   | <b>129.50</b>  |
| <b>Other bank balances</b>   |              |                 |                |
| Balance with banks   |              |                 |                |
| - Unpaid dividend account  |              | 1.91            | 2.15           |
| - Deposits with remaining maturity less than twelve months               |              | 450.00          | -              |
| - On margin money accounts   |              | 360.46          | 369.76         |
|  |              | <b>812.37</b>   | <b>371.91</b>  |
| Amount disclosed under other non-current financial assets (refer note 6) |              | (199.98)        | (137.33)       |
| Total bank balance other than cash and cash equivalent                   | <b>(B)</b>   | <b>612.39</b>   | <b>234.58</b>  |
|  | <b>(A+B)</b> | <b>1,090.23</b> | <b>364.08</b>  |

- 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.
- Deposits are made for varying periods depending on the cash-requirement of the Company and earn interest @ 3.25% to 7.40% p.a. (March 31, 2024: 3.25% to 7.45% p.a.).
- The unutilised funds from QIP amounting to ₹ 450.00 million has been placed in fixed deposits with banks and ₹ 447.13 million in other balance with banks as at March 31, 2025.



## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 13. Current financial assets: loans

| Particulars                             | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| <b>Loans (secured considered good )</b> |                |                |
| Loan to related party (refer note 41)   | 10.00          | 10.00          |
|   | <b>10.00</b>   | <b>10.00</b>   |

- Loan are non-derivative financial instruments which generate a fixed interest income for the Company. The carrying value may be affected by the changes in the credit risk of the counter parties.
- During the year ended March 31, 2019, the Company had granted loan to Centum T&S Private Limited which had fallen due during the year ended March 31, 2025. However, during the current year, the Company has entered an addendum to the loan agreement and has approved the extension of the repayment of ₹ 10 million till March 31, 2026. The loan carries an interest rate of 8% p.a. (March 31, 2024: 8% p.a.).

### 14. Other current financial assets

| Particulars   |              | (₹ in million) |                |
|---|--------------|----------------|----------------|
|   |              | March 31, 2025 | March 31, 2024 |
| <b>Unsecured, considered good</b>                                   |              |                |                |
| <b>Carried at amortised cost</b>                                    |              |                |                |
| Security deposits - others (refer note 41)                          |              | 0.03           | 0.32           |
|   | <b>(A)</b>   | <b>0.03</b>    | <b>0.32</b>    |
| Staff advances  |              | 1.05           | 2.42           |
| Other receivables (refer note 41)                                   |              | 37.39          | -              |
| Interest accrued and due on loan to a related party (refer note 41) |              | 0.72           | -              |
| Interest accrued on fixed deposits and others                       |              | 13.77          | 16.30          |
|   | <b>(B)</b>   | <b>52.93</b>   | <b>18.72</b>   |
|   | <b>(A+B)</b> | <b>52.96</b>   | <b>19.04</b>   |

### 15. Other current assets

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| <b>Unsecured considered good</b>                        |                |                |
| Prepaid expenses  | 46.94          | 40.37          |
| Balance with statutory / government authorities         | 96.66          | 26.93          |
| Advance to suppliers and other advances (refer note 41) | 330.55         | 211.18         |
|   | <b>474.15</b>  | <b>278.48</b>  |

### 16. Equity share capital

| Particulars                           | Equity shares of ₹ 10 each |                |
|---------------------------------------|----------------------------|----------------|
|                                       | In Numbers                 | (₹ in million) |
| <b>Authorised share capital:</b>      |                            |                |
| <b>At April 01, 2023</b>              | <b>1,55,00,000</b>         | <b>155.00</b>  |
| Increase / (decrease) during the year | -                          | -              |
| <b>At March 31, 2024</b>              | <b>1,55,00,000</b>         | <b>155.00</b>  |
| Increase / (decrease) during the year | -                          | -              |
| <b>At March 31, 2025</b>              | <b>1,55,00,000</b>         | <b>155.00</b>  |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 16. Equity share capital (Contd...)

#### (a) Issued equity share capital:

Equity shares of ₹ 10 each issued, subscribed and fully paid

| Particulars  | In Numbers         | (₹ in million) |
|--|--------------------|----------------|
| <b>At April 01, 2023</b>                                     | <b>1,28,84,841</b> | <b>128.85</b>  |
| Issue of shares on exercise of share options (refer note 45) | 3,653              | 0.03           |
| <b>At March 31, 2024</b>                                     | <b>1,28,88,494</b> | <b>128.88</b>  |
| 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          |
| <b>At March 31, 2025</b>                                     | <b>1,47,07,212</b> | <b>147.07</b>  |

- (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.

#### (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, 2025     |                    | March 31, 2024     |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | No. of shares held | % holding in class | No. of shares held | % holding in class |
| <b>Equity shares of ₹ 10 each fully paid</b> |                    |                    |                    |                    |
| Apparao V Mallavarapu*                       | 58,97,549          | 40.10%             | 58,97,549          | 45.76%             |
| Nikhil Mallavarapu*                          | 6,52,855           | 4.44%              | 6,52,855           | 5.08%              |
| Tanya Mallavarapu*                           | 6,44,240           | 4.38%              | 6,44,240           | 5.00%              |
| Swarnalatha Mallavarapu*                     | 3,69,150           | 2.51%              | 3,69,150           | 2.86%              |
| M S Swarnakumari*                            | 12,684             | 0.09%              | 12,684             | 0.10%              |
| HDFC Mutual Fund                             | 12,09,859          | 8.23%              | 5,89,154           | 4.57%              |

\*Represents shareholders in promoter's group.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 16. Equity share capital (Contd...)

#### (d) Details of shares held by promoters

##### 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 |
|--|--|------------------------|--------------------------------------|-------------------|--------------------------|
| <b>Equity shares of ₹ 10 each fully paid</b> |  |                        |                                      |                   |                          |
| 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%             | -                        |

##### As at March 31, 2024

| 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 |
|--|--|------------------------|--------------------------------------|-------------------|--------------------------|
| <b>Equity shares of ₹ 10 each fully paid</b> |  |                        |                                      |                   |                          |
| Apparao V Mallavarapu                        | 66,04,715                                  | (7,07,166)             | 58,97,549                            | 45.76%            | (10.71)%                 |
| Nikhil Mallavarapu                           | 5,89,929                                   | 62,926                 | 6,52,855                             | 5.08%             | 10.67%                   |
| Tanya Mallavarapu                            | -  | 6,44,240               | 6,44,240                             | 5.00%             | 100.00%                  |
| Swarnalatha Mallavarapu                      | 3,69,150                                   | -                      | 3,69,150                             | 2.86%             | -                        |
| M S Swarnakumari                             | 12,684                                     | -                      | 12,684                               | 0.10%             | -                        |

#### (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.

### 17. Other equity

| Particulars                                      |            | (₹ in million) |
|--|------------|----------------|
| <b>Securities premium</b>                        |            |                |
| <b>Balance as at April 01, 2023</b>              |            | <b>28.07</b>   |
| Add: Exercise of share options                   |            | 0.20           |
| <b>Balance as at March 31, 2024</b>              |            | <b>28.27</b>   |
| Add: Issuance of share capital through QIP       |            | 2081.89        |
| Add: Exercise of share options                   |            | 0.53           |
| Less: Transaction cost on issue of equity shares |            | (90.42)        |
| <b>Balance as at March 31, 2025</b>              | <b>(A)</b> | <b>2020.27</b> |
| <b>General reserve</b>                           |            |                |
| Balance as at April 01, 2023                     |            | 440.26         |
| <b>Balance as at March 31, 2024</b>              |            | <b>440.26</b>  |
| <b>Balance as at March 31, 2025</b>              | <b>(B)</b> | <b>440.26</b>  |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 17. Other equity (Contd...)

| Particulars  |            | (₹ in million)  |
|--|------------|-----------------|
| <b>Retained earnings</b>                                 |            |                 |
| <b>Balance as at April 01, 2023</b>                      |            | <b>2,211.58</b> |
| Profit for the year                                      |            | 362.52          |
| Less: Dividends  |            | (90.21)         |
| Add: Remeasurement of defined benefit plans (net of tax) |            | 3.39            |
| <b>Balance as at March 31, 2024</b>                      |            | <b>2,487.28</b> |
| Profit for the year                                      |            | 527.95          |
| Less: Dividends  |            | (38.69)         |
| Add: Remeasurement of defined benefit plans (net of tax) |            | 1.62            |
| <b>Balance as at March 31, 2025</b>                      | <b>(C)</b> | <b>2,978.16</b> |
| <b>Effective portion of cash flow hedge (net of tax)</b> |            |                 |
| <b>Balance as at April 01, 2023</b>                      |            | <b>0.01</b>     |
| (Loss)/ gain on cash flow hedge                          |            | (0.16)          |
| <b>Balance as at March 31, 2024</b>                      |            | <b>(0.15)</b>   |
| <b>Balance as at March 31, 2025</b>                      | <b>(D)</b> | <b>(0.15)</b>   |
| <b>Share based payments reserve</b>                      |            |                 |
| <b>Balance as at April 01, 2023</b>                      |            | <b>14.23</b>    |
| Add: Compensation for options granted                    |            | 21.68           |
| <b>Balance as at March 31, 2024</b>                      |            | <b>35.91</b>    |
| Add: Compensation for options granted                    |            | 14.15           |
| <b>Balance as at March 31, 2025</b>                      | <b>(E)</b> | <b>50.06</b>    |
| <b>Capital reserve</b>                                   |            |                 |
| Balance as at April 01, 2023                             |            | 3.43            |
| <b>Balance as at March 31, 2024</b>                      |            | <b>3.43</b>     |
| <b>Balance as at March 31, 2025</b>                      | <b>(F)</b> | <b>3.43</b>     |
| <b>Total other equity (A+B+C+D+E+F)</b>                  |            |                 |
| <b>Balance as at March 31, 2024</b>                      |            | <b>2,995.00</b> |
| <b>Balance as at March 31, 2025</b>                      |            | <b>5,492.03</b> |

#### 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.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 17. Other equity (Contd...)

#### 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.

### 18. Distribution made and proposed

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| <b>Dividends on equity shares declared and paid :</b>   |                |                |
| Final dividend for the year ended on March 31, 2024: ₹ 3 per share (March 31, 2023: ₹ 4 per share)    | 38.69          | 51.54          |
| Interim dividend for the year ended on March 31, 2025: ₹ Nil per share (March 31, 2024: ₹3 per share) | -              | 38.67          |
|   | <b>38.69</b>   | <b>90.21</b>   |
| <b>Proposed dividend on equity shares</b>   |                |                |
| Final dividend for the year ended on March 31, 2025: ₹ 6 per share (March 31, 2024: ₹ 3 per share)    | 88.24          | 38.69          |
|   | <b>88.24</b>   | <b>38.69</b>   |

- 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.
- The Board of Directors of the Company at its meeting held on May 22, 2025 had recommended a final dividend of 60% (i.e. ₹ 6 per equity share) for the year ended March 31, 2025 which is in compliance with Section 123 of the Companies Act, 2013.

### 19. Non-current financial liabilities: Borrowings

| Particulars  | (₹ in million) |                |
|--|----------------|----------------|
|  | March 31, 2025 | March 31, 2024 |
| <b>Term loan</b>   |                |                |
| From bank  |                |                |
| Indian rupee term loan (secured)                           | 102.62         | 154.32         |
| Foreign currency term loan (secured)                       | 43.29          | -              |
|  | <b>145.91</b>  | <b>154.32</b>  |
| <b>Less: Current maturities of long term borrowing</b>     |                |                |
| Indian rupee term loan (secured)                           | 56.40          | 51.70          |
| Foreign currency term loan (secured)                       | 11.55          | -              |
|  | <b>67.95</b>   | <b>51.70</b>   |
| <b>Total non-current financial liabilities: Borrowings</b> | <b>77.96</b>   | <b>102.62</b>  |



## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 19. Non-current financial liabilities: Borrowings (Contd...)

#### Indian Rupee term loan from bank

- a) Indian rupee term loan from a bank of ₹102.62 million (March 31, 2024: 154.32 million) carries interest rate of 2.00% above 6 month Marginal Cost of Funds based Lending Rate ("MCLR") of the bank i.e @ 10.55% to 10.99% p.a. (March 31, 2024: 10.55% 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 ₹43.29 million (March 31, 2024: Nil) carries interest rate @ 7.93% p.a (March 31, 2024: Nil) payable on a monthly basis. The loan is repayable in 16 quarterly instalments.
- c) Borrowings are secured by way of :
- Exclusive charge on plant & machinery and other assets financed by the bank.
  - Hypothecation of present and future fixed assets pari passu first charge with other banks.
  - Equitable mortgage of factory land and building at No. 44, KHB Industrial Area, Yelahanka, Bangalore - 560 106 belonging to the Company, on pari passu first charge with other banks; and
  - 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.

### 20. Government grants

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| At April 1  | 24.43          | 32.59          |
| Released to the Ind AS statement of profit and loss | (7.88)         | (8.16)         |
| <b>At March 31</b>                                  | <b>16.55</b>   | <b>24.43</b>   |
| Current   | 5.53           | 8.03           |
| Non - current                                       | 11.02          | 16.40          |
|   | <b>16.55</b>   | <b>24.43</b>   |

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.

### 21. Net non-current employee defined benefit liabilities

| Particulars              | (₹ in million) |                |
|--------------------------|----------------|----------------|
|                          | March 31, 2025 | March 31, 2024 |
| Gratuity (refer note 42) | 37.09          | 49.88          |
|                          | <b>37.09</b>   | <b>49.88</b>   |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 22. Current financial liabilities: Borrowings

|   | (₹ in million) |                 |
|---|----------------|-----------------|
| Particulars   | March 31, 2025 | March 31, 2024  |
| <b>From banks</b>                                   |                |                 |
| Cash credit and overdraft (secured)                 | 36.64          | 20.15           |
| Packing credit loan (secured)                       | 669.52         | 838.19          |
| Current maturities of long term borrowing (secured) | 67.95          | 51.70           |
| Vendor financing facility (unsecured)               | 103.55         | 155.80          |
| Interest payable                                    | 5.47           | 2.26            |
|   | <b>883.13</b>  | <b>1,068.10</b> |

- (a) Cash credit and overdraft from banks and packing credit from banks are payable on demand and are secured by way of :
- 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;
  - Hypothecation of present and future fixed assets pari passu first charge with other banks, other than exclusively charged for the term loan availed;
  - Equitable mortgage of factory land and building at No. 44, KHB Industrial Area, Yelahanka, Bangalore - 560 106 belonging to the Company, on pari passu first charge with other banks; and
  - 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 10.55% to 11.70% p.a. (March 31, 2024: 10.55% to 18% p.a.).
- The rate of interest of Packing credit loan from banks ranges from 5.99% to 9.50% p.a. (March 31, 2024: 5.00% to 6.65% p.a.).
- 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 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 its 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 @ 8.94% p.a. to 9.81% p.a. (March 31, 2024: 9.05% p.a. to 9.81% p.a.) on the amounts paid by the bank to the vendor for a period starting from the date of disbursement by the bank to the date of payment by the Company to the bank which does not exceed 90 days.
- During the year ended March 31, 2024, the Company had classified payables subject to the vendor finance arrangement under trade payables. However, Institute of Chartered Accountants of India ("ICAI") has issued exposure draft on amendments to Ind AS 7 and Ind AS 107 to increase the level of disclosure and transparency about entities' vendor finance arrangements. The Company has reclassified the payables subject to the vendor finance arrangement for year ended March 31, 2024 from trade payables to borrowings based on the conditions specified in the exposure draft released by ICAI.
- Includes bank overdraft amounting to ₹ 23.08 million (March 31, 2024 ₹ 20.10 million)
  - 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.
  - The Company has not been declared as a wilful defaulter by any banks or financial institutions.
  - The Company has not defaulted in repayment of borrowings or in the payment of interest thereon to banks or financial institutions.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 23. Financial liabilities: Trade payables

| (₹ in million)   |                 |                 |
|--|-----------------|-----------------|
| Particulars  | March 31, 2025  | March 31, 2024  |
| <b>Carried at amortised cost</b>   |                 |                 |
| Trade payables   | 1,644.37        | 1,438.32        |
| Trade payables to related parties (refer note 41)                                      | 11.93           | 55.72           |
|  | <b>1,656.30</b> | <b>1,494.04</b> |
| <b>The above amount includes</b>   |                 |                 |
| Total outstanding dues of micro enterprises and small enterprises                      | 202.38          | 73.78           |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,453.92        | 1,420.26        |
|  | <b>1,656.30</b> | <b>1,494.04</b> |

- a) Trade payables include due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been 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)  |                |                |
|---|----------------|----------------|
| Particulars   | March 31, 2025 | March 31, 2024 |
| Principal amount remaining unpaid to any supplier as at the end of the accounting year.   | 199.96         | 73.78          |
| Interest due thereon remaining unpaid to any supplier as at the end of the accounting year  | 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.  | 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 standalone Ind AS financial statements for the year ended March 31, 2025

### 23. Financial liabilities: Trade payables (Contd...)

#### 23.1 Trade payable ageing schedule

| As at March 31, 2025  |  |                  |              |             |                   | (₹ in million)  |
|---|--|------------------|--------------|-------------|-------------------|-----------------|
| Particulars   | Outstanding for following periods from due date of payment |                  |              |             |                   | Total           |
|   | Unbilled dues  | Less than 1 year | 1 - 2 years  | 2 - 3 years | More than 3 years |                 |
| Undisputed dues of micro enterprises and small enterprises                                | 135.37   | 67.01            | -            | -           | -                 | 202.38          |
| Undisputed dues of creditors other than micro enterprises and small enterprises           | 782.72   | 581.00           | 78.71        | 6.06        | -                 | 1,448.49        |
| Disputed dues of micro enterprises and small enterprises                                  | -  | -                | -            | -           | -                 | -               |
| Disputed outstanding dues of creditors other than micro enterprises and small enterprises | -  | -                | -            | -           | 5.43              | 5.43            |
| <b>Total</b>  | <b>918.09</b>  | <b>648.01</b>    | <b>78.71</b> | <b>6.06</b> | <b>5.43</b>       | <b>1,656.30</b> |

| As at March 31, 2024  |  |                  |              |             |                   | (₹ in million)  |
|---|--|------------------|--------------|-------------|-------------------|-----------------|
| Particulars   | Outstanding for following periods from due date of payment |                  |              |             |                   | Total           |
|   | Unbilled dues  | Less than 1 year | 1 - 2 years  | 2 - 3 years | More than 3 years |                 |
| Undisputed dues of micro enterprises and small enterprises                                | 17.55  | 56.23            | -            | -           | -                 | 73.78           |
| Undisputed dues of creditors other than micro enterprises and small enterprises           | 284.77   | 1,114.65         | 15.56        | -           | 0.14              | 1,415.12        |
| Disputed dues of micro enterprises and small enterprises                                  | -  | -                | -            | -           | -                 | -               |
| Disputed outstanding dues of creditors other than micro enterprises and small enterprises | -  | -                | -            | -           | 5.14              | 5.14            |
| <b>Total</b>  | <b>302.32</b>  | <b>1,170.88</b>  | <b>15.56</b> | <b>-</b>    | <b>5.28</b>       | <b>1,494.04</b> |

### 24. Other current financial liabilities

| (₹ in million)  |              |                |                |
|---|--------------|----------------|----------------|
| Particulars   |              | March 31, 2025 | March 31, 2024 |
| <b>At amortised cost</b>                                |              |                |                |
| Unpaid dividends (refer note 12)                        |              | 1.91           | 2.15           |
| Accrued salaries and benefits (refer note 41)           |              | 188.50         | 149.44         |
| Payable for capital goods                               |              | 93.43          | 7.55           |
|   | <b>(A)</b>   | <b>283.84</b>  | <b>159.14</b>  |
| <b>Derivative instruments at fair value through OCI</b> |              |                |                |
| <b>Cash flow hedges</b>                                 |              |                |                |
| Derivative liability (refer note 51)                    |              | -              | 0.22           |
|   | <b>(B)</b>   | <b>-</b>       | <b>0.22</b>    |
|   | <b>(A+B)</b> | <b>283.84</b>  | <b>159.36</b>  |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 25. Other liabilities

(₹ in million)

| Particulars                                  | Non- Current   |                | Current         |                 |
|--|----------------|----------------|-----------------|-----------------|
|  | March 31, 2025 | March 31, 2024 | March 31, 2025  | March 31, 2024  |
| Advance from customers (refer note 41)       | -              | 563.37         | 2,064.18        | 1,318.22        |
| Deferred revenue                             | -              | -              | 153.47          | 89.98           |
| Withholding and other taxes / duties payable | -              | -              | 52.93           | 37.66           |
| Other liabilities                            | -              | -              | 0.40            | 54.69           |
|  | -              | <b>563.37</b>  | <b>2,270.98</b> | <b>1,500.55</b> |

### 26. Net current employee defined benefit liabilities

(₹ in million)

| Particulars              | March 31, 2025 | March 31, 2024 |
|--------------------------|----------------|----------------|
| Gratuity (refer note 42) | 7.97           | 7.90           |
|                          | <b>7.97</b>    | <b>7.90</b>    |

### 27. Provisions

(₹ in million)

| Particulars                            | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| <b>Provision for employee benefits</b> |                |                |
| Provision for compensated absences     | 67.93          | 57.39          |
| Provision for onerous contracts        | 72.18          | 23.65          |
|  | <b>140.11</b>  | <b>81.04</b>   |

The following table summarises the changes in the provision for onerous contracts:

(₹ in million)

| Particulars                                  | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| Opening balance                              | 23.65          | 15.41          |
| Amount provided/ (reversed) during the year* | 56.77          | 8.24           |
| Amount utilised during the year*             | (8.24)         | -              |
| Closing balance                              | 72.18          | 23.65          |

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 32)

### 28. Liabilities for current tax (net)

(₹ in million)

| Particulars                                | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| Provision for taxation, net of advance tax | 135.03         | 47.90          |
|  | <b>135.03</b>  | <b>47.90</b>   |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 29. Revenue from operations

| (₹ in million)                        |                 |                 |
|---------------------------------------|-----------------|-----------------|
| Particulars                           | March 31, 2025  | March 31, 2024  |
| Sale of products (refer note 41)      | 7,433.42        | 6,290.59        |
| Sale of services (refer note 41)      | 45.89           | 29.96           |
| Other operating revenues              |                 |                 |
| Sales commission                      | 0.76            | 7.43            |
| Sale of scrips on export entitlements | 18.31           | -               |
| <b>Total revenue</b>                  | <b>7,498.38</b> | <b>6,327.98</b> |

#### Notes to revenue from contracts with customers:

##### a) Timing of revenue recognition - March 31, 2025

| (₹ in million)                        |   |  |                 |
|---------------------------------------|---|--|-----------------|
| Particulars                           | Performance obligation satisfied at point in time | Performance obligation satisfied over time | Total           |
| Sale of products                      | 7,433.42  | -  | 7,433.42        |
| Sale of services                      | -   | 45.89                                      | 45.89           |
| Sales commission                      | 0.76  | -  | 0.76            |
| Sale of scrips on export entitlements | 18.31   | -  | 18.31           |
|                                       | <b>7,452.49</b>                                   | <b>45.89</b>                               | <b>7,498.38</b> |

##### Timing of revenue recognition - March 31, 2024

| (₹ in million)   |   |  |                 |
|------------------|---|--|-----------------|
| Particulars      | Performance obligation satisfied at point in time | Performance obligation satisfied over time | Total           |
| Sale of products | 6,290.59  | -  | 6,290.59        |
| Sale of services | -   | 29.96                                      | 29.96           |
| Sales commission | 7.43  | -  | 7.43            |
|                  | <b>6,298.02</b>                                   | <b>29.96</b>                               | <b>6,327.98</b> |

##### b) Contract balances:

| (₹ in million)  |                |                |
|---|----------------|----------------|
| Particulars   | March 31, 2025 | March 31, 2024 |
| <b>Trade receivables (including unbilled revenue) (refer note 11)</b> |                |                |
| - Current (gross)   | 3,162.06       | 2,222.24       |
| - Provision for impairment loss (current)                             | (22.96)        | (19.61)        |
| <b>Contract liabilities (refer note 25)</b>                           |                |                |
| <b>Advance received from customers</b>                                |                |                |
| - Non current   | -              | 563.37         |
| - Current   | 2,064.18       | 1,318.22       |
| <b>Deferred revenue</b>   |                |                |
| - Current   | 153.47         | 89.98          |



## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 29. Revenue from operations (Contd...)

#### c) Revenue recognised during the year

| (₹ in million)  |                |                |
|---|----------------|----------------|
| Particulars   | March 31, 2025 | March 31, 2024 |
| Arising out of contract liabilities as at the beginning of the year | 543.25         | 448.01         |

#### d) Reconciliation of revenue recognised in the Ind AS statement of profit and loss with the contracted price

| (₹ in million)                              |                 |                 |
|---|-----------------|-----------------|
| Particulars                                 | March 31, 2025  | March 31, 2024  |
| Revenue as per contracted price             | 7,515.68        | 6,348.14        |
| Less:                                       |                 |                 |
| Cash discount                               | (17.30)         | (20.16)         |
| <b>Revenue from contract with customers</b> | <b>7,498.38</b> | <b>6,327.98</b> |

e) Revenue recognised during the year on account of contract modifications etc. although performance obligation was satisfied in prior years: ₹ 16.20 million (March 31, 2024 : ₹ 42.32 million).

f) Revenue from sale of products includes ₹ 138.69 million (March 31, 2024: Nil) accounted in respect of contracts with certain customers on net basis in accordance with Ind AS 115 during the year ended March 31, 2025. The gross value of invoicing in respect of such contract is ₹ 819.42 million (March 31, 2024: Nil) during the year ended March 31, 2025.

### 30. Other income

| (₹ in million)  |                |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| Government grants (refer note 20)                     | 7.88           | 8.16           |
| Rental income [refer note 41 and 44(a)]               | 3.75           | 3.61           |
| Provisions no longer required, written back           | 0.98           | 25.99          |
| Gain on sale/discard of property, plant and equipment | -              | 1.07           |
| Recovery of bad debts written off                     | 27.13          | -              |
| Other non-operating income                            | 5.14           | 8.04           |
|   | <b>44.88</b>   | <b>46.87</b>   |

### 31. Finance income

| (₹ in million)                                    |                |                |
|---|----------------|----------------|
| Particulars                                       | March 31, 2025 | March 31, 2024 |
| Interest on bank deposits                         | 23.86          | 18.64          |
| Interest on loan to related party (refer note 41) | 0.80           | 1.25           |
| Interest on income tax refund                     | -              | 0.20           |
| Interest Income on others                         | 0.41           | 0.26           |
|   | <b>25.07</b>   | <b>20.35</b>   |

### 32. Cost of materials consumed

| (₹ in million)                         |                 |                 |
|--|-----------------|-----------------|
| Particulars                            | March 31, 2025  | March 31, 2024  |
| Inventory at the beginning of the year | 2,212.15        | 1,804.10        |
| Add: Purchases (refer note 41)         | 5,338.89        | 4,592.88        |
|  | 7,551.04        | 6,396.98        |
| Less: Inventory at the end of the year | (2,310.37)      | (2,212.15)      |
| <b>Cost of materials consumed</b>      | <b>5,240.67</b> | <b>4,184.83</b> |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 33. (Increase) / decrease in inventories of work-in-progress and finished goods

| (₹ in million)   |                 |                 |
|--|-----------------|-----------------|
| Particulars  | March 31, 2025  | March 31, 2024  |
| <b>Inventories at the end of the year</b>  |                 |                 |
| Finished goods   | 73.28           | 69.04           |
| Work-in-progress   | 879.26          | 590.80          |
|  | 952.54          | 659.84          |
| <b>Inventories at the beginning of the year</b>                                    |                 |                 |
| Finished goods   | 69.04           | 35.17           |
| Work-in-progress   | 590.80          | 474.75          |
|  | 659.84          | 509.92          |
| <b>(Increase) / decrease in inventories of work-in-progress and finished goods</b> |                 |                 |
| Finished goods   | (4.24)          | (33.87)         |
| Work-in-progress   | (288.46)        | (116.05)        |
|  | <b>(292.70)</b> | <b>(149.92)</b> |

### 34. Employee benefits expense

| (₹ in million)   |                 |                |
|--|-----------------|----------------|
| Particulars  | March 31, 2025  | March 31, 2024 |
| Salaries, wages and bonus (refer note 41)                    | 875.13          | 812.71         |
| Contribution to provident and other funds [refer note 42(a)] | 39.29           | 36.62          |
| Employee share based compensation cost (refer note 45)       | 14.15           | 21.68          |
| Gratuity expenses [refer note 42(b)]                         | 16.17           | 17.21          |
| Staff welfare and recruitment expenses                       | 81.45           | 71.93          |
|  | <b>1,026.19</b> | <b>960.15</b>  |

### 35. Depreciation and amortisation expenses

| (₹ in million)   |                |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| Depreciation of tangible assets (refer note 3)         | 164.62         | 163.33         |
| Amortisation of other intangible assets (refer note 4) | 14.47          | 13.69          |
| Depreciation of right-of-use assets [refer note 44(a)] | 7.02           | 7.33           |
|  | <b>186.11</b>  | <b>184.35</b>  |

### 36. Finance costs

| (₹ in million)                                       |                |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| <b>Interest expense:-</b>                            |                |                |
| - on debt and borrowings                             | 125.18         | 115.36         |
| - on lease liabilities [refer note 44(a)]            | 0.53           | 0.98           |
| - on income tax                                      | 13.16          | 11.66          |
| - on dues to micro enterprises and small enterprises | 2.42           | -              |
| - on others  | -              | 1.45           |
| Bank charges   | 50.22          | 50.74          |
|  | <b>191.51</b>  | <b>180.19</b>  |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 37. Other expenses

| (₹ in million)  |                |                |
|---|----------------|----------------|
| Particulars   | March 31, 2025 | March 31, 2024 |
| Rent and lease hire charges [refer note 41 and 44(a)]   | 9.50           | 9.24           |
| Rates and taxes   | 19.87          | 12.34          |
| Power and fuel  | 63.48          | 64.93          |
| Repairs and maintenance   | 71.56          | 79.54          |
| Insurance   | 21.72          | 20.97          |
| Legal and professional fees (includes payment to auditor) <sup>i</sup> (refer note 41 and 46)       | 75.94          | 68.11          |
| Travelling and conveyance   | 62.12          | 57.00          |
| Purchase of services (refer note 41)  | 59.04          | 117.42         |
| Corporate social responsibility expenditure (refer note 53)   | 5.84           | 4.88           |
| Freight outwards  | 38.90          | 30.58          |
| Foreign exchange differences (net)  | 8.17           | 9.72           |
| Provision for expected credit loss / bad debts written off/ doubtful advances [refer note 48(c)(c)] | 6.56           | -              |
| Directors' sitting fees (refer note 41)   | 4.22           | 4.23           |
| Impairment of non-current investments (refer note 5)  | -              | 13.26          |
| Miscellaneous expenses  | 57.60          | 53.40          |
|   | <b>504.52</b>  | <b>545.62</b>  |

(i) Includes ₹ 2.79 million (March 31, 2024: Nil) incurred in relation to share issued through QIP. Refer note 46 for details.

### Payment to auditor (exclusive of taxes & surcharge)

| (₹ in million)                               |                |                |
|--|----------------|----------------|
| Particulars                                  | March 31, 2025 | March 31, 2024 |
| <b>As auditor:</b>                           |                |                |
| Audit fees                                   | 6.30           | 5.20           |
| Other services (includes certification fees) | 0.67           | 0.25           |
| Reimbursement of expenses                    | 0.81           | 0.86           |
|  | <b>7.78</b>    | <b>6.31</b>    |

### 38. Income tax

The Company is subject to income tax in India on the basis of standalone Ind AS financial statements.

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') issued by Ministry of Law and Justice (Legislative Department) on September 20, 2019 which is effective from April 1, 2019, domestic companies have the option to pay income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions. The Company based on the current projections has chosen to adopt the reduced rates of tax as per the Income Tax Act, 1961 from the financial year 2020-21 and accordingly the Company has accounted deferred tax asset based on the reduced applicable tax rates.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 38. Income tax (Contd...)

Income tax expenses in the standalone Ind AS statement of profit and loss consist of the following:

| (₹ in million)   |                |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| (a) Current tax  | 246.28         | 151.62         |
| (b) Adjustment of tax relating to earlier period   | 1.79           | 3.70           |
| (c) Deferred tax (credit)/ expense   | (63.99)        | (27.86)        |
| (d) Deferred tax expense / (credit) related to items recognized in OCI during the period | 0.54           | 1.15           |
| <b>Total taxes</b>   | <b>184.62</b>  | <b>128.61</b>  |

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, 2025 | March 31, 2024 |
| <b>Profit before taxes</b>                      | <b>712.03</b>  | <b>489.98</b>  |
| <b>Other comprehensive income</b>               | <b>2.16</b>    | <b>4.38</b>    |
| Applicable tax rates in India                   | 25.17%         | 25.17%         |
| Computed tax charge                             | 179.75         | 124.42         |
| Tax effect on permanent non-deductible expenses | 5.43           | 4.53           |
| Adjustment of tax relating to earlier years     | 1.79           | 3.70           |
| Others  | (2.35)         | (4.04)         |
| <b>Total tax expenses</b>                       | <b>184.62</b>  | <b>128.61</b>  |

### 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars  | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| Face value of equity shares (₹ per share)  | 10             | 10             |
| Profit attributable to equity shareholders <b>(A)</b> (₹ in million)                 | 527.95         | 362.52         |
| Weighted average number of equity shares used for computing EPS (basic) <b>(B)</b>   | 1,29,84,951    | 1,28,86,272    |
| EPS - basic <b>(A/B)</b> (₹)   | 40.66          | 28.13          |
| Weighted average number of equity shares used for computing EPS (basic) <b>(B)</b>   | 1,29,84,951    | 1,28,86,272    |
| Add: Effect of dilutive issues of stock options                                      | 1,13,639       | 1,44,538       |
| Weighted average number of equity shares used for computing EPS (diluted) <b>(C)</b> | 1,30,98,590    | 1,30,30,810    |
| EPS - diluted <b>(A/C)</b> (₹)   | 40.31          | 27.82          |

## **Notes to the standalone Ind AS financial statements** for the year ended March 31, 2025

### **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. Refer note 3, 4 and 5.

#### **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.

#### **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 48 for further disclosures.

#### **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. Refer note 44 (c) for further disclosures.

#### **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.

Further details about gratuity obligations are given in note 42.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 40. Significant accounting judgements, estimates and assumptions (Contd...)

#### 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 - Estimating the incremental borrowing rate

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.

### 41. Related party transactions

#### a) Names of related parties and description of relationship

| Description of relationship  | Name of related parties   |
|--|---|
| Parties where control exists   | Apparao V Mallavarapu (directly and indirectly exercises over 50% voting power in the Company)  |
| Subsidiary Companies   | Centum Electronics UK Limited<br>Centum T&S Group Société Anonyme (S.A.), France<br>Centum T&S (Centum Technologies ET Solutions), France<br>Centum R&D (Centum Recherche Et Développement), France<br>Centum T&S (Centum Technologies ET Solutions), Canada<br>Centum E&S (Centum Équipements ET Systèmes), Canada<br>Centum Adetel Transportation System, France<br>Centum Technologies ET Solutions - Société à responsabilité limitée (SRL), Belgium<br>Centum T&S Private Limited, India |
| Associate Companies  | Ausar Energy SAS  |
| 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, 2025

### 41. Related party transactions (Contd...)

| Description of relationship                      | Name of related parties   |
|--|---|
| Key managerial personnel and their close members | Mr. Apparao V Mallavarapu - Chairman and Managing Director                  |
|  | Mrs. Swarnalatha Mallavarapu - Director (resigned w.e.f May 27, 2023)       |
|  | Mr. Nikhil Mallavarapu - Whole Time Director <sup>ii</sup>                  |
|  | Mrs. Tanya Mallavarapu - Director (appointed w.e.f May 27, 2023)            |
|  | Mr. Pranav Kumar Patel - Independent Director <sup>i</sup>                  |
|  | Mr. Rajiv C Mody - Independent Director                                     |
|  | Mr. Manoj Nagrath - Independent Director                                    |
|  | Mr. Thiruvengadam P - Independent Director                                  |
|  | 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. Kavitha Dutt - Independent Women Director                              |
|  | Mr. K S Desikan - Chief Financial Officer                                   |
|  | Mrs. Indu H S - Company Secretary   |

- Ceased to be a Director w.e.f March 31, 2024, on completion of two terms as Independent Director.
- Became Joint Managing Director w.e.f May 22, 2025

#### b) Summary of transactions and outstanding balances with above related parties are as follows:

| (₹ in million)   |                |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| <b>i) Sale of products and services</b>                    |                |                |
| <b>Subsidiary companies</b>                                |                |                |
| - Centum T&S (Centum Technologies ET Solutions), France    | 42.88          | 66.26          |
| - Centum E&S (Centum Équipements ET Systèmes), Canada      | 273.14         | 242.63         |
| - Centum T&S Private Limited, India                        | 6.25           | 3.11           |
| <b>ii) Finance income</b>                                  |                |                |
| <b>Subsidiary company</b>                                  |                |                |
| - Centum T&S Private Limited, India                        | 0.80           | 1.25           |
| <b>iii) Other income</b>                                   |                |                |
| <b>Rental income</b>                                       |                |                |
| <b>Subsidiary company</b>                                  |                |                |
| - Centum T&S Private Limited, India                        | 3.75           | 3.61           |
| <b>iv) Purchase of goods and services</b>                  |                |                |
| <b>Subsidiary companies</b>                                |                |                |
| - Centum T&S (Centum Technologies ET Solutions), France    | 68.44          | 97.80          |
| - Centum E&S (Centum Équipements ET Systèmes), Canada      | 0.97           | 2.19           |
| - Centum T&S Private Limited, India                        | 107.55         | 6.17           |
| - Centum T&S Group Société Anonyme (S.A.), France          | -              | 0.95           |
| <b>v) Expense incurred on behalf of the Group Company:</b> |                |                |
| <b>Subsidiary companies</b>                                |                |                |
| - Centum E&S (Centum Équipements ET Systèmes), Canada      | 4.44           | 5.80           |
| - Centum T&S Private Limited, India                        | 1.59           | 3.79           |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 41. Related party transactions (Contd...)

|   | (₹ in million) |                |
|---|----------------|----------------|
| Particulars   | March 31, 2025 | March 31, 2024 |
| <b>vi) Expense incurred on behalf of the Company by:</b>  |                |                |
| <b>Subsidiary companies</b>   |                |                |
| - Centum T&S Private Limited, India   | 40.94          | 53.20          |
| - Centum Electronics UK Limited   | 2.05           | 3.01           |
| - Centum T&S (Centum Technologies ET Solutions), France   | 7.61           | -              |
| - Centum T&S Group Société Anonyme (S.A.), France   | -              | 0.08           |
| <b>vii) Investment made in equity shares</b>  |                |                |
| <b>Subsidiary company</b>   |                |                |
| - Centum Electronics UK Limited   | 458.02         | 331.09         |
| <b>viii) Remuneration to key managerial personnel and their close members</b>                   |                |                |
| <b>a) Employee benefit expenses (excluding employee share based payments) (refer (i) below)</b> |                |                |
| - Mr. Apparao V Mallavarapu   | 39.72          | 27.39          |
| - Mr. Nikhil Mallavarapu  | 39.72          | 27.39          |
| - Mr. K S Desikan   | 12.32          | 11.39          |
| - Mrs. Indu H S   | 1.73           | 1.31           |
| <b>b) Directors' sitting fees (including commission paid to non-executive directors)</b>        |                |                |
| - Mrs. Tanya Mallavarapu  | 0.68           | 0.54           |
| - Mr. Rajiv C Mody  | 0.68           | 0.65           |
| - Mr. Pranav Kumar Patel  | -              | 0.77           |
| - Mr. Manoj Nagrath   | 0.83           | 0.77           |
| - Mr. Thiruvengadam P   | 0.80           | 0.74           |
| - Mrs. Kavitha Dutt   | 0.65           | 0.65           |
| - Mrs. Swarnalatha Mallavarapu  | -              | 0.11           |
| - Mr. Tarun Sawhney   | 0.58           | -              |
| <b>ix) Exercise of share options</b>  |                |                |
| <b>Key managerial personnel</b>   |                |                |
| - Mr. K S Desikan   | -              | 0.23           |
| <b>x) Outstanding balances as at the year ended:</b>  |                |                |
| <b>a) Trade receivables</b>   |                |                |
| <b>Subsidiary companies</b>   |                |                |
| - Centum T&S (Centum Technologies ET Solutions), France   | 4.13           | 68.78          |
| - Centum T&S Private Limited, India   | 0.76           | 1.72           |
| - Centum E&S (Centum Équipements ET Systèmes), Canada   | 536.07         | 284.92         |
| <b>b) Trade payables</b>  |                |                |
| <b>Subsidiary companies</b>   |                |                |
| - Centum T&S (Centum Technologies ET Solutions), France   | 7.51           | 17.83          |
| - Centum E&S (Centum Équipements ET Systèmes), Canada   | 0.77           | 0.57           |
| - Centum Electronics UK Limited   | -              | 3.01           |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 41. Related party transactions (Contd...)

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| - Centum T&S Private Limited, India   | 0.74           | 31.31          |
| <b>c) Payable to Key managerial personnel</b>   |                |                |
| - Mr. Rajiv C Mody  | 0.50           | 0.50           |
| - Mr. Pranav Kumar Patel  | -              | 0.50           |
| - Mr. Manoj Nagrath   | 0.50           | 0.50           |
| - Mr. Thiruvengadam P   | 0.50           | 0.50           |
| - Mrs. Kavitha Dutt   | 0.50           | 0.50           |
| - Mrs. Swarnalatha Mallavarapu  | -              | 0.08           |
| - Mrs. Tanya Mallavarapu  | 0.50           | 0.42           |
| - Mr. Tarun Sawhney   | 0.41           | -              |
| <b>d) Loan to related party (including current and non-current)</b>                                     |                |                |
| <b>Subsidiary company</b>   |                |                |
| - Centum T&S Private Limited, India   | 10.00          | 10.00          |
| <b>e) Other current financial asset- Interest accrued and due on loan to a related party</b>            |                |                |
| <b>Subsidiary company</b>   |                |                |
| - Centum T&S Private Limited, India   | 0.72           | -              |
| <b>f) Other current financial assets - other receivables</b>  |                |                |
| <b>Subsidiary company</b>   |                |                |
| - Centum T&S Private Limited, India   | 36.45          | -              |
| <b>g) Other non - current financial asset - Security deposit</b>  |                |                |
| <b>Enterprises where key managerial personnel or their close members exercise significant influence</b> |                |                |
| - Centum Industries Private Limited   | -              | 0.45           |
| <b>h) Other current assets - Advance to suppliers and other receivables</b>                             |                |                |
| <b>Subsidiary company</b>   |                |                |
| - Centum T&S Private Limited, India   | 215.31         | 53.20          |
| - Centum T&S (Centum Technologies ET Solutions), France   | 0.35           | 32.93          |
| <b>i) Other current financial liabilities - Accrued salaries and benefits-payable</b>                   |                |                |
| - Mr. Apparao V Mallavarapu   | 31.04          | 18.38          |
| - Mr. Nikhil Mallavarapu  | 29.44          | 16.90          |
| - Mr. K S Desikan   | 3.59           | 3.00           |
| - Mrs. Indu H S   | 0.37           | 0.15           |
| <b>j) Other current liabilities - Advance from customers</b>  |                |                |
| <b>Subsidiary company</b>   |                |                |
| - Centum E&S (Centum Équipements ET Systèmes), Canada   | -              | 0.13           |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 41. Related party transactions (Contd...)

#### 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, 2025     | March 31, 2024     |
|---------------------------|----------------|--------------------|--------------------|
|                           |                | Number outstanding | Number outstanding |
| Centum RSU - 2021 plan    | ₹ 10.00        | 14,500             | 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. Refer note 45 for further details on the scheme.

#### Notes:

- 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.
- For investments in related parties, refer note 5.

#### 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 except loan. There have been no guarantees provided to or received from any related party for payables or receivables. For the year ended March 31, 2025 and March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. 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 34) are as under:

| Particulars                                | (₹ in million) |                |
|--|----------------|----------------|
|  | March 31, 2025 | March 31, 2024 |
| Contribution to provident fund             | 34.69          | 32.76          |
| Contribution to employees' state insurance | 4.60           | 3.86           |
|  | <b>39.29</b>   | <b>36.62</b>   |

#### b) Defined benefit plans

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, every employee who has completed five years or more of service gets gratuity on departure at 15 days salary (last drawn salary) 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:

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 42. Gratuity and other post-employment benefits plans (Contd...)

#### i. Net benefit expenses (recognized in the standalone Ind AS statement of profit and loss)

| (₹ in million)                              |                |                |
|---|----------------|----------------|
| Particulars                                 | March 31, 2025 | March 31, 2024 |
| Current service cost                        | 11.94          | 12.16          |
| Interest cost on defined benefit obligation | 5.30           | 5.05           |
| Interest income on plan assets              | (1.07)         | -              |
| <b>Net benefit expenses</b>                 | <b>16.17</b>   | <b>17.21</b>   |

#### ii. Remeasurement (gains)/ loss recognised in other comprehensive income:

| (₹ in million)   |                |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| Actuarial (gain)/ loss on obligations arising from changes in experience adjustments | (5.51)         | (6.00)         |
| Actuarial loss/ (gain) on obligations arising from changes in financial assumptions  | 2.29           | 1.40           |
| Return on plan assets (excluding amounts included in net interest expense)           | 1.06           | -              |
| <b>Actuarial (gain)/ loss recognised in OCI</b>                                      | <b>(2.16)</b>  | <b>(4.60)</b>  |

#### iii. Net defined benefit (liability)/ asset

| (₹ in million)  |                |                |
|---|----------------|----------------|
| Particulars   | March 31, 2025 | March 31, 2024 |
| Defined benefit obligation                                | (80.07)        | (72.85)        |
| Fair value of plan assets                                 | 35.01          | 15.07          |
| <b>(Liability) /asset recognised in the balance sheet</b> | <b>(45.06)</b> | <b>(57.78)</b> |

#### iv. Changes in the present value of the defined benefit obligation are as follows:

| (₹ in million)   |                |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| Opening defined benefit obligation   | 72.85          | 66.56          |
| Current service cost   | 11.94          | 12.16          |
| Benefits paid  | (6.80)         | (6.32)         |
| Interest cost on the defined benefit obligation                                      | 5.30           | 5.05           |
| Actuarial (gain)/ loss on obligations arising from changes in experience adjustments | (5.51)         | (6.00)         |
| Actuarial (gain)/ loss on obligations arising from changes in financial assumptions  | 2.29           | 1.40           |
| <b>Closing defined benefit obligation</b>  | <b>80.07</b>   | <b>72.85</b>   |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 42. Gratuity and other post-employment benefits plans (Contd...)

#### v. Changes in the fair value of plan assets are as follows:

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| Opening fair value of plan assets                             | 15.07          | -              |
| Interest income on plan assets                                | 1.07           | -              |
| Benefits paid   | (0.07)         | -              |
| Contributions by the employer                                 | 20.00          | 15.07          |
| Return on plan assets (lesser) / greater than discounted rate | (1.06)         | -              |
| <b>Closing fair value of plan assets</b>                      | <b>35.01</b>   | <b>15.07</b>   |

#### vi. The following pay-outs are expected in future years:

| Particulars               | (₹ in million) |                |
|---------------------------|----------------|----------------|
|                           | March 31, 2025 | March 31, 2024 |
| Within the next 12 months | 7.97           | 7.90           |
| Between 1 and 2 years     | 3.41           | 3.60           |
| Between 2 and 3 years     | 6.61           | 3.38           |
| Between 3 and 4 years     | 5.64           | 6.43           |
| Between 4 and 5 years     | 5.57           | 5.30           |
| Between 5 and 10 years    | 36.75          | 32.93          |

The average duration of the defined benefit plan obligation at the end of the reporting period is 13.03 years (March 31, 2024: 10.02 years)

#### vii. The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

| Particulars                        | March 31, 2025  | March 31, 2024  |
|------------------------------------|---|---|
| Discount rate (in %)               | 6.77%   | 7.09%   |
| Salary escalation rate (in %)      | 10.00%  | 10.00%  |
| Employee Turnover/ Withdrawal Rate | Age 21 - 59 Yrs :<br>upto 15%                                 | Age 21 - 59 Yrs :<br>upto 15%                                 |
| Retirement age                     | 60 years  | 60 years  |
| Mortality Rate                     | Indian Assured Lives<br>Mortality (2012-14)<br>Ultimate Table | Indian Assured Lives<br>Mortality (2012-14)<br>Ultimate Table |

#### Notes:

- 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.
- 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:
  - 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.
  - Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation



## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 42. Gratuity and other post-employment benefits plans (Contd...)

- 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, 2025 | March 31, 2024 |
| <b>Discount rate</b>  |                |                |
| Impact on defined benefit obligation due to 1% increase in discount rate          | (6.78)         | (6.27)         |
| Impact on defined benefit obligation due to 1% decrease in discount rate          | 7.97           | 7.37           |
| <b>Salary escalation rate</b>   |                |                |
| Impact on defined benefit obligation due to 1% increase in salary escalation rate | 3.61           | 3.52           |
| Impact on defined benefit obligation due to 1% decrease in salary escalation rate | (3.77)         | (3.59)         |
| <b>Attrition rate</b>   |                |                |
| Impact on defined benefit obligation due to 1% increase in attrition rate         | (0.37)         | (0.44)         |
| Impact on defined benefit obligation due to 1% decrease in attrition rate         | 0.62           | 0.66           |

### 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 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".

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 43. Segment information - Disclosure pursuant to Ind AS 108 'Operating Segments' (Contd...)

#### (b) Geographical information

| Particulars       | Segment revenue* |                 | Non-current assets** |                 |
|-------------------|------------------|-----------------|----------------------|-----------------|
|                   |                  |                 |                      |                 |
|                   | March 31, 2025   | March 31, 2024  | March 31, 2025       | March 31, 2024  |
| India             | 3,514.38         | 2,768.51        | 1,197.82             | 1,142.92        |
| Europe and UK     | 2,813.20         | 2,198.13        | -                    | -               |
| North America     | 926.95           | 1,265.88        | -                    | -               |
| Rest of the world | 243.85           | 95.46           | -                    | -               |
| <b>Total</b>      | <b>7,498.38</b>  | <b>6,327.98</b> | <b>1,197.82</b>      | <b>1,142.92</b> |

\*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 one external customer group having more than 10% each of the Company's total revenue amounting to ₹ 2,946.46 million (March 31, 2024: ₹ 1,889.09 million). Further, the top 5 customer group of the Company contribute to more than 60% of the revenue for the year ended March 31, 2025 and more than 62% of the revenue during the year ended March 31, 2024.

### 44. Leases, commitments and contingencies

#### (a) Leases

##### I. 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.

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).

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 44. Leases, commitments and contingencies (Contd...)

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        |
| <b>Gross block</b>                    |                  |                     |                 |              |
| As at April 01, 2023                  | 15.24            | 37.10               | 6.95            | 59.29        |
| Additions                             | -                | -                   | -               | -            |
| Modification / other adjustments      | (6.75)           | -                   | -               | (6.75)       |
| <b>As at March 31, 2024</b>           | <b>8.49</b>      | <b>37.10</b>        | <b>6.95</b>     | <b>52.54</b> |
| Additions                             | 0.86             | -                   | -               | 0.86         |
| Modification / other adjustments      | (0.01)           | -                   | -               | (0.01)       |
| <b>As at March 31, 2025</b>           | <b>9.34</b>      | <b>37.10</b>        | <b>6.95</b>     | <b>53.39</b> |
| <b>Accumulated depreciation</b>       |                  |                     |                 |              |
| As at April 01, 2023                  | 3.69             | 13.23               | 6.95            | 23.87        |
| Charge for the year                   | 2.71             | 4.62                | -               | 7.33         |
| Modification / other adjustments      | (1.50)           | -                   | -               | (1.50)       |
| <b>As at March 31, 2024</b>           | <b>4.90</b>      | <b>17.85</b>        | <b>6.95</b>     | <b>29.70</b> |
| Charge for the year                   | 2.40             | 4.62                | -               | 7.02         |
| Modification / other adjustments      | -                | -                   | -               | -            |
| <b>As at March 31, 2025</b>           | <b>7.30</b>      | <b>22.47</b>        | <b>6.95</b>     | <b>36.72</b> |
| <b>Net block as at March 31, 2025</b> | <b>2.04</b>      | <b>14.63</b>        | <b>-</b>        | <b>16.67</b> |
| <b>Net block as at March 31, 2024</b> | <b>3.59</b>      | <b>19.25</b>        | <b>-</b>        | <b>22.84</b> |

The carrying amounts of lease liabilities recognised and the movements during the year is as follows:

| Particulars                       | (₹ in million) |
|-----------------------------------|----------------|
| As at April 1, 2023               | 14.04          |
| Additions                         | -              |
| Accretion of interest             | 0.98           |
| Payments                          | (4.82)         |
| Modification of lease liabilities | (5.25)         |
| <b>As at March 31, 2024</b>       | <b>4.95</b>    |
| Additions                         | 0.86           |
| Accretion of interest             | 0.53           |
| Payments                          | (3.04)         |
| Modification of lease liabilities | -              |
| <b>As at March 31, 2025</b>       | <b>3.30</b>    |

| (₹ in million) |                |                |
|----------------|----------------|----------------|
| Particulars    | March 31, 2025 | March 31, 2024 |
| Current        | 3.30           | 2.25           |
| Non current    | -              | 2.70           |

The maturity analysis of lease liabilities are disclosed in note 48(c)(d).

The effective interest rate for lease liabilities is between 7.93% to 12.00% (March 31, 2024: 12%).

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 44. Leases, commitments and contingencies (Contd...)

The following are the amounts recognised in statement of profit or loss:

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| Depreciation expense of right-of-use assets (refer note 35)   | 7.02           | 7.33           |
| Interest expense on lease liabilities (refer note 36)   | 0.53           | 0.98           |
| Expense relating to leases of low-value assets / short term leases (included in other expenses) (refer note 37) | 9.50           | 9.24           |
| <b>Total amount recognised in the Ind AS statement of profit or loss</b>  | <b>17.05</b>   | <b>17.55</b>   |

The Company had total cash outflows for leases of ₹ 12.54 million during the year ended March 31, 2025 (March 31, 2024 : ₹14.06 million)

### II. Company as a lessor

The Company has entered into cancellable lease agreements for sub-lease of office space. The lease term is for 3 years with a cancellation clause of 3 months.

The following amounts recognised in the standalone Ind AS statement of profit and loss

| Particulars                          | (₹ in million) |                |
|--------------------------------------|----------------|----------------|
|                                      | March 31, 2025 | March 31, 2024 |
| Rental income (refer note 30 and 41) | 3.75           | 3.61           |
|                                      | <b>3.75</b>    | <b>3.61</b>    |

### (b) Commitments

#### (i) Capital commitments

| Particulars  | (₹ in million) |                |
|--|----------------|----------------|
|  | March 31, 2025 | March 31, 2024 |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 166.03         | 3.32           |

#### (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.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 44. Leases, commitments and contingencies (Contd...)

#### (i) Particulars of guarantees

| Particulars of Guarantees        | (₹ in million) |                |
|----------------------------------|----------------|----------------|
|                                  | March 31, 2025 | March 31, 2024 |
| Bank guarantees (refer note 12)* | 28.65          | 29.01          |

\* 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) The Hon'ble Supreme Court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act, 1952. The Management is of the view that there are interpretative challenges on the application of the judgement retrospectively. Based on the legal advice and in the absence of reliable measurement of the provision for earlier periods, the Company has made a provision for provident fund contribution pursuant to the judgement only from the date of Supreme Court Order. The Company will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Company does not expect any material impact of the same.
- (iii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on May 03, 2023, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.
- (iv) Contingent liabilities\*

| Description  | (₹ in million) |                |
|--|----------------|----------------|
|  | March 31, 2025 | March 31, 2024 |
| Income taxes under dispute                           | 92.06          | 46.44          |
| Indirect taxes under dispute                         | 116.53         | 136.85         |
| Others   |                |                |
| Claims against the Company not acknowledged as debts | 5.85           | 7.56           |

\* 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.

### 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 its subsidiaries.

The plan is administered by the Nomination and Remuneration committee. Options will be issued to employees of the Company and/or its 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.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 45. Share-based payments (Contd...)

#### 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 its subsidiaries.

The plan is administered by a Nomination and Remuneration committee. Options will be issued to employees of the Company and/or its 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<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| Fair value at grant date               | ₹ 11.65 - ₹ 277.30           | ₹ 11.65 - ₹ 277.30           |
| Share price at grant date              | ₹ 71.25 & ₹ 637.05           | ₹ 71.25 & ₹ 637.05           |
| Weighted average exercise price (WAEP) | ₹ 71.25                      | ₹ 71.25                      |
| Dividend yield (%)                     | 10%                          | 10%                          |
| Expected life of share options (years) | 1- 4 years                   | 1- 4 years                   |
| Risk free interest rate (%)            | 5.70 - 8.60%                 | 5.70 - 8.60%                 |
| Expected volatility (%)                | 48.31%                       | 48.31%                       |

| Particulars                            | Centum RSU - 2021            |                              |
|--|------------------------------|------------------------------|
|  | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| 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%              |



## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 45. Share-based payments (Contd...)

#### C Movements during the year

The following table illustrates the number and WAEP of, and movements in, Centum ESOP - 2013 plan during the year.

| Particulars                            | For the year ended<br>March 31, 2025 |       | For the year ended<br>March 31, 2024 |              |
|--|--------------------------------------|-------|--------------------------------------|--------------|
|  | Number of<br>options                 | WAEP  | Number of<br>options                 | WAEP         |
| Options outstanding at April 01        | 8,373                                | 71.25 | 12,026                               | <b>71.25</b> |
| Granted during the period              | -                                    | -     | -                                    | -            |
| Forfeited / lapsed during the period   | -                                    | -     | -                                    | -            |
| Exercised during the period            | 8,373                                | 71.25 | 3,653                                | 71.25        |
| Expired during the period              | -                                    | -     | -                                    | -            |
| <b>Options outstanding at March 31</b> | -                                    | -     | <b>8,373</b>                         | <b>71.25</b> |
| Exercisable at year end                | -                                    | -     | <b>8,373</b>                         | <b>71.25</b> |

The following table illustrates the number and WAEP of, and movements in, Centum RSU - 2021 plan during the year.

| Particulars                            | For the year ended<br>March 31, 2025 |           | For the year ended<br>March 31, 2024 |           |
|--|--------------------------------------|-----------|--------------------------------------|-----------|
|  | Number of<br>options                 | WAEP      | Number of<br>options                 | WAEP      |
| Options outstanding at April 01        | 1,37,600                             | 10        | 1,15,400                             | <b>10</b> |
| Granted during the period              | -                                    | -         | 27,500                               | 10        |
| Forfeited / lapsed during the period   | 23,300                               | 10        | 5,300                                | 10        |
| Exercised during the period            | -                                    | -         | -                                    | -         |
| Expired during the period              | -                                    | -         | -                                    | -         |
| <b>Options outstanding at March 31</b> | <b>1,14,300</b>                      | <b>10</b> | <b>1,37,600</b>                      | <b>10</b> |
| Exercisable at year end                | <b>1,14,300</b>                      | <b>10</b> | <b>1,37,600</b>                      | <b>10</b> |

The options outstanding as at March 31, 2025 had an exercise price of ₹10 (March 31, 2024: ₹10) and the weighted average remaining contractual life of 5.15 years (March 31, 2024: 6.15 years)

#### 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 :

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| Expense arising from equity settled share based payment transaction (refer note 34) | 14.15          | 21.68          |

### 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.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 46. Issue of equity shares through QIP (Contd...)

| (₹ in million)   |                 |                |
|--|-----------------|----------------|
| Particulars  | March 31, 2025  | March 31, 2024 |
| Gross proceeds raised through issue of equity shares   | 2,100.00        | -              |
| <b>Expenses related to the issue of equity shares through QIP:</b>                                   |                 |                |
| Recognised in equity*  | 90.42           | -              |
| Expenses recorded in the standalone statement of profit and loss                                     | 2.79            | -              |
| Taxes thereon  | 7.32            | -              |
|  | <b>100.53</b>   | -              |
| <b>Proceeds from issue of equity shares (net of share issue expenses)</b>                            | <b>1,999.47</b> | -              |
| <b>Utilisation proceeds:</b>   |                 |                |
| Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by the company | 1,102.34        | -              |
| <b>Unutilised QIP Proceeds as at March 31, 2025</b>  | <b>897.13</b>   | -              |

\*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, 2025 (refer note 12):

- Fixed deposits with the bank amounting to ₹ 450.00 million.
- Balance in current account and QIP monitoring account aggregating to ₹ 447.13 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)                                  |                 |                 |
|---|-----------------|-----------------|
| Particulars                                     | March 31, 2025  | March 31, 2024  |
| Borrowings (refer note 19 and 22)               | 961.09          | 1,170.72        |
| Less: Cash and cash equivalents (refer note 12) | 477.84          | 129.50          |
| <b>Net debt</b>                                 | <b>483.25</b>   | <b>1,041.22</b> |
| <b>Capital components</b>                       |                 |                 |
| Equity share capital (refer note 16)            | 147.07          | 128.88          |
| Other equity (refer note 17)                    | 5,492.03        | 2,995.00        |
| <b>Total Capital</b>                            | <b>5,639.10</b> | <b>3,123.88</b> |
| <b>Capital and net debt</b>                     | <b>6,122.35</b> | <b>4,165.10</b> |
| <b>Gearing ratio</b>                            | <b>8%</b>       | <b>25%</b>      |

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 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, 2025 and March 31, 2024.

#### 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 |
|--|--|--|-----------------|------------------|----------------------|
| <b>Financial assets</b>                                  |  |  |                 |                  |                      |
| (i) Trade receivables                                    | -  | -  | 3,139.10        | 3,139.10         | 3,139.10             |
| (ii) Cash and cash equivalents                           | -  | -  | 477.84          | 477.84           | 477.84               |
| (iii) Bank balances other than cash and cash equivalents | -  | -  | 812.37          | 812.37           | 812.37               |
| (iv) Loans and other financial assets                    | -  | -  | 81.86           | 81.86            | 81.86                |
| <b>Total</b>   | -  | -  | <b>4,511.17</b> | <b>4,511.17</b>  | <b>4,511.17</b>      |
| <b>Financial liabilities</b>                             |  |  |                 |                  |                      |
| (i) Borrowings   | -  | -  | 961.09          | 961.09           | 961.09               |
| (ii) Lease Liabilities                                   | -  | -  | 3.30            | 3.30             | 3.30                 |
| (iii) Trade payables                                     | -  | -  | 1,656.30        | 1,656.30         | 1,656.30             |
| (iv) Other financial liabilities                         | -  | -  | 283.84          | 283.84           | 283.84               |
| <b>Total</b>   | -  | -  | <b>2,904.53</b> | <b>2,904.53</b>  | <b>2,904.53</b>      |

#### As at March 31, 2024

(₹ 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 |
|--|--|--|-----------------|------------------|----------------------|
| <b>Financial assets</b>                                  |  |  |                 |                  |                      |
| (i) Trade receivables                                    | -  | -  | 2,202.63        | 2,202.63         | 2,202.63             |
| (ii) Cash and cash equivalents                           | -  | -  | 129.50          | 129.50           | 129.50               |
| (iii) Bank balances other than cash and cash equivalents | -  | -  | 371.91          | 371.91           | 371.91               |
| (iv) Loans and other financial assets                    | -  | -  | 49.41           | 49.41            | 49.41                |
| <b>Total</b>   | -  | -  | <b>2,753.45</b> | <b>2,753.45</b>  | <b>2,753.45</b>      |
| <b>Financial liabilities</b>                             |  |  |                 |                  |                      |
| (i) Borrowings   | -  | -  | 1,170.72        | 1,170.72         | 1,170.72             |
| (ii) Lease Liabilities                                   | -  | -  | 4.95            | 4.95             | 4.95                 |
| (iii) Trade payables                                     | -  | -  | 1,494.04        | 1,494.04         | 1,494.04             |
| (iv) Other financial liabilities                         | -  | 0.22   | 159.14          | 159.36           | 159.36               |
| <b>Total</b>   | -  | <b>0.22</b>  | <b>2,828.85</b> | <b>2,829.07</b>  | <b>2,829.07</b>      |

Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 48. Disclosures on Financial instruments (Contd...)

#### (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.

| Particulars                          | Fair value measurements at reporting date using |         |          |         |
|--------------------------------------|---|---------|----------|---------|
|                                      | Total   | Level 1 | Level 2  | Level 3 |
| <b>March 31, 2025</b>                |   |         |          |         |
| <b>Financial liabilities</b>         |   |         |          |         |
| Borrowings (refer note 19 & 22)      | 961.09  | -       | 961.09   | -       |
| <b>March 31, 2024</b>                |   |         |          |         |
| <b>Financial liabilities</b>         |   |         |          |         |
| Borrowings (refer note 19 & 22)      | 1,170.72  | -       | 1,170.72 | -       |
| Derivative liability (refer note 24) | 0.22  | -       | 0.22     | -       |

There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2024 and March 31, 2025.

#### (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, 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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 48. Disclosures on Financial instruments (Contd...)

#### 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:

| Particulars           | Increase / decrease<br>in basis points | (₹ in million)<br>Effect on profit<br>before tax |
|-----------------------|--|--|
|                       |  |  |
| <b>March 31, 2025</b> |  |  |
|                       | +50                                    | (4.56)   |
|                       | -50                                    | 4.56   |
| <b>March 31, 2024</b> |  |  |
|                       | +50                                    | (5.85)   |
|                       | -50                                    | 5.85   |

#### (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.

| Particulars           | Change<br>in<br>currency | (₹ in million)                         |           |                                       |           |
|-----------------------|--------------------------|--|-----------|---------------------------------------|-----------|
|                       |                          | Effect on<br>profit or loss before tax |           | Effect on profit or<br>loss after tax |           |
|                       |                          | Strengthening                          | Weakening | Strengthening                         | Weakening |
| <b>March 31, 2025</b> |                          |  |           |                                       |           |
| USD                   | 5%                       | 7.93                                   | (7.93)    | 5.93                                  | (5.93)    |
| EURO                  | 5%                       | (7.79)                                 | 7.79      | (5.83)                                | 5.83      |
| <b>March 31, 2024</b> |                          |  |           |                                       |           |
| USD                   | 5%                       | (1.35)                                 | 1.35      | (1.01)                                | 1.01      |
| EURO                  | 5%                       | (2.90)                                 | 2.90      | (2.17)                                | 2.17      |

#### (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.

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 64% of the trade receivables for the year ended March 31, 2025 and more than 59% of the trade receivables during the year ended March 31, 2024.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 48. Disclosures on Financial instruments (Contd...)

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.

The following table summarises the changes in the loss allowance measured using ECL:

| Particulars                                | ₹ in million   |                |
|--|----------------|----------------|
|  | March 31, 2025 | March 31, 2024 |
| Opening balance                            | 19.61          | 50.80          |
| Amount (reversed)/provided during the year | 6.56           | (3.98)         |
| Amount utilised during the year            | (3.21)         | (27.21)        |
| Closing balance                            | 22.96          | 19.61          |

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.

| Particulars                      | ₹ in million    |               |           |                 |
|----------------------------------|-----------------|---------------|-----------|-----------------|
|                                  | 0 - 1 years     | 1 to 5 years  | > 5 years | Total           |
| <b>March 31, 2025</b>            |                 |               |           |                 |
| (i) Borrowings                   | 883.13          | 77.96         | -         | 961.09          |
| (ii) Lease liabilities           | 3.30            | -             | -         | 3.30            |
| (iii) Trade payables             | 1,656.30        | -             | -         | 1,656.30        |
| (iv) Other financial liabilities | 283.84          | -             | -         | 283.84          |
|                                  | <b>2,826.57</b> | <b>77.96</b>  | <b>-</b>  | <b>2,904.53</b> |
| <b>March 31, 2024</b>            |                 |               |           |                 |
| (i) Borrowings                   | 1,068.10        | 102.62        | -         | 1,170.72        |
| (ii) Lease liabilities           | 2.25            | 3.02          | -         | 5.27            |
| (iii) Trade payables             | 1,494.04        | -             | -         | 1,494.04        |
| (iv) Other financial liabilities | 317.61          | -             | -         | 317.61          |
|                                  | <b>2,882.00</b> | <b>105.64</b> | <b>-</b>  | <b>2,987.64</b> |



## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 49. Ratio analysis and its elements

| Ratio                           | Numerator  | Denominator  | March 31, 2025 | March 31, 2024 | % change | Reason for variance   |
|---------------------------------|--|--|----------------|----------------|----------|---|
| Current ratio                   | Current Assets   | Current Liabilities  | 1.49           | 1.32           | 13%      |   |
| Debt- Equity Ratio              | Total Debt (including lease liabilities)   | Shareholder's Equity   | 0.17           | 0.38           | (55%)    | Decrease is on account of increase in shareholder's equity during the 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  | 2.68           | 6.26           | (57%)    | Decrease in debt service coverage ratio is on account of increase in repayment of debt pursuant to QIP during the year. |
| Return on Equity ratio          | Net Profits after taxes  | Average Shareholder's Equity   | 0.12           | 0.12           | (1%)     |   |
| Inventory Turnover ratio        | Cost of materials consumed + Decrease / (increase) in inventories of work-in-progress and finished goods   | Average Inventory  | 1.61           | 1.55           | 4%       | -   |
| Trade Receivable Turnover Ratio | Revenue from operations  | Average Trade Receivable   | 2.81           | 2.94           | (5%)     | -   |
| Trade Payable Turnover Ratio    | Purchases made during the year + Non-cash operating expenses + Staff welfare expenses  | Average Trade Payables   | 3.75           | 3.48           | 8%       | -   |
| Net Capital Turnover Ratio      | Revenue from operations  | Working capital = Current assets – Current liabilities   | 2.83           | 4.59           | (38%)    | Decrease is on account of increase in working capital during the year   |
| Net Profit ratio                | Net Profits after taxes  | Net sales = Total sales - sales return   | 0.07           | 0.06           | 23%      |   |
| Return on Capital Employed      | Earnings before interest and taxes   | Capital Employed = Total tangible Net Worth + Total debt (excluding lease liabilities) - Deferred tax assets (net) | 0.14           | 0.16           | (13%)    |   |
| Return on Investment            | NA   | NA   | NA             | NA             | 0%       |   |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 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, 2025     | March 31, 2024 | March 31, 2025  | March 31, 2024 | March 31, 2025                         | March 31, 2024 |                       |   |
| Centum T&S Private Limited    | Subsidiary         | Subsidiary     | 100.00%   | 100.00%        | 100.00%                                | 100.00%        | Dec 06, 2016          | India                                       |
| Centum Electronics UK Limited | Subsidiary         | Subsidiary     | 100.00%   | 100.00%        | 100.00%                                | 100.00%        | May 18, 2016          | United Kingdom                              |

Note:

- Disclosure of financial data as per Ind AS – 112 'Disclosure of Interests in Other Entities' has been done based on the financial statements for the respective periods.
- The above disclosure made do not include step down subsidiaries and associates and are with respect to subsidiaries existing as at March 31, 2025.

### 51. Hedging activities and derivatives

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. These derivative instruments are not designated as cash flow / fair value hedges and are entered into for periods consistent with foreign currency exposure of underlying transactions. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

| Particulars                          | (₹ in million) |                |
|--------------------------------------|----------------|----------------|
|                                      | March 31, 2025 | March 31, 2024 |
| Derivative liability (refer note 24) | -              | 0.22           |

52. 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, 2025, 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.

### 53. Corporate social responsibility expenditure

| Particulars   |         | (₹ in million)    |                |
|---|---------|-------------------|----------------|
|   |         | March 31, 2025    | March 31, 2024 |
| a) Gross amount required to be spent by the Company during the year |         | 5.76              | 4.58           |
| b) 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           |
| c) Amount spent during the year ending March 31, 2024:              | In Cash | Yet to be in cash | Total          |
| i) Construction/acquisition of any assets                           | -       | -                 | -              |
| ii) On purposes other than (i) above                                | 4.88    | -                 | 4.88           |

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 53. Corporate social responsibility expenditure (Contd...)

(₹ in million)

| d) Details related to spent / unspent obligations: | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| i) Contribution to Public Trust                    | 1.84           | 1.88           |
| ii) Contribution to Charitable Trust               | 4.00           | 3.00           |
| iii) Unspent amount in relation to :               |                |                |
| - Ongoing project                                  | -              | -              |
| - Other than Ongoing project                       | -              | -              |

#### Details of other than ongoing project

For the year ended March 31, 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)          |

For the year ended March 31, 2024

(₹ 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 |
| -                                      | -   | 4.58  | 4.88                         | (0.30)          |

### 54. Unhedged foreign currency exposure:

Particulars of unhedged foreign currency exposure as at balance sheet date:

| Particulars               | Currency | March 31, 2025                        |                     | March 31, 2024             |                     |
|---------------------------|----------|---------------------------------------|---------------------|----------------------------|---------------------|
|                           |          | Amount in foreign currency in million | Amount in ₹ million | Amount in foreign currency | Amount in ₹ million |
| Short- term borrowings    | USD      | 6.08                                  | 520.33              | -                          | -                   |
| Trade payables            | EUR      | 1.23                                  | 113.37              | 1.00                       | 90.48               |
|                           | GBP*     | 0.01                                  | 1.20                | 0.00                       | 0.51                |
|                           | CHF**    | -                                     | -                   | 0.00                       | 0.00                |
|                           | USD      | 12.51                                 | 1,070.51            | 12.23                      | 1,019.65            |
| Payable for capital goods | USD      | 0.08                                  | 6.80                | 0.09                       | 7.14                |
|                           | EUR      | 0.67                                  | 61.39               | -                          | -                   |
| Trade receivables         | EUR      | 0.20                                  | 18.39               | 0.26                       | 23.09               |
|                           | GBP      | 0.02                                  | 1.92                | -                          | -                   |
|                           | USD      | 20.22                                 | 1,730.37            | 11.66                      | 972.07              |
| Cash and cash equivalents | EUR      | 0.01                                  | 0.66                | 0.10                       | 9.45                |
|                           | JOD***   | 0.00                                  | 0.00                | -                          | -                   |
|                           | ILS****  | 0.00                                  | 0.00                | -                          | -                   |
|                           | USD      | 0.30                                  | 25.81               | 0.33                       | 27.73               |

\* March 31, 2024: GBP 4,827

\*\* March 31, 2024: CHF 28

\*\*\* March 31, 2025: JOD 30

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 54. Unhedged foreign currency exposure: (Contd...)

\*\*\*\*March 31, 2025: ILS 60

#### Foreign currencies

USD = United States Dollar

EUR = Euro

GBP = British pound sterling

CHF = Swiss Franc

JOD = Jordanian dinar

ILS = Israeli new shekel

55. As at March 31, 2025, trade payables amounting to ₹ 69.77 million (March 31, 2024: ₹ 96.40 million), advance from customers amounting to ₹ 984.55 million (March 31, 2024: ₹ 335.13 million) and trade receivables amounting to ₹ 671.44 million (March 31, 2024: ₹ 75.28 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, 2025, the Company has netted off receivables and payables amounting to ₹ 673.84 million for a foreign customer cum vendor. The management is in the process of regularising the same with the appropriate regulatory authorities for approval to net off the same. 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.

56. 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.

57. 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 a 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.

### 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.

## Notes to the standalone Ind AS financial statements for the year ended March 31, 2025

### 58. Other Statutory Information (Contd...)

- (v) Following are the details of the funds invested by the Company to Intermediaries for further advancing to the Ultimate beneficiaries:

(€ in million)

| Name of the intermediary in which the funds are invested | Date of funds invested | Amount of funds invested | Date on which funds are advanced by intermediaries to Ultimate Beneficiaries | Amount of funds further advanced to ultimate beneficiaries | Ultimate Beneficiary                            |
|--|------------------------|--------------------------|--|--|---|
| Centum Electronics UK Limited                            | December 9, 2024       | 1.00                     | December 9, 2024   | 1.00   | Centum T&S Group Société Anonyme (S.A.), France |
|  | January 30, 2025       | 2.00                     | February 3, 2025   | 2.00   |   |
|  | March 20, 2025         | 2.00                     | March 24, 2025   | 2.00   |   |

The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and The Companies Act, 2013 for the above transactions and the transactions are not violative of the Prevention of Money laundering Act, 2022 (15 of 2003).

Complete details of the Intermediary and Ultimate Beneficiary:

| Name of the entity                              | Registered Address                                       | Government Identification Number | Relationship with the Company |
|---|--|----------------------------------|-------------------------------|
| Centum Electronics UK Limited                   | 16 Great Queen Street, Covenant Garden, London, WC2B 5AH | 10186046                         | Subsidiary                    |
| Centum T&S Group Société Anonyme (S.A.), France | 4 Chemin du Ruisseau 69130 Ecully                        | 423343789 R.C.S. Lyon            | Subsidiary                    |

- (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:
- 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
- (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 18 for details.

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

#### For and on behalf of Board of Directors of Centum Electronics Limited

#### Apparao V Mallavarapu

Chairman and Managing Director

DIN: 00286308

#### Indu H S

Company Secretary

Membership number: F12285

#### Nikhil Mallavarapu

Joint Managing Director

DIN: 00288551

#### K.S. Desikan

Chief Financial Officer

Place : Bengaluru, India

Date : May 22, 2025

Place : Bengaluru, India

Date : May 22, 2025

## 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"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31, 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, 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 and its associate, 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 and its associate as at March 31, 2025, 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 and its associate 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.

#### 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, 2025. 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  |
|--|---|
| <b>Allowance for inventory obsolescence</b> (as described in Note 2.3(l) 11 and 41 of the consolidated Ind AS financial statements)  |   |
| The Group held an inventory balance of ₹ 3,474.08 million as at March 31, 2025, 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. | <p>Our procedures to evaluate the allowance of inventories included:</p> <ul style="list-style-type: none"> <li>We obtained an understanding of how the management identifies the slow-moving and obsolete inventories and assesses the amount of allowance for inventories;</li> </ul> |



| Key audit matters   | How our audit addressed the key audit matter  |
|---|---|
| <p>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.</p>  | <ul style="list-style-type: none"> <li>• We assessed and tested the design and operating effectiveness of the Company's internal financial controls over the allowance for inventory obsolescence.</li> <li>• We observed the inventory count performed by management and assessed the physical condition of the inventories;</li> <li>• We also assessed allowance policy based on historical sales performance of the products in their life cycle and comparing the actual loss to historical allowance recognized, on a sample basis;</li> <li>• We further tested the ageing of the inventories and the computation of the obsolescence level on a sample basis;</li> <li>• 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, on a sample basis.</li> <li>• 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.</li> </ul>   |
| <b>Impairment of Goodwill and Intangible assets</b> (as described in Note 2.3(i), 2.3(m), 4a, 4b, 4c and 41 of the consolidated Ind AS financial statements)  |   |
| <p>The Group's balance sheet includes ₹ 412.58 million of goodwill, ₹ 237.57 million of intangible assets and ₹ 74.09 million of intangible assets under development representing 5.84% of total Group assets. In accordance with Ind AS, these balances are allocated to Cash Generating Units (CGUs) which are tested annually for impairment using discounted cash-flow models of each CGU's recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and the CGU's net assets would result in impairment.</p> <p>The determination of recoverable amounts, being the higher of fair value less cost to sell and value in use involves reliance on management's estimates of future cash flows and their judgment with respect to the CGU's performance. Significant judgements are required to determine the key assumptions used in the discounted cash flow models, such as revenue growth, price, terminal value and discount rates. Due to the uncertainty of forecasting and discounting future cash flows, being inherently subjective, the level of management's judgement involved and the materiality of the goodwill and intangible assets to the Group's consolidated Ind AS financial statements as a whole as at March 31, 2025, we have considered this as a key audit matter.</p> | <p>Our procedures to evaluate the impairment of goodwill and intangible assets included:</p> <ul style="list-style-type: none"> <li>• We assessed whether the Company's accounting policy with respect to impairment is in accordance with Ind AS 36 "Impairment of assets".</li> <li>• We assessed the Group's methodology applied in determining the CGUs to which goodwill is allocated.</li> <li>• We have carried out assessment of forecasts of future cash flows prepared by the management, evaluating the assumptions and comparing the estimates to externally available industry, economic and financial data.</li> <li>• We have also assessed the valuation methodology and the key assumptions adopted in the cash flow forecasts with the support of our in-house valuation experts.</li> <li>• We also assessed the recoverable value headroom by performing sensitivity testing of key assumptions used.</li> <li>• We discussed potential changes in key drivers as compared to previous year / actual performance with management to evaluate whether the inputs and assumptions used in the cash flow forecasts were appropriate.</li> <li>• We discussed with senior management personnel, the justification for the key assumptions underlying the cashflow projections and performed sensitivity analysis on the same to assess their reasonableness.</li> <li>• We tested the arithmetical accuracy of the financial projection model.</li> </ul> |
| <p>The basis of impairment of goodwill and intangible assets is presented in the accounting policies in Note 2.3(i) and 2.3(m) to the consolidated Ind AS financial statements.</p>   | <ul style="list-style-type: none"> <li>• We assessed the Group's disclosures concerning this in Note 41 on significant accounting estimates and judgements and Note 4a, 4b and 4c pertaining to the disclosures of goodwill, intangible assets and intangible assets under development respectively to the consolidated Ind AS financial statements.</li> </ul>   |

### 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 including its associate 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 and of its associate 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 and of its associate 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 and of its associate 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 and its associate 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 and its associate 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 and its associate 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, 2025 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 and one associate) whose consolidated financial statements (before adjustments for consolidation) include total assets of ₹ 4,783.73 million as at March 31, 2025, and total revenue from operations of ₹ 4,364.58 million and net cash outflows of ₹ 188.46 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 for entities and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company, incorporated in India, 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 and associate 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 57 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, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2025 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 its subsidiary company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary incorporated in India, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Holding Company and its subsidiary incorporated in India 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 and its associate, 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 and its associate in its consolidated Ind AS financial statements – Refer note 45(c)(iv) 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 21, 25, 28 and 54 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group and its associate.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary, incorporated in India during the year ended March 31, 2025.
  - iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, other than as disclosed in the note 56(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 or any of such subsidiary 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 respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief and disclosed in the note 56(vi) to the consolidated Ind AS financial statements, no funds have been received by the respective Holding Company or any of such subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary 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 and that performed by the auditors of the subsidiary company which is incorporated in India whose financial statements have been audited under the Act, 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 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 payment / declaration of dividend.

- vi) Based on our examination which included test checks, the Holding Company and its domestic subsidiary have 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 57 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 has been preserved by the Company as per the statutory requirements for record retention.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Navin Agarwal**

Partner

Membership Number: 056102

UDIN: 25056102BMMHDQ6658

Place of Signature: Bengaluru

Date: May 22, 2025

## 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, and based on the consideration of reports of auditors in respect of subsidiaries, 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/<br>subsidiary | Clause number of the<br>CARO report which is<br>qualified or is adverse |
|--------|----------------------------|-----------------------|--------------------------------|---|
| 1      | Centum Electronics Limited | L85110KA1993PLC013869 | Holding company                | Clause 3(iii)(e) and 3(vii)(a)  |
| 2      | Centum T&S Private Limited | U72900KA2016FTC098263 | Subsidiary                     | Clause 3(ix)(d) and 3(xvii)   |

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Navin Agrawal**

Partner

Membership Number: 056102

UDIN: 25056102BMMHDQ6658

Place of Signature: Bengaluru

Date: May 22, 2025



## **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, 2025, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary company, (the Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are 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 Group, which have companies incorporated in India, have, 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, 2025, 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: 25056102BMMHDQ6658

Place of Signature: Bengaluru

Date: May 22, 2025

Corporate Identification Number (CIN): L85110KA1993PLC013869

## Consolidated Ind AS Balance Sheet as at March 31, 2025

(₹ in million)

| Particulars  | Notes | March 31, 2025   | March 31, 2024   |
|--|-------|------------------|------------------|
| <b>ASSETS</b>  |       |                  |                  |
| <b>(1) Non-current assets</b>                              |       |                  |                  |
| (a) Property, plant and equipment                          | 3     | 1,095.93         | 1,126.04         |
| (b) Capital work-in-progress                               | 3a    | 76.37            | 2.87             |
| (c) Goodwill   | 4a    | 412.58           | 412.58           |
| (d) Other intangible assets                                | 4b    | 237.57           | 314.67           |
| (e) Intangible assets under development                    | 4c    | 74.09            | 100.99           |
| (f) Right-of-use assets                                    | 44    | 427.86           | 529.77           |
| (g) Financial assets                                       |       |                  |                  |
| (i) Investment in associates                               | 5     | -                | 84.17            |
| (ii) Other investments                                     | 6     | 0.57             | 0.55             |
| (iii) Other financial assets                               | 7     | 335.62           | 275.64           |
| (h) Deferred tax assets (net)                              | 8     | 189.20           | 102.48           |
| (i) Non-current tax assets (net)                           | 9     | 36.65            | 13.43            |
| (j) Other assets   | 10    | 131.73           | 74.59            |
| <b>Total non-current assets</b>                            |       | <b>3,018.17</b>  | <b>3,037.78</b>  |
| <b>(2) Current assets</b>                                  |       |                  |                  |
| (a) Inventories  | 11    | 3,474.08         | 3,173.77         |
| (b) Financial assets                                       |       |                  |                  |
| (i) Trade receivables                                      | 12    | 3,065.37         | 2,279.77         |
| (ii) Cash and cash equivalents                             | 13    | 677.64           | 481.21           |
| (iii) Bank balances other than cash and cash equivalents   | 13    | 612.39           | 234.58           |
| (iv) Other financial assets                                | 14    | 490.51           | 440.82           |
| (c) Other assets   | 15    | 1,056.30         | 990.11           |
| <b>Total current assets</b>                                |       | <b>9,376.29</b>  | <b>7,600.26</b>  |
| <b>Total assets (1+2)</b>                                  |       | <b>12,394.46</b> | <b>10,638.04</b> |
| <b>EQUITY AND LIABILITIES</b>                              |       |                  |                  |
| <b>(1) Equity</b>  |       |                  |                  |
| (a) Equity share capital                                   | 16    | 147.07           | 128.88           |
| (b) Other equity   | 17    | 3,905.16         | 1,903.84         |
| <b>Equity attributable to equity holders of the parent</b> |       | <b>4,052.23</b>  | <b>2,032.72</b>  |
| Non-controlling interests                                  | 52    | (109.58)         | (65.62)          |
| <b>Total equity</b>  |       | <b>3,942.65</b>  | <b>1,967.10</b>  |
| <b>Liabilities</b>   |       |                  |                  |
| <b>(2) Non-current liabilities</b>                         |       |                  |                  |
| (a) Financial liabilities                                  |       |                  |                  |
| (i) Borrowings   | 19    | 213.22           | 446.71           |
| (ii) Lease liabilities                                     | 44    | 318.37           | 407.81           |
| (b) Deferred tax liabilities (net)                         | 8     | -                | 5.42             |
| (c) Other liabilities                                      | 26    | 7.75             | 672.17           |
| (d) Net employee defined benefit liabilities               | 20    | 40.21            | 53.12            |
| (e) Provisions   | 21    | 9.57             | 14.51            |
| (f) Government grants                                      | 22    | 11.02            | 16.40            |
| <b>Total non-current liabilities</b>                       |       | <b>600.14</b>    | <b>1,616.14</b>  |
| <b>(3) Current liabilities</b>                             |       |                  |                  |
| (a) Financial liabilities                                  |       |                  |                  |
| (i) Borrowings   | 23    | 1,234.61         | 1,446.03         |
| (ii) Lease liabilities                                     | 44    | 107.23           | 117.96           |
| (iii) Trade payables                                       | 24    | 2,200.14         | 2,221.89         |
| (iv) Other financial liabilities                           | 25    | 436.03           | 371.60           |
| (b) Other liabilities                                      | 26    | 3,352.54         | 2,516.77         |
| (c) Government grants                                      | 22    | 5.53             | 8.03             |
| (d) Net employee defined benefit liabilities               | 27    | 8.15             | 7.98             |
| (e) Provisions   | 28    | 372.41           | 313.43           |
| (f) Liabilities for current tax (net)                      | 29    | 135.03           | 51.11            |
| <b>Total current liabilities</b>                           |       | <b>7,851.67</b>  | <b>7,054.80</b>  |
| <b>Total equity and liabilities (1+2+3)</b>                |       | <b>12,394.46</b> | <b>10,638.04</b> |

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

**For and on behalf of Board of Directors of  
Centum Electronics Limited**

**Apparao V Mallavarapu**

Chairman and Managing Director

DIN: 00286308

**Indu H S**

Company Secretary

Membership number: F12285

**Nikhil Mallavarapu**

Joint Managing Director

DIN: 00288551

**K.S. Desikan**

Chief Financial Officer

Place : Bengaluru, India

Date : May 22, 2025

Place : Bengaluru, India

Date : May 22, 2025

Corporate Identification Number (CIN): L85110KA1993PLC013869

## Consolidated Ind AS Statement of Profit and loss for the year ended March 31, 2025

| (₹ in million)   |           |                  |                  |
|--|-----------|------------------|------------------|
| Particulars  | Notes     | March 31, 2025   | March 31, 2024   |
| <b>I Income</b>  |           |                  |                  |
| Revenue from operations  | 30        | 11,554.17        | 10,908.20        |
| Other income   | 31        | 60.75            | 45.91            |
| Finance income   | 32        | 26.33            | 22.23            |
| Total income   |           | <b>11,641.25</b> | <b>10,976.34</b> |
| <b>II Expenses</b>   |           |                  |                  |
| Cost of materials consumed   | 33(a)     | 6,222.71         | 5,446.42         |
| (Increase)/ decrease in inventories of work-in-progress and finished goods   | 33(b)     | (266.91)         | (191.51)         |
| Employee benefits expense  | 34        | 3,637.15         | 3,671.16         |
| Depreciation and amortisation expenses   | 35        | 440.82           | 452.74           |
| Finance costs  | 36        | 329.02           | 346.31           |
| Other expenses   | 37        | 994.11           | 1,123.65         |
| Total expenses   |           | <b>11,356.90</b> | <b>10,848.77</b> |
| <b>III Profit / (loss) before exceptional items and tax (I - II)</b>   |           | <b>284.35</b>    | <b>127.57</b>    |
| <b>IV Exceptional items</b>  | 38        | (148.32)         | (48.79)          |
| <b>V Profit / (loss) before tax (III - IV)</b>   |           | <b>136.03</b>    | <b>78.78</b>     |
| <b>VI Tax expenses</b>   |           |                  |                  |
| Current tax  | 39        | 246.28           | 158.21           |
| Tax relating to earlier periods  |           | 1.79             | 3.70             |
| Deferred tax (credit) / expense  |           | (92.77)          | (55.58)          |
| Total tax expenses   |           | <b>155.30</b>    | <b>106.33</b>    |
| <b>VII Profit / (loss) for the year (V - VI)</b>   |           | <b>(19.27)</b>   | <b>(27.55)</b>   |
| <b>VIII Other comprehensive income</b>   |           |                  |                  |
| (A) Other comprehensive income to be reclassified to profit or loss in subsequent periods:   |           |                  |                  |
| (a) Exchange (loss)/ gain on translating the financial statements of foreign operations  |           | 7.35             | 19.37            |
| Income tax effect on above   |           | -                | -                |
| (b) Net movement on effective portion of cash flow hedge   | 54        | -                | (0.22)           |
| Income tax effect on above   | 39        | -                | 0.06             |
| (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) | 2.45             | 4.28             |
| Income tax effect on above   | 39        | (0.63)           | (1.14)           |
| <b>Other comprehensive income for the year, net of tax</b>   |           | <b>9.17</b>      | <b>22.35</b>     |
| <b>(Loss)/ profit for the year</b>   |           | <b>(19.27)</b>   | <b>(27.55)</b>   |
| Attributable to  |           |                  |                  |
| Equity holders of the parent   |           | 24.56            | 17.75            |
| Non-controlling interests  |           | (43.83)          | (45.30)          |
| <b>Other comprehensive income for the year</b>   |           | <b>9.17</b>      | <b>22.35</b>     |
| Attributable to  |           |                  |                  |
| Equity holders of the parent   |           | 9.30             | 23.23            |
| Non-controlling interests  |           | (0.13)           | (0.88)           |
| <b>Total comprehensive income for the year (VII + VIII)</b>  |           | <b>(10.10)</b>   | <b>(5.20)</b>    |
| Attributable to  |           |                  |                  |
| Equity holders of the parent   |           | 33.86            | 40.98            |
| Non-controlling interests  |           | (43.96)          | (46.18)          |
| <b>IX Earnings per equity share (nominal value of ₹ 10 each)</b>   |           |                  |                  |
| 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) | 40        |                  |                  |
| - Basic  |           | 1.89             | 1.38             |
| - Diluted  |           | 1.88             | 1.36             |

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

**For and on behalf of Board of Directors of**

**Centum Electronics Limited**

**Apparao V Mallavarapu**

Chairman and Managing Director

DIN: 00286308

**Indu H S**

Company Secretary

Membership number: F12285

**Nikhil Mallavarapu**

Joint Managing Director

DIN: 00288551

**K.S. Desikan**

Chief Financial Officer

Place : Bengaluru, India

Date : May 22, 2025

Place : Bengaluru, India

Date : May 22, 2025

Corporate Identification Number (CIN): L85110KA1993PLC013869

## Consolidated Ind AS Statement of Cash Flows for the year ended March 31, 2025

| (₹ in million)  |                 |                   |
|---|-----------------|-------------------|
| Particulars   | March 31, 2025  | March 31, 2024    |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>   |                 |                   |
| Profit / (loss) before tax expenses   | 136.03          | 78.78             |
| <b>Non-cash adjustments to reconcile profit / (loss) before tax to net cash flows:</b>  |                 |                   |
| Depreciation and amortisation expenses  | 440.82          | 452.74            |
| Provisions/ liabilities no longer required, written back  | (20.60)         | (28.32)           |
| Fair value loss/ (gain) on financial instruments  | -               | 0.22              |
| Net foreign exchange differences (unrealised)   | 31.06           | 24.23             |
| Provision for expected credit losses / bad debts written off/ doubtful advances   | 6.56            | 4.58              |
| Employee share based compensation cost  | 14.15           | 21.68             |
| Provision for inventory obsolescence  | 66.62           | 11.15             |
| Provision for onerous contract  | 48.53           | 8.24              |
| Government grants   | (7.88)          | (8.16)            |
| Provision for diminution in the value of investment/ receivables  | 148.32          | -                 |
| (Gain) / loss on sale/ disposal of property, plant and equipment (net)  | -               | (1.07)            |
| Provision for impairment of contract assets   | 3.25            | 34.29             |
| Impairment of non-current investments   | -               | 13.26             |
| Share issue expenses  | 2.79            | -                 |
| Finance income  | (26.33)         | (22.23)           |
| Finance costs   | 329.02          | 346.31            |
| <b>Operating profit / (loss) before working capital changes</b>   | <b>1,172.34</b> | <b>935.70</b>     |
| Working capital adjustments:  |                 |                   |
| (Increase) / decrease in inventories  | (362.21)        | (571.29)          |
| (Increase)/ decrease in trade receivables/non-current/current financial assets and other assets   | (979.80)        | 915.31            |
| Increase / (decrease) in trade payables, non-current/current provisions, financial liabilities and other liabilities                                | 76.69           | 981.31            |
| <b>Cash generated (used in) / from operations</b>   | <b>(92.98)</b>  | <b>2,261.03</b>   |
| Direct taxes paid (net of refunds)  | (200.53)        | (242.97)          |
| <b>Net cash (used in) / from operating activities (A)</b>   | <b>(293.51)</b> | <b>2,018.06</b>   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>   |                 |                   |
| Purchase of property, plant and equipment, including capital work-in progress, intangible assets (including under development) and capital advances | (185.81)        | (330.42)          |
| Proceeds from sale of property, plant and equipment   | -               | 1.65              |
| Investment in bank deposits (having original maturity of more than three months) and other bank balances  | (431.27)        | (119.48)          |
| Interest income received  | 28.86           | 8.09              |
| <b>Net cash (used in) / from investing activities (B)</b>   | <b>(588.22)</b> | <b>(440.16)</b>   |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>   |                 |                   |
| Proceeds from issue of equity shares  | 2,100.00        | -                 |
| Transaction cost on issue of equity shares (including taxes)  | (100.53)        | -                 |
| Acquisition of non-controlling interests  | -               | (143.89)          |
| Proceeds from long term borrowings  | 46.21           | 158.93            |
| Repayment of long term borrowings   | (294.91)        | (230.10)          |
| (Repayment)/ proceeds of short term borrowings (net)  | (214.35)        | (584.77)          |
| Payment of principal portion of lease liabilities   | (110.98)        | (103.64)          |
| Payment of interest portion of lease liabilities  | (14.02)         | (11.78)           |
| Finance costs paid  | (301.02)        | (324.00)          |
| Dividend paid (including amount transferred to Investor Education and Protection Fund)  | (38.93)         | (90.67)           |
| <b>Net cash from/ (used in) financing activities (C)</b>  | <b>1,071.47</b> | <b>(1,329.92)</b> |
| Net increase/(decrease) in cash and cash equivalents (A+B+C)  | 189.74          | 247.98            |
| Cash and cash equivalents at the beginning of the year  | 461.11          | 211.78            |

Corporate Identification Number (CIN): L85110KA1993PLC013869

## Consolidated Ind AS Statement of Cash Flows for the year ended March 31, 2025

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| Effect of exchange differences on cash and cash equivalents held in foreign currency  | 3.71           | 1.35           |
| <b>Cash and cash equivalents at the end of the year</b>                               | <b>654.56</b>  | <b>461.11</b>  |
| <b>Components of cash and cash equivalents for the purpose of cash flow statement</b> |                |                |
| <b>Balances with banks (refer note 13)</b>  |                |                |
| - On current accounts   | 315.44         | 359.72         |
| - In QIP monitoring account   | 335.56         | -              |
| - On exchange earners foreign currency (EEFC) accounts                                | 26.28          | 37.18          |
| Deposits with original maturity of less than three months                             | -              | 80.14          |
| Cash in transit   | -              | 3.03           |
| Cash on hand  | 0.36           | 1.14           |
| Overdraft from banks (refer note 23)  | (23.08)        | (20.10)        |
| <b>Total cash and cash equivalents</b>  | <b>654.56</b>  | <b>461.11</b>  |

### Explanatory notes to consolidated Ind AS statement of cash flows

1. Changes in liabilities arising from financing activities:-

| Particulars                                | (₹ in million)   |  |  |
|--|--|--|--|
|  | Liabilities arising from financing activities  |  |  |
|  | Long term borrowings<br>(including current<br>maturities of long term<br>borrowings)<br>(refer note 19 and 23) | Short term borrowings<br>excluding current<br>maturities of long term<br>borrowings and cash<br>credits<br>(refer note 23) | Lease liabilities<br>(including current<br>portion of lease<br>liabilities)<br>(refer note 44) |
| <b>As at April 1, 2024</b>                 | <b>831.10</b>  | <b>1,041.54</b>  | <b>525.77</b>  |
| Cash flows                                 | (248.70)   | (214.35)   | (125.00)   |
| Non-cash changes                           |  |  |  |
| Foreign exchange differences loss / (gain) | 10.16  | 3.85   | 9.95   |
| Interest accrued but not due               | -  | 1.15   | -  |
| Accretion of interest                      | -  | -  | 14.02  |
| Recognition of lease liabilities           | -  | -  | 0.86   |
| <b>As at March 31, 2025</b>                | <b>592.56</b>  | <b>832.19</b>  | <b>425.60</b>  |
| <b>As at April 1, 2023</b>                 | <b>897.70</b>  | <b>1,627.17</b>  | <b>453.37</b>  |
| Cash flows                                 | (71.17)  | (584.77)   | (115.42)   |
| Non-cash changes                           |  |  |  |
| Foreign exchange differences loss / (gain) | 4.57   | 0.20   | 2.36   |
| Interest accrued but not due               | -  | (1.06)   | -  |
| Accretion of interest                      | -  | -  | 11.78  |
| Recognition of lease liabilities           | -  | -  | 173.68   |
| <b>As at March 31, 2024</b>                | <b>831.10</b>  | <b>1,041.54</b>  | <b>525.77</b>  |

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

#### For and on behalf of Board of Directors of Centum Electronics Limited

#### Apparao V Mallavarapu

Chairman and Managing Director

DIN: 00286308

#### Indu H S

Company Secretary

Membership number: F12285

#### Nikhil Mallavarapu

Joint Managing Director

DIN: 00288551

#### K.S. Desikan

Chief Financial Officer

Place : Bengaluru, India

Date : May 22, 2025

Place : Bengaluru, India

Date : May 22, 2025



Corporate Identification Number (CIN): L85110KA1993PLC013869

## Consolidated Ind AS Statement of Changes in Equity for the year ended March 31, 2025

### (a) Equity share capital

#### Equity shares of ₹ 10 each issued, subscribed and fully paid

| Particulars  | Number             | ₹ in million  |
|--|--------------------|---------------|
| <b>At April 01, 2023</b>                                     | <b>1,28,84,841</b> | <b>128.85</b> |
| Issue of shares on exercise of share options (refer note 47) | 3,653              | 0.03          |
| <b>At March 31, 2024</b>                                     | <b>1,28,88,494</b> | <b>128.88</b> |
| 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         |
| <b>At March 31, 2025</b>                                     | <b>1,47,07,212</b> | <b>147.07</b> |

(i) During the year, 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   | Equity portion of put option liability (refer note 17) | Attributable to equity shareholders |                                 |                                   |  |  |                                 |  | Total Other equity (A) | Non-con-trolling interests (B) | Total other equity and Non-con-trolling interests (A+B) |
|---|--|-------------------------------------|---------------------------------|-----------------------------------|--|--|---------------------------------|--|------------------------|--------------------------------|---|
|   |  | Reserves and surplus                |                                 |                                   |  |  |                                 |  |                        |                                |   |
|   |  | Securities premium (refer note 17)  | General reserve (refer note 17) | Retained earnings (refer note 17) | Effective portion of cash flow hedge (refer note 17) | Share based payments reserve (refer note 17) | Capital reserve (refer note 17) | Foreign currency translation reserve (refer note 17) |                        |                                |   |
| 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 (refer note 47)                | -  | -                                   | -                               | -                                 | -  | 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  |

| Particulars  | Equity portion of put option liability (refer note 17) | Attributable to equity shareholders |                                 |                                   |  |  |                                 |  | Total Other equity (A) | Non-controlling interests (B) | Total other equity and Non-controlling interests (A+B) |
|--|--|-------------------------------------|---------------------------------|-----------------------------------|--|--|---------------------------------|--|------------------------|-------------------------------|--|
|  |  | Reserves and surplus                |                                 |                                   |  |  |                                 |  |                        |                               |  |
|  |  | Securities premium (refer note 17)  | General reserve (refer note 17) | Retained earnings (refer note 17) | Effective portion of cash flow hedge (refer note 17) | Share based payments reserve (refer note 17) | Capital reserve (refer note 17) | Foreign currency translation reserve (refer note 17) |                        |                               |  |
| For the year ended March 31, 2024  |  |                                     |                                 |                                   |  |  |                                 |  |                        |                               |  |
| As at April 01, 2023   | (182.59)   | 28.07                               | 440.26                          | 1,612.71                          | 0.01   | 14.23  | 48.30                           | 17.33  | 1,978.32               | (66.60)                       | 1,911.72   |
| Profit / (loss) for the year   | -  | -                                   | -                               | 17.75                             | -  | -  | -                               | -  | 17.75                  | (45.30)                       | (27.55)  |
| Other comprehensive income/(loss) for the year (net of taxes)*   | -  | -                                   | -                               | 3.14                              | (0.16)   | -  | -                               | 20.25  | 23.23                  | (0.88)                        | 22.35  |
| Exercise of share options  | -  | 0.20                                | -                               | -                                 | -  | -  | -                               | -  | 0.20                   | -                             | 0.20   |
| Exercise of put options by non-controlling interest shareholders   | (47.16)  | -                                   | -                               | -                                 | -  | -  | -                               | -  | (47.16)                | 47.16                         | -  |
| Dividends (refer note 18)  | -  | -                                   | -                               | (90.21)                           | -  | -  | -                               | -  | (90.21)                | -                             | (90.21)  |
| Compensation for options granted (refer note 47)   | -  | -                                   | -                               | -                                 | -  | 21.68  | -                               | -  | 21.68                  | -                             | 21.68  |
| Transfer of equity portion of put option liability to retained earnings on settlement of put options   | 229.75   | -                                   | -                               | (229.75)                          | -  | -  | -                               | -  | -                      | -                             | -  |
| Others   | -  | -                                   | -                               | 0.03                              | -  | -  | -                               | -  | 0.03                   | -                             | 0.03   |
| As at March 31, 2024   | -  | 28.27                               | 440.26                          | 1,313.67                          | (0.15)   | 35.91  | 48.30                           | 37.58  | 1,903.84               | (65.62)                       | 1,838.22   |
| *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

**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

**K.S. Desikan**

Chief Financial Officer

Place : Bengaluru, India

Date : May 22, 2025

Place : Bengaluru, India

Date : May 22, 2025

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 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. Centum is headquartered in Bangalore, India.

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 22, 2025.

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 ("Rs.") 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, 2025. 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.
- 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.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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
- 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 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

#### (i) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after April 01, 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Group's consolidated financial statements as the Group has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

### (ii) Amendments to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after April 01, 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Group's financial statements.

## 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.

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.



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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.

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 presents assets and liabilities in the consolidated Ind AS balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle,
- ii. It is held primarily for the purpose of trading,
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Advance tax paid is classified as non-current assets.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

### 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

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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.

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 Recognition

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

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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 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).

### 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).

## **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.

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.

**h. Property, plant and equipment ('PPE')**

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

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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.

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      |

### i. Intangible assets

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



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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 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                         |

### j. 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.

### k. 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.



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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. 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.

### Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

## I. **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

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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.

### m. 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.

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 the asset does not exceed its recoverable amount, nor

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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.

### **n. 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.

### **o. 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 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.

**p. 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

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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.

### **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



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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.

### 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.

### q. Derivative financial instruments

The Group uses derivative financial instruments, such as interest rate swaps to hedge its interest fluctuation risks, etc. 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 through consolidated Ind AS statement of profit and loss. 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.

### r. 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.

### s. 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.

### t. 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.

**u. 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.

**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.

**v. Research and development expenditure**

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

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.

### w. 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.

### 2.4 Standard notified but not yet effective

- (i) Amendments to Ind AS 21 - Lack of exchangeability

The MCA notified amendments to 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 Ind AS financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the Group'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 are not expected to have a material impact on the Group's Ind AS 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.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 2.5. The entities consolidated in the consolidated Ind AS financial statements are listed below:

| Sl No.               | Name of the entity  | Country of Incorporation | Relation-ship as at March 31, 2024 | 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, 2024  |                | March 31, 2025                         |                | March 31, 2024  |              | March 31, 2025                    |              | March 31, 2024                      |              | March 31, 2025                     |              |       |  |
|                      |   |                          |                                    | March 31, 2025  | March 31, 2024 | March 31, 2025                         | March 31, 2024 | 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                    |   |                |  |                | 91.25%  | 5,639.10     | 84.96%                            | 3,123.88     | 878.23%                             | 529.57       | 1146.91%                           | 365.75       |       |  |
| Indian Subsidiaries  |   |                          |                                    |   |                |  |                |   |              |                                   |              |                                     |              |                                    |              |       |  |
| 2                    | Centum T&S Private Limited  | India                    | Subsidiary                         | 100.00%   | 100.00%        | 100.00%                                | 100.00%        | (0.82)%   | (50.29)      | 0.53%                             | 19.59        | (115.89)%                           | (69.88)      | 2.04%                              | 0.65         |       |  |
| Foreign Subsidiaries |   |                          |                                    |   |                |  |                |   |              |                                   |              |                                     |              |                                    |              |       |  |
| 3                    | Centum Electronics UK Limited   | United Kingdom           | Subsidiary                         | 100.00%   | 100.00%        | 100.00%                                | 100.00%        | 27.02%  | 1,669.62     | 32.06%                            | 1,178.87     | 55.54%                              | 33.49        | (7.09)%                            | (2.26)       |       |  |
| 4                    | Centum T&S Group Société Anonyme (S.A.), France                           | France                   | Subsidiary                         | 90.08%  | 90.08%         | 90.08%                                 | 90.08%         | (17.45)%  | (1,078.36)   | (17.56)%                          | (645.48)     | (717.88)%                           | (432.88)     | (1041.86)%                         | (332.25)     |       |  |
| 5                    | Centum T&S (Centum Technologies ET Solutions), France                     | France                   | Subsidiary                         | 90.08%  | 90.08%         | 100.00%                                | 100.00%        |   |              |                                   |              |                                     |              |                                    |              |       |  |
| 6                    | Centum R&D (Centum Recherche Et Développement)                            | France                   | Subsidiary                         | 90.08%  | 90.08%         | 100.00%                                | 100.00%        |   |              |                                   |              |                                     |              |                                    |              |       |  |
| 7                    | Centum Adetel Transportation System                                       | France                   | Subsidiary                         | 90.08%  | 90.08%         | 100.00%                                | 100.00%        |   |              |                                   |              |                                     |              |                                    |              |       |  |
| 8                    | Centum T&S (Centum Technologies ET Solutions)                             | Canada                   | Subsidiary                         | 90.08%  | 90.08%         | 100.00%                                | 100.00%        |   |              |                                   |              |                                     |              |                                    |              |       |  |
| 9                    | Centum E&S (Centum Equipements ET Systèmes)                               | Canada                   | Subsidiary                         | 90.08%  | 90.08%         | 100.00%                                | 100.00%        |   |              |                                   |              |                                     |              |                                    |              |       |  |
| 10                   | Centum Technologies ET Solutions - Société à responsabilité limitée (SRL) | Belgium                  | Subsidiary                         | 90.08%  | 90.08%         | 100.00%                                | 100.00%        |   |              |                                   |              |                                     |              |                                    |              |       |  |
| Foreign Associate    |   |                          |                                    |   |                |  |                |   |              |                                   |              |                                     |              |                                    |              |       |  |
| 11                   | Ausar Energy SAS  | France                   | Associate                          | 27.43%  | 27.43%         | 30.45%                                 | 30.45%         |   |              |                                   |              |                                     |              |                                    |              |       |  |
| Subtotal             |   |                          |                                    | 100.00%   | 6,180.07       | 100.00%                                | 3,676.86       | 100.00%   | 100.00%      | 60.30                             | 100.00%      | 31.89                               | 100.00%      | 60.30                              | 100.00%      | 31.89 |  |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

| Sl No. | Name of the entity  | Country of Incorporation | Relationship as at March 31, 2024 | 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, 2025  | March 31, 2024                          | March 31, 2025                          | March 31, 2025  | March 31, 2024  | March 31, 2025                     | March 31, 2024                     | March 31, 2025                      | March 31, 2025 | March 31, 2024                     | March 31, 2024 |
|        |   |                          |                                   | As a % of consolidated dated net assets   | As a % of consolidated dated net assets | As a % of consolidated dated net assets | ₹ in million  | ₹ in million    | As % of total comprehensive income | As % of total comprehensive income | ₹ in million                        | ₹ in million   | As % of total comprehensive income | ₹ in million   |
|        | Add / Less: Non controlling interests in all subsidiaries |                          |                                   |   |   |   | (109.58)  | (65.62)         |                                    |                                    | 43.96                               |                |                                    | 46.18          |
|        | Consolidation adjustments/ eliminations                   |                          |                                   |   |   |   | (2,127.84)  | (1,644.14)      |                                    |                                    | (70.40)                             |                |                                    | (37.09)        |
|        | <b>Total</b>  |                          |                                   |   |   |   | <b>3,942.65</b>                                       | <b>1,967.10</b> |                                    |                                    | <b>33.86</b>                        |                |                                    | <b>40.98</b>   |

The financial statements of subsidiaries have been drawn up to the same reporting date as of the Company, i.e. March 31, 2025 and March 31, 2024. There is a quarter lag in the reporting dates of the associates 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.

### Notes:

- 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. 4 to 11 above) have been presented on a consolidated basis.
- The Holding Company has filed an application for the scheme of amalgamation of Centum T&S Private Limited (Transferor Company) with Centum Electronics Limited (Transferee Company) under Sections 230 and 232 of the Companies Act, 2013, with National Company Law Tribunal ("NCLT"), Bengaluru, on March 20, 2025.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 3. Property, plant and equipment

| Particulars                                      | Free-<br>hold<br>land | Leasehold<br>improve-<br>ments | Build-<br>ing | Plant and<br>equip-<br>ments | Electrical<br>installa-<br>tions | Comput-<br>ers | Office<br>equip-<br>ments | Furniture<br>and fix-<br>tures | Vehi-<br>cles | Lease-<br>hold<br>land | Total           |
|--|-----------------------|--------------------------------|---------------|------------------------------|----------------------------------|----------------|---------------------------|--------------------------------|---------------|------------------------|-----------------|
| (₹ in million)                                   |                       |                                |               |                              |                                  |                |                           |                                |               |                        |                 |
| <b>Gross block (at cost/<br/>deemed cost)</b>    |                       |                                |               |                              |                                  |                |                           |                                |               |                        |                 |
| <b>As at April 01, 2023</b>                      | <b>5.80</b>           | <b>28.56</b>                   | <b>544.36</b> | <b>1,101.27</b>              | <b>234.28</b>                    | <b>73.94</b>   | <b>71.58</b>              | <b>64.71</b>                   | <b>39.21</b>  | <b>114.61</b>          | <b>2,278.32</b> |
| Additions  | -                     | 1.31                           | 2.65          | 208.10                       | 11.76                            | 4.99           | 0.75                      | 2.46                           | 12.35         | -                      | 244.37          |
| Exchange differences -<br>translation adjustment | 0.01                  | -                              | 0.27          | 1.67                         | 1.05                             | 0.29           | 0.24                      | -                              | 0.01          | -                      | 3.54            |
| Disposal/discard during<br>the year              | -                     | -                              | -             | (5.18)                       | (0.24)                           | (1.56)         | (0.15)                    | (0.49)                         | -             | -                      | (7.62)          |
| <b>As at March 31, 2024</b>                      | <b>5.81</b>           | <b>29.87</b>                   | <b>547.28</b> | <b>1,305.86</b>              | <b>246.85</b>                    | <b>77.66</b>   | <b>72.42</b>              | <b>66.68</b>                   | <b>51.57</b>  | <b>114.61</b>          | <b>2,518.61</b> |
| Additions  | -                     | -                              | 15.31         | 126.56                       | 1.63                             | 5.16           | 1.50                      | 0.39                           | 0.22          | -                      | 150.77          |
| Exchange differences -<br>translation adjustment | 0.03                  | -                              | 0.91          | 4.51                         | 2.86                             | 0.80           | 0.68                      | -                              | 0.02          | -                      | 9.81            |
| Disposal/discard during<br>the year              | -                     | -                              | -             | (23.54)                      | (0.02)                           | (0.15)         | (0.02)                    | -                              | -             | -                      | (23.73)         |
| <b>As at March 31, 2025</b>                      | <b>5.84</b>           | <b>29.87</b>                   | <b>563.50</b> | <b>1,413.39</b>              | <b>251.32</b>                    | <b>83.47</b>   | <b>74.58</b>              | <b>67.07</b>                   | <b>51.81</b>  | <b>114.61</b>          | <b>2,655.46</b> |
| <b>Accumulated<br/>depreciation</b>              |                       |                                |               |                              |                                  |                |                           |                                |               |                        |                 |
| <b>As at April 01, 2023</b>                      | <b>-</b>              | <b>15.55</b>                   | <b>129.62</b> | <b>710.09</b>                | <b>172.94</b>                    | <b>59.42</b>   | <b>67.61</b>              | <b>30.80</b>                   | <b>21.02</b>  | <b>-</b>               | <b>1,207.05</b> |
| Charge for the year                              | -                     | 2.12                           | 18.59         | 126.97                       | 15.74                            | 7.12           | 1.38                      | 6.28                           | 10.90         | -                      | 189.10          |
| Exchange differences -<br>translation adjustment | -                     | -                              | 0.47          | 1.56                         | 0.92                             | 0.25           | 0.23                      | -                              | 0.03          | -                      | 3.46            |
| Disposal/discard during<br>the year              | -                     | -                              | -             | (4.60)                       | (0.24)                           | (1.56)         | (0.15)                    | (0.49)                         | -             | -                      | (7.04)          |
| <b>As at March 31, 2024</b>                      | <b>-</b>              | <b>17.67</b>                   | <b>148.68</b> | <b>834.02</b>                | <b>189.36</b>                    | <b>65.23</b>   | <b>69.07</b>              | <b>36.59</b>                   | <b>31.95</b>  | <b>-</b>               | <b>1,392.57</b> |
| Charge for the year                              | -                     | 2.23                           | 18.90         | 120.29                       | 14.37                            | 7.18           | 1.46                      | 6.32                           | 9.43          | -                      | 180.18          |
| Exchange differences -<br>translation adjustment | -                     | -                              | 0.64          | 4.60                         | 3.72                             | 0.80           | 0.73                      | -                              | 0.02          | -                      | 10.51           |
| Disposal/discard during<br>the year              | -                     | -                              | -             | (23.54)                      | (0.02)                           | (0.15)         | (0.02)                    | -                              | -             | -                      | (23.73)         |
| <b>As at March 31, 2025</b>                      | <b>-</b>              | <b>19.90</b>                   | <b>168.22</b> | <b>935.37</b>                | <b>207.43</b>                    | <b>73.06</b>   | <b>71.24</b>              | <b>42.91</b>                   | <b>41.40</b>  | <b>-</b>               | <b>1,559.53</b> |
| <b>Net block</b>                                 |                       |                                |               |                              |                                  |                |                           |                                |               |                        |                 |
| <b>As at March 31, 2025</b>                      | <b>5.84</b>           | <b>9.97</b>                    | <b>395.28</b> | <b>478.02</b>                | <b>43.89</b>                     | <b>10.41</b>   | <b>3.34</b>               | <b>24.16</b>                   | <b>10.41</b>  | <b>114.61</b>          | <b>1,095.93</b> |
| <b>As at March 31, 2024</b>                      | <b>5.81</b>           | <b>12.20</b>                   | <b>398.60</b> | <b>471.84</b>                | <b>57.49</b>                     | <b>12.43</b>   | <b>3.35</b>               | <b>30.09</b>                   | <b>19.62</b>  | <b>114.61</b>          | <b>1,126.04</b> |

#### Notes:

(a) Karnataka Industrial Area Development (KIADB) has allotted land to the Group 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, 2024: ₹114.61 million). The agreement gives a right to the Group 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 Group 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.



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 3a. Capital work-in-progress

| (₹ in million)              |                          |
|-----------------------------|--------------------------|
| Particulars                 | Capital work-in-progress |
| <b>As at April 01, 2023</b> | <b>54.09</b>             |
| Additions                   | 193.15                   |
| Capitalised during the year | (244.37)                 |
| <b>As at March 31, 2024</b> | <b>2.87</b>              |
| Additions                   | 224.27                   |
| Capitalised during the year | (150.77)                 |
| <b>As at March 31, 2025</b> | <b>76.37</b>             |

#### Capital work-in-progress ageing schedule as at March 31, 2025:

| (₹ in million)                 |  |             |             |                   |              |
|--------------------------------|--|-------------|-------------|-------------------|--------------|
| Particulars                    | Amount of 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        | -           | -                 | <b>76.37</b> |
| Projects temporarily suspended | -  | -           | -           | -                 | -            |
| <b>Total</b>                   | <b>75.62</b>                                       | <b>0.75</b> | -           | -                 | <b>76.37</b> |

#### Capital work-in-progress ageing schedule as at March 31, 2024:

| (₹ in million)                 |  |             |             |                   |             |
|--------------------------------|--|-------------|-------------|-------------------|-------------|
| Particulars                    | Amount of 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           | 2.87   | -           | -           | -                 | <b>2.87</b> |
| Projects temporarily suspended | -  | -           | -           | -                 | -           |
| <b>Total</b>                   | <b>2.87</b>  | -           | -           | -                 | <b>2.87</b> |

- (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.

### 4a. Goodwill

| (₹ in million)              |  |  |               |
|-----------------------------|--|--|---------------|
| Particulars                 | Goodwill acquired through business combinations <sup>2,3</sup> | Goodwill on consolidation <sup>1,2</sup> | Total         |
| <b>At cost</b>              |  |  |               |
| <b>As at April 01, 2023</b> | <b>36.35</b>   | <b>376.23</b>                            | <b>412.58</b> |
| Additions / disposals       | -  | -  | -             |
| <b>As at March 31, 2024</b> | <b>36.35</b>   | <b>376.23</b>                            | <b>412.58</b> |
| Additions / disposals       | -  | -  | -             |
| <b>As at March 31, 2025</b> | <b>36.35</b>   | <b>376.23</b>                            | <b>412.58</b> |
| <b>Net block</b>            |  |  |               |
| <b>As at March 31, 2025</b> | <b>36.35</b>   | <b>376.23</b>                            | <b>412.58</b> |
| <b>As at March 31, 2024</b> | <b>36.35</b>   | <b>376.23</b>                            | <b>412.58</b> |

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 and has a carrying value of intangible assets (including intangible assets under development) of ₹ 303.32 million, as at March 31, 2025 (March 31, 2024: ₹ 397.45 million) arising pursuant to the acquisition of CTSG.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 4a. Goodwill (Contd...)

CTSG and its underlying subsidiaries have incurred losses. As at March 31, 2025 the management has carried out the annual impairment exercise in respect of its carrying value of goodwill on consolidation / intangible assets (including intangible assets under development) and, basis valuation carried out by an external expert, has concluded that carrying value of goodwill on consolidation / intangible assets (including intangible assets under development) is appropriate considering their recoverable amounts which, inter-alia, includes estimation of their value-in-use based on management projections.

These projections have been made for a period of five years and consider various factors, such as market scenario, growth trends, growth and margin projections, and terminal growth rates specific to the business. For such projections, discount rate of 11.50% (March 31, 2024 - 11%) and terminal growth rate of 1.00% (March 31, 2024 - 0.90%) have been considered. Discount rate has been determined considering the Weighted Average Cost of Capital (WACC) of market benchmarks. The Company has also performed sensitivity analysis around the base assumptions.

Based on the above assessment, no impairment has been recognised during the year.

- 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, 2025 the goodwill is not impaired.

### 4b. Other intangible assets

|   | (₹ in million)    |                              |                        |                 |
|---|-------------------|------------------------------|------------------------|-----------------|
| Particulars                                   | Computer software | Intellectual property rights | Customer relationships | Total           |
| <b>Gross block (at cost/deemed cost)</b>      |                   |                              |                        |                 |
| <b>As at April 01, 2023</b>                   | <b>267.30</b>     | <b>1,342.50</b>              | <b>481.92</b>          | <b>2,091.72</b> |
| Additions                                     | 4.17              | 212.49                       | -                      | 216.66          |
| Exchange differences - translation adjustment | 1.23              | 8.95                         | -                      | 10.18           |
| Disposal/discard during the year              | -                 | -                            | -                      | -               |
| <b>As at March 31, 2024</b>                   | <b>272.70</b>     | <b>1,563.94</b>              | <b>481.92</b>          | <b>2,318.56</b> |
| 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)          |
| <b>As at March 31, 2025</b>                   | <b>277.24</b>     | <b>1,660.80</b>              | <b>481.92</b>          | <b>2,419.96</b> |
| <b>Accumulated amortisation</b>               |                   |                              |                        |                 |
| <b>As at April 01, 2023</b>                   | <b>232.63</b>     | <b>1,202.62</b>              | <b>406.62</b>          | <b>1,841.87</b> |
| Charge for the year                           | 16.36             | 75.95                        | 60.24                  | 152.55          |
| Exchange differences - translation adjustment | 1.20              | 8.27                         | -                      | 9.47            |
| Disposal/discard during the year              | -                 | -                            | -                      | -               |
| <b>As at March 31, 2024</b>                   | <b>250.19</b>     | <b>1,286.84</b>              | <b>466.86</b>          | <b>2,003.89</b> |
| Charge for the year                           | 16.40             | 116.66                       | 15.06                  | 148.12          |
| Exchange differences - translation adjustment | 4.07              | 30.81                        | -                      | 34.88           |
| Disposal/discard during the year              | (4.50)            | -                            | -                      | (4.50)          |
| <b>As at March 31, 2025</b>                   | <b>266.16</b>     | <b>1,434.31</b>              | <b>481.92</b>          | <b>2,182.39</b> |
| <b>Net block</b>                              |                   |                              |                        |                 |
| <b>As at March 31, 2025</b>                   | <b>11.08</b>      | <b>226.49</b>                | <b>-</b>               | <b>237.57</b>   |
| <b>As at March 31, 2024</b>                   | <b>22.51</b>      | <b>277.10</b>                | <b>15.06</b>           | <b>314.67</b>   |

#### Notes:

- (a) 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, 2025

### 4c. Intangible assets under development

| (₹ in million)                                |                                     |
|---|-------------------------------------|
| Particulars                                   | Intangible assets under development |
| <b>As at April 01, 2023</b>                   | <b>227.56</b>                       |
| Exchange differences - translation adjustment | 3.50                                |
| Additions                                     | 86.59                               |
| Capitalised during the year                   | (216.66)                            |
| <b>As at March 31, 2024</b>                   | <b>100.99</b>                       |
| Exchange differences - translation adjustment | (0.65)                              |
| Additions                                     | 40.30                               |
| Capitalised during the year                   | (66.55)                             |
| <b>As at March 31, 2025</b>                   | <b>74.09</b>                        |

#### Intangible assets under development ageing schedule as at March 31, 2025:

| (₹ in million)                 |  |              |              |                   |              |
|--------------------------------|--|--------------|--------------|-------------------|--------------|
| Particulars                    | Amount of Intangible asset under development for a period of |              |              |                   |              |
|                                | Less than 1 year   | 1 - 2 years  | 2 - 3 years  | More than 3 years | Total        |
| Projects in progress           | 27.09  | 26.55        | 20.45        | -                 | 74.09        |
| Projects temporarily suspended | -  | -            | -            | -                 | -            |
| <b>Total</b>                   | <b>27.09</b>   | <b>26.55</b> | <b>20.45</b> | <b>-</b>          | <b>74.09</b> |

#### Intangible assets under development ageing schedule as at March 31, 2024:

| (₹ in million)                 |  |              |              |                   |               |
|--------------------------------|--|--------------|--------------|-------------------|---------------|
| Particulars                    | Amount of Intangible asset under development for a period of |              |              |                   |               |
|                                | Less than 1 year   | 1 - 2 years  | 2 - 3 years  | More than 3 years | Total         |
| Projects in progress           | 26.57  | 24.95        | 35.84        | 13.63             | 100.99        |
| Projects temporarily suspended | -  | -            | -            | -                 | -             |
| <b>Total</b>                   | <b>26.57</b>   | <b>24.95</b> | <b>35.84</b> | <b>13.63</b>      | <b>100.99</b> |

- (a) The Group has intangible assets under development amounting to ₹ 68.08 million (March 31, 2024: ₹ 54.69 million) which is 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.

## 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, 2025  | March 31, 2024 | March 31, 2025                        | March 31, 2024 |  |                   |
| (a) Associate:     |                   |   |                |                                       |                |  |                   |
| Ausar Energy SAS   | France            | 27.43%  | 27.43%         | 30.45%                                | 30.45%         | Engaged in the consulting, engineering, research and development in Energy sector. | Equity Method     |

Notes:

- a. Aggregate amount of unquoted investment in associate is Nil (March 31, 2024: ₹ 84.17 million).

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 5. Investment in associate (Contd...)

- b. 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.
- c. The Group has investment in bonds and trade receivables aggregating to ₹ 193.05 million in Ausar Energy SAS ("Ausar"), an associate of CTSG 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 has been 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 is the bidder for takeover and has entered into negotiated agreement with management of the group and has agreed to pay ₹ 44.73 million against the outstanding balance. Pending final outcome in the matter and settlement of the recovery proceedings, as a matter of prudence the management has provided for the carrying value of its investment in bonds and trade receivables in Ausar amounting to ₹ 148.32 million and the same has been disclosed as exceptional item in the consolidated Ind AS statements of profit and loss for the year ended March 31, 2025.

#### (ii) Financial information in respect of other associate

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| Aggregate carrying amount of investments in equity shares of individually immaterial associate <sup>#</sup> | -              | -              |
| <b>Investment at amortised cost</b>   |                |                |
| Investment in 800,000 (March 31, 2024: 800,000) unquoted bonds of Euro 1 in Ausar Energy SAS*               | 84.17          | 84.17          |
| Less : Provision for Impairment   | (84.17)        | -              |
| <b>Total investment in other associate</b>  | <b>-</b>       | <b>84.17</b>   |
| <b>Aggregate amount of group's share of :</b>   |                |                |
| - Profit / (loss) for the year  | -              | -              |
| - Other comprehensive income for the year   | -              | 0.60           |
| - Total comprehensive income for the year   | -              | 0.60           |

\*The Group has accrued interest on bonds amounting to Nil (March 31, 2024: ₹ 16.04 million) as at March 31, 2025 which has been included in the carrying value of investment.

<sup>#</sup> The Group has not accounted for loss incurred by associate as the value of the investment is Nil and the Group is not obliged to contribute for the negative asset.

#### (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.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 5. Investment in associate (Contd...)

#### (v) Carrying amount of investment in associate and others

| Particulars  | (₹ in million) |                |
|--------------|----------------|----------------|
|              | March 31, 2025 | March 31, 2024 |
| Associate    | -              | 84.17          |
| <b>Total</b> | <b>-</b>       | <b>84.17</b>   |

### 6. Financial assets: Other investments

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| <b>Unquoted equity shares</b>   |                |                |
| <b>Investment carried at fair value through consolidated statement of profit or loss</b>  |                |                |
| Investments in equity shares of Qulsar Inc. <sup>1</sup> 74,184 (March 31, 2024: 74,184) equity shares of USD 0.01 each, fully paid up. | 13.26          | 13.26          |
| Less : Provision for Impairment   | (13.26)        | (13.26)        |
| Investments in other companies  | 0.57           | 0.55           |
| <b>Total other investments</b>  | <b>0.57</b>    | <b>0.55</b>    |
| Aggregate value of unquoted investments   | 0.57           | 0.55           |

- a. The Group has investments in Qulsar Inc. Based on internal assessment performed with regard to future operations, the management of the Group had created provision for impairment amounting to ₹ 13.26 million during the year ended March 31, 2024.

### 7. Other non - current financial assets

| Particulars                                | (₹ in million) |                |
|--|----------------|----------------|
|  | March 31, 2025 | March 31, 2024 |
| <b>Unsecured, considered good</b>          |                |                |
| <b>Carried at amortised cost</b>           |                |                |
| Security deposits - others (refer note 42) | 54.21          | 49.50          |
| Subsidy receivable                         | 80.80          | 78.99          |
| Non-current bank balance (refer note 13)   | 200.61         | 147.15         |
|  | <b>335.62</b>  | <b>275.64</b>  |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 8. Deferred tax

(₹ in million)

| Particulars   | March 31, 2025      |                          | March 31, 2024      |                          |
|---|---------------------|--------------------------|---------------------|--------------------------|
|   | Deferred tax assets | Deferred tax liabilities | Deferred tax assets | Deferred tax liabilities |
| <b>Deferred tax liability</b>   |                     |                          |                     |                          |
| Property, plant and equipments and Intangible assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting | -                   | -                        | -                   | (5.42)                   |
| <b>Sub - total</b>  | -                   | -                        | -                   | <b>(5.42)</b>            |
| <b>Deferred tax liability (net)</b>   |                     | -                        |                     | <b>(5.42)</b>            |
| <b>Deferred tax asset</b>   |                     |                          |                     |                          |
| Property, plant and equipments and Intangible assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting | -                   | (8.82)                   | -                   | (17.29)                  |
| Impact of current year business losses  | 20.93               |                          |                     |                          |
| Impact of expenditure charged to the statement of profit and loss but allowed for tax purposes on payment basis   | 63.32               | -                        | 47.18               | -                        |
| Others  | 116.25              | (2.48)                   | 75.75               | (3.16)                   |
| <b>Sub - total</b>  | <b>200.50</b>       | <b>(11.30)</b>           | <b>122.93</b>       | <b>(20.45)</b>           |
| <b>Deferred tax assets (net)</b>  | <b>189.20</b>       |                          | <b>102.48</b>       |                          |
| Deferred tax assets (net)   | 189.20              |                          | 97.06               |                          |
| Movement for the year   | 92.14               |                          | 54.50               |                          |
| <b>Reconciliation to the consolidated Ind AS statement of profit and loss</b>   |                     |                          |                     |                          |
| (Credit)/ expense during the year as above  | (92.14)             |                          | (54.50)             |                          |
| Tax expense / (income) during the year recognized in OCI  | 0.63                |                          | 1.08                |                          |
| (Credit) / expense during the year  | (92.77)             |                          | (55.58)             |                          |

### 9. Non-current tax assets (net)

(₹ in million)

| Particulars  | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| Advance income tax (net of provision for current tax and including tax paid under protest) | 36.65          | 13.43          |
|  | <b>36.65</b>   | <b>13.43</b>   |



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 10. Other non-current assets

| (₹ in million)  |                |                |
|---|----------------|----------------|
| Particulars   | March 31, 2025 | March 31, 2024 |
| <b>Capital advances</b>                                 |                |                |
| (Unsecured, considered good)                            | 12.81          | 1.79           |
| Prepaid expenses  | 61.25          | 48.92          |
| <b>Balances with statutory / government authorities</b> |                |                |
| (Unsecured, considered good)                            | 4.45           | 4.44           |
| <b>Contract assets</b>                                  |                |                |
| (Unsecured, considered good)                            | 53.22          | 19.44          |
| (Credit impaired)                                       | 51.25          | 47.44          |
| <b>Impairment allowance on contract assets</b>          |                |                |
| (Credit impaired)                                       | (51.25)        | (47.44)        |
| <b>Total other non-current assets</b>                   | <b>131.73</b>  | <b>74.59</b>   |

- The following table summarises the changes in the impairment allowance on contract assets:

| (₹ in million)  |                |                |
|---|----------------|----------------|
| Particulars   | March 31, 2025 | March 31, 2024 |
| Opening balance   | 47.44          | 34.48          |
| Amount provided/ (reversed) during the year (refer note 37) | 3.25           | 34.29          |
| Amount utilised during the year                             | -              | (21.42)        |
| Exchange differences - translation adjustment               | 0.56           | 0.09           |
| <b>Closing balance</b>                                      | <b>51.25</b>   | <b>47.44</b>   |

### 11. Inventories (valued at lower of cost and net realisable value)

| (₹ in million)   |                 |                 |
|--|-----------------|-----------------|
| Particulars  | March 31, 2025  | March 31, 2024  |
| Raw materials  | 2,456.27        | 2,425.53        |
| [Includes raw material in transit ₹146.05 million (March 31, 2024: ₹156.59 million)] |                 |                 |
| Work-in-progress   | 939.70          | 677.03          |
| Finished goods   | 73.28           | 69.04           |
| Stores and spares  | 4.83            | 2.17            |
| <b>Total inventories (valued at lower of cost and net realisable value)</b>          | <b>3,474.08</b> | <b>3,173.77</b> |

The above are net of allowance for obsolete and non-moving inventory amounting to Rs.269.43 million (March 31, 2024: 202.33 million)

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 12. Trade receivables

| (₹ in million)                                   |                 |                 |
|--|-----------------|-----------------|
| Particulars                                      | March 31, 2025  | March 31, 2024  |
| <b>Carried at amortised cost</b>                 |                 |                 |
| Receivables from related parties (refer note 42) | 44.73           | 93.44           |
| Other trade receivables                          | 3,020.64        | 2,186.33        |
| <b>Total trade receivables</b>                   | <b>3,065.37</b> | <b>2,279.77</b> |

| (₹ in million)   |                 |                 |
|--|-----------------|-----------------|
| Particulars  | March 31, 2025  | March 31, 2024  |
| <b>Trade receivables:</b>  |                 |                 |
| Unsecured, considered good   | 3,009.80        | 2,253.55        |
| Trade receivables which have significant increase in credit risk   | 153.50          | 55.95           |
| Trade receivables - credit impaired                                | -               | -               |
|  | <b>3,163.30</b> | <b>2,309.50</b> |
| <b>Impairment allowance (allowance for bad and doubtful debts)</b> |                 |                 |
| Unsecured, considered good   | -               | -               |
| Trade receivables which have significant increase in credit risk   | (97.93)         | (29.73)         |
| Trade receivables - credit impaired                                | -               | -               |
| <b>Total trade receivables</b>                                     | <b>3,065.37</b> | <b>2,279.77</b> |

Notes:-

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 ₹ 359.73 million (March 31, 2024: ₹ 271.14 million) is presented as other receivables in note 14.

- 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.
- The following table summarises the changes in the loss allowance measured using ECL:

| (₹ in million)   |                |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| Opening balance  | 29.73          | 98.63          |
| Amount provided/ (reversed) during the year:           |                |                |
| - Provision for expected credit losses (refer note 37) | 6.56           | 0.60           |
| - Exceptional items (refer note 38)                    | 64.15          | -              |
| Amount utilised during the year                        | (3.21)         | (69.84)        |
| Exchange differences - translation adjustment          | 0.70           | 0.34           |
| <b>Closing balance</b>                                 | <b>97.93</b>   | <b>29.73</b>   |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 12.1 Trade receivables ageing schedule

| 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                                  | -        | -                   | -  | -                 | -             | -            | -                 | -               |
| <b>Total</b>  | <b>-</b> | <b>1,806.02</b>     | <b>874.93</b>  | <b>158.92</b>     | <b>212.62</b> | <b>33.40</b> | <b>77.41</b>      | <b>3,163.30</b> |

| As at March 31, 2024  |             |                     |  |                   |               |              |                   | (₹ 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                                | 1.92        | 1,191.42            | 608.75   | 244.47            | 140.23        | 25.36        | 41.41             | 2,253.55        |
| Undisputed trade receivables - which have significant increase in credit risk | -           | -                   | 0.18   | 10.82             | 28.66         | 4.17         | 12.13             | 55.95           |
| 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                                  | -           | -                   | -  | -                 | -             | -            | -                 | -               |
| <b>Total</b>  | <b>1.92</b> | <b>1,191.42</b>     | <b>608.93</b>  | <b>255.29</b>     | <b>168.88</b> | <b>29.53</b> | <b>53.55</b>      | <b>2,309.50</b> |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 13. Cash and cash equivalents and other bank balances

|  |              | (₹ in million)  |                |
|--|--------------|-----------------|----------------|
| Particulars  |              | March 31, 2025  | March 31, 2024 |
| <b>Balances with banks</b>   |              |                 |                |
| - On current accounts  |              | 315.44          | 359.72         |
| - In QIP monitoring account  |              | 335.56          | -              |
| - On exchange earners foreign currency (EEFC) accounts                         |              | 26.28           | 37.18          |
| Deposits with original maturity of less than three months                      |              | -               | 80.14          |
| Cash in transit  |              | -               | 3.03           |
| Cash on hand   |              | 0.36            | 1.14           |
| <b>Total cash and cash equivalents</b>   | <b>(A)</b>   | <b>677.64</b>   | <b>481.21</b>  |
| <b>Bank balances other than cash and cash equivalents</b>                      |              |                 |                |
| Balance with banks   |              |                 |                |
| - Unpaid dividend account  |              | 1.91            | 2.15           |
| - Deposits with remaining maturity less than twelve months                     |              | 450.00          | -              |
| - On margin money accounts   |              | 361.09          | 379.58         |
|  |              | <b>813.00</b>   | <b>381.73</b>  |
| Less: Amount disclosed under other non current financial assets (refer note 7) |              | (200.61)        | (147.15)       |
| <b>Total bank balances other than cash and cash equivalents</b>                | <b>(B)</b>   | <b>612.39</b>   | <b>234.58</b>  |
|  | <b>(A+B)</b> | <b>1,290.03</b> | <b>715.79</b>  |

- 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.
- Deposits are made for varying periods depending on the cash-requirement of the Group and earn interest at the respective deposit rates.
- The unutilised funds from QIP amounting to ₹450.00 million has been placed in fixed deposits with banks and ₹447.13 million in other balance with banks as at March 31, 2025.

### 14. Other current financial assets

|   |              | (₹ in million) |                |
|---|--------------|----------------|----------------|
| Particulars                                 |              | March 31, 2025 | March 31, 2024 |
| <b>Unsecured, considered good</b>           |              |                |                |
| <b>Carried at amortised cost</b>            |              |                |                |
| Security deposits                           | <b>(A)</b>   | 0.03           | 0.32           |
| Staff advances                              |              | 1.16           | 3.06           |
| Interest accrued on fixed deposits          |              | 13.78          | 16.30          |
| Subsidy receivables                         |              | 100.85         | 150.00         |
| Factored receivables (refer note 12)        |              | 359.73         | 271.14         |
| Other receivables                           |              | 14.96          | -              |
|   | <b>(B)</b>   | <b>490.48</b>  | <b>440.50</b>  |
| <b>Total other current financial assets</b> | <b>(A+B)</b> | <b>490.51</b>  | <b>440.82</b>  |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 15. Other current assets

| Particulars                                      | (₹ in million)  |                |
|--|-----------------|----------------|
|  | March 31, 2025  | March 31, 2024 |
| <b>Unsecured considered good</b>                 |                 |                |
| Prepaid expenses                                 | 122.78          | 122.72         |
| Balances with statutory / government authorities | 208.07          | 96.58          |
| Advance to suppliers and other advances          | 227.64          | 237.49         |
| Contract assets (refer note 51)                  | 497.81          | 533.32         |
| <b>Total other current assets</b>                | <b>1,056.30</b> | <b>990.11</b>  |

### 16. Equity share capital

| Particulars                           | Equity shares of ₹ 10 each |                |
|---------------------------------------|----------------------------|----------------|
|                                       | In Numbers                 | (₹ in million) |
| <b>Authorised share capital:</b>      |                            |                |
| <b>At April 01, 2023</b>              | <b>1,55,00,000</b>         | <b>155.00</b>  |
| Increase / (decrease) during the year | -                          | -              |
| <b>At March 31, 2024</b>              | <b>1,55,00,000</b>         | <b>155.00</b>  |
| Increase / (decrease) during the year | -                          | -              |
| <b>At March 31, 2025</b>              | <b>1,55,00,000</b>         | <b>155.00</b>  |

#### (a) Issued equity share capital:

Equity shares of ₹ 10 each issued, subscribed and fully paid

| Particulars  | In Numbers         | (₹ in million) |
|--|--------------------|----------------|
| <b>At April 01, 2023</b>                                     | <b>1,28,84,841</b> | <b>128.85</b>  |
| Issue of shares on exercise of share options (refer note 47) | 3,653              | 0.03           |
| <b>At March 31, 2024</b>                                     | <b>1,28,88,494</b> | <b>128.88</b>  |
| 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          |
| <b>At March 31, 2025</b>                                     | <b>1,47,07,212</b> | <b>147.07</b>  |

- (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.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 16. Equity share capital (Contd...)

#### (c) Details of shareholders holding more than 5% shares in the Company

| Name of Shareholder                          | March 31, 2025     |                    | March 31, 2024     |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | No. of shares held | % holding in class | No. of shares held | % holding in class |
| <b>Equity shares of ₹ 10 each fully paid</b> |                    |                    |                    |                    |
| Apparao V Mallavarapu*                       | 58,97,549          | 40.10%             | 58,97,549          | 45.76%             |
| Nikhil Mallavarapu*                          | 6,52,855           | 4.44%              | 6,52,855           | 5.08%              |
| Tanya Mallavarapu*                           | 6,44,240           | 4.38%              | 6,44,240           | 5.00%              |
| Swarnalatha Mallavarapu*                     | 3,69,150           | 2.51%              | 3,69,150           | 2.86%              |
| M S Swarnakumari*                            | 12,684             | 0.09%              | 12,684             | 0.10%              |
| HDFC Mutual Fund                             | 12,09,859          | 8.23%              | 5,89,154           | 4.57%              |

\*Represents shareholders in promoter's group.

#### (d) Details of shares held by promoters

##### 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 |
|--|--|------------------------|--------------------------------------|-------------------|--------------------------|
| <b>Equity shares of ₹ 10 each fully paid</b> |  |                        |                                      |                   |                          |
| 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%             | -                        |

##### As at March 31, 2024

| 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 |
|--|--|------------------------|--------------------------------------|-------------------|--------------------------|
| <b>Equity shares of ₹ 10 each fully paid</b> |  |                        |                                      |                   |                          |
| Apparao V Mallavarapu                        | 66,04,715                                  | (7,07,166)             | 58,97,549                            | 45.76%            | (10.71)%                 |
| Nikhil Mallavarapu                           | 5,89,929                                   | 62,926                 | 6,52,855                             | 5.08%             | 10.67 %                  |
| Tanya Mallavarapu                            | -  | 6,44,240               | 6,44,240                             | 5.00%             | 100.00 %                 |
| Swarnalatha Mallavarapu                      | 3,69,150                                   | -                      | 3,69,150                             | 2.86%             | -                        |
| M S Swarnakumari                             | 12,684                                     | -                      | 12,684                               | 0.10%             | -                        |

#### (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.



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 17. Other equity

| Particulars  |            | (₹ in million)  |
|--|------------|-----------------|
| <b>Securities premium</b>  |            |                 |
| <b>Balance as at April 01, 2023</b>  |            | <b>28.07</b>    |
| Add: Exercise of share options   |            | 0.20            |
| <b>Balance as at March 31, 2024</b>  |            | <b>28.27</b>    |
| 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)         |
| <b>Balance as at March 31, 2025</b>  | <b>(A)</b> | <b>2,020.27</b> |
| <b>General reserve</b>   |            |                 |
| Balance as at April 01, 2023   |            | 440.26          |
| <b>Balance as at March 31, 2024</b>  |            | <b>440.26</b>   |
| <b>Balance as at March 31, 2025</b>  | <b>(B)</b> | <b>440.26</b>   |
| <b>Retained earnings</b>   |            |                 |
| <b>Balance as at April 01, 2023</b>  |            | <b>1,612.71</b> |
| Profit for the year  |            | 17.75           |
| Less: Dividends  |            | (90.21)         |
| Add: Other comprehensive income for the year   |            | 3.14            |
| Add: Transfer from equity portion of put option liability on settlement of put options |            | (229.75)        |
| Others   |            | 0.03            |
| <b>Balance as at March 31, 2024</b>  |            | <b>1,313.67</b> |
| Profit for the year  |            | 24.56           |
| Less: Dividends  |            | (38.69)         |
| Add: Other comprehensive income for the year   |            | 1.82            |
| <b>Balance as at March 31, 2025</b>  | <b>(C)</b> | <b>1,301.36</b> |
| <b>Effective portion of cash flow hedge (net of tax)</b>                               |            |                 |
| <b>Balance as at April 01, 2023</b>  |            | <b>0.01</b>     |
| (Loss)/ gain on cash flow hedge  |            | (0.16)          |
| <b>Balance as at March 31, 2024</b>  |            | <b>(0.15)</b>   |
| <b>Balance as at March 31, 2025</b>  | <b>(D)</b> | <b>(0.15)</b>   |
| <b>Share based payments reserve</b>  |            |                 |
| <b>Balance as at April 01, 2023</b>  |            | <b>14.23</b>    |
| Add: Compensation for options granted  |            | 21.68           |
| <b>Balance as at March 31, 2024</b>  |            | <b>35.91</b>    |
| Add: Compensation for options granted  |            | 14.15           |
| <b>Balance as at March 31, 2025</b>  | <b>(E)</b> | <b>50.06</b>    |
| <b>Capital reserve</b>   |            |                 |
| Balance as at April 01, 2023   |            | 48.30           |
| <b>Balance as at March 31, 2024</b>  |            | <b>48.30</b>    |
| <b>Balance as at March 31, 2025</b>  | <b>(F)</b> | <b>48.30</b>    |
| <b>Equity portion of put option liability reserve</b>                                  |            |                 |
| <b>Balance as at April 01, 2023</b>  |            | <b>(182.59)</b> |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 17. Other equity (Contd...)

| Particulars   |                          | (₹ in million)  |
|---|--------------------------|-----------------|
| Add: Exercise of put options by non-controlling interest shareholders |                          | (47.16)         |
| Less: Transfer to retained earnings on settlement of put options      |                          | 229.75          |
| <b>Balance as at March 31, 2024</b>                                   |                          | -               |
| <b>Balance as at March 31, 2025</b>                                   | <b>(G)</b>               | -               |
| <b>Foreign currency translation difference account (FCTR)</b>         |                          |                 |
| <b>Balance as at April 01, 2023</b>                                   |                          | <b>17.33</b>    |
| Movement during the year  |                          | 20.25           |
| <b>Balance as at March 31, 2024</b>                                   |                          | <b>37.58</b>    |
| Movement during the year  |                          | 7.48            |
| <b>Balance as at March 31, 2025</b>                                   | <b>(H)</b>               | <b>45.06</b>    |
| <b>Total other equity</b>   |                          |                 |
| <b>Balance as at March 31, 2024</b>                                   |                          | <b>1,903.84</b> |
| <b>Balance as at March 31, 2025</b>                                   | <b>(A+B+C+D+E+F+G+H)</b> | <b>3,905.16</b> |

#### 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, 2025

### 18. Distribution made and proposed

| (₹ in million)  |                |                |
|---|----------------|----------------|
| Particulars   | March 31, 2025 | March 31, 2024 |
| <b>Dividends on equity shares declared and paid:</b>  |                |                |
| Final dividend for the year ended on March 31, 2024: ₹3 per share (March 31, 2023: ₹4 per share)      | 38.69          | 51.54          |
| Interim dividend for the year ended on March 31, 2025: ₹ Nil per share (March 31, 2024: ₹3 per share) | -              | 38.67          |
|   | <b>38.69</b>   | <b>90.21</b>   |
| <b>Proposed dividend on equity shares</b>   |                |                |
| Final dividend for the year ended on March 31, 2025: ₹6 per share (March 31, 2024: ₹3 per share)      | 88.24          | 38.69          |
|   | <b>88.24</b>   | <b>38.69</b>   |

- Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31st.
- The Board of Directors of the Holding Company at its meeting held on May 22, 2025 had recommended a final dividend of 60% (i.e. ₹6 per equity share) for the year ended March 31, 2025 which is in compliance with Section 123 of the Companies Act, 2013.

### 19. Non-current financial liabilities: Borrowings

| (₹ in million)   |                |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| <b>Term loan</b>   |                |                |
| From banks   |                |                |
| Foreign currency term loan (secured)                       | 50.72          | 26.13          |
| Foreign currency term loan (unsecured)                     | 305.87         | 483.10         |
| Indian rupee term loan (secured)                           | 102.62         | 154.32         |
| Bonds (secured)  | 92.32          | 90.22          |
| Interest free loan from Government (unsecured)             | 41.03          | 77.33          |
|  | <b>592.56</b>  | <b>831.10</b>  |
| <b>Less:- Current maturities of long term borrowings</b>   |                |                |
| From banks   |                |                |
| Foreign currency term loan (secured)                       | 18.98          | 18.44          |
| Foreign currency term loan (unsecured)                     | 185.92         | 180.15         |
| Indian rupee term loan (secured)                           | 56.40          | 51.70          |
| Bonds (secured)  | 92.32          | 90.22          |
| Interest free loan from Government (unsecured)             | 25.72          | 43.88          |
|  | <b>379.34</b>  | <b>384.39</b>  |
| <b>Total non-current financial liabilities: Borrowings</b> | <b>213.22</b>  | <b>446.71</b>  |

- Foreign currency term loans availed by Centum T&S Group Société Anonyme (S.A.) and its subsidiaries amounting to ₹ 7.43 million (March 31, 2024: Rs. 26.13 million) carries interest rate ranging from 8.35% to 11.20% p.a. (March 31, 2024: 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.
- Foreign currency term loan availed by Centum T&S Group Société Anonyme (S.A.) and its subsidiaries, amounting to ₹ 166.16 million (March 31, 2024: ₹ 309.40 million) carries interest at 0% p.a for the first year and thereafter carries 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 is repayable in forty eight equal installments commencing from 2023 till 2026.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 19. Non-current financial liabilities: Borrowings (Contd...)

- c. Foreign currency term loan availed by Centum T&S Group Société Anonyme (S.A.) and its subsidiaries, amounting to ₹ 139.71 million (March 31, 2024: ₹ 173.70 million) which carries interest at 0% p.a. for the first year and thereafter shall carry interest rate between 0.70% and 2.35% upto the end of the tenure and will be repaid over the term of 4 years starting from 2023 till 2027.
- d. Foreign currency term loan from a bank availed by the Holding Company amounting to ₹ 43.29 million (March 31, 2024: Nil) carries interest rate @ 7.93% p.a (March 31, 2024: Nil) payable on a monthly basis. The loan is repayable in 16 quarterly instalments. Refer note (h) below for security details.
- e. Bonds amounting to ₹ 92.32 million (March 31, 2024: ₹ 90.22 million) have a coupon rate of 14% p.a. (March 31, 2024: 14% p.a.) and is 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 has restructured repayment to these bond holders due to be paid by June 2025.
- f. Interest free loan from government amounting to ₹ 41.03 million (March 31, 2024: ₹ 77.33 million) has been provided to carry out research and development activities and is payable on the successful outcome of the research and development.
- g. Indian rupee term loan from a bank availed by the Holding Company amounting to ₹ 102.62 million (March 31, 2024: 154.32 million) carries interest rate of 2.00% above 6 month Marginal Cost of Funds based Lending Rate ("MCLR") of the bank i.e @ 10.55% to 10.99% p.a. (March 31, 2024: 10.55% 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 - 560 106 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.

### 20. Net non-current employee defined benefit liabilities

|                          | (₹ in million) |                |
|--------------------------|----------------|----------------|
| Particulars              | March 31, 2025 | March 31, 2024 |
| Gratuity (refer note 43) | 40.21          | 53.12          |
|                          | <b>40.21</b>   | <b>53.12</b>   |

### 21. Non-current provisions

|   | (₹ in million) |                |
|---|----------------|----------------|
| Particulars                                     | March 31, 2025 | March 31, 2024 |
| <b>Provision for employee benefits</b>          |                |                |
| Provision for pension (refer note 43)           | 7.53           | 11.54          |
| Provision for onerous contracts (refer note 28) | 2.04           | 2.97           |
|   | <b>9.57</b>    | <b>14.51</b>   |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 22. Government grants

|  | (₹ in million) |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| <b>Government grants</b>                                     |                |                |
| At April 1   | 24.43          | 32.59          |
| Released to consolidated Ind AS statement of profit and loss | (7.88)         | (8.16)         |
| As at March 31   | <b>16.55</b>   | <b>24.43</b>   |
| Current  | 5.53           | 8.03           |
| Non - current  | 11.02          | 16.40          |
|  | <b>16.55</b>   | <b>24.43</b>   |

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.

### 23. Current financial liabilities: Borrowings

|   | (₹ in million)  |                 |
|---|-----------------|-----------------|
| Particulars   | March 31, 2025  | March 31, 2024  |
| <b>From banks</b>   |                 |                 |
| Cash credit and overdraft from banks (refer note (d)) (secured) | 63.38           | 49.98           |
| Packing credit loan from banks (secured)                        | 669.52          | 838.19          |
| Current maturities of long term borrowings (refer note 19)      | 379.34          | 384.39          |
| Vendor financing facility (unsecured)                           | 103.55          | 155.80          |
| Interest payable  | 18.82           | 17.67           |
|   | <b>1,234.61</b> | <b>1,446.03</b> |

- 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 - 560 106 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 10.55% to 11.70% p.a. (March 31, 2024: 10.55% to 18% p.a.).

The rate of interest of Packing credit loan from banks ranges from 5.99% to 9.50% p.a. (March 31, 2024: 5.00% to 6.65% p.a.).

The interest is payable on monthly basis.
- b. Cash credit / overdraft from banks amounting to ₹ 26.74 million (March 31, 2024: ₹ 29.83 million) was availed by Centum T&S Group Société Anonyme (S.A.). Also refer note 19(a) for details of security.
- 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 its 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

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 23. Current financial liabilities: Borrowings (Contd...)

activities. The Holding Company has paid interest @ 8.94% p.a. to 9.81% p.a. (March 31, 2024: 9.05% p.a. to 9.81% p.a.) on the amounts paid by the bank to the vendor for a period starting from the date of disbursement by the bank to the date of payment by the Holding Company to the bank which does not exceed 90 days.

During the year ended March 31, 2024, the Company had classified payables subject to the vendor finance arrangement under trade payables. However, Institute of Chartered Accountants of India ("ICAI") has issued exposure draft on amendments to Ind AS 7 and Ind AS 107 to increase the level of disclosure and transparency about entities' vendor finance arrangements. The Holding Company has reclassified the payables subject to the vendor finance arrangement for year ended March 31, 2024 from trade payables to borrowings based on the conditions specified in the exposure draft released by ICAI.

- d. Includes bank overdraft amounting to ₹ 23.08 million (March 31, 2024 ₹ 20.10 million)

### 24. Financial liabilities: Trade payables

| Particulars  | (₹ in million)  |                 |
|--|-----------------|-----------------|
|  | March 31, 2025  | March 31, 2024  |
| <b>Carried at amortised cost</b>   |                 |                 |
| Trade payables   | 2,197.23        | 2,218.89        |
| Trade payables to related parties (refer note 42)                                      | 2.91            | 3.00            |
|  | <b>2,200.14</b> | <b>2,221.89</b> |
| <b>The above amount includes</b>   |                 |                 |
| Total outstanding dues of micro enterprises and small enterprises                      | 204.95          | 76.51           |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,995.19        | 2,145.38        |
|  | <b>2,200.14</b> | <b>2,221.89</b> |

- a) Trade payables include due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006), has been 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:

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| Principal amount remaining unpaid to any supplier as at the end of the accounting year.   | 202.53         | 76.51          |
| Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.   | 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.  | 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, 2025

### 24.1 Trade payable ageing schedule

| As at March 31, 2025  |  |                  |               |              |                   | (₹ in million)  |
|---|--|------------------|---------------|--------------|-------------------|-----------------|
| Particulars   | Outstanding for following periods from due date of payment |                  |               |              |                   | Total           |
|   | Unbilled dues  | Less than 1 year | 1 - 2 years   | 2 - 3 years  | More than 3 years |                 |
| Undisputed dues of micro enterprises and small enterprises                                | 136.18   | 68.77            | -             | -            | -                 | 204.95          |
| Undisputed dues of creditors other than micro enterprises and small enterprises           | 1,120.79   | 696.99           | 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            |
| <b>Total</b>  | <b>1,256.97</b>  | <b>765.76</b>    | <b>133.38</b> | <b>26.02</b> | <b>18.01</b>      | <b>2,200.14</b> |

| As at March 31, 2024  |  |                  |              |             |                   | (₹ in million)  |
|---|--|------------------|--------------|-------------|-------------------|-----------------|
| Particulars   | Outstanding for following periods from due date of payment |                  |              |             |                   | Total           |
|   | Unbilled dues  | Less than 1 year | 1 - 2 years  | 2 - 3 years | More than 3 years |                 |
| Undisputed dues of micro enterprises and small enterprises                                | 17.85  | 58.66            | -            | -           | -                 | 76.51           |
| Undisputed dues of creditors other than micro enterprises and small enterprises           | 415.30   | 1,654.99         | 53.62        | 9.90        | 6.43              | 2,140.24        |
| Disputed dues of micro enterprises and small enterprises                                  | -  | -                | -            | -           | -                 | -               |
| Disputed outstanding dues of creditors other than micro enterprises and small enterprises | -  | -                | -            | -           | 5.14              | 5.14            |
| <b>Total</b>  | <b>433.15</b>  | <b>1,713.65</b>  | <b>53.62</b> | <b>9.90</b> | <b>11.57</b>      | <b>2,221.89</b> |

### 25. Other current financial liabilities

| (₹ in million)  |              |                |                |
|---|--------------|----------------|----------------|
| Particulars   |              | March 31, 2025 | March 31, 2024 |
| <b>At amortised cost</b>                                |              |                |                |
| Unpaid dividends  |              | 1.91           | 2.15           |
| Accrued salaries and benefits (refer note 42)           |              | 340.30         | 360.28         |
| Payable for capital goods                               |              | 93.82          | 8.95           |
|   | <b>(A)</b>   | <b>436.03</b>  | <b>371.38</b>  |
| <b>Derivative instruments at fair value through OCI</b> |              |                |                |
| <b>Cash flow hedges</b>                                 |              |                |                |
| Derivative liability (refer note 54)                    |              | -              | 0.22           |
|   | <b>(B)</b>   | <b>-</b>       | <b>0.22</b>    |
|   | <b>(A+B)</b> | <b>436.03</b>  | <b>371.60</b>  |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 26. Other liabilities

| Particulars                                  | Non- Current   |                | Current         |                 |
|--|----------------|----------------|-----------------|-----------------|
|  | March 31, 2025 | March 31, 2024 | March 31, 2025  | March 31, 2024  |
| Advance from customers                       | 7.75           | 563.37         | 2,222.58        | 1,483.80        |
| Withholding and other taxes / duties payable | -              | 108.80         | 575.05          | 591.92          |
| Deferred revenue                             |                |                |                 |                 |
| Related parties (refer note 42)              | -              | -              | 13.09           | 9.83            |
| Others                                       | -              | -              | 536.23          | 409.02          |
| Other liabilities                            | -              | -              | 5.59            | 22.20           |
|  | <b>7.75</b>    | <b>672.17</b>  | <b>3,352.54</b> | <b>2,516.77</b> |

### 27. Net current employee defined benefit liabilities

| Particulars              | March 31, 2025 | March 31, 2024 |
|--------------------------|----------------|----------------|
| Gratuity (refer note 43) | 8.15           | 7.98           |
|                          | <b>8.15</b>    | <b>7.98</b>    |

### 28. Current provisions

| Particulars                                  | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| <b>Provision for employee benefits</b>       |                |                |
| Provision for compensated absences           | 299.31         | 286.90         |
| Provision for onerous contracts              | 72.18          | 23.65          |
| Provisions for litigations and contingencies | 0.92           | 2.88           |
|  | <b>372.41</b>  | <b>313.43</b>  |

| Particulars                                   | Provisions for litigations and contingencies (Refer note 37) | Provision for onerous contracts (Refer note 33(a)) |
|---|--|--|
| <b>As at April 1, 2023</b>                    | <b>1.97</b>  | <b>23.53</b>                                       |
| Amount provided/ (reversed) during the year   | 0.89   | 8.24   |
| Amount utilised during the year               | -  | (5.19)   |
| Exchange differences - translation adjustment | 0.02   | 0.04   |
| <b>As at March 31, 2024</b>                   | <b>2.88</b>  | <b>26.62</b>                                       |
| Amount provided/ (reversed) during the year   | -  | 56.77  |
| Amount utilised during the year               | (1.98)   | (9.23)   |
| Exchange differences - translation adjustment | 0.02   | 0.06   |
| <b>As at March 31, 2025</b>                   | <b>0.92</b>  | <b>74.22</b>                                       |
| <b>As at March 31, 2025</b>                   |  |  |
| Current                                       | 0.92   | 72.18  |
| Non-current                                   | -  | 2.04   |
| <b>As at March 31, 2024</b>                   |  |  |
| Current                                       | 2.88   | 23.65  |
| Non-current                                   | -  | 2.97   |

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.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 29. Liabilities for current tax (net)

| (₹ in million)                             |                |                |
|--|----------------|----------------|
| Particulars                                | March 31, 2025 | March 31, 2024 |
| Provision for taxation, net of advance tax | 135.03         | 51.11          |
|  | <b>135.03</b>  | <b>51.11</b>   |

### 30. Revenue from operations

| (₹ in million)                        |                  |                  |
|---------------------------------------|------------------|------------------|
| Particulars                           | March 31, 2025   | March 31, 2024   |
| Sale of products (refer note 42)      | 9,045.78         | 8,234.47         |
| Sale of services                      | 2,262.86         | 2,247.99         |
| Other operating revenues              |                  |                  |
| Income from foreign subsidiaries      | 226.46           | 308.21           |
| Management fees                       | -                | 110.09           |
| Sale of scrips on export entitlements | 18.31            | -                |
| Sales commission                      | 0.76             | 7.44             |
| <b>Total revenue</b>                  | <b>11,554.17</b> | <b>10,908.20</b> |

Refer note 51 for disclosures under Ind AS 115.

### 31. Other income

| (₹ in million)  |                |                |
|---|----------------|----------------|
| Particulars   | March 31, 2025 | March 31, 2024 |
| Provisions/ liabilities no longer required, written back    | 20.60          | 28.32          |
| Recovery of bad debts written off                           | 27.13          | -              |
| Government grants   | 7.88           | 8.16           |
| Gain on sale/discard of property, plant and equipment (net) | -              | 1.07           |
| Other non-operating income                                  | 5.14           | 8.36           |
|   | <b>60.75</b>   | <b>45.91</b>   |

### 32. Finance income

| (₹ in million)                            |                |                |
|---|----------------|----------------|
| Particulars                               | March 31, 2025 | March 31, 2024 |
| Interest on bank deposits                 | 24.14          | 18.67          |
| Interest on income tax refund             | -              | 0.20           |
| Interest income on others (refer note 42) | 2.19           | 3.36           |
|   | <b>26.33</b>   | <b>22.23</b>   |

### 33(a) Cost of materials consumed

| (₹ in million)                         |                 |                 |
|--|-----------------|-----------------|
| Particulars                            | March 31, 2025  | March 31, 2024  |
| Inventory at the beginning of the year | 2,425.53        | 2,054.37        |
| Add: Purchases                         | 6,253.45        | 5,817.58        |
|  | 8,678.98        | 7,871.95        |
| Inventory at the end of the year       | (2,456.27)      | (2,425.53)      |
| <b>Cost of materials consumed</b>      | <b>6,222.71</b> | <b>5,446.42</b> |

a. During the year ended March 31, 2025, ₹ 47.54 million (March 31, 2024: ₹ 3.06 million) was recognized as an expense in relation to provision for onerous contract.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 33(b) (Increase)/ decrease in inventories of work-in-progress and finished goods

| (₹ in million)   |                 |                 |
|--|-----------------|-----------------|
| Particulars  | March 31, 2025  | March 31, 2024  |
| <b>Inventories at the end of the year</b>  |                 |                 |
| Finished goods   | 73.28           | 69.04           |
| Work-in-progress   | 939.70          | 677.03          |
|  | <b>1,012.98</b> | <b>746.07</b>   |
| <b>Inventories at the beginning of the year</b>                                    |                 |                 |
| Finished goods   | 69.04           | 43.44           |
| Work-in-progress   | 677.03          | 511.12          |
|  | <b>746.07</b>   | <b>554.56</b>   |
| <b>(Increase) / decrease in inventories of work-in-progress and finished goods</b> |                 |                 |
| Finished goods   | (4.24)          | (25.60)         |
| Work-in-progress   | (262.67)        | (165.91)        |
|  | <b>(266.91)</b> | <b>(191.51)</b> |

### 34. Employee benefits expense

| (₹ in million)                            |                 |                 |
|---|-----------------|-----------------|
| Particulars                               | March 31, 2025  | March 31, 2024  |
| Salaries, wages and bonus (refer note 42) | 2,791.15        | 2,816.52        |
| Contribution to provident and other funds | 722.20          | 734.52          |
| Employee share based compensation cost    | 14.15           | 21.68           |
| Gratuity expenses                         | 19.44           | 19.25           |
| Staff welfare and recruitment expenses    | 90.21           | 79.19           |
|   | <b>3,637.15</b> | <b>3,671.16</b> |

### 35. Depreciation and amortisation expenses

| (₹ in million)   |                |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| Depreciation of property, plant and equipment (refer note 3) | 180.18         | 189.10         |
| Amortisation of other intangible assets (refer note 4b)      | 148.12         | 152.55         |
| Depreciation of right-of-use assets (refer note 44)          | 112.52         | 111.09         |
|  | <b>440.82</b>  | <b>452.74</b>  |

### 36. Finance costs

| (₹ in million)                  |                |                |
|---------------------------------|----------------|----------------|
| Particulars                     | March 31, 2025 | March 31, 2024 |
| Interest on debt and borrowings | 230.69         | 236.60         |
| Interest on lease liabilities   | 14.02          | 11.78          |
| Other borrowing costs           | 71.15          | 85.43          |
| Interest on income tax          | 13.16          | 12.50          |
|                                 | <b>329.02</b>  | <b>346.31</b>  |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 37. Other expenses

| (₹ in million)                               |                |                 |
|--|----------------|-----------------|
| Particulars                                  | March 31, 2025 | March 31, 2024  |
| Rent and lease hire charges                  | 58.37          | 49.48           |
| Rates and taxes                              | 87.10          | 85.16           |
| Power and fuel                               | 85.06          | 94.36           |
| Repairs and maintenance                      | 148.70         | 167.70          |
| Insurance                                    | 54.66          | 56.18           |
| Legal and professional fees (refer note (a)) | 141.85         | 134.64          |
| Travelling and conveyance                    | 159.57         | 172.85          |
| Purchase of services                         | 59.49          | 117.75          |
| Corporate social responsibility expenditure  | 5.84           | 4.88            |
| Freight outwards                             | 44.19          | 34.55           |
| Foreign exchange differences (net)           | 20.36          | 43.51           |
| Provision for expected credit losses         | 6.56           | 4.58            |
| Impairment of non-current investments        | -              | 13.26           |
| Provision for impairment of contract assets  | 3.25           | 34.29           |
| Directors' sitting fees (refer note 42)      | 4.22           | 4.23            |
| Miscellaneous expenses (refer note (b))      | 114.89         | 106.23          |
|  | <b>994.11</b>  | <b>1,123.65</b> |

a. Includes ₹ 2.79 million (March 31, 2024: Nil) incurred in relation to QIP expenses. Refer note 48 for details.

b. During the year ended March 31, 2025, ₹ (1.98) million (March 31, 2024: ₹ 0.89 million) was recognized as an (reversal)/ expense in relation to provisions for litigations and contingencies.

### 38. Exceptional items

| (₹ in million)  |                |                |
|---|----------------|----------------|
| Particulars   | March 31, 2025 | March 31, 2024 |
| Employee severance costs                                  | -              | 48.79          |
| Provision for diminution in the value of (refer note 42): |                | -              |
| - Trade receivables                                       | 64.15          | -              |
| - Investment in associates                                | 84.17          | -              |
|   | <b>148.32</b>  | <b>48.79</b>   |

a. The Group has accounted severance costs for employees in its overseas subsidiaries which has been disclosed as exceptional item in the consolidated Ind AS financial statements for the year ended March 31, 2024.

b. The Group has investment in bonds and trade receivables aggregating to ₹ 193.05 million in Ausar Energy SAS ("Ausar"), an associate of CTSG 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 has been 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 is the bidder for takeover and has entered into negotiated agreement with management of the group and has agreed to pay ₹ 44.73 million against the outstanding balance. Pending final outcome in the matter and settlement of the recovery proceedings, as a matter of prudence the management has provided for the carrying value of its investment in bonds and trade receivables in Ausar amounting to ₹ 148.32 million and the same has been disclosed as exceptional item in the consolidated Ind AS statements of profit and loss for the year ended March 31, 2025.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 39. Income tax

The domestic subsidiaries of the Group are subject to income tax in India on the basis of standalone financial statements. Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ('Ordinance') issued by Ministry of Law and Justice (Legislative Department) on September 20, 2019 which is effective from April 1, 2019, domestic companies have the option to pay income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions. The Holding Company and its domestic subsidiary based on the current projections has chosen to adopt the reduced rates of tax as per the Income Tax Act, 1961 from the financial year 2020-21 and accordingly has accounted deferred tax asset based on the reduced applicable tax rates for domestic entities.

**Income tax expenses in the consolidated Ind AS statement of profit and loss consist of the following:**  
(₹ in million)

| Particulars  | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| <b>Tax expenses</b>  |                |                |
| (a) Current tax  | 246.28         | 158.21         |
| (b) Tax relating to earlier period   | 1.79           | 3.70           |
| (c) Deferred tax (credit)/ expense   | (92.77)        | (55.58)        |
| (d) Deferred tax expense / (credit) related to items recognized in OCI during the year | 0.63           | 1.08           |
| <b>Total taxes</b>   | <b>155.93</b>  | <b>107.41</b>  |

**Reconciliation of estimated income tax to income tax expense is as below:**

| Particulars   | March 31, 2025 | March 31, 2024 |
|---|----------------|----------------|
| <b>Profit/ (loss) before tax</b>  | <b>136.03</b>  | <b>78.78</b>   |
| <b>Income tax expense at applicable tax rates applicable to individual profitable entities*</b> | <b>156.30</b>  | <b>124.70</b>  |
| Tax effect on permanent non-deductible expenses   | 5.43           | 4.72           |
| Adjustments in respect of current income tax of previous years                                  | 1.79           | 3.70           |
| Tax effects on account of purchase price accounting for intangible assets                       | (5.42)         | (21.70)        |
| Others  | (2.17)         | (4.01)         |
| <b>Total tax expenses</b>   | <b>155.93</b>  | <b>107.41</b>  |

Note: Certain entities of the Group have incurred losses during the relevant period, which has resulted in reduction of profit / increase of losses in the consolidated Ind AS financial statements. However, the tax liability has been discharged by the respective entities on a standalone basis. Further, in view of absence of reasonable certainty, the Group has not recognised deferred tax asset in such companies.

\* Does not include taxes in relation to non-recognition of deferred tax assets on loss making overseas subsidiaries.

### 40. 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.



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 40. Earnings per share ('EPS') (Contd...)

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars   | March 31, 2025 | March 31, 2024 |
|---|----------------|----------------|
| Face value of equity shares (₹ per share)   | 10             | 10             |
| Profit/ (loss) attributable to equity holders of the parent for basic / diluted earnings per share (₹ in million) | 24.56          | 17.75          |
| Weighted average number of equity shares used for computing EPS (basic)   | 1,29,84,951    | 1,28,86,272    |
| Add: Effect of dilutive stock options   | 1,13,639       | 1,44,538       |
| Weighted average number of equity shares used for computing EPS (diluted)   | 1,30,98,590    | 1,30,30,810    |
| Earnings per share - Basic  | 1.89           | 1.38           |
| Earnings per share - Diluted  | 1.88           | 1.36           |

### 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 and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate (i.e. 11.50% p.a) used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles recognised by the Group (refer note 4a, 4b, 5 and 6).

##### 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 39 for further disclosures.

Centum T&S Group Société Anonyme (S.A.) has carried forward tax losses. These losses relate to subsidiaries that have a history of losses and may not be used to offset taxable income elsewhere in the Group. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

**41. Significant accounting judgements, estimates and assumptions (Contd...)**

**Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 50(a) for further disclosures.

**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. Refer note 45(c) for further disclosures.

**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.

Further details about gratuity obligations are given in note 43.

**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 contract. 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.

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 (refer note 10, 12, 15, 21 and 28).

**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

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 41. Significant accounting judgements, estimates and assumptions (Contd...)

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. (refer note 44)

#### Intangible assets under development

The Group capitalises intangible assets 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, 2025, the carrying amount of intangible assets under development is ₹ 74.09 million (March 31, 2024: ₹ 100.99 million) (refer note 4c)

### 42. Related parties

#### a) Names of related parties and description of relationship

| Description of relationship  | Name of related parties  |
|--|--|
| Parties where control exists   | Mr. Apparao V Mallavarapu (directly and indirectly exercises over 50% voting power in the Company) |
| Associate Company  | Ausar Energy SAS   |
| Enterprises where key managerial personnel or their relatives 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   |
|  | Mrs. Swarnalatha Mallavarapu - Director (resigned w.e.f May 27, 2023)                              |
|  | Mr. Nikhil Mallavarapu - Whole Time Director <sup>i</sup>  |
|  | Mrs. Tanya Mallavarapu - Director (appointed w.e.f May 27, 2023)                                   |
|  | Mr. Pranav Kumar Patel - Independent Director <sup>i</sup>   |
|  | Mr. Rajiv C Mody - Independent Director  |
|  | Mr. Manoj Nagrath - Independent Director   |
|  | Mr. Thiruvengadam P - Independent Director   |
|  | 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. Kavitha Dutt - Independent Women Director   |
|  | Mr. K S Desikan - Chief Financial Officer  |
|  | Mrs. Indu H S - Company Secretary  |

- (i) Ceased to be a Director w.e.f. March 31, 2024, on completion of two terms as Independent Director.  
(ii) Became Joint Managing Director w.e.f May 22, 2025.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 42. Related parties (Contd...)

b) Summary of transactions and outstanding balances with above related parties are as follows:

|  |                | (₹ in million) |  |
|--|----------------|----------------|--|
| Particulars  | March 31, 2025 | March 31, 2024 |  |
| <b>i) Sale of products</b>   |                |                |  |
| <b>Associate Companies</b>   |                |                |  |
| - Ausar Energy SAS   | 14.00          | 26.75          |  |
| <b>ii) Interest income - others</b>  |                |                |  |
| Associate Companies  |                |                |  |
| - Ausar Energy SAS   | -              | 1.10           |  |
| <b>iii) Remuneration to key managerial personnel and their close members</b>                 |                |                |  |
| <b>Employee benefit expenses (excluding employee share based payments) (refer (i) below)</b> |                |                |  |
| - Mr. Apparao V Mallavarapu  | 39.72          | 27.39          |  |
| - Mr. Nikhil Mallavarapu   | 39.72          | 27.39          |  |
| - Mr. K S Desikan  | 12.32          | 11.39          |  |
| - Mrs. Indu H S  | 1.73           | 1.31           |  |
| <b>iv) Directors' sitting fees (including commission paid to non-executive directors)</b>    |                |                |  |
| <b>Key managerial personnel</b>  |                |                |  |
| - Mrs. Tanya Mallavarapu   | 0.68           | 0.54           |  |
| - Mr. Rajiv C Mody   | 0.68           | 0.65           |  |
| - Mr. Pranav Kumar Patel   | -              | 0.77           |  |
| - Mr. Manoj Nagrath  | 0.83           | 0.77           |  |
| - Mr. Thiruvengadam P  | 0.80           | 0.74           |  |
| - Mrs. Kavitha Dutt  | 0.65           | 0.65           |  |
| - Mrs. Swarnalatha Mallavarapu   | -              | 0.11           |  |
| - Mr. Tarun Sawhney  | 0.58           | -              |  |
| <b>v) Exceptional items</b>  |                |                |  |
| <b>Associate Companies</b>   |                |                |  |
| <b>- Ausar Energy SAS</b>  |                |                |  |
| Provision for diminution in the value of :   |                |                |  |
| - Trade receivables  | 64.15          | -              |  |
| - Investment in associates   | 84.17          | -              |  |
| <b>vi) Exercise of share options</b>   |                |                |  |
| <b>Key managerial personnel</b>  |                |                |  |
| - Mr. K S Desikan  | -              | 0.23           |  |
| <b>vii) Outstanding balances as at the year ended:</b>                                       |                |                |  |
| <b>a) Trade receivables - Current</b>  |                |                |  |
| <b>Associate Companies</b>   |                |                |  |
| - Ausar Energy SAS   | 44.73          | 93.44          |  |
| <b>b) Trade payables - Current</b>   |                |                |  |
| <b>Payable to key managerial personnel</b>   |                |                |  |
| - Mr. Rajiv C Mody   | 0.50           | 0.50           |  |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 42. Related parties (Contd...)

| (₹ in million)   |                |                |
|--|----------------|----------------|
| Particulars  | March 31, 2025 | March 31, 2024 |
| - Mr. Pranav Kumar Patel   | -              | 0.50           |
| - Mr. Manoj Nagrath  | 0.50           | 0.50           |
| - Mr. Thiruvengadam P  | 0.50           | 0.50           |
| - Mrs. Kavitha Dutt  | 0.50           | 0.50           |
| - Mrs. Swarnalatha Mallavarapu   | -              | 0.08           |
| - Mrs. Tanya Mallavarapu   | 0.50           | 0.42           |
| - Mr. Tarun Sawhney  | 0.41           | -              |
| <b>c) Other non current financial assets - Security deposits</b>   |                |                |
| <b>Enterprises where key managerial personnel and their close members exercise significant influence</b> |                |                |
| - Centum Industries Private Limited  | -              | 0.45           |
| <b>d) Other current financial liabilities - Accrued salaries and benefits-payable</b>                    |                |                |
| - Mr. Apparao V Mallavarapu  | 31.04          | 18.38          |
| - Mr. Nikhil Mallavarapu   | 29.44          | 16.90          |
| - Mr. K S Desikan  | 3.59           | 3.00           |
| - Mrs. Indu H S  | 0.37           | 0.15           |
| <b>e) Deferred revenue</b>   |                |                |
| <b>Associate Companies</b>   |                |                |
| - Ausar Energy SAS   | 13.09          | 9.83           |

#### 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, 2025     | March 31, 2024     |
|---------------------------|----------------|--------------------|--------------------|
|                           |                | Number outstanding | Number outstanding |
| Centum RSU - 2021 plan    | ₹ 10.00        | 14,500             | 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 except loan. There have been no guarantees provided to or received from any related party for payables or receivables. For the year ended March 31, 2025 and March 31, 2024, 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, 2025

### 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 (note 34) are as under:

| Particulars                                | (₹ in million) |                |
|--|----------------|----------------|
|  | March 31, 2025 | March 31, 2024 |
| Contribution to provident fund             | 38.12          | 35.99          |
| Contribution to employees' state insurance | 4.60           | 3.86           |
| Contribution to pension fund               | 679.48         | 694.67         |
|  | <b>722.20</b>  | <b>734.52</b>  |

#### b) Defined benefit plans

The domestic entities in the Group has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (based on last drawn basic salary) 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)

| Particulars                                 | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| Current service cost                        | 14.87          | 13.95          |
| Interest cost on defined benefit obligation | 5.76           | 5.30           |
| Interest income on plan assets              | (1.19)         | -              |
| <b>Net benefit expenses</b>                 | <b>19.44</b>   | <b>19.25</b>   |

#### ii. Remeasurement (gains)/ loss recognised in other comprehensive income:

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| Actuarial (gain)/loss on obligations arising from changes in experience adjustments | (5.99)         | (5.81)         |
| Actuarial loss/(gain) on obligations arising from changes in financial assumptions  | 2.49           | 1.53           |
| Return on plan assets (excluding amounts included in net interest expense)          | 1.05           | -              |
| <b>Actuarial (gain)/loss recognised in OCI</b>                                      | <b>(2.45)</b>  | <b>(4.28)</b>  |

#### iii. Net defined benefit (liability)/asset

| Particulars  | (₹ in million) |                |
|--|----------------|----------------|
|  | March 31, 2025 | March 31, 2024 |
| Defined benefit obligation   | (88.02)        | (77.69)        |
| Fair value of plan assets  | 39.66          | 16.59          |
| <b>(Liability)/asset recognised in the consolidated Ind AS balance sheet</b> | <b>(48.36)</b> | <b>(61.10)</b> |



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 43. Gratuity and other post-employment benefits plans (Contd...)

#### iv. Changes in the present value of the defined benefit obligation are as follows:

(₹ in million)

| Particulars  | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| Opening defined benefit obligation   | 77.69          | 69.20          |
| Current service cost   | 14.87          | 13.95          |
| Benefits paid  | (6.80)         | (6.48)         |
| Interest cost on the defined benefit obligation                                      | 5.76           | 5.30           |
| Actuarial (gain)/ loss on obligations arising from changes in experience adjustments | (5.99)         | (5.81)         |
| Actuarial loss/ (gain) on obligations arising from changes in financial assumptions  | 2.49           | 1.53           |
| <b>Closing defined benefit obligation</b>  | <b>88.02</b>   | <b>77.69</b>   |

#### v. Changes in the fair value of plan assets are as follows:

(₹ in million)

| Particulars   | March 31, 2025 | March 31, 2024 |
|---|----------------|----------------|
| Opening fair value of plan assets                           | 16.59          | -              |
| Interest income on plan assets                              | 1.19           | -              |
| Benefits paid   | (0.07)         | -              |
| Contributions by the employer                               | 23.00          | 16.59          |
| Return on plan assets (lesser)/greater than discounted rate | (1.05)         | -              |
| <b>Closing fair value of plan assets</b>                    | <b>39.66</b>   | <b>16.59</b>   |

#### vi. The following pay-outs are expected in future years:

(₹ in million)

| Particulars            | March 31, 2025 | March 31, 2024 |
|------------------------|----------------|----------------|
| Within next one year   | 8.15           | 7.98           |
| Between 1 and 2 years  | 3.62           | 3.74           |
| Between 2 and 3 years  | 6.87           | 3.54           |
| Between 3 and 4 years  | 6.06           | 6.64           |
| Between 4 and 5 years  | 6.04           | 5.61           |
| Between 5 and 10 years | 39.55          | 34.58          |

The average duration of the defined benefit plan obligation at the end of the reporting period is 13.03 - 16.28 years (March 31, 2024: 10.02 - 11.29 years).

#### vii. The principal assumptions used in determining gratuity obligations for the group's plan are shown below:

| Particulars              | March 31, 2025  | March 31, 2024  |
|--------------------------|---|---|
| Discount rate (in %)     | 6.77%- 6.87%  | 7.09%   |
| 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 to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 43. Gratuity and other post-employment benefits plans (Contd...)

#### 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:

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| <b>Discount rate</b>  |                |                |
| Impact on defined benefit obligation due to 1% increase in discount rate          | (7.65)         | (6.83)         |
| Impact on defined benefit obligation due to 1% decrease in discount rate          | 9.00           | 8.04           |
| <b>Salary escalation rate</b>   |                |                |
| Impact on defined benefit obligation due to 1% increase in salary escalation rate | 4.05           | 3.79           |
| Impact on defined benefit obligation due to 1% decrease in salary escalation rate | (4.21)         | (3.89)         |
| <b>Attrition rate</b>   |                |                |
| Impact on defined benefit obligation due to 1% increase in attrition rate         | (0.42)         | (0.45)         |
| Impact on defined benefit obligation due to 1% decrease in attrition rate         | 0.72           | 0.71           |

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the consolidated Ind AS balance sheet.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 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 equipment 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         |
| <b>Gross block</b>                    |                 |                     |              |                 |               |
| <b>As at April 01, 2023</b>           | <b>514.96</b>   | <b>37.10</b>        | <b>82.69</b> | <b>46.93</b>    | <b>681.68</b> |
| Additions                             | 120.44          | -                   | 17.66        | 35.58           | 173.68        |
| Translation adjustment                | 3.22            | -                   | 0.56         | 0.27            | 4.05          |
| Disposals / Discarded / Adjustment    | -               | -                   | (11.50)      | (7.22)          | (18.72)       |
| <b>As at March 31, 2024</b>           | <b>638.62</b>   | <b>37.10</b>        | <b>89.41</b> | <b>75.56</b>    | <b>840.69</b> |
| 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)       |
| <b>As at March 31, 2025</b>           | <b>653.31</b>   | <b>37.10</b>        | <b>58.78</b> | <b>75.57</b>    | <b>824.76</b> |
| <b>Accumulated depreciation</b>       |                 |                     |              |                 |               |
| As at April 01, 2023                  | 129.39          | 13.23               | 50.48        | 23.83           | 216.93        |
| Charge for the year                   | 70.69           | 4.62                | 19.76        | 16.02           | 111.09        |
| Translation adjustment                | 1.00            | -                   | 0.44         | 0.18            | 1.62          |
| Disposals / Discarded / Adjustment    | -               | -                   | (11.50)      | (7.22)          | (18.72)       |
| <b>As at March 31, 2024</b>           | <b>201.08</b>   | <b>17.85</b>        | <b>59.18</b> | <b>32.81</b>    | <b>310.92</b> |
| Charge for the year                   | 73.29           | 4.62                | 16.19        | 18.42           | 112.52        |
| Translation adjustment                | 5.16            | -                   | 1.68         | 0.92            | 7.76          |
| Disposals / Discarded / Adjustment    | -               | -                   | (32.71)      | (1.59)          | (34.30)       |
| <b>As at March 31, 2025</b>           | <b>279.53</b>   | <b>22.47</b>        | <b>44.34</b> | <b>50.56</b>    | <b>396.90</b> |
| <b>Net block as on March 31, 2025</b> | <b>373.78</b>   | <b>14.63</b>        | <b>14.44</b> | <b>25.01</b>    | <b>427.86</b> |
| <b>Net block as on March 31, 2024</b> | <b>437.54</b>   | <b>19.25</b>        | <b>30.23</b> | <b>42.75</b>    | <b>529.77</b> |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 44. Leases (Contd...)

The carrying amounts of lease liabilities recognised and the movements during the year is as follows:

|                             |  | (₹ in million) |
|-----------------------------|--|----------------|
| Particulars                 |  | Amount         |
| <b>As at April 01, 2023</b> |  | <b>453.37</b>  |
| Additions                   |  | 173.68         |
| Accretion of interest       |  | 11.78          |
| Translation adjustment      |  | 2.36           |
| Payments                    |  | (115.42)       |
| <b>As at March 31, 2024</b> |  | <b>525.77</b>  |
| Additions                   |  | 0.86           |
| Accretion of interest       |  | 14.02          |
| Translation adjustment      |  | 9.95           |
| Payments                    |  | (125.00)       |
| <b>As at March 31, 2025</b> |  | <b>425.60</b>  |

|             |                |  | (₹ in million) |
|-------------|----------------|--|----------------|
| Particulars | March 31, 2025 |  | March 31, 2024 |
| Current     | 107.23         |  | 117.96         |
| Non current | 318.37         |  | 407.81         |

The maturity analysis of lease liabilities are disclosed in note 50.

The effective interest rate for lease liabilities is 1.6% to 12 %.

The following are the amounts recognised in the consolidated Ind AS statement of profit and loss:

|   |                |  | (₹ in million) |
|---|----------------|--|----------------|
| Particulars   | March 31, 2025 |  | March 31, 2024 |
| Depreciation expense of right-of-use assets (refer note 35)   | 112.52         |  | 111.09         |
| Interest expense on lease liabilities (refer note 36)   | 14.02          |  | 11.78          |
| Expense relating to short-term leases and leases of low-value assets (included in other expenses) (refer note 37) | 58.37          |  | 49.48          |
| <b>Total amount recognised in consolidated Ind AS profit or loss</b>  | <b>184.91</b>  |  | <b>172.35</b>  |

The Group had total cash outflows for leases of ₹ 183.37 million in March 31, 2025 (March 31, 2024: 164.90 million).

### 45. Commitments and contingencies

#### (a) Capital commitments

|  |                |  | (₹ in million) |
|--|----------------|--|----------------|
| Particulars  | March 31, 2025 |  | March 31, 2024 |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 166.03         |  | 3.32           |

#### (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.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 45. Commitments and contingencies (Contd...)

#### (c) Contingent liabilities

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Group 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.

##### (i) Particulars of guarantees

| (₹ in million)                   |                |                |
|----------------------------------|----------------|----------------|
| Particulars of Guarantees        | March 31, 2025 | March 31, 2024 |
| Bank guarantees (refer note 13)* | 29.15          | 29.60          |

\* 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) The Hon'ble Supreme Court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act, 1952. The Management is of the view that there are interpretative challenges on the application of the judgement retrospectively. Based on the legal advice and in the absence of reliable measurement of the provision for earlier periods, the Group has made a provision for provident fund contribution pursuant to the judgement only from the date of Supreme Court Order. The Group will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Group does not expect any material impact of the same.
- (iii) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on May 03, 2023, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the Holding Company and its domestic subsidiaries believes the impact of the change will not be significant.

##### (iv) Contingent liabilities\*

| (₹ in million)   |                |                |
|--|----------------|----------------|
| Description  | March 31, 2025 | March 31, 2024 |
| Income taxes under dispute                                 | 92.06          | 46.44          |
| Indirect taxes under dispute                               | 116.53         | 136.85         |
| Others:  |                |                |
| - Other claims against the Group not acknowledged as debts | 24.74          | 9.91           |

\* 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.

### 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 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'.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 46. Segment information - Disclosure pursuant to Ind AS 108 "Operating Segments" (Contd...)

#### (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, 2025   | March 31, 2024   | March 31, 2025       | March 31, 2024  |
| (i) India              | 3,614.78         | 3,120.50         | 1,218.89             | <b>1,171.80</b> |
| (ii) Europe and UK     | 6,743.73         | 6,348.50         | 975.87               | 1,205.81        |
| (iii) North America    | 937.61           | 1,320.31         | 261.36               | 183.90          |
| (iv) Rest of the world | 258.05           | 118.89           | -                    | -               |
| <b>Total</b>           | <b>11,554.17</b> | <b>10,908.20</b> | <b>2,456.12</b>      | <b>2,561.51</b> |

\*Revenue by geographical area are based on the geographical location of the customers.

\*\*Non-current assets excludes financial assets and tax assets.

### 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.



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 47. Share-based payments (Contd...)

#### 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<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| Fair value at grant date               | Rs. 11.65 - ₹ 277.30         | Rs. 11.65 - ₹ 277.30         |
| Share price at grant date              | Rs. 71.25 & ₹ 637.05         | Rs. 71.25 & ₹ 637.05         |
| Weighted average exercise price (WAEP) | Rs. 71.25                    | Rs. 71.25                    |
| Dividend yield (%)                     | 10%                          | 10%                          |
| Expected life of share options (years) | 1- 4 years                   | 1- 4 years                   |
| Risk free interest rate (%)            | 5.70 - 8.60%                 | 5.70 - 8.60%                 |
| Expected volatility (%)                | 48.31%                       | 48.31%                       |

| Particulars                            | Centum RSU - 2021            |                              |
|--|------------------------------|------------------------------|
|  | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
| Fair value at grant date               | Rs. 420.08 / 730.13          | Rs. 420.08 / 730.13          |
| Share price at grant date              | Rs. 455.65 / 814.61          | Rs. 455.65 / 814.61          |
| Weighted average exercise price (WAEP) | Rs. 10                       | Rs. 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<br>March 31, 2025 |          | For the year ended<br>March 31, 2024 |              |
|---|--------------------------------------|----------|--------------------------------------|--------------|
|   | Number of<br>options                 | WAEP     | Number of<br>options                 | WAEP         |
| Options outstanding at April 1,         | 8,373                                | 71.25    | 12,026                               | <b>71.25</b> |
| Granted during the period               | -                                    | -        | -                                    | -            |
| Forfeited / lapsed during the period    | -                                    | -        | -                                    | -            |
| Exercised during the period             | 8,373                                | 71.25    | 3,653                                | 71.25        |
| Expired during the period               | -                                    | -        | -                                    | -            |
| <b>Options outstanding at March 31,</b> | <b>-</b>                             | <b>-</b> | <b>8,373</b>                         | <b>71.25</b> |
| Exercisable at year end                 | -                                    | -        | <b>8,373</b>                         | <b>71.25</b> |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 47. Share-based payments (Contd...)

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<br>March 31, 2025 |           | For the year ended<br>March 31, 2024 |           |
|---|--------------------------------------|-----------|--------------------------------------|-----------|
|   | Number of<br>options                 | WAEP      | Number of<br>options                 | WAEP      |
| Options outstanding at April 1,         | 137,600                              | 10        | 115,400                              | 10        |
| Granted during the period               | -                                    | -         | 27,500                               | 10        |
| Forfeited / lapsed during the period    | 23,300                               | 10        | 5,300                                | 10        |
| Exercised during the period             | -                                    | -         | -                                    | -         |
| Expired during the period               | -                                    | -         | -                                    | -         |
| <b>Options outstanding at March 31,</b> | <b>114,300</b>                       | <b>10</b> | <b>137,600</b>                       | <b>10</b> |
| Exercisable at year end                 | 114,300                              | 10        | 137,600                              | 10        |

The options outstanding as at March 31, 2025 had an exercise price of ₹ 10 (March 31, 2024: ₹ 10) and the weighted average remaining contractual life of 5.15 years (March 31, 2024: 6.15 years)

### 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:

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| Expense arising from equity settled share based payment transaction (refer note 34) | 14.15          | 21.68          |

### 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.

| Particulars  | (₹ in million)  |                |
|--|-----------------|----------------|
|  | March 31, 2025  | March 31, 2024 |
| Gross proceeds raised through issue of equity shares   | 2,100.00        | -              |
| <b>Expenses related to the issue of equity shares through QIP:</b>   |                 |                |
| Recognised in equity*  | 90.42           | -              |
| Expenses recorded in the consolidated IND AS statement of profit and loss                                    | 2.79            | -              |
| Taxes thereon  | 7.32            | -              |
|  | <b>100.53</b>   | -              |
| <b>Proceeds from issue of equity shares (net of share issue expenses)</b>                                    | <b>1,999.47</b> | -              |
| <b>Utilisation proceeds:</b>   |                 |                |
| Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by the Holding Company | 1,102.34        | -              |
| <b>Unutilised QIP Proceeds as at March 31, 2025</b>  | <b>897.13</b>   | -              |

\*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, 2025 (refer note 13):

- Fixed deposits with the bank amounting to ₹ 450.00 million.
- Balance in current account and QIP monitoring account aggregating to ₹ 447.13 million.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 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, 2025  | March 31, 2024  |
| Borrowings (refer note 19 and 23)               | 1,447.83        | 1,892.74        |
| Less: Cash and cash equivalents (refer note 13) | 677.64          | 481.21          |
| <b>Net debt</b>                                 | <b>770.19</b>   | <b>1,411.53</b> |
| <b>Capital components</b>                       |                 |                 |
| Equity share capital (refer note 16)            | 147.07          | 128.88          |
| Other equity (refer note 17)                    | 3,905.16        | 1,903.84        |
| Non-controlling interests                       | (109.58)        | (65.62)         |
| <b>Total Capital</b>                            | <b>3,942.65</b> | <b>1,967.10</b> |
| <b>Capital and net debt</b>                     | <b>4,712.84</b> | <b>3,378.63</b> |
| <b>Gearing ratio</b>                            | <b>16%</b>      | <b>42%</b>      |

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 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, 2025 and March 31, 2024.

| As at March 31, 2025                                    |  |  |  | (₹ in million)  |                  |                      |
|---|--|--|--|-----------------|------------------|----------------------|
| Particulars   | Fair value through statement of profit or loss | Fair value through statement of other comprehensive income | Derivative instruments not in hedging relationship | Amortised cost  | Total fair value | Total carrying value |
| <b>Financial assets</b>                                 |  |  |  |                 |                  |                      |
| (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 | -  | -  | -  | 813.00          | 813.00           | 813.00               |
| (v) Other financial assets                              | -  | -  | -  | 625.52          | 625.52           | 625.52               |
| <b>Total</b>  | <b>0.57</b>                                    | <b>-</b>   | <b>-</b>   | <b>5,181.53</b> | <b>5,182.10</b>  | <b>5,182.10</b>      |
| <b>Financial liabilities</b>                            |  |  |  |                 |                  |                      |
| (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               |
| <b>Total</b>  | <b>-</b>                                       | <b>-</b>   | <b>-</b>   | <b>4,509.60</b> | <b>4,509.60</b>  | <b>4,509.60</b>      |
| As at March 31, 2024                                    |  |  |  | (₹ in million)  |                  |                      |
| Particulars   | Fair value through statement of profit or loss | Fair value through statement of other comprehensive income | Derivative instruments not in hedging relationship | Amortised cost  | Total fair value | Total carrying value |
| <b>Financial assets</b>                                 |  |  |  |                 |                  |                      |
| (i) Investments (other than investments in associates)  | 0.55   | -  | -  | -               | 0.55             | 0.55                 |
| (ii) Trade receivables                                  | -  | -  | -  | 2,279.77        | 2,279.77         | 2,279.77             |
| (iii) Cash and cash equivalents                         | -  | -  | -  | 481.21          | 481.21           | 481.21               |
| (iv) Bank balances other than cash and cash equivalents | -  | -  | -  | 381.73          | 381.73           | 381.73               |
| (v) Other financial assets                              | -  | -  | -  | 569.31          | 569.31           | 569.31               |
| <b>Total</b>  | <b>0.55</b>                                    | <b>-</b>   | <b>-</b>   | <b>3,712.02</b> | <b>3,712.57</b>  | <b>3,712.57</b>      |
| <b>Financial liabilities</b>                            |  |  |  |                 |                  |                      |
| (i) Borrowings  | -  | -  | -  | 1,892.74        | 1,892.74         | 1,892.74             |
| (ii) Lease liabilities                                  | -  | -  | -  | 525.77          | 525.77           | 525.77               |
| (iii) Trade payables                                    | -  | -  | -  | 2,221.89        | 2,221.89         | 2,221.89             |
| (iv) Other financial liabilities                        | -  | 0.22   | -  | 371.38          | 371.60           | 371.60               |
| <b>Total</b>  | <b>-</b>                                       | <b>0.22</b>  | <b>-</b>   | <b>5,011.78</b> | <b>5,012.00</b>  | <b>5,012.00</b>      |

Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 50. Disclosures on Financial instruments (Contd...)

#### (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.

(₹ in million)

| Particulars  | Fair value measurements at reporting date using |         |          |         |
|--|---|---------|----------|---------|
|  | Total   | Level 1 | Level 2  | Level 3 |
| <b>March 31, 2025</b>                              |   |         |          |         |
| <b>Financial assets</b>                            |   |         |          |         |
| Investments (other than investments in associates) | 0.57  | -       | -        | 0.57    |
| <b>Financial liabilities</b>                       |   |         |          |         |
| Borrowings   | 1,447.83  | -       | 1,447.83 | -       |
| <b>March 31, 2024</b>                              |   |         |          |         |
| <b>Financial assets</b>                            |   |         |          |         |
| Investments (other than investments in associates) | 0.55  | -       | -        | 0.55    |
| <b>Financial liabilities</b>                       |   |         |          |         |
| Borrowings   | 1,892.74  | -       | 1,892.74 | -       |
| Derivative liability                               | 0.22  | -       | 0.22     | -       |

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2025 and March 31, 2024.

#### (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

#### (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.

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 50. Disclosures on Financial instruments (Contd...)

#### 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:

| Particulars           | Increase / decrease<br>in basis points | (₹ in million)<br>Effect on profit<br>before tax |
|-----------------------|--|--|
|                       |  |  |
| <b>March 31, 2025</b> |  |  |
|                       | +50                                    | (4.56)   |
|                       | -50                                    | 4.56   |
| <b>March 31, 2024</b> |  |  |
|                       | +50                                    | (5.85)   |
|                       | -50                                    | 5.85   |

#### (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.

| Particulars           | Change in<br>currency | (₹ in million)<br>Effect on profit or loss |           |
|-----------------------|-----------------------|--|-----------|
|                       |                       | Strengthening                              | Weakening |
| <b>March 31, 2025</b> |                       |  |           |
| USD                   | 5%                    | (14.27)                                    | 14.27     |
| EURO                  | 5%                    | (7.35)                                     | 7.35      |
| CAD                   | 5%                    | 2.12                                       | (2.12)    |
| <b>March 31, 2024</b> |                       |  |           |
| USD                   | 5%                    | (14.46)                                    | 14.46     |
| EURO                  | 5%                    | 0.53                                       | (0.53)    |

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 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.



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 50. Disclosures on Financial instruments (Contd...)

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.

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           |
|-----------------------------|-----------------|---------------|--------------|-----------------|
| <b>March 31, 2025</b>       |                 |               |              |                 |
| 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          |
|                             | <b>3,978.59</b> | <b>522.71</b> | <b>27.48</b> | <b>4,528.78</b> |
| <b>March 31, 2024</b>       |                 |               |              |                 |
| Borrowings                  | 1,446.03        | 446.71        | -            | 1,892.74        |
| Lease liabilities           | 127.62          | 335.16        | 88.86        | 551.64          |
| Trade payables              | 2,221.89        | -             | -            | 2,221.89        |
| Other financial liabilities | 529.85          | -             | -            | 529.85          |
|                             | <b>4,325.39</b> | <b>781.87</b> | <b>88.86</b> | <b>5,196.12</b> |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 51. Disclosure under Ind AS 115

#### a) Timing of revenue recognition

**March 31, 2025** (₹ in million)

| Particulars                           | Performance obligation satisfied at point in time | Performance obligation satisfied over time* | Total            |
|---------------------------------------|---|---|------------------|
| Sale of products                      | 9,045.78  | -   | 9,045.78         |
| Sale of services                      | -   | 2,262.86                                    | 2,262.86         |
| Sale of scrips on export entitlements | 18.31   | -   | 18.31            |
| Sales commission                      | 0.76  | -   | 0.76             |
| Income from foreign subsidies         | -   | 226.46                                      | 226.46           |
| <b>Total</b>                          | <b>9,064.85</b>                                   | <b>2,489.32</b>                             | <b>11,554.17</b> |

**March 31, 2024** (₹ in million)

| Particulars                   | Performance obligation satisfied at point in time | Performance obligation satisfied over time* | Total            |
|-------------------------------|---|---|------------------|
| Sale of products              | 8,234.47  | -   | 8,234.47         |
| Sale of services              | -   | 2,247.99                                    | 2,247.99         |
| Management fees               | -   | 110.09                                      | 110.09           |
| Sales commission              | 7.44  | -   | 7.44             |
| Income from foreign subsidies | -   | 308.21                                      | 308.21           |
| <b>Total</b>                  | <b>8,241.91</b>                                   | <b>2,666.29</b>                             | <b>10,908.20</b> |

\* 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, 2025 | March 31, 2024 |
|--|----------------|----------------|
| Trade receivables (including unbilled revenue) (refer note 12) |                |                |
| - Current (gross)  | 3,163.30       | 2,309.50       |
| - Impairment allowance (allowance for bad and doubtful debts)  | (97.93)        | (29.73)        |
| Contract assets  |                |                |
| - Non-current (gross) (refer note 10)                          | 104.47         | 66.88          |
| - Current (gross) (refer note 15)                              | 497.81         | 533.32         |
| - Impairment allowance on contract assets                      | (51.25)        | (47.44)        |
| Contract Liabilities   |                |                |
| Deferred revenue (refer note 26)                               |                |                |
| - Current  | 549.32         | 418.85         |
| Advance from customers (refer note 26)                         |                |                |
| - Non-current  | 7.75           | 563.37         |
| - Current  | 2,222.58       | 1,483.80       |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 51. Disclosure under Ind AS 115 (Contd...)

#### c) Revenue recognised during the year

| (₹ in million)  |                |                 |
|---|----------------|-----------------|
| Particulars   | March 31, 2025 | March 31, 2024  |
| Arising out of contract liabilities as at the beginning of the year | 940.71         | 1,047.40        |
|   | <b>940.71</b>  | <b>1,047.40</b> |

#### d) Reconciliation of revenue recognised in the consolidated Ind AS statement of profit and loss with the contracted price

| (₹ in million)                              |                  |                  |
|---|------------------|------------------|
| Particulars                                 | March 31, 2025   | March 31, 2024   |
| Revenue as per contracted price             | 11,571.47        | 10,928.36        |
| Less:                                       |                  |                  |
| Cash discount                               | (17.30)          | (20.16)          |
| <b>Revenue from contract with customers</b> | <b>11,554.17</b> | <b>10,908.20</b> |

e) Revenue recognised during the year on account of contract modifications etc. although performance obligation was satisfied in prior years: ₹ 16.20 million (March 31, 2024 : ₹ 42.32 million).

f) Revenue from sale of products includes ₹ 138.69 million (March 31, 2024: Nil) accounted in respect of contracts with certain customers on net basis in accordance with Ind AS 115 during the year ended March 31, 2025. The gross value of invoicing in respect of such contract is ₹ 819.42 million (March 31, 2024: Nil) during the year ended March 31, 2025.

### 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, 2025 | March 31, 2024 |
|---|--|----------------|----------------|
| 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, 2025 | March 31, 2024 |
| Centum T&S Group Société Anonyme (S.A.) | (109.58)       | (65.62)        |

#### (Loss) / profit allocated to material non-controlling interest:

| (₹ in million)                          |                |                |
|---|----------------|----------------|
| Particulars                             | March 31, 2025 | March 31, 2024 |
| Centum T&S Group Société Anonyme (S.A.) | (43.83)        | (45.30)        |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 52. Interests in material partly-owned subsidiaries (Contd...)

#### Summarised financial position

| Particulars                                  | (₹ in million)    |                 |
|--|-------------------|-----------------|
|  | March 31, 2025    | March 31, 2024  |
| <b>Non-current assets</b>                    |                   |                 |
| Property, plant and equipment                | 49.50             | 59.03           |
| Other intangible assets                      | 229.23            | 280.79          |
| Intangible assets under development          | 74.09             | 100.99          |
| Right-of-use assets                          | 403.06            | 492.73          |
| Financial and other assets                   | 239.87            | 289.37          |
| <b>Total</b>                                 | <b>995.75</b>     | <b>1,222.91</b> |
| <b>Current assets</b>                        |                   |                 |
| Inventories                                  | 207.43            | 271.06          |
| Financial and other assets                   | 1,908.64          | 1,802.40        |
| <b>Total</b>                                 | <b>2,116.07</b>   | <b>2,073.46</b> |
| <b>Non-current liabilities</b>               |                   |                 |
| Financial liabilities (including borrowings) | 451.01            | 741.22          |
| Other liabilities                            | 663.56            | 123.31          |
| <b>Total</b>                                 | <b>1,114.57</b>   | <b>864.53</b>   |
| <b>Current liabilities</b>                   |                   |                 |
| Financial liabilities (including borrowings) | 1,534.30          | 1,618.62        |
| Other liabilities                            | 1,541.31          | 1,458.70        |
| <b>Total</b>                                 | <b>3,075.61</b>   | <b>3,077.32</b> |
| <b>Total equity</b>                          | <b>(1,078.36)</b> | <b>(645.48)</b> |
| <b>Attributable to:</b>                      |                   |                 |
| Equity holders of parent                     | (968.78)          | (579.86)        |
| Non-controlling interests                    | (109.58)          | (65.62)         |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 52. Interests in material partly-owned subsidiaries (Contd...)

#### Summarised statement of profit and loss

| Particulars  | (₹ in million)  |                 |
|--|-----------------|-----------------|
|  | March 31, 2025  | March 31, 2024  |
| Income   |                 |                 |
| Revenue from operations  | 4,364.58        | 4,602.05        |
| Other Income   | 19.61           | -               |
| Finance Income   | 1.60            | 2.85            |
| <b>Total Income</b>  | <b>4,385.79</b> | <b>4,604.90</b> |
| Expenses   |                 |                 |
| Cost of materials consumed   | 1,429.54        | 1,565.79        |
| Decrease/ (increase) in inventories of work-in-progress and finished goods             | 27.53           | (52.54)         |
| Employee benefit expenses  | 2,388.16        | 2,477.90        |
| Finance costs  | 138.69          | 154.66          |
| Depreciation and amortisation expenses   | 230.03          | 197.89          |
| Other expenses   | 455.14          | 540.51          |
| <b>Total Expenses</b>  | <b>4,669.09</b> | <b>4,884.21</b> |
| Share of profit / (loss) of associates (net)   | -               | -               |
| <b>(Loss) / profit before exceptional items and tax</b>                                | <b>(283.30)</b> | <b>(279.31)</b> |
| Exceptional items  | 148.30          | 48.79           |
| (Loss) / profit before tax expense   | (431.60)        | (328.10)        |
| Tax Expenses   | -               | -               |
| <b>(Loss) / profit after tax for the year</b>  | <b>(431.60)</b> | <b>(328.10)</b> |
| 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                              | (1.27)          | (4.15)          |
| <b>Total comprehensive income for the year</b>   | <b>(432.87)</b> | <b>(332.25)</b> |
| Attributable to non-controlling interest   | (43.83)         | (45.30)         |

#### Summarised cashflow information:

| Particulars   | (₹ in million) |                |
|---|----------------|----------------|
|   | March 31, 2025 | March 31, 2024 |
| Cash flow from / (used in) investing activities                 | 426.36         | 1,190.85       |
| Cash flow from / (used in) investing activities                 | 61.49          | (107.61)       |
| Cash flow (used in) / from investing activities                 | (495.75)       | (1,106.11)     |
| <b>Net (decrease) / increase in cash &amp; cash equivalents</b> | <b>(7.90)</b>  | <b>(22.87)</b> |

## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

**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 and its domestic subsidiary have complied with the requirement for all the IT applications.

### 54. Hedging activities and derivatives

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. These derivative instruments are not designated as cash flow / fair value hedges and are entered into for periods consistent with foreign currency exposure of underlying transactions. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

| (₹ in million)                       |                |                |
|--------------------------------------|----------------|----------------|
| Particulars                          | March 31, 2025 | March 31, 2024 |
| Derivative liability (refer note 25) | -              | 0.22           |

**55.** As at March 31, 2025, gross trade payables amounting to ₹ 82.57 million (March 31, 2024: ₹ 100.46 million), gross advance from customers amounting to ₹ 984.55 million (March 31, 2024: ₹ 335.60 million) and gross trade receivables amounting to ₹ 671.44 million (March 31, 2024: ₹ 75.28 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, 2025, the Holding Company has netted off receivables and payables amounting to ₹ 673.84 million for a foreign customer cum vendor. The management is in the process of regularising the same with the appropriate regulatory authorities for approval to net off the same. The management is confident that required approvals would be received and penalties, if any that may be imposed on the Holding Company would not be material. Accordingly, no adjustments have been made by the management to these consolidated Ind AS financial statements in this regard.

### 56. Other statutory information

- The Holding Company and its domestic subsidiary 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.
- The Holding Company and its domestic subsidiary does not have any transactions with struck off company under section 248 of Companies Act, 2013.
- The Holding Company and its domestic subsidiary does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Holding Company and its domestic subsidiary has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- Following are the details of the funds invested by the Holding Company to Intermediaries for further advancing to the Ultimate beneficiaries:

| (€ in million)   |                        |                          |  |  |   |
|--|------------------------|--------------------------|--|--|---|
| Name of the intermediary in which the funds are invested | Date of funds invested | Amount of funds invested | Date on which funds are advanced by intermediaries to Ultimate Beneficiaries | Amount of funds further advanced to ultimate beneficiaries | Ultimate Beneficiary                            |
| Centum Electronics UK Limited                            | December 9, 2024       | 1.00                     | December 9, 2024   | 1.00   | Centum T&S Group Société Anonyme (S.A.), France |
|  | January 30, 2025       | 2.00                     | February 3, 2025   | 2.00   |   |
|  | March 20, 2025         | 2.00                     | March 24, 2025   | 2.00   |   |

The Holding Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and The Companies Act, 2013 for the above transactions and the transactions are not violative of the Prevention of Money laundering Act, 2002 (15 of 2003).



## Notes to the consolidated Ind AS financial statements for the year ended March 31, 2025

### 56. Other statutory information (Contd...)

Complete details of the Intermediary and Ultimate Beneficiary:

| Name of the entity                              | Registered Address                                     | Government Identification Number | Relationship with the Company |
|---|--|----------------------------------|-------------------------------|
| Centum Electronics UK Limited                   | 16 Great Queen Street, Covent Garden, London, WC2B 5AH | 10186046                         | Subsidiary                    |
| Centum T&S Group Société Anonyme (S.A.), France | 4 Chemin du Ruisseau 69130 Ecully                      | 423343789 R.C.S. Lyon            | Subsidiary                    |

- (vi) The Holding Company and its domestic subsidiary 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 and its domestic subsidiary 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 Group has not been declared as a wilful defaulter by any banks or financial institutions.

- 57.** The Holding Company and its domestic subsidiary have 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 and its domestic subsidiary have also used certain accounting softwares which are operated by a 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.

### 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 for details.

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 22, 2025

**For and on behalf of Board of Directors of Centum Electronics Limited**

**Apparao V Mallavarapu**  
Chairman and Managing Director  
DIN: 00286308

**Indu H S**  
Company Secretary  
Membership number: F12285

Place : Bengaluru, India  
Date : May 22, 2025

**Nikhil Mallavarapu**  
Joint Managing Director  
DIN: 00288551

**K.S. Desikan**  
Chief Financial Officer

## Centum Electronics Limited

Corporate Identity Number (CIN) – L85110KA1993PLC013869

Registered Office: No.44, KHB Industrial Area, Yelahanka New Town, Bangalore – 560 106

Tel. No: +91 080 4143 6000 Fax No: +91 080 4143 6005

Email: [investors@centumelectronics.com](mailto:investors@centumelectronics.com) Website: [www.centumelectronics.com](http://www.centumelectronics.com)

### Notice of the 32<sup>nd</sup> Annual General Meeting

**Notice is hereby given that the Thirty Second (32<sup>nd</sup>) Annual General Meeting (AGM) of the Members of Centum Electronics Limited ("the Company") will be held on Tuesday, August 5, 2025 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 - 560 106.

#### 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, 2025, 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, 2025 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, 2025, 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, 2025 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, 2025 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 ₹ 6 (Rupees six only) per equity share of the face value of ₹ 10 (Rupee

Ten) each fully paid up, of the Company, as recommended by the Board of Directors for the financial year ended 31<sup>st</sup> March 2025."

##### 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 - Appointment of Secretarial Auditors of the Company

To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013 and rules made thereunder, Mr. K Rajshekar, Practicing Company Secretary, FCS 4078, CP No 2468, be and is hereby appointed as the Secretarial Auditor of the Company, to carry out Secretarial Audit for consecutive 5 years, i.e. from the FY. 2025-26 to FY. 2029-30, on such annual remuneration plus applicable taxes and reimbursement of out-of-pocket expenses as shall be fixed by the Board of Directors of the Company in consultation with the Secretarial Auditor.

**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."

##### Item No.6 – 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 2025-26, 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 22, 2025**

**Indu H S  
Company Secretary  
& Compliance Officer**

**Registered Office:**

No.44, KHB Industrial Area  
Yelahanka New Town  
Bengaluru – 560 106  
CIN: L85110KA1993PLC013869

**NOTES:**

1. The Ministry of Corporate Affairs ("MCA") has, vide its General Circular No. 09/2024 dated September 19, 2024, 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 and September 25, 2023 (collectively, referred to as the "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") and passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
2. In line with the MCA Circulars and the Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and subsequent Circulars issued in this regard by the Securities and Exchange Board of India (SEBI), the latest being Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, the Notice of the AGM along with the Annual Report 2024-25 is being sent by electronic mode to those Members whose email addresses are registered with the Company/ Depository Participants ('DP'). The Company shall send a physical copy of the Annual Report 2024-25 to those Members who request the same at investors@centumelectronics.com mentioning their Folio No./DP ID and Client ID. In accordance with Regulation 36(1)

(b) of the SEBI Listing Regulations, a letter is being sent to the shareholders whose email addresses are not registered with the Company/DP, providing a web-link and QR code for accessing the Annual Report 2024-25.

Members may note that the Notice and Annual Report for the financial year ended 31st March, 2025 is also available on the Company's website [www.centumelectronics.com](http://www.centumelectronics.com), websites of the Stock Exchanges i.e.BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

3. The Company has enabled the Members to participate at the 32<sup>nd</sup> AGM through the VC / OAVM facility provided by KFin Technologies Limited, Registrar and Share 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.
4. As per the provisions under the MCA Circulars, Members attending the 32<sup>nd</sup> AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. 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 32<sup>nd</sup> AGM being held through VC / OAVM.
6. 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.
7. 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 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>.
8. As per the provisions of the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote

on his/her behalf. Since the 32<sup>nd</sup> AGM is being held through VC / OAVM as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies to attend and cast vote for the members will not be made available for the 32<sup>nd</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

9. 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.
10. 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.
11. The Company has fixed Friday, July 25, 2025, as Record Date for determining the members eligible for Dividend on Equity Shares, if declared at the Annual General Meeting.
12. 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 on or before Wednesday, September 3, 2025, to those members whose names appear in the Register of Members on the Record Date.
13. Pursuant to the Income-tax Act, 1961, 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, 1961 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (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. 15G/15H, to avail the benefit of non-deduction of tax at source by sending an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or [investors@centumelectronics.com](mailto:investors@centumelectronics.com). Shareholders are requested to note that in case their PAN is not registered, the 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. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, self-declaration and any other document which may be required to avail the tax treaty benefits by sending an email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or [investors@centumelectronics.com](mailto:investors@centumelectronics.com).

The aforesaid declarations and documents need to be submitted by the shareholders latest by Friday, July 25, 2025.

14. 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 & 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 & Transfer Agent at the earliest.
15. Updation of PAN and other details

SEBI vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023, November 17, 2023 and May 7, 2024) mandated that the security holders (holding securities in physical form), whose folio(s) are not updated with the KYC details (any of the details viz., PAN, Choice of Nomination, Contact Details, Mobile Number, Bank Account Details and signature, if any) shall be eligible for any payment including dividend, interest or redemption payment in respect of such folios, only through electronic mode with effect from April 01, 2024.

Accordingly, as mandated vide captioned circulars, the dividend payable against your holdings is liable to be withheld if the KYC details are not updated against your holding. For updation of KYC details against your folio, you are requested to send the details as per the formats specified below along with the supporting documents:

- a. Form ISR-1 duly filled in along with self attested supporting documents for updation of KYC details. b. Form ISR-2 duly filled in with banker attestation of signature along with original cancelled cheque with your name(s) printed thereon or self-attested copy of bank passbook/ statement. c. Form SH-13 for updation of Nomination for the aforesaid folio OR ISR-3 for "Opt-out" of the Nomination.

Investors can download the following forms & SEBI Circulars, which are also uploaded on the website of the company: [www.centumelectronics.com](http://www.centumelectronics.com) and on the website of Kfin Technologies Limited; <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

Please forward the duly executed KYC documents in any of the following modes to our RTA, M/s. KFin Technologies Limited (Unit: Centum Electronics Limited), Selenium Tower-B", Plot



No 31 & 32, Gachibowli, Financial District,  
Nanakramguda, Serilingampally, Hyderabad –  
500 032, Telangana

- a. Through hard copies which should be self-attested and dated OR
- b. Through electronic mode, provided that they are sent through E-mail ID of the holder registered with RTA and all documents should be electronically/ digitally signed by the Shareholder and in case of joint holders, by first joint holder OR
- c. Through web - portal of our RTA KFin Technologies Limited - <https://ris.kfintech.com>

The Company has also issued public notice urging the shareholders for registration and/or updation of their email id, Permanent Account Number (PAN) and bank mandate with the Company to ensure receipt of Annual Report, dividend and/or any other consideration and other communication timely, faster and easier and more importantly avoids fraudulent encashment of warrants.

The Company has sent reminders to those shareholders whose bank details are not available with the RTA, 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.

16. Awareness about Online Resolution of Disputes in the Indian Securities Market through Online Dispute Resolution ("ODR") Portal:
  - I. This is to inform the members that Securities and Exchange Board of India ("SEBI") vide circular no. SEBI/HO/OIAE/OIAE\_IAD1/P/CIR/2023/131 dated July 31, 2023 issued guidelines for online resolution of disputes in the Indian securities market through establishment of a common ODR Portal which harnesses online conciliation and online arbitration for resolution of disputes arising between investors/clients and listed companies (including their RTA's) or specified intermediaries/ regulated entities in the securities market.
  - II. SEBI vide circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023 has further clarified that the investor shall first take up his/her/their grievance with the Market Participant (Listed Companies, specified intermediaries, regulated entities) by lodging a

complaint directly with the concerned Market Participant. If the grievance is not redressed satisfactorily, the investor may escalate the same through the SCORES Portal <https://scores.gov.in/scores/Welcome.html> in accordance with the process laid out. After exhausting the above options for resolution of the grievance, if the investor is still not satisfied with the outcome, he/she/they can initiate dispute resolution through the ODR Portal.

- III. The SMART ODR Portal can be accessed at: <https://smartodr.in/login>.

17. In accordance with the proviso to Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, Members holding equity shares in physical form are urged to have their shares dematerialized to enable to transfer shares in a hassle free manner.
18. Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filling Form No. SH-13 or Form ISR-3 (Declaration to Opt-out). Members holding shares in the dematerialised form may contact their DP's for recording the nomination in respect of their holdings.
19. Forms ISR-1, ISR-2, ISR-3, ISR-4 & SH-13 alongwith 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 Tower B, Plot 31-32, Financial District,  
Nanakramguda, Serilingampally Mandal,  
Hyderabad – 500032, Telangana,  
Toll Free No.: 1800-309-4001  
E-mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)
20. 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.
21. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed hereto.
22. 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.

23. The following documents will be available for inspection by the Members electronically during the 32nd AGM. Members seeking to inspect such documents can send an email to [investors@centumelectronics.com](mailto: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.

24. Members are requested to send all communications relating to Shares including dividend matters to our Registrar and Share Transfer Agents at the following address:

KFin Technologies Limited,  
Selenium Building, Tower B, Plot Nos.31 & 32,  
Financial District,  
Nanakramguda, Serilingampally Mandal,  
Hyderabad – 500032  
Toll Free No.1800 309 4001  
Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

25. 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.
26. 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:**

27. 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 Saturday, August 2, 2025, at 9.00 a.m. to Monday, August 4, 2025, 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 Tuesday, July 29, 2025, 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](mailto: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 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 | <ol style="list-style-type: none"> <li>For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. 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 &amp; voting during the meeting.</li> <li><b>Existing Internet-based Demat Account Statement ("IDeAS") facility Users:</b> <ol style="list-style-type: none"> <li>Visit the e-services website of NSDL <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile.</li> <li>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.</li> <li>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.</li> <li>Click on company name i.e. '<b>Centum Electronics Limited</b>' or ESP i.e. KFin.</li> <li>Members will be re-directed to KFin's website for casting their vote during the remote e-voting period.</li> </ol> </li> <li><b>Those not registered under IDeAS:</b> <ol style="list-style-type: none"> <li>Visit <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> for registering.</li> <li>Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-voting website of NSDL <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a>.</li> <li>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.</li> <li>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.</li> <li>After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.</li> <li>Click on company name i.e '<b>Centum Electronics Limited</b>' 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.</li> </ol> </li> </ol> |

| Type of shareholders  | Login Method   |
|---|--|
|   | <p>viii. Members can also download the NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  App Store         </div> <div style="text-align: center;">  Google Play         </div> </div> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>  |
| Individual Shareholders holding securities in demat mode with CDSL                            | <ol style="list-style-type: none"> <li><b>1. Existing user who have opted for Electronic Access To Securities Information ("Easi/ Easiest") facility:</b> <ol style="list-style-type: none"> <li>i. Visit <a href="https://web.cdslindia.com/myeasitoken/Home/Login">https://web.cdslindia.com/myeasitoken/Home/Login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a>.</li> <li>ii. Click on New System Myeasi.</li> <li>iii. Login to Myeasi option under quick login.</li> <li>iv. Login with the registered user ID and password.</li> <li>v. Members will be able to view the e-voting Menu.</li> <li>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.</li> </ol> </li> <li><b>2. User not registered for Easi/ Easiest</b> <ol style="list-style-type: none"> <li>i. Visit <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a> or <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration</a> for registering.</li> <li>ii. Proceed to complete registration using the DP ID, Client ID (BO ID), etc.</li> <li>iii. After successful registration, please follow the steps given in point no. 1 above to cast your vote.</li> </ol> </li> <li><b>3. Alternatively, by directly accessing the e-voting website of CDSL</b> <ol style="list-style-type: none"> <li>i. Visit <a href="http://www.cdslindia.com">www.cdslindia.com</a>.</li> <li>ii. Provide demat account number and PAN.</li> <li>iii. System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account.</li> <li>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. '<b>Centum Electronics Limited</b>' or select KFin.</li> </ol> </li> </ol> |
| Individual Shareholder login through their demat accounts / Website of Depository Participant | <ol style="list-style-type: none"> <li>i. Members can also login using the login credentials of their demat account through their DPs registered with the Depositories for e-voting facility.</li> <li>ii. Once logged-in, Members will be able to view e-voting option.</li> <li>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.</li> <li>iv. Click on options available against '<b>Centum Electronics Limited</b>' or 'KFin'.</li> </ol> <p>Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.</p>   |

**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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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](mailto:cs@nagarajsp818.com) with a copy marked to [evoting@kfintech.com](mailto: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, including Individual, other than Individual and Physical, 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 through 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](mailto:investors@centumelectronics.com). Questions /queries received by the Company till Sunday, August 3, 2025, 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 2000 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 Friday, August 1, 2025 to Sunday, August 3,

2025. 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 be opened from Friday, August 1, 2025 at 9:00 a.m. to Sunday, August 3, 2025 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](mailto:evoting@kfintech.com) or call KFinTech's toll free No. 1800-309-4001 for any further clarifications.
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, July 29, 2025, 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.
28. 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 1800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).
29. 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 "AGM Tutorial" tab placed on the top of the page.

**By Order of the Board of Directors  
For Centum Electronics Limited**

**Place: Bengaluru  
Date: May 22, 2025**

**Indu H S  
Company Secretary &  
Compliance Officer**

## **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

### **Item No.5:**

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ("the Act"), every listed company and certain other prescribed categories of companies are required to annex Secretarial Audit Report issued by a Practicing Company Secretary to their Board's report prepared under Section 134(3) of the Act.

SEBI vide its notification dated 12 December, 2024 amended Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("the Listing Regulations").

The Amended regulation read with the SEBI circular no. SEBI/HO/CFD/CFDPoD-2/CIR/P/2024/185 dated 31 December, 2024 (the Circular) have inter-alia prescribed the term of appointment/re-appointment, eligibility, qualifications and disqualifications of Secretarial Auditor of a Listed Company.

Pursuant to the amendments to Regulation 24A of the Listing Regulations, every listed entity is required to conduct a Secretarial Audit and annex the Secretarial Audit Report to its annual report.

Additionally, a listed entity must appoint a Secretarial Auditor for a maximum of one term of five consecutive years, with shareholders' approval to be obtained at the Annual General Meeting.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors has approved and recommended to the members of the Company, the appointment of Mr. K Rajshekar, FCS 4078, CP No 2468, as the Secretarial Auditor of the Company for a period of 5 (five) consecutive years, commencing from the Financial Year 2025-26 until the conclusion of the 37th Annual General Meeting of the Company which will be held in the Financial Year 2029-30.

The Board of Directors have approved that in addition to the Secretarial Audit Report, the Secretarial Auditor may also render such other services or provide such certificates, reports, or opinions which the Secretarial Auditors may be eligible to provide or issue under the Applicable Laws.

The terms and conditions of the secretarial auditor Mr. K Rajshekar's appointment include a tenure of five consecutive years, commencing from the Financial Year 2025-26 until the conclusion of the 37<sup>th</sup> Annual General Meeting of the Company which will be held in the Financial Year 2029-30. The proposed remuneration for the Secretarial Audit for the Financial year 2025-26 is ₹2,50,000/- (Rupees Two Lakhs Fifty Thousand), plus applicable taxes and other out-of-pocket costs incurred in connection with the audit.

Additional fees for statutory certifications and other professional services, if any, required to be obtained from the Secretarial Auditor, will be determined separately by the Board of Directors (including any Committee thereof) in consultation with the Secretarial Auditor. The remuneration for the subsequent financial years will also be approved by the Board (including any Committee thereof).

Mr. K Rajshekar has provided his consent cum eligibility letter and consented to act as the Secretarial Auditor of the Company and has confirmed that the proposed appointment, if made, would be within the limit specified by the Institute of Company Secretaries of India and in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations.

Accordingly, the consent of the shareholders is sought for the appointment of Mr. K Rajshekar, FCS 4078, CP No 2468 as the Secretarial Auditor of the Company.

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.

None of the Directors, Key Managerial Personnel (KMP), or their relatives have any financial or other interest in the proposed resolution.

### **Item No.6:**

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 2025-26 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 2025-26.

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. 6 of the Notice.

The Board of Directors recommends the ordinary resolution for approval by the members, as set out in the Item no. 6 of the notice convening the meeting.

**By Order of the Board of Directors  
For Centum Electronics Limited**

**Place: Bengaluru  
Date: May 22, 2025**

**Indu H S  
Company Secretary &  
Compliance Officer**



## Details of the Director seeking re-appointment at the 32nd 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:  |   |
| <p>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.</p> <p>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.</p> |   |
| No. of shares held in the Company   | 6,44,240  |
| Names of Listed entities in which she holds the Directorship as on 31 <sup>st</sup> March, 2025   | Centum Electronics Limited  |
| Inter-se relationship with other Directors  | Ms. Tanya Mallavarapu is the daughter of Mr. Apparao V Mallavarapu, Chairman & Managing Director and Promoter, Dr. Swarnalatha Mallavarapu, Promoter and sister of Mr. Nikhil Mallavarapu, Joint Managing Director. |





## INDIA

### **CENTUM ELECTRONICS LIMITED**

`Avansa', Plot -58P,  
Survey No.8, KIADB, Bengaluru  
Aerospace Park  
Industrial Area, Jala Hobli,  
Budigere Post,  
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Tel: +91 080 7121 4000

### **Yelahanka**

No.44, KHB Industrial Area,  
Yelahanka New Town,  
Bengaluru – 560 106  
Tel: +91 080 4143 6000

### **CENTUM T&S PRIVATE LIMITED**

NCC Urban Windsor  
76/2, 6<sup>th</sup> & 8<sup>th</sup> Floor  
New Airport Road,  
Opp. Jakkur Aerodrome,  
Allalasandra, Yelahanka,  
Bengaluru - 560 064  
Tel: +91 080 4679 8800

## FRANCE

### **CENTUM T&S GROUP – CENTUM T&S**

4, Chemin du Ruisseau,  
69130 Ecully, France.  
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### **CENTUM T&S**

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Parc Technologique  
de Basso Combo  
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Tel: +33 (0) 5 34 60 31 58

### **CENTUM T&S**

335 rue de Rochebrune –  
Zone Centr'Alp,  
Espace Roche Brune -  
Bâtiment B  
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Tel: +33 (0) 4 76 35 09 29

### **CENTUM T&S**

4 rue Emile Baudot,  
91120 Palaiseau  
Tel: +33 (0)1 73 54 10 10

## CANADA

### **CENTUM T&S – CENTUM E&S**

101 Boulevard Marcel-  
Laurin-Bureau 210  
St-Laurent H4N 2M3  
Québec, CANADA

## BELGIUM

### **CENTUM T&S**

Chaussée de Bruxelles 94b  
1410 Waterloo  
BELGIUM

## UK

### **CENTUM ELECTRONICS UK LIMITED**

16, Great Queen Street,  
Covent Garden,  
London, WC2B 5AH



### **Centum Electronics Limited**

44, KHB Industrial Area, Yelahanka Newtown,  
Bangalore 560106, India.  
Ph: +91 080 4143 6000