



Ref: CEL/NSEBSE/IP/03122021

3<sup>rd</sup> December, 2021

To,

Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	Department of Corporate Services - Listing BSE Limited P. J. Towers, Dalal Street, Mumbai – 400 001
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**Re: Scrip Symbol: CENTUM/ Scrip Code: 517544**

Dear Sir/ Madam,

**Sub: Investor Presentation**

This is to inform you that pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), read with Part A of Schedule III of the Listing Regulations, we hereby enclose the Investor Presentation. Kindly take the same on your records.

Pursuant to Regulation 46(2)(o) of the Listing Regulations, the aforesaid Investor Presentation is also uploaded on the website of the Company i.e. [www.centumelectronics.com](http://www.centumelectronics.com)

Yours faithfully,  
For **Centum Electronics Limited**

**Nagaraj K V**  
**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

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CIN - L85110KA1993PLC013869



# INVESTOR PRESENTATION

DECEMBER 2021

# Snapshot



25+ years of domain expertise in  
Electronics Design & Manufacturing  
Solutions



Global Operations with strong  
presence in India, Europe and North  
America



Concept to Commissioning  
capabilities



1,800 Employees  
650 Designers



Flexible Engagement Models



Strong Supply Chain Network



Strong relationship with marquee  
global clients



Serving segments with Hi-Tech, High  
Entry Barriers



Healthy Order Book of  
~INR 10,000 Mn\*



Single Source Supplier for ~80% of  
manufactured products



75% Revenues from Overseas  
Customers in Advanced Economies



Strong Corporate Governance

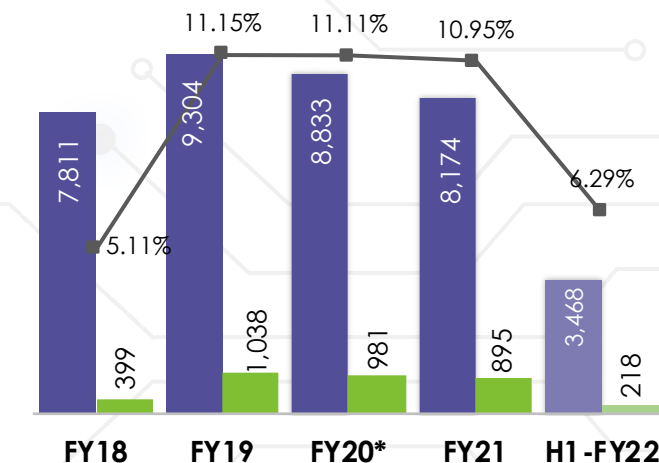
# Company Overview

- Founded in 1993, Centum Electronics Limited (Centum) is one of the largest Electronics System Design and Manufacturing (ESDM) companies in India.
- Competencies across product design and manufacturing of complex and critical products and supplying to marquee customers in the most advanced economies as well as in India.
- Offering entire spectrum of design services and manufacturing of systems, subsystems for mission critical products in Defence, Space, Aerospace, Industrial, Transportation and Medical sectors.
- World-class design & manufacturing facilities across North America, Europe and India, with cutting edge infrastructure as well as a global supply chain capable of delivering products with high quality and reliability anywhere in the world.

## FY22 Key Business Segments:

- **Engineering R&D (ER&D) Services (34%)** – Involves conceptualizing and designing of Electronic Hardware, Embedded Software, FPGA, Analog, Radio Frequency products, etc.
- **Electronic Manufacturing Services (EMS) (34%)** – Services include manufacturing services solutions focused on a High Complexity products in high technology segment
- **Build-To-Specification (32%)** – Services include turn-key solutions to take project from conception to mass production quickly and efficiently.

## Operational Income (In Mn) and EBITDA



■ Operational Revenue ■ EBITDA — EBITDA Margin

\* FY20 revenues not comparable due to sale of Energy division of Centum Adetel subsidiary.

## FY21 Industry Breakup

Defense, Space & Aerospace



44%

Transport & Automotive



30%

Industrial & Energy



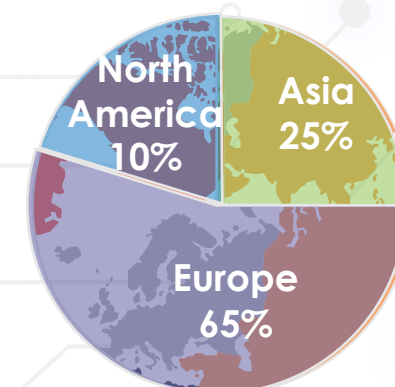
17%

Healthcare



9%

## FY21 Geographical Breakup



# Key Milestones



- FCP business growth in Telecom due to product performance & global cost leadership
- Defence & Space segment growth due to indigenization thrust and defence offset policy
- Growth in EMS business after investment in international Sales & Marketing

- Incorporated and set up manufacturing facility for Hybrid Microelectronics
- Inaugurated as a pioneer in High-Tech electronic manufacturing in India
- Established a leading position in the Indian telecom components market
- JV with CMAC Industries Canada followed by entry and growth in export markets
- Foray and growth in EMS business following Soletron's acquisition of CMAC Industries



- Greenfield expansion for EMS capacity
- Acquisition of Adetel Group to expand service offerings of ER&D Services, establish global footprint across Europe and North America and new customer/market access
- Exit from FCP component business through the sale of 51% stake to JV partner
- Capacity enhancement for space & defence business to support strong order book growth
- Demerger of EMS into Soletron EMS
- Buy back & Merger of EMS following Flextronics' acquisition of Soletron
- Centum Rakon JV formed for Frequency Control Products (FCP) for technology and market access to global OEMs
- Exit of domestic telecom components business for C-DOT



# Board of Directors



**Apparao V Mallavarapu** - Chairman & MD

Apparao (Rao) V Mallavarapu founded Centum Electronics in the year 1993. Under his able leadership Centum has grown to become one of the largest electronics companies in India. He has initiated and successfully managed joint ventures with several multi-national companies. He has been recognized as "Electronics Man of the Year" and "Champion of Innovation" by a premier organization.



**Nikhil Mallavarapu** - Executive Director

Mr. Nikhil has been associated with Centum since 2012 has served in various leadership positions including overall business unit management and group level Corporate & Strategy Development. Prior to joining Centum, he worked at the multinational semiconductor company-Analog Devices in Boston. Mr. Nikhil holds MSc and BSc Degrees in Electrical and Computer Engineering from Carnegie Mellon University and an MBA from the INSEAD Business School in France.



**Manoj Nagrath** - Independent Director

Manoj Nagrath is the Managing Partner of the firm S.P. Nagrath & Co. LLP, Chartered Accountants, a highly reputed accounting advisory firm with offices in New Delhi and Bangalore. He has advised several large multinationals on a range of cross-border and domestic transactions. Mr Nagrath became a member of the Institute of Chartered Accountants of India in 1983.



**Pranav Kumar N Patel** - Independent Director

Mr. Pranav is the founder and CEO of MediTechSafe, USA an innovative healthcare-oriented cybersecurity company. Prior to this, he has held various senior executive roles including leading GE's Healthcare Services business in North America as well as Chief Marketing Officer at GE Aviation. Pranav has also co-authored 6 patents in the fields of Microwave integrated circuits, multi-chip module, packaging and energy storage systems



**Rajiv C Mody** - Independent Director

Mr. 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. Prior to 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.



**Dr. Swarnalatha Mallavarapu** - Non-Executive Director

Dr. Swarnalatha Mallavarapu (Latha) is the Managing Director of Centum Industries Private Limited. Dr. Latha holds a Ph. D. in Physics and has worked at premier research institutes including the US Air Force Weapons Labs in Albuquerque, the Indian Institute of Science in Bangalore and the R&D division of Bharat Electronics Limited. Her research in thin films and devices for applications have been well recognized. Dr. Latha was a government nominated member of the Syndicate of Bangalore University and also served a Chairperson for FICCI Ladies Organization, Karnataka Chapter.



**P. Thiruvengadam** - Independent Director

Mr. Thiruvengadam was a National Director at Deloitte Touche Tohmatsu India Pvt. Ltd (DTTIPL) providing leadership to the HR transformation practice. He has over 40 years of global experience in management consulting with expertise in HR Strategy & 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 from the Indian Institute of Technology, Madras.



**Kavitha Dutt Chitturi** - Independent Director

Mrs. Kavitha Dutt Chitturi is the Joint Managing Director at KCP Ltd., a diversified company involved in the manufacture of Cement, Heavy Engineering, Sugar and Power Generation. Under Kavitha's stewardship, KCP has also ventured into the hospitality industry. She is Chairperson FICCI, Tamil Nadu State Council and has served as Joint Managing Director of The KCP Limited, Kavitha, among other responsibilities, also holds full charge of the Human Resource functions of the Group.

# Key Management Personnel



**K S Desikan** - Chief Financial Officer

K S Desikan has been serving as CFO at Centum since 2001 and has been instrumental in the development of the strategy and growth of the company. He has an overall experience of 34 years. Prior to joining Centum, he served leading organizations like Tube Investments of India and BPL Ltd in various capacities. He is a commerce graduate, Chartered Accountant and Cost Accountant.



**Eric Rouchouze** – CEO - Centum Adetel

Graduated from a Business School in 1995, he spent most of his career in engineering services & technology consulting companies. Eric joined the ASSYSTEM group in 1997, where he worked for several years as a business manager for customers in the nuclear sector. He has been working in AKKA for 19 years as COO France and was a member of the group's Executive Committee. With his 25 years of experience, Eric will be leading the CENTUM ADETEL strategy and he will be in charge of accelerating the growth of our Group both in France and abroad.



**Francois Sebes** - Executive Vice President - Strategic Initiatives

Francois Sebes founded Adetel Group in 1990 as a provider of Engineering Services specialized in electronics products and systems in high technology sectors. Under his leadership, the company has grown into a highly reputed company with 600 employees in France, Canada and Belgium and India. He facilitated the acquisition of Adetel by Centum Electronics to benefit from the advantage of greater international presence and strong manufacturing capability. Prior to this, he worked at THALES Avionics and CISI Group.



**Vinod Chippalkatti** - President - SEBU

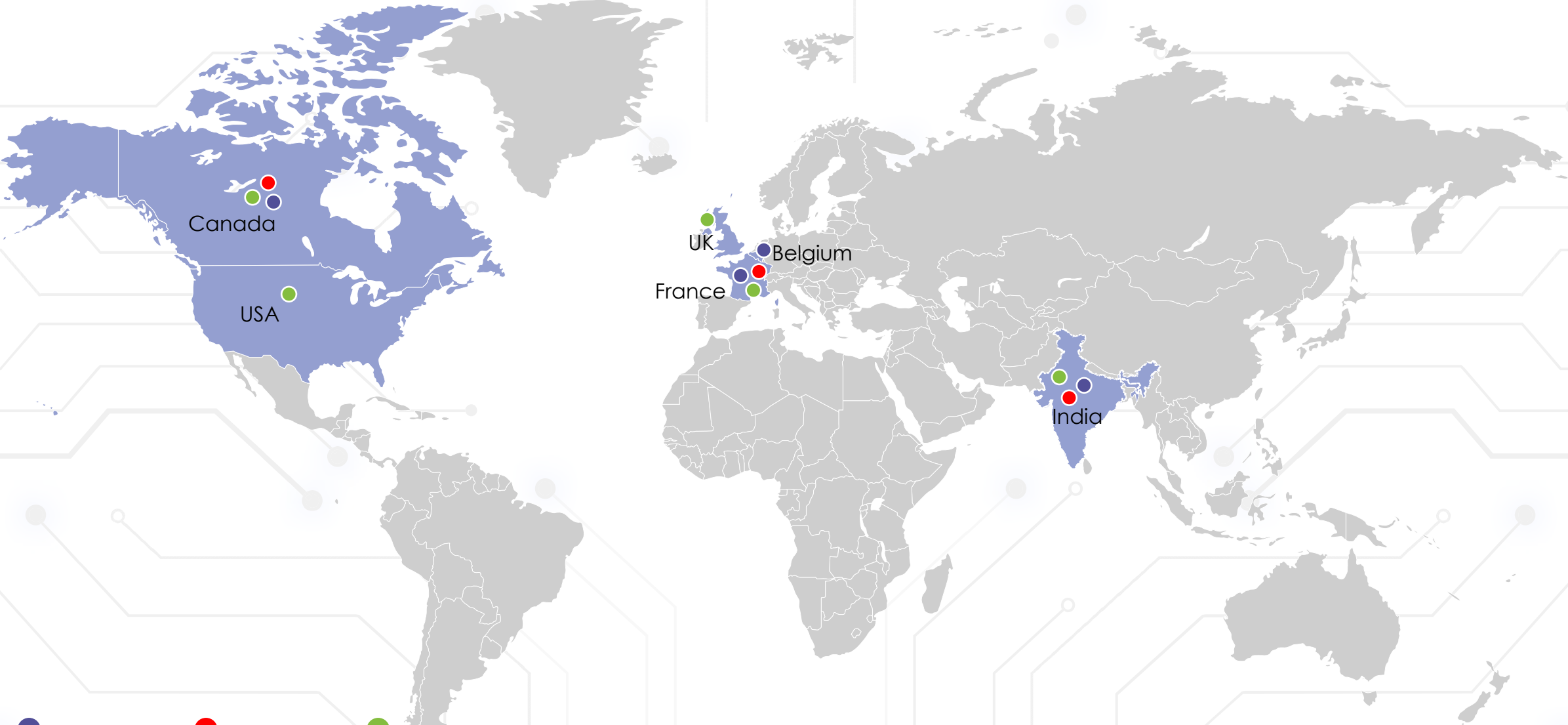
Vinod Chippalkatti is responsible for the Build to Spec business in Centum delivering mission-critical products for Satellites, Launch Vehicles, Radars, Missiles among others. He completed his Bachelor's and Master's degree. He has been with Centum for 20 years in different leadership positions including heading the design and engineering function. Prior to joining Centum 20 years ago, he spent 10 years at the Indian Space Research Organization working on India's first series of communication satellites.



**Suresh Iyer** - Chief Growth Officer

Suresh is a Techno-Commercial leader who comes with 25+ years of experience in Global Sales, Supply Chain Consulting and Digital Transformation. Most recently, he was President & CEO of Corbus, a Supply Chain Consulting firm and prior to that was Vice-President and Global Practice Leader for Supply Chain & Procurement Services with Genpact operating out of Cincinnati, Ohio. He has worked extensively with clients helping them with Business Transformation, Lean Digital Manufacturing and Operations Improvement Programs.

# Geographical Presence



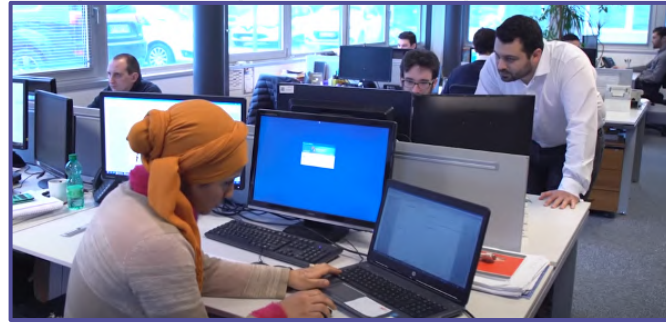
Design Team    Manufacturing    Sales & Support



# Manufacturing Facilities



Canada



Design Department - France



Micro Electronics Manufacturing - Bangalore



New Facility in Bangalore Aerospace Park



EMS Manufacturing - Bangalore



Testing Lab - Bangalore

# Awards & Recognition in Last Few Years



Global Growth  
Company



Highest Growth – Electronic  
Hardware Exporter



Centum in Forbes Asia's  
200 BUB list



Electronics Man of the  
Year

Best Electronics  
Manufacturing Company In  
A&D Category

Champion Of Innovation  
(Mr Mallavarapu Apparao)

Best Electronic System  
Design Company Award

Excellence in Financial  
Reporting from ICAI

# Certifications



ISO 9001



Aerospace  
AS/EN9100 Rev D



Medical  
ISO13485



Automotive  
IATF 16949

**IRIS**  
Certification

Railways  
IRIS - Rev 2



French R&D  
certification



Information Security  
& Management  
system ISO 27001



Environment  
ISO14001  
Health & Safety  
OHSAS 18001



ESD 20:20



Approved R&D  
facility by DST &  
GOI

*\*Additional customer-specific certifications required to be qualified as a supplier*

# Centum's Value Proposition



- **Global Footprint** close to the customers
- Uniquely positioned as a **one-stop-shop solution** provider with end to end capabilities.
- **Flexible engagement models** tailored to project-specific needs

- Competitive Engineering R&D by balancing on-shore/offshore mix
- Competitive Manufacturing by leveraging Indian cost base and supply chain strengths
- Focus on “**Design To Cost**”, & “**Total cost of ownership**”

- **Integrated Fast New Program Management** can reduce time to market, support costs
- **Early implementation** of sourcing and industrialization strategy improves quality in ramp-up

- **Strong Domain Expertise** to conceptualize & realize High-Reliability Electronics
- Quicker **time to market** through Centum industrialization/NPI framework
- Ability to **manage product lifecycle challenges**

CONVENIENCE  
& FLEXIBILITY



COST



TIME TO  
MARKET



PROACTIVE  
LIFE CYCLE  
MGMT.





# Future Growth Strategy

Deeper entrenchment of customers by offering one-stop-shop solutions with vertically integrated capabilities and value-added services

Clear focus towards achieving sustainable growth, while enhancing margin profile by reducing costs and deleveraging

Expand customer portfolio domestically and internationally

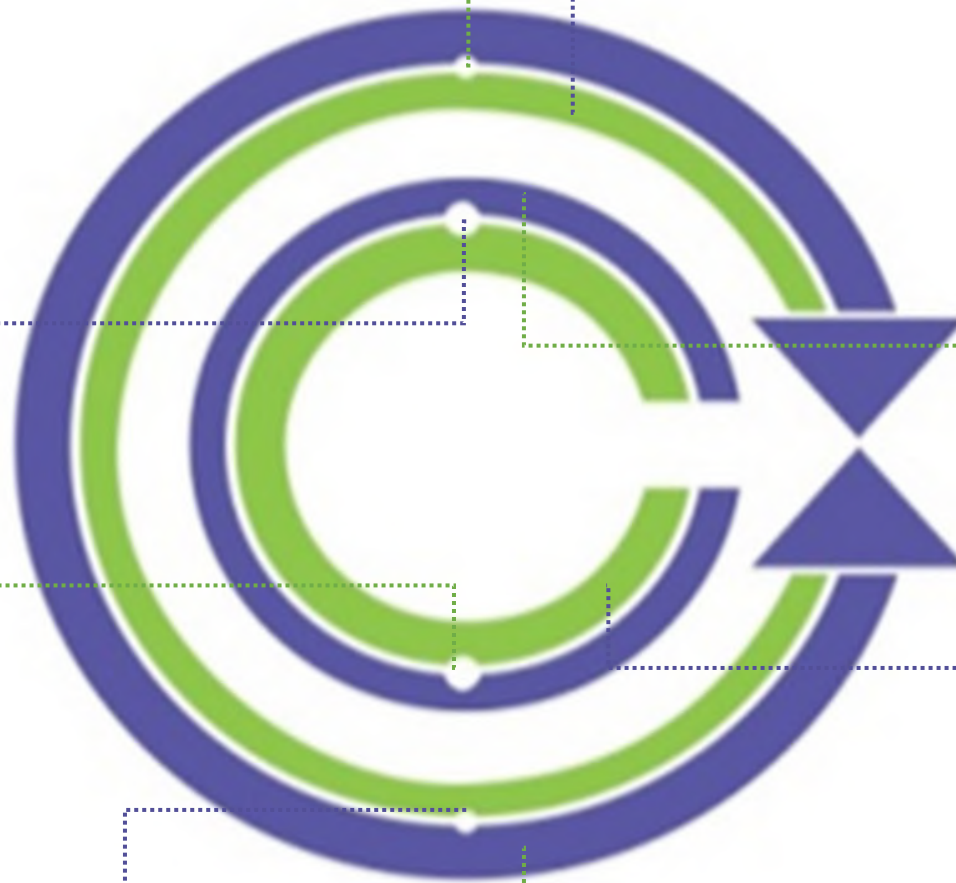
Leverage “Make in India” policy boosters

Enhancing customer penetration in high growth industry verticals like Healthcare, Automotive etc.

Identify opportunities in “New space” global supply chain

Prudent expansion in infrastructure & technical competencies to support growth

Enhance solutions towards Industry 4.0 for increased digitization and automation



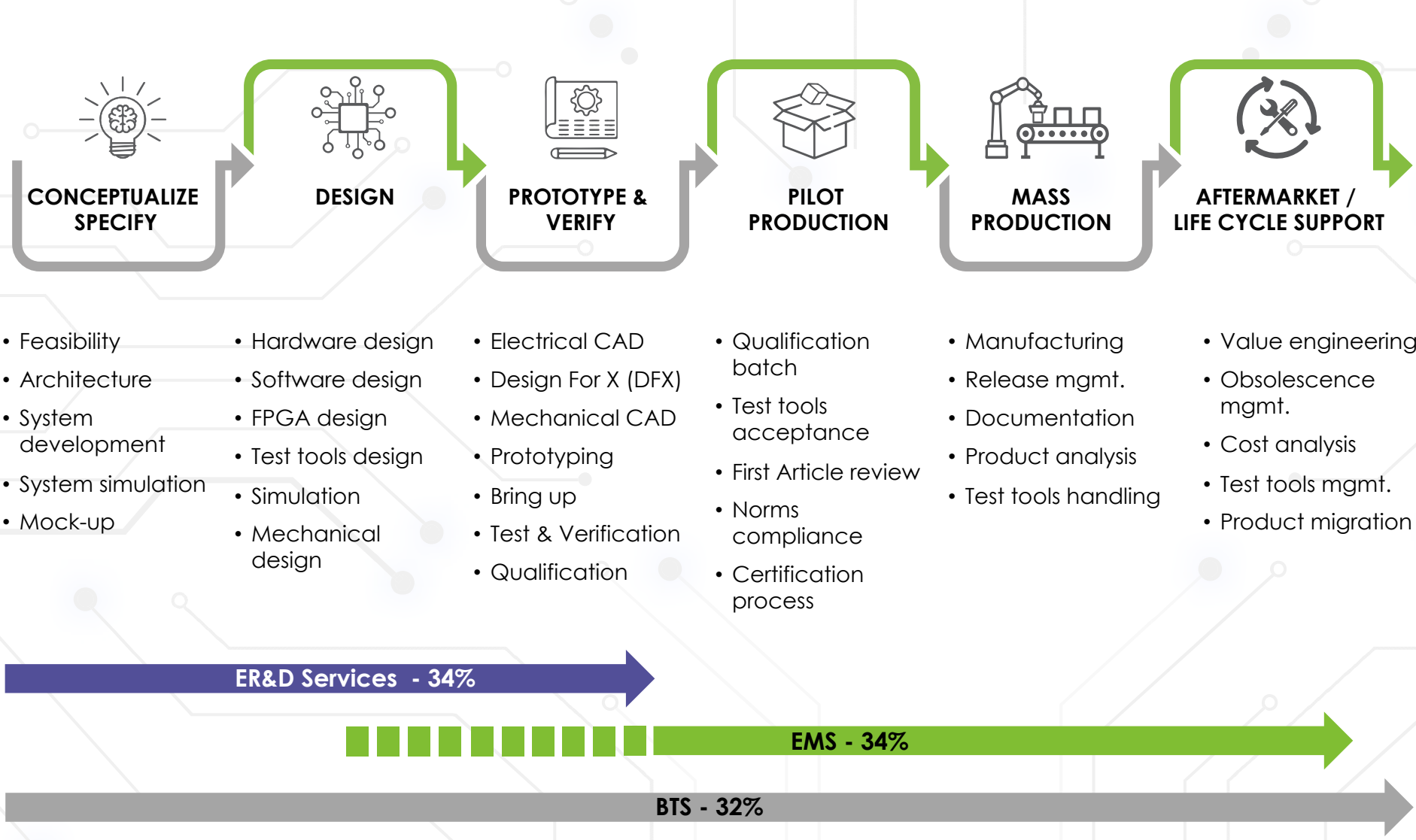




# BUSINESS OVERVIEW



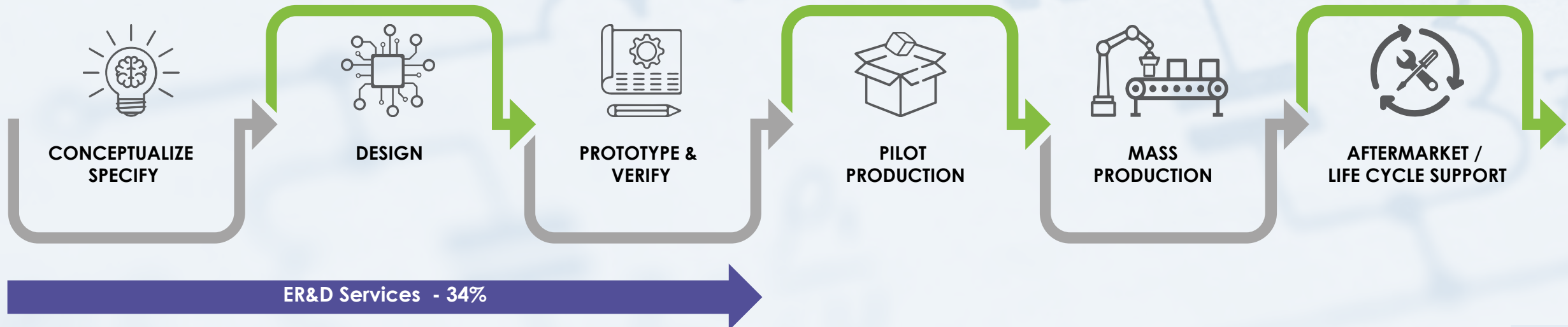
# Business Segments and Sectors Served



	ER&D	EMS	BTS
Defence	●	●	●
Space	●		●
Aerospace	●	●	
Transportation	●		●
Automotive	●		
Industry & Energy	●	●	
Healthcare	●	●	

# Engineering R&D Services (ER&D)

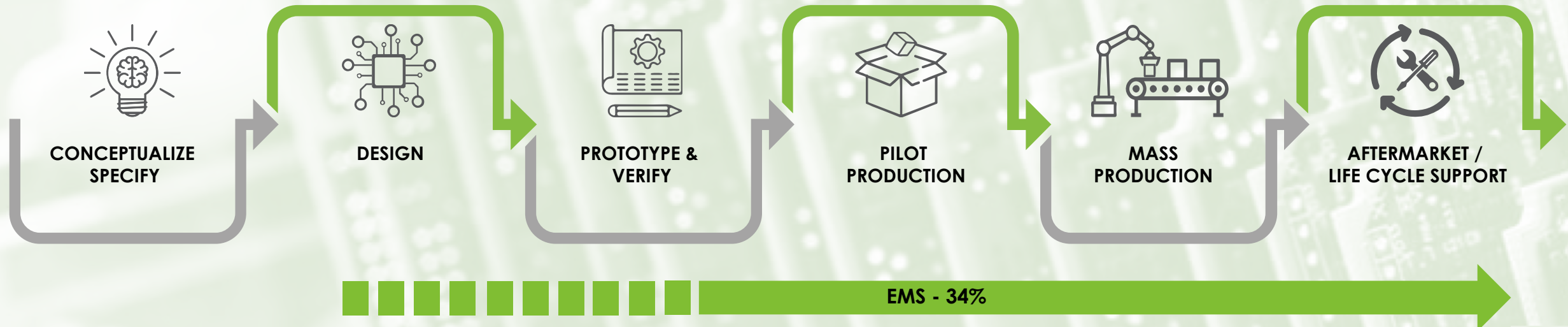
- Engineering Services involve conceptualizing, designing and certifying of Electronic Hardware, Embedded Software, FPGA, Analog, Radio Frequency products, Power Electronics, etc.
- Centum Group has a global design strength of over 650 design engineers and for the last 25 years, the company has been helping customers turn their ideas into products.
- Centum's engineers work together in multidisciplinary teams to realize customized products for mission-critical applications in high technology segments.
- The company's design centers are located in Europe, North America and India, which enable the company to work closely with international customers while bringing together the best talent from around the world to work on complex problems and provide a competitive solution by managing the optimal onshore/offshore mix for the projects.
- Centum also provides flexible engagement models depending on the specific project requirements. Customers can choose between Consulting Engagements and Fixed Price Contracts.





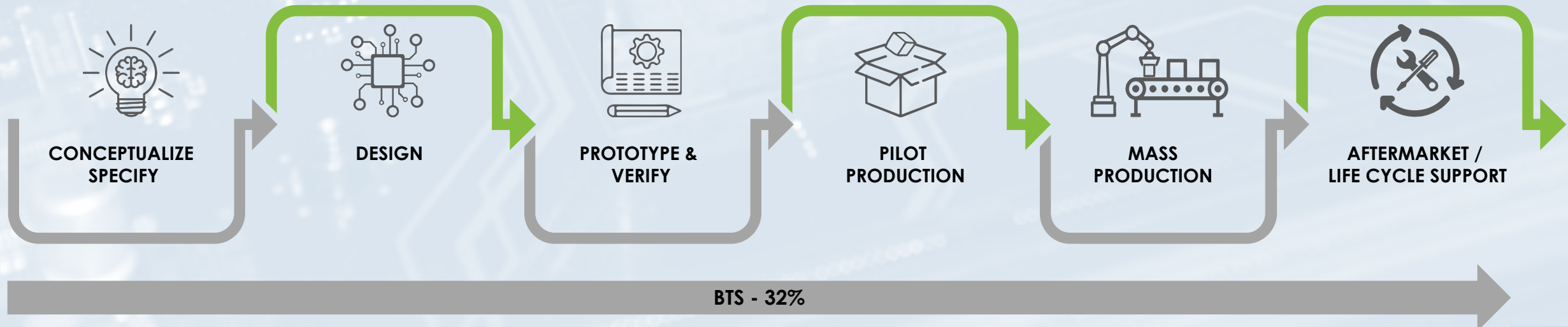
# Electronic Manufacturing Services (EMS)

- The company's EMS Services include manufacturing solutions focused on a High reliability, High Complexity products in the high technology segment
- Centum offers a wide range of manufacturing solutions from Printed Circuit Board assemblies to Complex box builds, Line Replaceable Units (LRU) and full system integration.
- The company helps its customers realize challenging products by having customer-focused teams that leverage their streamlined processes and systems and adapt them to the specific requirements of the customer and product where necessary.
- By providing scalable manufacturing solutions and a flexible, proactive approach to managing the supply chain and lifecycle related challenges, Centum helps customers achieve their goals of lower Total Cost of Ownership and reduced time-to-market among others.



# Build to Specification (BTS)

- The Built to Specification services include taking a project from conceptualization to mass production quickly and efficiently. Centum's unique positioning with a full range of integrated capabilities makes it the ideal product realization partner.
- Customers choose turn-key build to spec offering due to the convenience of a Single Point of contact for Design/Engineering, Industrialization and Manufacturing which reduces the need for multiple interfaces at each stage of the project and also fastens the products time-to-market and facilitating a Design-To-Cost approach and reducing the Total Cost of Ownership. This engagement model involves higher IP and value creation opportunities for both the customer and for Centum.
- The company is also able to better the product Lifecycle management by proactively and effectively managing issues such as obsolescence, performance upgrades, market-specific localization and cost reduction.





## AEROSPACE

- The Aerospace industry has several ongoing technological initiatives to make aircrafts more fuel-efficient, environmentally friendly and safer, which involves incorporating more electronics on board, making avionics platforms more configurable, and of course factoring in environmental issues and reducing human error to improve safety.
- Alongside products for command & control, power electronics and energy storage applications, Centum is also developing activities in ground and flight testing -- using its own test benches and simulators.
- Centum plays a key role in the global aerospace supply chain delivering critical electronics for cockpit computers, Air Traffic Management and also works closely with OEMs to design next-generation flight controls, Power solutions among various other technologies.

## SPACE

- Space technology is progressing at a rapid pace driven by commercial applications such as satellite broadcasting, communication, Earth observation, geo-location, and global navigation equipment and services.
- Centum has established a credible track record since 2002 in this segment delivering complex products that address applications in launch vehicles, satellite payloads, satellite bus systems as well as ground equipment.
- The company is also a leading electronics industry partner and one of the largest private contractors for ISRO, involved in its various stages of design, development, qualification and production of electronic modules, subsystems and systems for multiple applications in satellites and launch vehicles. Keeping in mind the growing number of missions of ISRO.
- Centum has made significant investments to ensure that they can deliver products with the right quality, technology and in required quantities to be a trusted partner. It has delivered mission-critical electronics on almost all satellite programs of ISRO including the ambitious Chandrayaan and Mangalyaan projects, and also delivered 300 to 500 components for almost every Indian space mission.

## DEFENCE

- Centum started its defence business in 2010 and it is today the largest industry vertical for the company. Over the years the company has been successful in developing and manufacturing critical systems for major Defense programs that span across the land, air and naval systems with applications in Missiles, Electronic Warfare, Radar, Military Communications, and fire control amongst many.
- For the past two decades, Centum has also been engaged in the development and manufacture of modules, subsystems for missiles, radars and military electronic warfare communication applications for DRDO laboratories, Ordnance Factories and other domestic defence PSUs, and over the past decade, Centum has become one of the select few Indian partners to international defence OEMs as well.





Industrial Equipment  
Diagnosis



Industrial Circuit Breaker  
Control System



Solar Energy Power  
Cabinet



HIL Test Simulator Turbo  
Alternator Regulation

- The digital transformation in utilities, infrastructure and manufacturing among other industrial segments is driving new products that are smart, collaborative and result in efficiencies for end-users.
- Centum enables its customer to realize such products for applications in automation, control and measurement, energy among others.
- Centum's expertise in energy conversion and storage technology has helped customers develop customized Microgrid solutions as well as new solutions for railway infrastructure projects.

## Oil & Gas Industry



Electronics for Phased  
Array Flaw Detectors



Smart Valve  
Interface

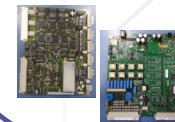


Industrial 2 Wire  
Transmitter



Distributed  
Control Systems

## Power Grid Industry



Scada System for Power  
Plant Automation



Teleprotection  
Equipment



Utility Communication  
Equipment



- The field of healthcare is rapidly adopting new technologies to augment the quality of treatment and create efficiencies for healthcare providers.
- Centum has engineered a variety of medical devices and equipment for the Healthcare industry that include digital radiography systems, automated pumps for drug injection, ultrasound equipment, patient monitoring devices, customized room controls for operation theaters among others.



Electronics for Infusion Pump



Electronics for X-ray Flat Panel Detectors



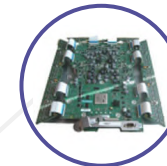
Medical Injection System



Medical Electronic Board



Medical Panel for Surgery Room



Medical Flat Panel Acquisition Board



Medical Product Test Area



## TRANSPORTATION

- Centum is at the forefront of the Transportation sector working very closely with the leading global OEMs and rail operators on developing the next-generation technologies for rolling stock and signaling applications.
- Centum has developed proprietary technologies in two key product lines listed below, where our products have been deployed on board trains in North America, Europe, Asia and Australia for Signaling equipment and Passenger Information Systems
- In addition, Centum provides specialist engineering services and manufacturing services to help clients to meet operational, commercial and regulatory requirements.



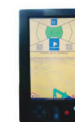
Railway  
Automation  
System



Railway Embedded  
Controller



Railway Embedded  
Computer Board



Assisted Car  
Navigation



Automotive  
Telematic Module



Automotive Flexray  
Demonstrator



Railway Energy Storage System  
(NEOSEE)



Railway Energy Module  
(POWERLIC)



Automotive Elec Board for Solar  
Roof-smartop Project



Power Steering Encoder  
Acquisition system

## AUTOMOTIVE

- The automotive industry is going through a dynamic transformation with new players entering the market introducing disruptive technologies incorporating electronics for applications such as autonomous driving, powertrain architecture, connectivity among others.
- Being a specialist in electronics design and manufacturing services Centum supports customers navigate this transformation by turning big ideas into reliable and performing solutions
- Centum's strong knowledge and experience of developing products to the required safety standards as well as past references in developing similar products for the aerospace and rail transport domains has positioned us well to support our customers as they develop new products and technologies to stay ahead.







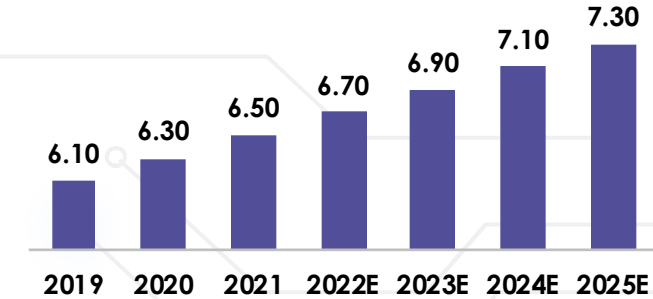
# INDUSTRY OVERVIEW

# ESDM Industry

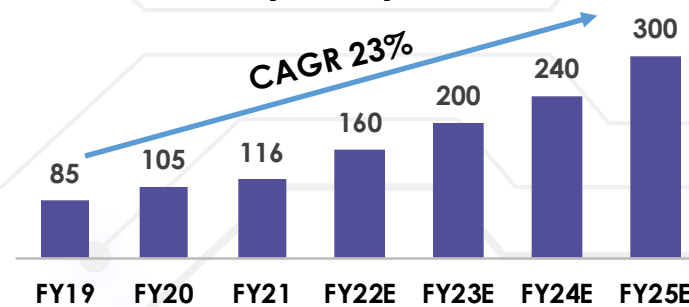


- During 2019-2025, the global electronics industry is expected to grow at a CAGR of 3% to reach a size of over USD 7.3 Tn by 2025.
- In a span of two years, India's export of electronic goods has grown 85% to reach USD 11.8 Bn in FY20, increasing its share in the global electronics market to 3.3%.
- Indian Electronics System Design & Manufacturing (ESDM) market is valued at USD 105 Bn in FY20 and is expected to grow steadily and reach USD 220 Bn by 2025. The Electronics System Market is expected to grow 2x from USD 81 Bn in 2020 to reach USD 160 Bn by 2025. The Electronics Design Market is expected to grow from USD 24 Bn in 2020 to reach USD 60 Bn by 2025.
- With a strong network of science & technology institutions and trained manpower, India has the third largest-scientific and technical manpower in the world. This makes the country a strong base for future innovations and for the availability of a skilled workforce.
- Government of India's continued focus on Self-Reliance with specific policies to promote manufacturing in India. The Reduction of corporate taxes, announcement of schemes to incentivize manufacturing and capital investment in India combined with a large, growing domestic market and globally competitive wage rates present a very good case for Indian manufacturing.
- The US-China Trade war which triggered many US companies to revisit their supply chains in light of the tariffs levied on the import of electronic items from China.
- The Covid-19 pandemic which has accelerated industries world over to de-risk their manufacturing and supply chain footprint and to ensure business continuity plans are put in place. This has resulted in many companies moving to a "China plus One" strategy with India being a strong contender for several companies.

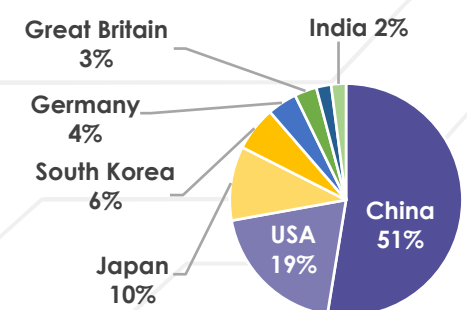
Global Electronic Market Size (USD Tn)



Indian Electronic Production Market (USD Bn)



Global Share of Electronics Producers

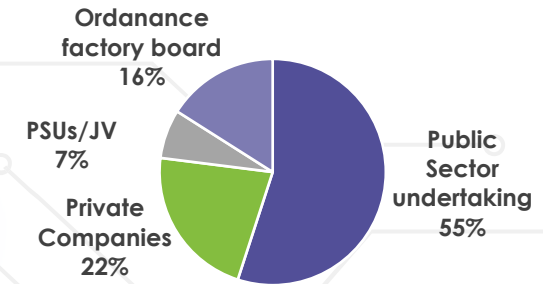




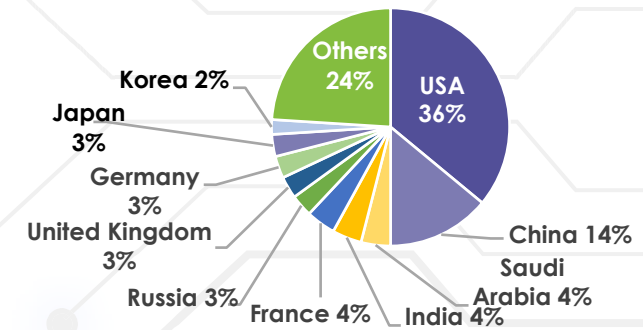
# Space, Defence, Transportation & Other Industries

- **Defence:** In India, the defence capital outlay stood at around INR 1.1 Lakh Cr for FY20 and has grown at a 7% CAGR over in the past 5 years. This trend is expected to continue given the geopolitical scenario and recent border tensions. According to estimates, about 40% of the capital outlay was allocated toward domestic production while the remainder was toward imports. With the government prioritizing Self-Reliance through new guidelines in the DPP, the balance is expected to shift in favor of domestic defence companies. The private sector also contributes only 20-25% of domestic defence production which is expected to increase with the opening up of the sector.
- **Space:** The number of satellites and launches has steadily increased over the past 5 years for applications ranging from communications, defence, earth observation and other scientific missions. The demand for more satellites remains strong as transponder capacities need to be augmented to support increasing data/broadband and DTH requirement. ISRO's Human Space flight program, other scientific and earth observation missions as well as MoDs objective to strengthen India's space warfare capabilities, provide further impetus to the sector over the medium term.
- **Transportation:** The Transportation sector is projected to remain relatively stable despite lower ridership in the short term. Governments are expected to continue major infrastructure projects across geographies to support longer-term objectives of managing mobility more efficiently in cities and towns. Smart and Green mobility technologies will remain a focus in the years to come.
- **Industrial:** The Industrial Sector address a wide range of application including Oil & Gas, Industrial Automation for process industries, Electrification, Utilities etc. The sharp decline in oil price combined with the temporary reduction in capex budgets for many industrial companies is expected to have a short-term adverse impact in this segment. On the other hand, electrification and power grid infrastructure projects are expected to remain relatively stable.
- **Medical:** The Medical devices industry is a growing segment and has attracted all the more attention in the wake of the Covid-19 pandemic. There is also expected to be more investment and demand for remote monitoring and devices that enable telemedicine and predictive diagnostics. Regulation and a growing share of healthcare spending in emerging economies are also key focus themes in this segment in the near to medium term.

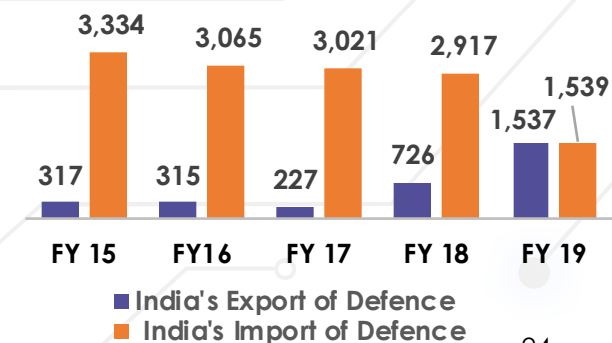
**Defence Production**



**Global Share of Military Expenditure**



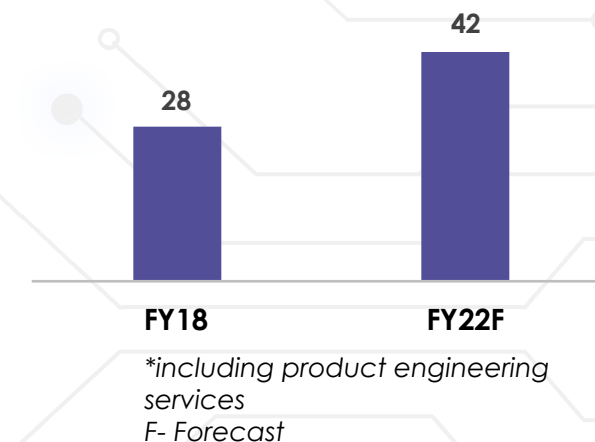
**India's Exports & Imports of Defence (USD Mn)**



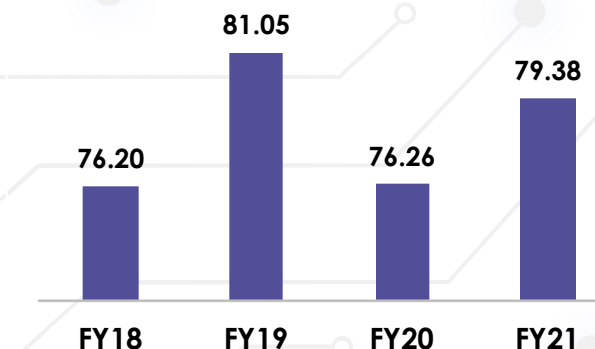
# Engineering R&D Service Industry

- Global engineering R&D services outsourcing market is anticipated to reach more than USD 650 billion by 2025 according to a new report published by The marker research report. The major factors which are driving this market are the access to low-cost highly skilled resources which can work towards complex tasks of not only designing and testing but also on validation, simulation and execution.
- Global Engineering R&D (ER&D) space and estimated that the Global ER&D spend by organizations worldwide stands at USD 1.4 Trillion in 2019, and is expected to grow at a CAGR of 7% to cross USD 2.2 Trillion by 2025.
- India will account for 41% of the global digital engineering services market by 2025, according to a report by consulting firm Zinnov. As of now, India accounts for \$10.6 billion of the digital engineering market share which is expected to increase four-fold in five years.
- The Indian ER&D sector already employs about 7,00,000 people in the country, which could rise to one million by 2025, if the conditions for growth become more favorable
- India's engineering R&D market will increase from US\$ 28 billion in FY18 to US\$ 42 billion by FY22F. India needs Rs 235 trillion (US\$ 3.36 trillion) of investment in infrastructure in the next decade. The export of engineering goods is expected to reach US\$ 200 billion by 2030.

Engineering R&D\* (USD Bn)



India's Engineering Export (USD Bn)





# FINANCIAL OVERVIEW



# Standalone Income Statement

Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22
<b>Operational Income</b>	<b>4,987</b>	<b>4,824</b>	<b>4,245</b>	<b>1,423</b>
Total Expenses	4,290	4,111	3,621	1,362
<b>EBITDA</b>	<b>697</b>	<b>713</b>	<b>624</b>	<b>61</b>
<b>EBITDA Margins (%)</b>	<b>13.98%</b>	<b>14.78%</b>	<b>14.70%</b>	<b>4.29%</b>
Other Income	38	43	39	38
Depreciation	121	132	158	83
Finance Cost	268	277	174	79
Exceptional Items	329	-	-	(18)
<b>PBT</b>	<b>675</b>	<b>347</b>	<b>331</b>	<b>(81)</b>
Tax	95	97	91	(23)
<b>PAT</b>	<b>580</b>	<b>250</b>	<b>240</b>	<b>(58)</b>
<b>PAT Margins (%)</b>	<b>11.63%</b>	<b>5.18%</b>	<b>5.65%</b>	<b>NA</b>
Diluted EPS (INR)	45.00	19.42	18.60	(4.53)

# Standalone Balance Sheet

Particulars (INR Mn)	FY20	FY21	H1-FY22
<b>ASSETS</b>			
<b>Non-Current Assets</b>	<b>2,118</b>	<b>2,110</b>	<b>2,186</b>
(a) Property, Plant & Equipment	1,116	1,075	1,037
(b) Capital Work in progress	14	23	24
(c) Goodwill on Consolidation	36	36	36
(d) Other Intangible Assets	54	55	47
(e) Right of use asset	21	37	32
(f) Intangible assets under development	-	-	-
(g) Financial Assets			
(i) Investments	489	637	628
(iii) Other financial assets	290	182	272
(h) Deferred tax assets (net)	28	18	38
(i) Non-current tax assets (net)	34	34	57
(j) Other non-current assets	26	13	15
<b>Current Assets</b>	<b>4,244</b>	<b>3,233</b>	<b>3,028</b>
(a) Inventories	2,204	1,746	1,930
(b) Financial Assets			
(i) Investments	-	-	-
(ii) Trade Receivables	1,700	996	768
(iii) Cash and Cash Equivalents	55	105	30
(iv) Bank balances other than above	97	187	88
(vi) Others current financial assets	57	55	67
(c) Other Current Assets	131	144	145
<b>TOTAL ASSETS</b>	<b>6,362</b>	<b>5,343</b>	<b>5,214</b>

Particulars (INR Mn)	FY20	FY21	H1-FY22
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>2,363</b>	<b>2,547</b>	<b>2,464</b>
Share Capital	129	129	129
Other Equity	2,234	2,418	2,335
<b>Non Current Liabilities</b>	<b>285</b>	<b>216</b>	<b>94</b>
(a) Financial Liabilities			
(i) Borrowings	197	114	-
(ii) Other Financial Liabilities	2	-	-
(iii) Lease Liabilities	24	13	6
Government Grants	17	34	31
Net non-current employee defined benefit liabilities	45	55	57
<b>Current Liabilities</b>	<b>3,714</b>	<b>2,580</b>	<b>2,656</b>
(a) Financial Liabilities			
(i) Borrowings	1,494	1,278	1,058
(ii) Trade Payables	1,136	588	691
(iii) Other Financial Liabilities	271	102	88
(iv) Lease Liabilities	6	20	14
(b) Government Grants	4	8	8
(c) Other current Liabilities	686	469	755
(d) Net current employee defined benefit liabilities	6	6	6
Provisions	35	33	32
Liabilities for current tax (net)	77	76	4
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,362</b>	<b>5,343</b>	<b>5,214</b>

# Consolidated Income Statement

Particulars (INR Mn)	FY19	FY20	FY21	H1-FY22
<b>Operational Revenue</b>	<b>9,304</b>	<b>8,833</b>	<b>8,174</b>	<b>3,468</b>
Total Expenses	8,267	7,852	7,279	3,250
<b>EBITDA</b>	<b>1,037</b>	<b>981</b>	<b>895</b>	<b>218</b>
<b>EBITDA Margin (%)</b>	<b>11.15%</b>	<b>11.11%</b>	<b>10.95%</b>	<b>6.29%</b>
Other Income	71	153	58	45
Depreciation	278	414	453	223
Finance Cost	349	368	295	134
Share of profit / (losses) of associates and JV from continuing operation	(13)	(5)	(11)	(446)
Exceptional Item	-	(105)	-	-
<b>PBT</b>	<b>468</b>	<b>242</b>	<b>194</b>	<b>(540)</b>
Tax	(3)	74	74	(34)
<b>PAT from continuing operations</b>	<b>471</b>	<b>168</b>	<b>120</b>	<b>(506)</b>
<b>PAT Margin (%)</b>	<b>5.06%</b>	<b>1.90%</b>	<b>1.47%</b>	<b>NA</b>
Diluted EPS from continuing operations (INR)	30.51	15.74	13.30	(27.12)



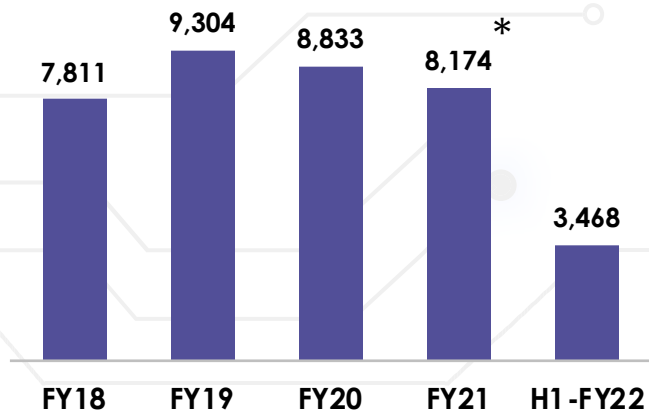
# Consolidated Balance Sheet

Particulars (INR Mn)	FY20	FY21	H1-FY22
<b>ASSETS</b>			
<b>(1) Non-current assets</b>	<b>3,759</b>	<b>3,611</b>	<b>3,299</b>
(a) Property, Plant and Equipment	1,253	1,184	1,134
(b) Capital work-in-progress	14	21	29
(c) Goodwill on consolidation	376	376	376
(d) Other Intangible assets	479	409	346
(e) Right of use asset	456	556	474
(f) Intangible assets under development	101	171	234
(g) Financial assets			
(i) Investment in joint ventures and associates	387	465	96
(ii) Other Investments	14	23	14
(iv) Other non current financial assets	588	336	480
(h) Deferred tax assets (net)	30	22	43
(i) Non-current tax assets (net)	34	34	57
(j) Other non-current assets	27	14	16
<b>(2) Current assets</b>	<b>7,013</b>	<b>6,194</b>	<b>5,630</b>
(a) Inventories	2,358	1,942	2,090
(b) Financial assets			
(i) Trade receivables	2,489	2,161	1,857
(ii) Cash and cash equivalents	136	412	176
(iii) Bank balances other than cash and cash equivalents	97	187	88
(v) Other current financial assets	1,609	1,106	1,021
(c) Other current assets	323	386	398
<b>(3) Assets classified as held for disposal</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets (1+2+3)</b>	<b>10,772</b>	<b>9,805</b>	<b>8,929</b>

Particulars (INR Mn)	FY20	FY21	H1-FY22
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>	<b>2,300</b>	<b>2,401</b>	<b>1,879</b>
(a) Equity share capital	129	129	129
(b) Other equity	1,923	2,102	1,733
Equity attributable to equity holders of the parent (a+b)	2,052	2,231	1,862
Non-controlling interests	248	170	17
<b>(2) Non-current liabilities</b>	<b>1,281</b>	<b>1,702</b>	<b>1,420</b>
(a) Financial liabilities			
(i) Borrowings	697	1,089	895
(ii) Other non-current financial liabilities	2	-	-
(iii) Lease Liabilities	374	419	347
(b) Deferred tax liabilities (net)	92	71	60
(c) Net non-current employee defined benefit liabilities	46	57	59
(d) Provisions	54	32	28
(e) Government Grants	16	34	31
<b>(3) Current liabilities</b>	<b>7,191</b>	<b>5,702</b>	<b>5,630</b>
(a) Financial liabilities			
(i) Borrowings	2,025	2,079	1,828
(ii) Trade payables	1,780	1,082	1,101
(iii) Other current financial liabilities	1,666	942	879
(iv) Lease Liabilities	103	140	122
(b) Other current liabilities	1,471	1,323	1,640
(c) Government Grants	4	8	8
(d) Net employee defined benefit liabilities	6	6	6
(e) Provisions	58	40	37
(f) Liabilities for current tax (net)	78	82	9
<b>(4) Liabilities directly associated with assets classified as held for disposal</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities (1+2+3+4)</b>	<b>10,772</b>	<b>9,805</b>	<b>8,929</b>

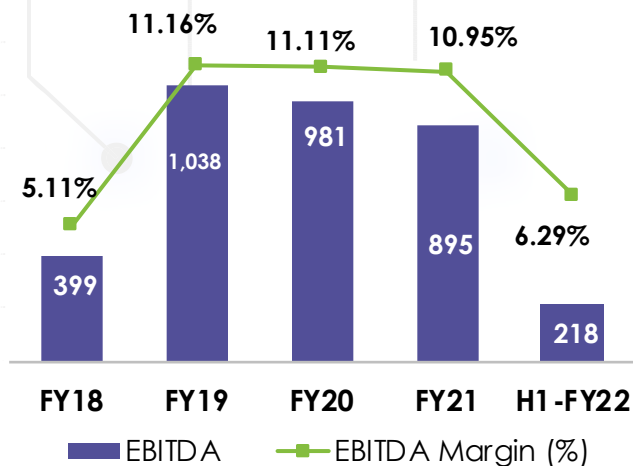
# Consolidated Financial Highlights

## Operational Revenue

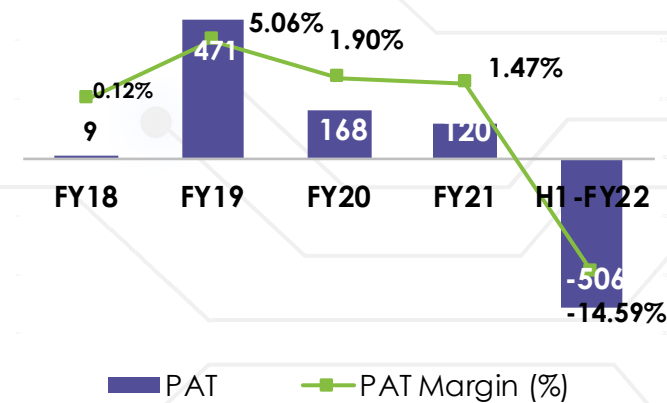


\* FY20 revenues not comparable due to sale of Energy division of Centum Adetel subsidiary.

## EBITDA & EBITDA Margin (%)

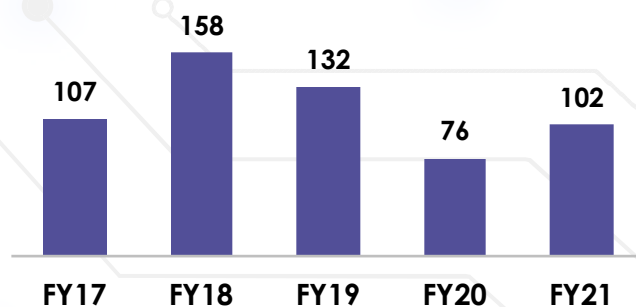


## PAT & PAT Margin (%)\*

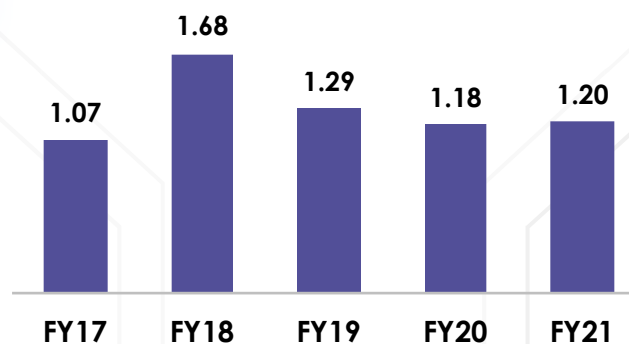


\*PAT from continuing operations

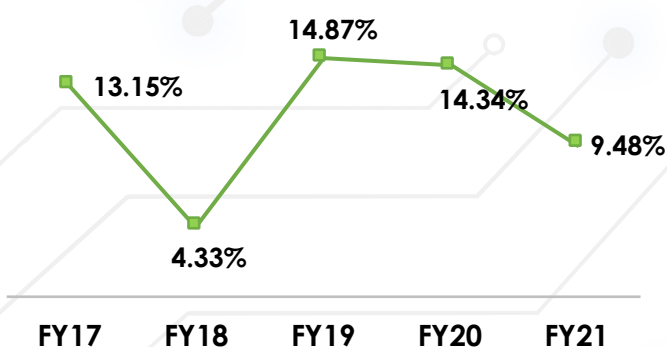
## Net Working Capital Days



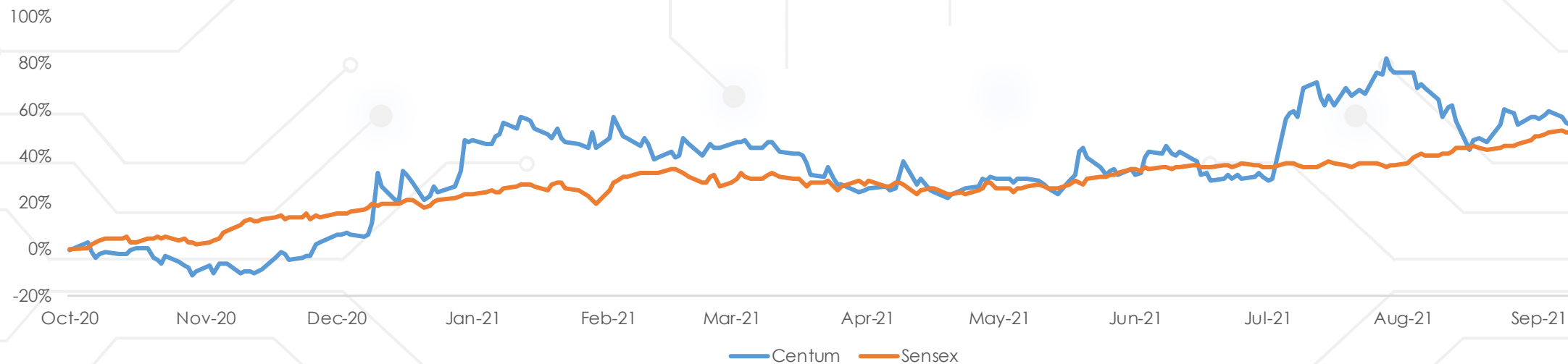
## Debt to Equity



## ROCE



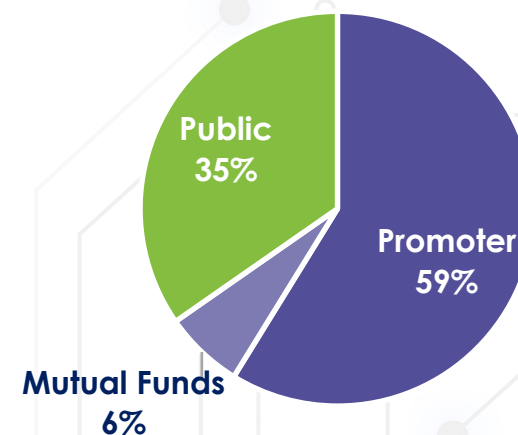
## Stock Market Performance (as on 30th September, 2021)



### Price Data (as on 30<sup>th</sup> September 2021)

CMP	473.5
52 Week H/L	561.1/258.6
Avg. Vol. ('000)	25.1
Avg. turnover (Mn)	11.1
Market Capital (INR Mn)	6,100.9
Total outstanding shares (Mn)	12.9

### Shareholding Pattern (as on 30<sup>th</sup> September, 2021)





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