CENTUM ADETEL GROUP SA

AUDITED FINANCIALS 2019-20

Centum Adetel Group

Yeard ended March 31, 2020

Statutory auditor’s report on the consolidated financial statements

ERNST & YOUNG et Autres

Ernst & Young et Autres
Tour Oxygène
10-12, boulevard Marius Vivier Merle
69393 Lyon cedex 03

Tél. : +33 (0) 4 78 63 16 16
www.ey.com/fr

Centum Adetel Group

Year ended March 31, 2020

Statutory auditor's report on the consolidated financial statements

To the General Manager,

Opinion

In our capacity as statutory auditor of Centum Adetel Groupe and in accordance with your request, we have audited the consolidated financial statements of Centum Adetel Group and its subsidiaries (the Group), which comprise the balance sheet and profit and loss as at March 31, 2020, and the balance sheet and profit and loss schedules and notes to the consolidated financial statements, including a summary of significant accounting policies. These financial statements were approved by the Board of Directors, on July 24, 2020, on the basis of the elements available at that date, in the evolving context of the health crisis related to Covid-19.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2020 and its consolidated financial performance and consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in France, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to the following matter described in Note 2.3 and Note 42 to the consolidated financial statements relating to the adoption of the new accounting standard IFRS 16 "Leases" from April 1, 2019. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- 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 Entity'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 consolidated 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the 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 to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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.

Restriction on Use of our Report

This report is addressed to the General Manager of the Entity. We assume or take no responsibility in respect of a third party which may use this report.

This report shall be governed by, and construed in accordance with French law. The courts of France shall have exclusive jurisdiction in relation to any claim or dispute concerning the engagement letter or this report, and any matter arising from them. Each party irrevocably waives any right it may have to object to an action being brought in any of those courts and to claim that the action has been brought in an inconvenient forum or that those courts do not have jurisdiction.

Lyon, July 27, 2020

The Statutory Auditor
ERNST & YOUNG et Autres

Benjamin Malherbe

Centum Adetel Group SA.
Consolidated statement of profit and loss for the year ended 31 March 2020

in EURO

	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Continuing Operations		
I Income:		
Revenue from operations	51 679 575	53 551 833
Other income	617 067	238 632
Finance Income	48 588	174 303
Total income	**52 345 230**	**53 964 768**
II Expenses:		
Cost of materials consumed	11 791 696	9 248 039
Changes in inventories of work-in-progress	7 456	153 156
Employee benefit expense	29 744 902	31 923 239
Finance costs	1 118 627	1 001 012
Depreciation and amortisation	2 629 403	1 158 716
Other expenses	5 993 331	7 760 181
Total expenses	**51 285 415**	**51 244 343**
Profit / (loss) before share of profit/(loss) of associate and joint ventures, exceptional items and tax from continuing operations (I - II)	**1 059 815**	**2 720 425**
Share of net profit of associate accounted using equity method	-	
Share of (loss) / profit of associates and joint ventures (net)	(137 477)	
Profit/(loss) before exceptional items and tax from continuing operations	**922 338**	**2 720 425**
Exceptional items (income, net of expense)	1 488 792	10 090
III Profit/ (loss) before tax from continuing operations	**(566 454)**	**2 730 515**
IV Tax expenses of continuing operations		
(a) Current tax	(15 762)	(56 934)
(b) Deferred tax (credit) / expense	(3)	(2)
V Profit / (Loss) after tax from continuing operations (III - IV)	**(550 689)**	**2 787 451**
B. Discontinued operations		
VI (Loss) / profit before tax from discontinued operations	(193 668)	(2 468 986)
VII Tax expenses of discontinued operations		
(a) Current tax		-
(b) Deferred tax expense / (credit)	-	-
VIII (Loss) / profit after tax from discontinued operations (VI - VII)	**(193 668)**	**(2 468 986)**
IX Profit / (loss) for the year (V + VIII)	**(744 357)**	**318 465**
X Other comprehensive income		
(A) Other comprehensive income to be reclassified to		
(i) Exchange differences on translation of foreign operations		
(ii) Income tax effect	-	-
(B) Other comprehensive income not to be reclassified to		
(i) Remeasurement gains / (losses) on defined benefit plans	-	-
(ii) Income tax effect	-	-
Other comprehensive income for the year, net of income	-	-
Total comprehensive income for the year, net of income tax	**(744 357)**	**318 465**
Profit / (loss) for the year	**(744 357)**	**318 465**
Attributable to		
(a) Equity holders of the parent	-	334 065
(b) Non controlling interest	-	(15 597)
Other comprehensive income/ (expense) for the year	**-**	**-**
Attributable to		
a) Equity holders of the parent	-	334 065
b) Non-controlling interests	-	(15 597)
XI Total comprehensive income attributable to:	**(744 357)**	**318 465**
Attributable to		
(a) Equity holders of the parent	(744 357)	334 062
(b) Non controlling interest	-	(15 597)

Centum Adetel Group SA.
Consolidated balance sheet as at 31 March 2020

		in EURO
	As at 31 March 2020	**As at 31 March 2019**
Assets		
Non-current assets		
Property, plant and equipment	1 509 830	2 006 083
Goodwill on consolidation	-	-
Other intangible assets	1 467 929	2 048 232
Intangible assets under Development	1 215 166	357 779
Right-of-use assets	4 900 434	
Financial assets		
(i) Investments	3 983 212	690 689
(ii) Other Investments	806 136	896 066
(ii) Loans	436 749	349 579
Deferred tax assets (net)	(6)	(10)
Total non-current assets	**14 319 450**	**6 348 418**
Current assets		
Inventories	1 778 739	1 521 563
Financial assets		
Trade receivables	24 728 366	17 326 753
Cash and cash equivalents	873 156	1 638 269
Bank balances other than cash and cash equivalen	-	
Other current financial assets	11 240 678	16 559 431
Other current assets	2 268 951	2 618 494
Total current assets	**40 889 890**	**39 664 510**
Assets held for disposal	**-**	**17 449 785**
Total assests	**55 209 340**	**63 462 713**
Equity And Liabilities		
Equity		
Equity share capital	5 405 416	5 405 416
Other equity	(456 295)	184 748
Equity attributable to owners	**4 949 121**	**5 590 164**
Non controlling interest	-	-
Total equity	**4 949 121**	**5 590 164**
Non-current liabilities		
Financial liabilities		
(i) Borrowings	6 031 726	8 064 393
(ii) Lease liabilities	3 925 449	-
Net non-current employee defined benefit liabilities	212 381	300 164
Provisions	688 125	1 040 821
Deferred tax liabilities (net)	-	-
Other non-current liabilites	-	-
Total non current liabilities	**10 857 681**	**9 405 378**
Current liabilities		
Financial liabilities		
(i) Borrowings	6 405 518	8 505 693
(ii) Lease liabilities	1 096 702	-
(iii) Trade payables	11 869 187	6 832 179
(iv) Other financial liabilities	4 810 884	3 142 263
Other current liabilities	15 220 247	16 921 124
Net employee defined benefit liabilities	-	
Provisions	-	-
Current tax liabilities (net)	-	-
Total current liabilities	**39 402 538**	**34 951 256**
Liabilities directly associated with assets classified as h	**-**	**13 515 912**
Total equity and liabilities	**55 209 340**	**63 462 713**
	-	

Centum Adetel Group S.A.
Notes to the consolidated financial statements for the year ended 31 March 2020

1 Corporate Information

Centum Adetel Group is established since 1994 and located in France. It has subsidaries in Canada. The company activities are design and manufacturing of energy conversion and storage systems and information management systems. The industry segments are Transport & Automotive, Defense & Aerospace, Industrial & Energy, Medical and Communication.

2 Significant Accounting Policies

2.1 Basis of preparation and measurement

a) Basis of Preparation

These financial statements have been prepared in accordance with the IFRS Accounting Standards.

The financial statements of the Company for the year ended 31st March, 2020 were approved for issue in accordance with the resolution of the Board of Directors on 24 July, 2020.

b) Basis of measurement

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies. 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, regardless of whether that price is directly observable or estimated using another valuation technique

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

2.2 Key Accounting Estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in application of the accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results could differ from those estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

2.3 Recent accounting developments

The Group has adopted the new accounting standard IFRS 16 “Leases” fusing the modified retrospective method of adoption with the date of initial application of 1 April 2019.

Before the adoption of IIFRS 16, the Group classified each of its leases at the inception date as either a finance lease or an operating lease. Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets.
The Group did not change the initial carrying amounts of recognized assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under IAS 17).

2.4 Significant Accounting Policies

a) Property, Plant & Equipment

(i) Recognition and measurement

Items of Plant, property and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The cost of property, plant and equipment not ready for their intended use at the balance sheet date are disclosed as capital work in progress. Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date are disclosed as 'capital advances'. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation and amortization

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the statement of profit and loss.

Leasehold improvements are amortized over the period of lease or the estimated useful life whichever is lower.

Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset categories	Years
Plant & equipment	3 - 5
Electrical installation	5 - 10
Furniture & fixtures	5 - 10
Office equipment	3 - 8
Computer	3 - 5

b) Intangible assets

(i) Recognition and measurement

Intangible assets are recognised only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Computer software licenses are capitalised on the basis of costs incurred to acquire and put to use the specific software. Operating software is capitalised and amortized along with the related fixed asset.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) Depreciation and amortization

Intangible asset (software) is amortized on a straight line basis over the estimated useful life being 1-5 years.

The amortization period and method used for intangible assets are reviewed at the end of each financial year and adjusted if appropriate.

c) Investment in subsidiaries, associates & joint ventures

Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

d) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises purchase price and all incidental expenses (other than those subsequently recoverable by the enterprise from the tax authorities) incurred in bringing the inventory to its present location and condition. The basis of determining cost is set out as below:

Raw materials and components	Weighted average cost method
Work in progress and finished goods	Weighted average cost method

e) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

f) Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity. Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payable are recognized net of directly attributable transactions costs.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets at amortized cost, non-derivative financial liabilities at amortized cost.

a) Non-derivative financial assets at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial 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 (SPPI) on the principal amount outstanding.

Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.
Amortized cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset

b) Non-derivative financial liabilities at amortized cost

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest rate method.

Financial liabilities are subsequently measured at amortized cost using the EIR method.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

g) 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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past event where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

h) Revenue Recognitions

Revenues corresponds to sales of services and sales of goods made by all consolidated companies of the Group.
The accounting method used to recognize revenues and costs depends on the nature of the services. Moreover, when the result of a transaction cannot be estimated reliably and the recovery of costs incurred is unlikely, revenues are not recognized and the costs incurred are expensed.

Sale of goods

Revenue from sale of goods is recognized when the control of the goods have passed to the buyer, usually on the delivery of the goods. Sales are accounted inclusive of excise duty and exclude sales tax and trade and quantity discounts and are net of sales returns.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Sale of services

Revenue from services is recognised as and when services are rendered as per the terms of the contract.

Rental income and commission income

Rental income from lease of properties under operating lease is recognised in the income statement on a straight line basis over the term of the lease.

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.

Interest income

Interest income other than interest on fixed deposits is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

Time and material contracts

These contracts, which are subject to a best efforts clause, have a variable price determined

Fixed-price contracts

These contracts, which have a performance obligation, either provide for a 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 recognized based on the stage of completion and the expected profit on completion. Depending on the contract, the degree 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 expected excess of total contract costs over total contract revenues, the expected losses on completion are provisioned.
This method is compliant with the progress method defined by the standard IFRS 15 “Income from ordinary activities”.

i) Government Grants

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/subsidy will be received. Government grants mainly relate to research tax credits which are recognized in the operating result in accordance with IAS 20.

j) Employee Benefits

Post retirement obligations

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

Under a defined contribution plan, the Company’s only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service.

Under a defined benefit plan, it is the Company’s obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company.

The Company has the following employee benefit plans:

a) Provident fund & employee state insurance : The company makes a contribution towards provident fund and employee's state insurance which is a defined contribution scheme, are charged to the statement of profit and loss in the period in which the employee renders services.

b) Gratuity: The costs of providing benefits under these plans are determined on the basis of actuarial valuation determined using projected unit credit method at each balance sheet date.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

k) Impairment of non-financial assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

l) Income Taxes

Income tax expense for the year comprises of current tax and deferred tax.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in current tax expense.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

m) Leases

When signing an agreement, the Group determines whether this constitutes or contains a lease agreement. Any agreement which constitutes or contains a lease agreement grants the right to control the use of the asset identified for a certain period of time, in exchange for a consideration. To determine whether an agreement grants the right to control the use of an identified asset, our Group applies the definition of a lease provided by IFRS 16.

The value of the asset (corresponding to the right of use of the underlying asset) and the lease liability (corresponding to the obligation to make lease payments) are initially measured at the present value of future lease payments, as well as estimated payments at the end of the contract. The lease term is defined contract by contract and corresponds to the non-cancellable period of the commitment, taking into account any optional periods if the exercise of such option is reasonably certain.
Lease payments are apportioned between payments of the interest and the principal of the outstanding liability. The assets linked to rights of use are depreciated over the term of the lease agreement plus any optional periods for which there is a reasonable certainty of exercise.
Our Group applies the exemptions provided for by IFRS 16 for leases with a lease term of 12 months or less and for leases whose underlying asset is of low value when new (less than USD 5,000). These rents are recognized directly as expenses.

n) Foreign Currencies

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost and are translated at the exchange rate prevalent at the date of transaction.

o) Earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

p) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalized as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized as an expense in the year in which they are incurred.

q) Functional Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Euros, the national currency of France, which is the functional currency of the Company.

r) Research & Development

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the product and the costs can be measured reliably.

2.5 Assets and liabilities held for sale and Discontinued operations

IFRS 5 defines the accounting treatment, presentation and disclosure for assets held for sale (or disposal groups) and discontinued operations. A discontinued operation is a component of an entity that has either been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations.
The standard requires separate disclosure on the balance sheet if the carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale must be highly probable (within one year of the reporting date).

r) Research & Development

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the product and the costs can be measured reliably.

2.5 Assets and liabilities held for sale and Discontinued operations

IFRS 5 defines the accounting treatment, presentation and disclosure for assets held for sale (or disposal groups) and discontinued operations. A discontinued operation is a component of an entity that has either been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations.
The standard requires separate disclosure on the balance sheet if the carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale must be highly probable (within one year of the reporting date).

Assets classified as held for sale and discontinued operations are measured and recognized at the lower of carrying amount and fair value less costs to sell, and deprecation on such assets ceases. Net income from discontinued operations, before eliminating intra-Group transactions, is presented as a separate line item on the income statement for the current and prior years used for year-on-year comparison.

Centum Adetel Group SA.
Consolidated balance sheet as at 31 March 2020

<<Consider the general formt and change to specific nomenclature / details wherever needed>>

			in EURO
	Note	**As at 31 March 2020**	**As at 31 March 2019**
Assets			
Non-current assets			
Property, plant and equipment	3	1 509 830	2 006 083
Goodwill on consolidation	4a	-	-
Other intangible assets	4b	1 467 929	2 048 232
Intangible assets under Development	3a	1 215 166	357 779
Right-of-use assets	42	4 900 434	
Financial assets			
(i) Investments	5a	3 983 212	690 689
(ii) Other Investments	5	806 136	896 066
(ii) Loans	6	436 749	349 579
Deferred tax assets (net)	7	(6)	(10)
Total non-current assets		**14 319 450**	**6 348 418**
Current assets			
Inventories	8	1 778 739	1 521 563
Financial assets			
Trade receivables	9	24 728 366	28 795 331
Cash and cash equivalents	10	873 156	1 638 269
Bank balances other than cash and cash equivalents	10	-	
Other current financial assets	11	11 240 678	5 090 853
Other current assets	12	2 268 951	2 618 494
Total current assets		**40 889 890**	**39 664 510**
Assets held for disposal		**-**	**17 449 785**
Total assests		**55 209 340**	**63 462 713**
Equity And Liabilities			
Equity			
Equity share capital	13	5 405 416	5 405 416
Other equity	14	(456 295)	184 748
Equity attributable to owners		**4 949 121**	**5 590 164**
Non controlling interest		-	-
Total equity		**4 949 121**	**5 590 164**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15	6 031 726	8 064 393
(ii) Lease liabilities	42	3 925 449	-
Net non-current employee defined benefit liabilities	16	212 381	300 164
Provisions	17	688 125	1 040 821
Deferred tax liabilities (net)	7	-	-
Other non-current liabilites	18	-	-
Total non current liabilities		**10 857 681**	**9 405 378**
Current liabilities			
Financial liabilities			
(i) Borrowings	19	6 405 518	8 505 693
(ii) Lease liabilities	42	1 096 702	-
(iii) Trade payables	20	11 869 187	6 382 179
(iv) Other financial liabilities	21	4 810 884	3 142 263
Other current liabilities	22	15 220 247	16 921 121
Provisions	24	-	-
Current tax liabilities (net)	25	-	-
Total current liabilities		**39 402 538**	**34 951 256**
Liabilities directly associated with assets classified as held for disposal		**-**	**13 515 912**
Total equity and liabilities		**55 209 340**	**63 462 710**
		-	*(3)*
Significant accounting policies	1		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for ERNST & YOUNG et Autres
Chartered Accountants
Firm registration number:

for and on behalf of Board of Directors of
Centum Adetel Group SA.

Benjamin MALHERBE
Partner
Membership Number:

François SEBES
Chairman & Managing Director

Vincent FRADIN
Chief Financial Officer

Lucie VIOLAY-MESLET
Legal Adviser

Place : Ecully, France
Date: 27 July 2020

Centum Adetel Group SA.
Consolidated statement of profit and loss for the year ended 31 March 2020

in EURO

	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
A. Continuing Operations			
I Income:			
Revenue from operations	26	51 679 575	53 551 833
Other income	27	617 067	238 632
Finance Income	27,1	48 588	174 303
Total income		**52 345 230**	**53 964 768**
II Expenses:			
Cost of materials consumed	28	11 791 696	9 248 039
Changes in inventories of work-in-progress	29	7 456	153 156
Employee benefit expense	30	29 744 902	31 923 239
Finance costs	31	1 118 627	1 001 012
Depreciation and amortisation	32	2 629 403	1 158 716
Other expenses	33	5 993 331	7 760 181
Total expenses		**51 285 415**	**51 244 343**
Profit / (loss) before share of profit/(loss) of associate and joint ventures, exceptional items and tax from continuing operations (I - II)		**1 059 815**	**2 720 425**
Share of net profit of associate accounted using equity method		-	
Share of (loss) / profit of associates and joint ventures (net)		(137 477)	
Profit/(loss) before exceptional items and tax from continuing operations		**922 338**	**2 720 425**
Exceptional items (income, net of expense)	34	1 488 792	10 090
III Profit/ (loss) before tax from continuing operations		**(566 454)**	**2 730 515**
IV Tax expenses of continuing operations			
(a) Current tax	7	(15 762)	(56 934)
(b) Deferred tax (credit) / expense	7	(3)	(2)
V Profit / (Loss) after tax from continuing operations (III - IV)		**(550 689)**	**2 787 451**
B. Discontinued operations			
VI (Loss) / profit before tax from discontinued operations	34	(193 668)	(2 468 986)
VII Tax expenses of discontinued operations			
(a) Current tax	7		-
(b) Deferred tax expense / (credit)	7	-	-
VIII (Loss) / profit after tax from discontinued operations (VI - VII)		**(193 668)**	**(2 468 986)**
IX Profit / (loss) for the year (V + VIII)		**(744 357)**	**318 465**
X Other comprehensive income			
(A) Other comprehensive income to be reclassified to			
(i) Exchange differences on translation of foreign operations			
(ii) Income tax effect		-	-
(B) Other comprehensive income not to be reclassified to			
(i) Remeasurement gains / (losses) on defined benefit plans		-	-
(ii) Income tax effect		-	-
Other comprehensive income for the year, net of income		-	-
Total comprehensive income for the year, net of income tax		**(744 357)**	**318 465**
Profit / (loss) for the year		**(744 357)**	**318 465**
Attributable to			
(a) Equity holders of the parent		-	334 065
(b) Non controlling interest		-	(15 597)
Other comprehensive income/ (expense) for the year		-	-
Attributable to			
a) Equity holders of the parent		-	334 065
b) Non-controlling interests		-	(15 597)
XI Total comprehensive income attributable to:		**(744 357)**	**318 465**
Attributable to			
(a) Equity holders of the parent		(744 357)	334 062
(b) Non controlling interest		-	(15 597)

	Notes	For the year ended 31 March 2020	For the year ended -
Earnings per share	32		
Earnings per share (EUR) from continuing operations:			
Basic and diluted, computed on the basis of profit / (loss) from continuing operations attributable to equity holders of the parent (per equity share of EUR XX each)			
- Basic		-	
- Diluted		-	
Earnings per share (EUR) from discontinued operations:			
Basic and diluted, computed on the basis of profit / (loss) from discontinued operations attributable to equity holders of the parent (per equity share of EUR XX each)			
- Basic			
- Diluted			
Earnings per share (EUR) from continuing and discontinued operations:			
Basic and diluted, computed on the basis of profit / (loss) attributable to equity holders of the parent (per equity share of EUR XX each)			
- Basic		(1,10)	0,47
- Diluted		(1,10)	0,47

Significant accounting policies 1

The accompanying notes form an integral part of the financial statements

As per our report of even date.

for ERNST & YOUNG et Autres
Chartered Accountants
Firm registration number:

Benjamin MALHERBE
Partner
Membership Number:

for and on behalf of Board of Directors of
Centum Adetel Group SA.

François SEBES
Chairman & Managing Director

Vincent FRADIN
Chief Financial Officer

Lucie VIOLAY-MESLET
Legal Adviser

Place : Ecully, France
Date: 27 July 2020

Centum Adetel Group SA
Consolidated statement of cash flows for the year ended 31 March 2020

	For the year ended 31 March 2020	(Amount in EURO) For the year ended 31 March 2019
Operating activities		
Profit / (loss) before tax from continuing operations	(744 358)	2 787 451
(Loss) / profit before tax from discontinued operations	331 145	(2 468 986)
Profit / (loss) before tax expenses	(413 213)	318 465
Adjustments to reconcile profit before tax to net cash flows:		
Unrealised foreign exchange loss / (gain)	-	-
Liabilities no longer required written back	-	-
Loss / (gain) on disposal of property, plant and equipment	(45 301)	-
Depreciation of property, plant and equipment	-	-
Amortisation of intangible assets	-	-
Share-based payment expense	-	-
Finance costs	-	-
Result of equity method companies	-	2 405 071
Amortization and provisions	2 260 539	1 220 286
Deferred taxation variation	(3)	2
Capital gains net of taxes	-	(2 129 265)
	1 802 022	**1 814 559**
Working capital adjustments:		
Changes in working capital	-	(507 178)
Increase/ (decrease) in trade payables, other liabilities and provisions	3 716 144	-
(Increase)/ decrease in inventories	(292 752)	-
(Increase)/ decrease in trade and other receivables	(1 079 336)	-
(Increase)/ decrease in other bank balances	-	-
Cash generated from operations	**4 146 078**	**1 307 381**
Income tax paid		-
Net cash (used in) / generated from operating activities	**4 146 078**	**1 307 381**
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	90 112	141 437
Purchase consideration paid on acquisition of subsidiary/ Proceeds from assignmentof subsidiary	-	-
Purchase of financial instruments	-	3 063 186
Purchase of assets on slump sale	-	-
Capital gains net of taxes	-	-
Dividend received from subsidiary company	-	-
Purchase of property, plant and equipment	(1 062 371)	(1 394 528)
Realization of Margin Money Deposit	-	-
Net cash (used in)/ flow from investing activities	**(972 260)**	**1 810 094**
Cash flow from financing activities		
Proceeds from borrowings	1 612 946	1 117 523
Repayment of borrowings	(3 449 308)	(1 743 835)
Payment of principal portion of lease liabilities	-	-
Payment of principal portion of finance lease liabilities	-	-
Proceeds from issue of share capital	-	-
Finance cost	-	-
Net cash (used in)/provided by financing activities	**(1 836 362)**	**(626 312)**
Net increase in cash and cash equivalents	1 337 456	2 491 163
Cash and cash equivalents at the beginning of the year	(6 867 424)	(9 369 154)
Effect of exchange differences on translation of foreign currency cash and cash equivalent	(2 394)	10 564
Cash and cash equivalents at the end of the year	**(5 532 362)**	**(6 867 427)**
	-	

Centum Adetel Group SA
Consolidated statement of cash flows for the year ended 31 March 2020

Explanatory notes to statement of cash flows

1. Changes in liabilities arising from financing activities:-

Particulars	Liabilities arising from financing activities	
	Long term borrowings (including current maturities of long term borrowings) (refer note XX and XX)	**Other financial liabilities**
As at April 1, 2019	**13 860 265**	
Cash flows	(3 891 336)	
Non-cash changes	-	-
Foreign exchange fluctuations (gain) / loss	-	-
Changes in fair values	-	-
Dividend declared during the year	-	-
Adjustments on account discontinued operations	-	-
Acquisition of property, plant and equipment by means of finance lease	-	-
As at March 31, 2020	**9 968 929**	**-**
As at April 1, 2018	**18 312 975**	**4 333 333**
Cash flows	(4 452 710)	3 428 248
Non-cash changes	-	-
Foreign exchange fluctuations loss / (gain)	-	-
Changes in fair values	-	-
New leases	-	1 523 184
As at March 31, 2019	**13 860 265**	**9 284 765**

This is the cash flow statement referred to in our report attached

As per our report of even date attached.

for ERNST & YOUNG et Autres
Chartered Accountants
Firm registration number:

Benjamin MALHERBE
Partner
Membership Number:

Place : Ecully, France
Date: 27 July 2020

for and on behalf of Board of Directors of
Centum Adetel Group SA.

François SEBES
Chairman & Managing Director

Vincent FRADIN
Chief Financial Officer

Lucie VIOLAY-MESLET
Legal Adviser

Statement of Changes in Equity

Equity share capital

Particulars	Number	Amount in EURO
Balance as at April 1, 2018	675 677	5 405 416
Changes in equity share capital during 2018-19	-	-
Balance as at 31 March 2019	675 677	5 405 416
Changes in equity share capital during 2019-20	-	-
Balance as at 31 March 2020	675 677	5 405 416

Other equity

Securities prem General reserv(Retained earnii Share option oı Translation reserve

(Amount in Euro)

Particulars	Reserves and Surplus				Other Comprehensive Income			Total	Non Controlling Interest
	Securities premium account	General reserve	Retained earnings	Share options outstanding account	Translation reserve	Cash flow hedge reserve	Other Items		
Balance as at April 1, 2019	3 385 029	8 179 408	(12 142 810)	771 999	(8 876)	-	-	184 750	-
Effect of adoption of Ind AS 116 Leases (refer note 45)			(210 857)						
As at 1 April 2019 (adjusted)	3 385 029	8 179 408	(12 353 667)	771 999	(8 876)	-	-	(26 107)	-
(Loss)/ profit for the year			(744 360)					(744 360)	
Issue of share capital								-	
Share based payment				292 000				292 000	
Cancellation/Lapse of share options			1 063 999	(1 063 999)				-	
Adjustment on account of deconsolidation of subsidiary on liquidation								-	
Others			(205)		22 377			22 172	
Balance as at March 31,2020	3 385 029	8 179 408	(12 034 233)	-	13 501	-	-	(456 295)	-
Balance as at April 1, 2018	3 385 029	8 179 408	(12 476 875)	771 999	(9 430)			(921 868)	
Others								-	
(Loss)/ profit for the year			334 065		554			334 619	
Balance as at March 31,2019	3 385 029	8 179 408	(12 142 810)	772 000	(8 876)	-	-	184 751	
Others			852 937					852 937	
(Loss)/ profit for the year			(744 360)	(772 000)	22 377			(1 493 983)	
Balance as at March 31,2020	3 385 029	8 179 408	(12 034 233)	-	13 501	-	-	(456 295)	

1 Corporate Information

Centum Adetel Group is established since 1994 and located in France. It has subsidaries in Canada. The company activities are design and manufacturing of energy conversion and storage systems and information management systems. The industry segments are Transport & Automotive, Defense & Aerospace, Industrial & Energy, Medical and Communication.

2 Significant Accounting Policies

2.1 Basis of preparation and measurement

a) Basis of Preparation

These financial statements have been prepared in accordance with the IFRS Accounting Standards.

The financial statements of the Company for the year ended 31st March, 2020 were approved for issue in accordance with the resolution of the Board of Directors on 24 July, 2020.

b) Basis of measurement

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies. 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, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

2.2 Key Accounting Estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions in application of the accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results could differ from those estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

2.3 Recent accounting developments

The Group has adopted the new accounting standard IFRS 16 “Leases” fusing the modified retrospective method of adoption with the date of initial application of 1 April 2019.

2.4 Significant Accounting Policies

a) Property, Plant & Equipment

(i) Recognition and measurement

Items of Plant, property and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The cost of property, plant and equipment not ready for their intended use at the balance sheet date are disclosed as capital work in progress. Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date are disclosed as 'capital advances'. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation and amortization

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the statement of profit and loss.

Leasehold improvements are amortized over the period of lease or the estimated useful life whichever is lower.

Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset categories	Years
Plant & equipment	3 - 5
Electrical installation	5 - 10
Furniture & fixtures	5 - 10
Office equipment	3 - 8
Computer	3 - 5

b) Intangible assets

(i) Recognition and measurement

Intangible assets are recognised only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Computer software licenses are capitalised on the basis of costs incurred to acquire and put to use the specific software. Operating software is capitalised and amortized along with the related fixed asset.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) Depreciation and amortization

Intangible asset (software) is amortized on a straight line basis over the estimated useful life being 1-5 years.

The amortization period and method used for intangible assets are reviewed at the end of each financial year and adjusted if appropriate.

c) *Investment in subsidiaries, associates & joint ventures*

Investments in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

d) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises purchase price and all incidental expenses (other than those subsequently recoverable by the enterprise from the tax authorities) incurred in bringing the inventory to its present location and condition. The basis of determining cost is set out as below:

Raw materials and components	Weighted average cost method
Work in progress and finished goods	Weighted average cost method

e) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

f) Financial Instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity of another entity. Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payable are recognized net of directly attributable transactions costs.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets at amortized cost, non-derivative financial liabilities at amortized cost.

a) Non-derivative financial assets at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial 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 (SPPI) on the principal amount outstanding.

Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortized cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

b) Non-derivative financial liabilities at amortized cost

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest rate method.

Financial liabilities are subsequently measured at amortized cost using the EIR method.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

g) 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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past event where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

h) Revenue Recognitions

Revenues corresponds to sales of services and sales of goods made by all consolidated companies of the Group.

Sale of goods

Revenue from sale of goods is recognized when the control of the goods have passed to the buyer, usually on the delivery of the goods. Sales are accounted inclusive of excise duty and exclude sales tax and trade and quantity discounts and are net of sales returns.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Sale of services

Revenue from services is recognised as and when services are rendered as per the terms of the contract.

Rental income and commission income

Rental income from lease of properties under operating lease is recognised in the income statement on a straight line basis over the term of the lease.

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.

Interest income

Interest income other than interest on fixed deposits is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

Time and material contracts

These contracts, which are subject to a 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 (T&M) contracts is recognized as the services are performed.

Fixed-price contracts

These contracts, which have a performance obligation, either provide for a 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 recognized based on the stage of completion and the expected profit on completion. Depending on the contract, the degree 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 expected excess of total contract costs over total contract revenues, the expected losses on completion are provisioned.
This method is compliant with the progress method defined by the standard IFRS 15 "Income from ordinary activities".

i) Government Grants

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants/subsidy will be received. Government grants mainly relate to research tax credits which are recognized in the operating result in accordance with IAS 20.

j) Employee Benefits

Post retirement obligations

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service.

Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company.

The Company has the following employee benefit plans:

a) Provident fund & employee state insurance : The company makes a contribution towards provident fund and employee's state insurance which is a defined contribution scheme, are charged to the statement of profit and loss in the period in which the employee renders services.

b) Gratuity: The costs of providing benefits under these plans are determined on the basis of actuarial valuation determined using projected unit credit method at each balance sheet date.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

k) Impairment of non-financial assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

l) Income Taxes

Income tax expense for the year comprises of current tax and deferred tax.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in current tax expense.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

m) Leases

When signing an agreement, the Group determines whether this constitutes or contains a lease agreement. Any agreement which constitutes or contains a lease agreement grants the right to control the use of the asset identified for a certain period of time, in exchange for a consideration. To determine whether an agreement grants the right to control the use of an identified asset, our Group applies the definition of a lease provided by IFRS 16.
The value of the asset (corresponding to the right of use of the underlying asset) and the lease liability (corresponding to the obligation to make lease payments) are initially measured at the present value of future lease payments, as well as estimated payments at the end of the contract. The lease term is defined contract by contract and corresponds to the non-cancellable period of the commitment, taking into account any optional periods if the exercise of such option is reasonably certain.
Lease payments are apportioned between payments of the interest and the principal of the outstanding liability. The assets linked to rights of use are depreciated over the term of the lease agreement plus any optional periods for which there is a reasonable certainty of exercise.
Our Group applies the exemptions provided for by IFRS 16 for leases with a lease term of 12 months or less and for leases whose underlying asset is of low value when new (less than USD 5,000). These rents are recognized directly as expenses.

New and amended standards and interpretations IAS 8.28
The Group applied IFRS 16 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.
Several other amendments and interpretations apply for the first time in 2019, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

IFRS 16 Leases

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease,
SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.
Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 does not have an impact for leases where the Group is the lessor.
The Group adopted IFRS 16 using the modified retrospective method of adoption, with the date of initial application of 1 April 2019. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 January 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The effect of adopting IFRS 16 is, as follows:
Impact on the consolidated statement of financial position (increase/(decrease):

	1 April 2019
	(in EUR)
Assets	
Right-of-use asset	2 911 620
Property, plant and equipment	-
Total assets	**2 911 620**
Equity	
Retained earnings	(210 857)
Non – controlling interest	-
Total equity	**(210 957)**
Liabilities	
Lease liabilities	3 101 681
Deferred tax liabilities	(70 263)
Other payables	91 059
Total liabilities	**3 122 477**

Impact on the consolidated statement of profit or loss (increase/(decrease):

	2019-20
Rent Expenses	(1 570 529)
Depreciation expenses	1 495 444
Operating profit	
Finance costs	53 416
Income Tax expense	22 782
Loss/(Profit) for the period	**1 113**
Attributable to:	
Equity holders of the parent	1 113
Noncontrolling interests	-

Impact on consolidated statement of cash flows (increase/(decrease):

	2019-20
Operating lease payment	2 787 042
Interest paid	
Net cash flows from operating activities	
Payment of principal portion of lease liabilities	2 787 042
Payment of principal portion of finance lease liabilities	-
Net cash flows from financing activities	**2 787 042**
Attributable to:	
Equity holders of the parent	-
Noncontrolling interests	

There is no material impact on other comprehensive income or the basic and diluted earnings per share.
Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases for which it is the lessee, except for short-term leases and leases of low-value assets. The Group recognised lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. In accordance with the modified retrospective method of adoption, the Group applied IFRS 16 at the date of initial application as if it had already been effective at the commencement date of existing lease contracts.

As at 1 April, 2019

• 'Right-of-use assets' were recognised and presented separately in the statement of financial position. Lease assets recognised previously under finance leases, which were included under 'Property, plant and equipment', were derecognised.
• Additional lease liabilities were recognised and included under 'Interest bearing loans and borrowings'.
• 'Prepayments' and 'Trade and other payables' related to previous operating leases were derecognised.
• 'Deferred tax liabilities' decreased because of the deferred tax impact of the changes in recognised lease related assets and liabilities.
• 'Retained earnings' and 'Non-controlling interests' decreased due to the net impact of these adjustments.
For the year ended 31 March 2020:
• Depreciation expense increased because of the depreciation of additional assets recognised (i.e., increase in right-of-use assets, net of the decrease in 'Property, plant and equipment'). This resulted in increases of EUR 1,495,444.
• Rent expense relating to previous operating leases, decreased by EUR 1,570,529
• 'Finance costs' increased by € 53,416 relating to the interest expense on additional lease liabilities recognised.
• 'Income tax expense' increased by € 22,782 relating to the tax effect of these changes in expenses.
• Cash outflows from operating activities decreased by 2,251,338 and cash outflows from financing activities increased by the same amount, relating to decrease in operating lease payments and increases in principal and interest payments of lease liabilities.

n) Foreign Currencies

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost and are translated at the exchange rate prevalent at the date of transaction.

o) Earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

p) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalized as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized as an expense in the year in which they are incurred.

q) Functional Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Euros, the national currency of France, which is the functional currency of the Company.

r) Research & Development

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the product and the costs can be measured reliably.

2.5 Assets and liabilities held for sale and Discontinued operations

IFRS 5 defines the accounting treatment, presentation and disclosure for assets held for sale (or disposal groups) and discontinued operations. A discontinued operation is a component of an entity that has either been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations.
The standard requires separate disclosure on the balance sheet if the carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale must be highly probable (within one year of the reporting date).

Assets classified as held for sale and discontinued operations are measured and recognized at the lower of carrying amount and fair value less costs to sell, and deprecation on such assets ceases.
Net income from discontinued operations, before eliminating intra-Group transactions, is presented as a separate line item on the income statement for the current and prior years used for year-on-year comparison.

2.3 The entities consolidated in the consolidated financial statements are listed below:

Sl No.	Name of the Entity	Country of Incorporation	Relationship as at March 31, 2020	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, 2020		March 31, 2019		March 31, 2020		March 31, 2019	
				March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	As a % of consolidated net assets	EUR	As a % of consolidated net assets	EUR	As % of total comprehensive income	EUR	As % of total comprehensive income	EUR
	Parent														
1	Centum Adetel Group	France	Holding Company	100,00%	100,00%			100,00%	16 262 816	377,78%	21 118 457	985,46%	(7 335 338)	-90,27%	(301 556)
	Foreign Subsidiaries														
2	Centum Adeneo	France	Subsidiary	100,00%	100,00%	100,00%	100,00%	100,00%	1 964 771	44,40%	2 481 926	-251,21%	1 869 871	1012,27%	3 381 604
3	Centum Adeneo CRD	France	Subsidiary	100,00%	100,00%	100,00%	100,00%	100,00%	(214 945)	-5,34%	(298 590)	-11,24%	83 646	41,87%	139 888
4	Centum Adetel Synergies	France	Subsidiary	100,00%	100,00%	100,00%	100,00%	100,00%	(507 378)	-8,71%	(486 772)	2,75%	(20 443)	-63,83%	(213 232)
5	Centum Adetel Transportation System	France	Subsidiary	100,00%	100,00%	100,00%	100,00%	100,00%	(2 234 829)	-10,52%	(588 336)	-365,66%	2 721 839	-44,64%	(149 116)
6	Centum Adetel Equipment	Canada	Subsidiary	100,00%	100,00%	100,00%	100,00%	100,00%	(964 875)	-3,27%	(183 059)	109,68%	(816 443)	-51,20%	(171 043)
7	Centum Adetel Solution	Canada	Subsidiary	100,00%	100,00%	100,00%	100,00%	100,00%	(8 630 807)	-152,32%	(8 514 800)	12,58%	(93 640)	69,45%	231 995
8	Adetel Maroc	Maroc	Subsidiary	-	-	-	-	-	-	-	-		-	-15,36%	(51 313)
9	Adetel Equipement Maroc	Maroc	Subsidiary	-	-	-	-	-	-	-	-		-	-3,03%	(10 113)
10	Centum Adetel Transportation	France	Subsidiary	35,00%	100,00%	35,00%	100,00%	35,00%	-	-131,49%	(7 350 505)	-400,83%	2 983 627	-719,95%	(2 405 071)
11	Centum Adeneo Belgium	Belgium	Subsidiary	100,00%	-	100,00%	-	100,00%	-	-	-				
	Indian Subsidiaries														
	Centum Adeneo India Private Limited	Inde	Subsidiary	-	-	-	-	-	-	-	-			-35,32%	(117 981)
	Associates														
11	Ausar Energy SAS	France	Associate	30,45%	30,45%	30,45%	30,45%	30,45%	(725 631)	-10,52%	(588 154)	18,47%	(137 477)	0,00%	-
	Sub Total								4 949 122	100%	5 590 167	100%	(744 358)	100%	334 062
	Add / Less: Non controlling interests in all subsidiaries														
	Consolidation adjustments/eliminations**														
	Total								4 949 122		5 590 167		(744 358)		334 062

* The figures have been considered from the respective financial statements and the consolidated net asset figure has been arrived at after consolidation adjustments/eliminations.
** Consolidation adjustments/eliminations include intercompany eliminations and consolidation adjustments.

The financial statements of subsidiaries and joint ventures have been drawn up to the same reporting date as of the Company, i.e. March 31, 2020. 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 ended on and as at December 31, 2019 were considered for the purpose of consolidated financial statements of the Group.

In FULL NUMBERS

3. Property, plant and equipment

(Euro.)

	Freehold land	Building	Plant and equipment	Electrical installations	Computers	Office equipment	Vehicles	Total
As at April 1, 2018	**15 445**	**433 492**	**2 573 335**	**1 445 471**	**760 008**	**353 488**	**10 585**	**5 591 824**
Additions	-	-	33 421	25 677	27 205	5 267	-	91 570
Addition on account of Adetel acquisition			(1 476 732)	(140 903)	(243 558)	(31 537)		(1 892 730)
Exchange differences - translation adjustment	-	-	1 014 859	-	-	-	299	1 015 158
Disposals	-	-	-	-	(127 327)	-	-	(127 327)
As at March 31, 2019	**15 445**	**433 492**	**2 144 883**	**1 330 245**	**416 328**	**327 218**	**10 884**	**4 678 495**
Additions	-	-	-	7 194	33 447	-	-	40 641
Ajustment of IFRS 16								-
Exchange differences - translation adjustment	-	-	(27 231)	(8 870)	(3 388)	(2 516)	(243)	(42 248)
Disposals	-	-	(46 801)	-	-	-	-	(46 801)
Others	-	-	-	-	-	-	-	-
As at March 31, 2020	**15 445**	**433 492**	**2 070 851**	**1 328 569**	**446 387**	**324 702**	**10 641**	**4 630 087**
Depreciation								
As at April 1, 2018	-	**212 058**	**1 365 820**	**815 206**	**647 738**	**328 757**	**5 117**	**3 374 696**
Addition on account of Adetel acquisition	-	-	(749 240)	(14 604)	(210 094)	(67 573)	-	(1 041 511)
Charge for the year	-	14 690	230 969	143 955	36 980	20 486	1 485	448 565
Exchange differences - translation adjustment	-	-	17 846	-	-	-	143	17 989
Disposals	-	-	-	-	(127 327)	-	-	(127 327)
As at March 31, 2019	**-**	**226 748**	**865 395**	**944 557**	**347 297**	**281 670**	**6 745**	**2 672 412**
Charge for the year	-	14 407	345 082	146 845	33 935	13 047	1 192	554 508
Ajustment of IFRS 16								-
Exchange differences - translation adjustment	-	-	(45 766)	(14 096)	-	-	-	(59 862)
Disposals	-	-	(46 801)	-	-	-	-	(46 801)
Others	-	-	-	-	-	-	-	-
As at March 31, 2020	**-**	**241 155**	**1 117 910**	**1 077 306**	**381 232**	**294 717**	**7 937**	**3 120 257**
Net block								
As at March 31, 2020	**15 445**	**192 337**	**952 941**	**251 263**	**65 155**	**29 985**	**2 704**	**1 509 830**
As at March 31, 2019	**15 445**	**206 744**	**1 279 488**	**385 688**	**69 031**	**45 548**	**4 139**	**2 006 083**

Centum Adetel Group

Centum Adetel Group
Notes to the consolidated financial statements for the year ended 31 March 2020

3b. Intangible assets under development

(EUR in FULL Numbers)

	Intangible assets under development
As at April 1, 2018	**1 354 273**
Addition on account of Adetel acquisition	(89 069)
Additions	580 994
Exchange differences - translation adjustment	(1 488 419)
As at March 31, 2019	**357 779**
Exchange differences - translation adjustment	
Additions	857 387
Capitalised during the year	-
Transferred to assets held for disposal (refer note 41)	-
As at March 31, 2020	**1 215 166**
	-

Notes:

(This space has been intentionally left blank)

4a. Other intangible assets (EUR in FULL Numbers)

	Goodwill on consolidation
As at April 1, 2018	**5 014 708**
Addition on account of Adetel acquisition	-
Additions	-
Exchange differences - translation adjustment	-
Disposals	-
As at March 31, 2019	**5 014 708**
Additions	-
Exchange differences - translation adjustment	-
Disposals	-
As at March 31, 2020	**5 014 708**
Depreciation	
As at April 1, 2018	**5 014 708**
Charge for the year	-
Exchange differences - translation adjustment	-
Disposals	-
As at March 31, 2019	**5 014 708**
Charge for the year	-
Exchange differences - translation adjustment	-
Disposals	-
As at March 31, 2020	**5 014 708**
Net block	
As at March 31, 2020	- (Net value is 0)
As at March 31, 2019	-

Notes:

4b. Other intangible assets (Euro.)

	Computer software	Intellectual property rights (including R&D credits)	Total
As at April 1, 2018	1 832 378	16 059 593	17 891 971
Addition on account of Adetel acquisition	(62 551)	(4 738 646)	(4 801 197)
Additions	16 154	273 262	289 416
Exchange differences - translation adjustment	9 383	999 246	1 008 629
Disposals	-	-	-
As at March 31, 2019	**1 795 364**	**12 593 455**	**14 388 819**
Additions	11 691	-	11 691
Exchange differences - translation adjustment	(3 119)	(9 424)	(12 543)
Disposals	-	-	-
As at March 31, 2020	**1 803 936**	**12 584 031**	**14 387 967**
Depreciation			
As at April 1, 2018	1 632 190	11 979 977	13 612 167
Addition on account of Adetel acquisition	(40 213)	(1 901 510)	(1 941 723)
Charge for the year	107 805	559 046	666 851
Exchange differences - translation adjustment	3 067	225	3 292
Disposals	-	-	-
As at March 31, 2019	**1 702 849**	**10 637 738**	**12 340 587**
Charge for the year	62 482	516 969	579 451
Exchange differences - translation adjustment			-
Disposals	-	-	-
As at March 31, 2020	**1 765 331**	**11 154 707**	**12 920 038**
Net block			
As at March 31, 2020	**38 605**	**1 429 324**	**1 467 929**
As at March 31, 2019	**92 515**	**1 955 717**	**2 048 232**

Notes:

5a Investment in associate

(i) Details of Associates

Name of the Entity	Place of Business [2]	Percentage of effective ownership interest held (directly and indirectly) as at		Percentage of voting right held as at		Nature of Activities	Accounting Method
		31 March, 2020	31 March, 2019	31 March, 2020	31 March, 2019		
(a) **Other associates:** Ausar Energy	France	30,45%	30,45%	30,45%	30,45%	Energy services	Equity Method
Centum Adetel Transportation	France	35,00%	100,00%	35,00%	100,00%	Energy services	Equity Method

Notes:

1. Aggregate amount of unquoted investment in associates 3,924,560 (March 31, 2019: 690,689)
2. The country of incorporation of the above entity is same as its principal place of business.
3. 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 ended on and as at December 31, 2019 were considered for the purpose of consolidated financial statements of the Group.
4. During the year ended March 31, 2019, the management of the Group has decided to sell its investments in Centum Adetel Transportation SAS, step doown subsidiary of the Group and accordingly the results of the operation of this entity had been disclosed under discontinuing operations. The company has entered into an agreement dated January 6, 2020 with Chauntie Electric Co.Ltd, a Chinese compay, for sale of 65% of its stake in Centum Adetel Transportation SAS and the sale has been concluded as on the year end date. The Group has accounted for 35% stake held in the said copany as investment in associate with effect from March 31, 2020

	AUSAR		Centum Adetel Transportation	
Particulars	**March 31, 2020**	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Current assets	646 578	4 093 547	5 360 994	7 213 729
Non-current assets	4 223 604	545 030	4 370 810	4 582 620
Current liabilities	1 036 320	412 929	1 419	9 091 420
Non-current liabilities	2 194 500	2 134 821	4 126 532	25 644
Equity	1 639 362	2 090 827	5 603 853	2 679 285
Proportion of the Group's ownership (%)	30,45%	30,45%	35,00%	100,00%
Carrying amount of the investment	499 186	636 657	2 329 499	2 679 285
Revenue	317 249		6 258 674	22 881 979
Other income			6 904 304	245 354
Cost of sales	5 199		9 358 022	25 221 829
Administrative expenses	729 117		828 354	162 147
Finance costs	34 399		52 034	204 897
Profit before tax	(451 466)	-	2 924 568	(2 461 540)
Income tax expense				
Profit for the year (continuing operations)	(451 466)		2 924 568	(2 461 540)
Total comprehensive income for the year (continuing operations)	(451 466)		2 924 568	(2 461 540)
Group's share of profit for the year	(137 471)		(193 668)	(2 468 986)

The Group has an agreement with its associate that the profits of the associate will not be distributed until it obtains the consent of the parent. The parent does not foresee giving such consent at the reporting date. The associate had no contingent liabilities or capital commitments as at 31 December 2015 and 2014 and 1 January 2014, except as disclosed in Note 29. The parent has no contingent liabilities relating to its interests in the associate.

(iii) Contingent liabilities of associates

(iv) Commitments of / towards joint ventures and associates

(v) Reconciliation of carrying amounts of material associates

	AUSAR		Centum Adetel Transportation	
Name of the Entity	**Name of each material joint venture**		**Name of each material joint venture**	
	31 March, 2020	**31 March, 2019**	**31 March, 2020**	**31 March, 2019**
Opening net assets	2 090 827	2 090 827	3 933 873	2 679 285
Addition during the year				
Profit for the year	(451 466)		2 721 839	
Adjustment in opening reatained earnings due to stake dilution				
Other Comprehensive income				
Dividends paid				
Dividend distribution tax				
Other equity				
Foreign currency translation difference account				
Other adjustments				
Closing net assets	1 639 361	2 090 827	6 655 712	2 679 285
Proportion of the group's ownership	30,45%	30,45%	35,00%	100,00%
Group's share	499 185	636 657	2 329 499	2 679 285
Adjustments to the equity values				
a) Fair valuation of equity component of loans				
b) Foreign currency transalation reserves				
c) Aditional impairment charge				
a) Fair valuation of Investments	(4 625)	54 212	1 100 501	
b) Goodwill				
f) Transfer to held for sale				
Carrying amount of the investment	494 560	690 869	3 430 000	

Financial Assets: non current

5 Investments

(EUR's)

Particulars	As at 31 March 2020	As at 31 March 2019
Unquoted		
Investment in equity instruments (At Cost)		
Investments of subsidiary	-	-
Investment in associate	3 983 212	690 689
Investment in Joint venture	-	-
	3 983 212	**690 689**
Other Investments:		
Investment in equity instruments (At Fair Value through Profit and Loss)		
Other investments	6 136	96 066
Investments in bonds		
0.80 millions unquoted Investment in Bond of Ausar Energy @ Euro 1 each	800 000	800 000
	806 136	**896 066**

Other investment include:
March 31, 2020 : Erocca = 89,930 (*529 shares*) Provision for the full amount + Transpolis = 6,137 (*3,733 shares*)
March 31, 2019 : Erocca = 89,930 (*529 shares*) + Transpolis = 6,137 (*3,733 shares*)

6 Loans

Particulars	As at 31 March 2020	As at 31 March 2019
Non Current - Carried at amortised cost		
Unsecured, considered good		
Deposits	436 749	349 579
	436 749	**349 579**

Centum Adetel Group SA.
Notes to the consolidated financial statements for the year ended 31 March 2020

7 Deferred tax

Amounts recognised in profit or loss

Particulars	As at 31 March 2020	As at 31 March 2019
Current income tax:		
- relating to current period	(15 762)	(56 934)
- relating to earlier years	-	-
Current tax expense reported in the statement of profit or loss	(15 762)	(56 934)
Deferred tax:		
Relating to origination and reversal of temporary differences	(3)	(2)
Minimum alternate tax credit entitlement	-	-
Deferred tax expense reported in the statement of profit or loss	(3)	(2)

Amounts recognised in other comprehensive income

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax related to items recognised in OCI during in the year:		
Income tax charged to OCI on net loss/(gain) on remeasurements of defined benefit plans	-	-

Recognised deferred tax assets and liabilities

Particulars		31 March 2020		31 March 2019	
		Deferred tax asset	Deferred tax liabilty	Deferred tax asset	Deferred tax liabilty
Deferred tax liabilities					
Fair valuation of security deposits					
Fair valuation of asset and liabilities as per PPA report on Adetal acquisition					
		-	-	-	-
Deferred tax liability (net)	(A)		-		-
Deferred tax asset					
Property, plant and equipment and intangible assets					
Allowance for credit loss on receivables					
Allowance for doubtful advances					
Provision for employee benefits					
Current liabilities and provisions					
Site restoration obligation					
Loss on fair value forward contract					
		-	-	-	-
Deferred tax asset (net)	(B)	-		-	
Total	(A+B	-	-	-	-

(Deferred tax liabilty) / Deferred tax assets (net)
Charge for the year
Reconciliation to the consolidated statements of profit and loss from continuing and discontinued operations
(Credit) / expense during the year as above
Tax (income) /expense during the period recognized in OCI
(Credit) / expense during the year

	As at 31 March 2020	As at 31 March 2019
Tax losses carried forward		
Tax losses for which no deferred tax asset was recognised expire as follows.		
Expire	-	-
Never Expire	63 528 592	41 919 196
	63 528 592	**41 919 196**

Centum Adetel Group SA.
Notes to the consolidated financial statements for the year ended 31 March 2020

8 Inventories

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Raw materials*	1 412 109	1 147 477
[includes raw material in transit : Nil (31 March 2019: Nil]	-	-
Work-in-progress*	366 630	374 086
Stores and spares*	-	-
	1 778 739	**1 521 563**

Financial assets: current

9 Trade receivables

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Trade receivables:		
Unsecured, considered good	24 478 366	26 211 055
Trade Receivables - credit impaired	94 705	293 354
Other trade receivables	250 000	2 584 276
	24 823 071	29 088 685
Impairment allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Trade Receivables - credit impaired	94 705	293 354
	24 728 366	**28 795 331**
Out of the above, trade receivables from related parties are as below :		
Receivables from related parties (refer note 39)	1 986 476	160 336
Less: Loss allowance	-	-
Net trade receivables	**1 986 476**	**160 336**

- The carrying amount of trade receivables include receivables amounting to 9 056 817 (March 31, 2019: 10 864 247) which are subject to factoring arrangement entered into with the factoring agency / bank. Under this arrangement, the Group has transferred the relevant receivables to the bank in exchange of cash and transfered all rights and actions attached to the aforementioned receivables. As the risk for non recovery lies with the Group, it continues to recognise the transferred assets in its entirety in balance sheet. The amount repayable under the factoring arrangement is presented as unsecured borrowing in note.

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. For details of trade or other receivable due from firms or private companies respectively in which any director is a partner, a director or a member, refer note.

- Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

Centum Adetel Group SA.
Notes to the consolidated financial statements for the year ended 31 March 2020

10 Cash and cash equivalents

Particulars		As at 31 March 2020	As at 31 March 2019
Balance with banks			
- On current accounts		873 156	1 638 269
- On exchange earners foreign currency (EEFC) accounts		-	-
Deposits with original maturity of less than three months		-	-
Cash on hand		-	-
	(A)	873 156	1 638 269
Bank balances other than cash and cash equivalents			
Balances with banks:		-	-
- On current account*		-	-
- On margin money accounts**		-	-
Cheques/ drafts on hand		-	-
Cash at bank and short term deposits attributable to discontinued operations		-	-
		-	-
Less: Amount dislosed under other non current financial assets (refer note 7)		-	-
	(B)	-	-
Total cash and cash equivalents	(A+B)	873 156	1 638 269

* Includes balance in unclaimed dividend account €0 (31 March 2019: €0)
**Margin money is against bank guarantees issued in favour of customers and statutory authorities.
Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Group, and earn interest at the respective short-term deposit rates.

11 Other financials assets

Particulars	As at 31 March 2020	As at 31 March 2019
Unbilled revenue	-	-
Subsidy receivables	4 870 678	5 090 853
Other financial assets	6 370 000	-
	11 240 678	**5 090 853**

12 Other current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Prepaid expenses	1 247 026	1 134 996
Prepaid rent	-	-
Balances with government authorities	706 300	824 206
Advance to suppliers	220 654	130 599
Other current asssets	94 971	528 693
	2 268 951	**2 618 494**

13. Equity share capital

EUR

	Equity shares of Rs. 10 each	
	In Numbers	Amount in EURO
Authorised share capital:		
At April 1, 2018	675 677	5 405 416
Increase / (decrease) during the year	-	-
At March 31, 2019	675 677	5 405 416
Increase / (decrease) during the year	-	-
At March 31, 2020	675 677	5 405 416

(a) Issued equity share capital:
Equity shares of Rs. 10 each issued, subscribed and fully paid

	In Numbers	Amount in EURO
At April 1, 2018	675 677	6 756 770
Issue of equity shares (refer note 13&14)		-
At March 31, 2019	675 677	6 756 770
Issue of equity shares (refer note 13&14)		-
At March 31, 2020	675 677	6 756 770

(b) Terms/rights attached to equity shares

(c) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	March 31, 2020		March 31, 2019	
	No. of shares held	% holding in class	No. of shares held	% holding in class
Equity shares of 13&14 each fully paid				
Centum Electronics UK Ltd	365 847	54,15%	365 847	54,15%
Francois SEBES	65 000	9,62%	65 000	9,62%
Xavier BENOIT	56 090	8,30%	56 090	8,30%
Olivier PEQUET	37 990	5,62%	37 990	5,62%

*Represents shareholders in promoter's group

(d) Shares reserved for issue under options
For details of shares reserved for issue under the Share based payment plan of the Company, refer note XX.

14. Other equity

		Amount in EURO
Securities premium		
Balance as at April 1, 2018		3 385 029
Add: received during the year on account of issue of equity shares		-
Balance as at March 31, 2019		3 385 029
Add: received during the year on account of issue of equity shares		-
Balance as at March 31, 2020	(A)	**3 385 029**
General reserve		
Balance as at April 1, 2018		8 179 408
Balance as at March 31, 2019		8 179 408
Balance as at March 31, 2020	(B)	**8 179 408**
Retained earnings		
Balance as at April 1, 2018		(12 476 875)
(Loss) / profit for the year		334 065
Balance as at March 31, 2019		(12 142 810)
(Loss) / profit for the year		(744 360)
Less: Impact on adoption of IFRS 16		(210 857)
Add: Transferred to retained earnings on cancellation /lapse of stock options		1 063 999
Others		(205)
Balance as at March 31, 2020	(C)	**(12 034 233)**
		-

Centum Adetel Group SA.
Notes to the consolidated financial statements for the year ended 31 March 2020

Financial liabilities: non current

15 Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured, considered good		
Term loans from banks[1]	1 563 441	1 354 586
Unsecured, considered good		
Interest free loan from government[2]	2 468 315	2 709 818
Bonds[3]	1 999 970	3 999 989
	6 031 726	**8 064 393**
The above amount includes		
Secured borrowings	1 563 441	1 354 586
Unsecured borrowings	4 468 285	6 709 807
	6 031 726	**8 064 393**

Term loans from bank:

1. The term loan from bank represents loan taken from CIC Lyonnaise de Banque, BNP Paribas, Banque Martin Maurel, Banque Populaire, HSBC, LCL, Société Générale, Royal Bank of Canada, Investissement Québec, Fonds de solidarité FTQ.

The term loans are secured by way of pledge of respective receivables and all other assets present and future along with the bank guarantee.

The remaining term loan carrying interest rates ranging from 2.067% p.a. to 11% p.a. (March 31, 2019: 2.17% to 11% p.a.) and is secured by way of exclusive charge on all fixed assets of the Centum Adetel Group SA, Centum Adeneo SAS and Centum Adetel Solution.
Foreign currency term loans availed by Centum Adetel Group SA and Centum Adetel Solution amounting to EUR 0,928 million (March 31, 2019: EUR 0,267 million) (including current maturities of long term borrowings) carries interest rate ranging from 5% to 11% p.a.

2. Interest free loan from government amounting to EUR 2 739 815 (March 31, 2019: 2 709 818) has been provided to carry out research and development activities and is payable on the successful outcome of the research and development.

3. Bonds of 1 99 970 having coupon rate of 4% p.a. and non conversion premium payable amounting to EUR 508 469 (March 31, 2019: EUR 1 016 938) are secured by way mortgage of immovable properties, plant and machinery and other movable assets of Centum Adetel Group S.A.

4. There is no continuing default in the repayment of the principal and interest amounts at the balance sheet date. Some repayments have been posponed to 6 months due to Covid-19 crisis, as recommended by the government.

16 Net non-current employee defined benefit liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Provision for pension (refer note)	212 381	300 164
	212 381	**300 164**

Centum Adetel Group SA.
Notes to the consolidated financial statements for the year ended 31 March 2020

17 Provisions

Particulars	As at 31 March 2020	As at 31 March 2019
Provisions for litigations and contingencies	595 669	956 574
Provisions for loss making contracts	92 456	84 247
	688 125	**1 040 821**

	Provisions for litigations and contingencies (Refer note XX)	Provisions for loss making contracts*
As at April 1, 2018	**1 061 355**	**208 762**
Provision made during the year and amount utilised during the year (net)	(104 781)	(124 515)
As at March 31, 2019	**956 574**	**84 247**
Provision made during the year and amount utilised during the year (net)	(360 905)	8 209
As at March 31, 2020	**595 669**	**92 456**

*The provision for losses includes provision for estimated losses on onerous contracts

18 Other non-current liabilites

Particulars	As at 31 March 2020	As at 31 March 2019
Other liabilities	-	-
	-	-

Financial Liabilities: current

19 Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Short term loans from banks		
- Cash credit	-	112 819
- Customers bill discounted / factored	6 405 518	8 392 874
	6 405 518	**8 505 693**
The above amount includes		
Secured borrowings		
Unsecured borrowings	6 405 518	8 505 693
	6 405 518	**8 505 693**

Customer's bill discounted / factored receivables carries interest rate of 0.09% of the factored invoices including VAT and have recourse to Centum Adeneo SAS and Centum Adeneo CRD SAS and are guaranteed by the cession of the current account balance. Refer note for details.

There is no default in the repayment of the principal and interest amounts.

20 Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
Trade payables	8 782 292	6 382 179
Trade payables to related parties (refer note 39)	3 086 895	-
	11 869 187	6 382 179

a) Terms and conditions of the above financial liabilities:
- Trade payables are non-interest bearing
- For explanations on the Group's credit risk management processes, refer to note.
- The dues to related parties are unsecured

Centum Adetel Group SA.
Notes to the consolidated financial statements for the year ended 31 March 2020

21 Other current financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Accrued salaries and benefits	-	-
Other financial liability (current maturity of long term loan and int accrued but not due)	4 810 884	3 142 263
Capital creditors	-	
	4 810 884	**3 142 263**

* refer note no 21 for securities, interest rate and repayment details.
** While the company has entered into foreign exchange forward contract with the intention of reducing the foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss

22 Other current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Advance from customers	754 600	-
Withholding and other taxes and duties payable	6 465 613	6 171 577
Deferred Revenue	2 185 872	4 835 339
Accrued salaries and benefits	5 365 349	4 161 189
Capital creditors	30 073	
Other current liabilities	418 740	1 753 016
	15 220 247	**16 921 121**

23 Net current employee defined benefit liabilities

	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Provision for gratuity (refer note 44)	-	-
	-	-

24 Provisions

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Compensated absences	-	-
Total Provisions	-	-

25 Current tax liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for taxation, net of advance tax	-	
	-	-

Centum Adetel Group SA.
Notes to the consolidated financial statements for the year ended 31 March 2020

26 Revenue from operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of products (including excise duty)	12 103 035	6 527 238
Sale of services	33 351 282	39 745 147
Other operating revenues	499 916	790 434
Income from government grants	5 064 144	5 746 220
Management fees	661 198	742 794
	51 679 575	**53 551 833**

27 Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Liabilities no longer required written back	428 688	20 532
Foreign exchange gain, net	-	11 465
Miscellaneous income	188 379	206 635
	617 067	**238 632**

27,1 Finance Income

	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on bank deposits	48 588	174 303
Interest income on a loan to an associate	-	-
Interest income from available-for-sale investments	-	-
	48 588	**174 303**

28 Cost of raw material consumed

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Inventory of materials at the beginning of the year	1 147 477	2 249 831
Add: Purchases	12 056 328	8 145 685
Less: Inventory of materials at the end of the year	1 412 109	(1 147 477)
	11 791 696	**9 248 039**

29 Change in inventories of work-in-progress

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening Stock		
Work-in-progress	374 086	527 242
Closing Stock		
Work-in-progress	366 630	374 086
Decrease/(increase) in inventories of work-in-progress	**7 456**	**153 156**

30 Employee benefits expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries and wages	21 971 235	23 465 295
Remeasurement gains (losses) on defined benefit plans reclassed to OCI	-	-
Shared based payment to employees	292 000	292 000
Contribution to provident and other funds	7 481 667	8 457 944
Compensated absences	-	-
Staff welfare expenses	-	-
	29 744 902	**32 215 239**

31 Finance costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense	1 028 697	787 675
Other borrowing cost	89 930	213 337
	1 118 627	**1 001 012**

Centum Adetel Group SA.
Notes to the consolidated financial statements for the year ended 31 March 2020

32 Depreciation and amortization expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation of property, plant and equipment	2 629 403	1 158 716
Amortisation of intangible assets	-	-
	2 629 403	**1 158 716**

33 Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Rent	535 704	2 131 825
Ind AS adjustment to rent on fair value of deposits	-	-
Rates and taxes	1 096 893	1 176 625
Repairs and maintenance	-	-
- Plant and equipment	671 785	702 316
Insurance	299 943	317 716
Professional and legal expenses*	975 095	1 051 631
Travelling and conveyance	1 504 789	1 598 291
Purchase of services	-	
Postage, telephones and telegrams	143 996	156 879
Advertisement and promotion	100 066	75 550
Provision for doubtful advances	146 505	228 063
Loss on account of foreign exchange fluctuation (net)	222 287	
Miscellaneous expenses	296 268	321 281
	5 993 331	**7 760 177**

* Legal and professional fees includes remuneration to auditors as mentioned below

Payment to auditor (exclusive of taxes)	31 March 2020	31 March 2019
As auditor:		
Audit fee (including fees for internal controls over financial reporting, consolidated financial statements of the company and quarterly limited reviews)	103 342	132 358
In other capacity		
Reimbursement of expenses	-	-
	103 342	**132 358**

34 Exceptional items

(Amount in EUR)

Particulars	As at 31 March 2020	As at 31 March 2019
Management bonus	(1 252 822)	-
Designing Services obtained from fellow subsidiary charged off	(159 030)	
Social security taxes paid based on settlement of litigations with statutory authorities	(67 750)	
Compensation paid on settlement of employee and supplier litigations	(9 190)	
Profilt on sale of investment in joint venture		10 090
Total	**(1 488 792)**	**10 090**

1. The Group had resolved to pay a total bonus of EUR 1,8 million (net of application social security taxes), to the key mangerial personnel of Centum Adetel Group S.A in the board meeting dated July 5, 2016, post acquisition of majority stake. Upto the end of previous financial year, a payment of EUR 550,000 was made. The payment of balance amount was contingent upon achievement of positive EBT targets during and availability of funds for payments to the key mangerial personnel.

During the current year payment an accrual of EUR 1,254,873 has been made towards bonus payable and EUR 447,989 has been made towards social security taxes payable has been made, out of which an amount of EUR 450,000 payable to Mr Olivier Pequet has been disclosed under loss from discontinnuing operations.

35 Earnings per share

Basic EPS amounts are calculated by dividing the profit/ loss for the year attributable to equity shareholders of the parent by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit attributable to equity holders of the parent:		
Continuing operations	(550 689)	2 803 052
Discontinued operations	(193 668)	(2 468 987)
Profit attributable to equity holders of the parent for basic / diluted earnings per share	**(744 357)**	**334 065**
Weighted average number of equity shares used for computing EPS (basic)	675 677	675 677
Add: Effect of dilutive issues of stock options	-	-
Weighted average number of equity shares used for computing EPS (diluted)	675 677	675 677
Earnings per share for continuing operations - Basic	(0,82)	-
Earnings per share for continuing operations - Diluted	(0,82)	-
Earnings per share for discontinuing operations - Basic	(0,29)	-
Earnings per share for continuing operations - Diluted		-
Earnings per share for discontinuing operations - Diluted	(0,29)	-
Earnings per share for continuing and discontinuing operations - Basic	(1,10)	0,49
Earnings per share for continuing and discontinuing operations - Diluted	(1,10)	0,49

<Notes on anti dilutive shares if required>

36 Discontinued Operations

a) Discontinued operations concern Centun Adetel Transportation, Adetel Maroc and Adetel Equipement Maroc, the cession of these companies is in progress.

<Note on liquidation of EDMAA:>

Centum Adetel Group sold 65% of the company's shares. The documents related to this transaction were concluded on 6 January 2020 (Signing) and 22 April 2020 (Closing). The transaction is deemed to be effected on 31 March 2020 and dealt with accounting and tax purposes on the same date, as all suspensive conditions were fulfilled on that date. The company is unconsolidated on 31 March 2020 (lost of control) with the use of the equity method.

b) **<Note on liquidation of MOROCCO Entities:>**

The companies (Adetel Maroc and Adetel Equipement Maroc) are still existing but there is no more activity. The companies will be legaly closed soon.

c) **(Loss) /Profit from discontinuing operations**

(Amount in EUR's)

Particulars	31 March 2020	31 March 2019
Income		
(a) Revenue from operations	7 312 799	22 254 244
(b) Other income	7 034 438	478 174
Total Income (i)	**14 347 237**	**22 732 418**
Expenses		
(a) Cost of materials consumed	5 740 197	19 699 711
(b) (Increase)/ decrease in inventories of work-in-progress and finished goods	430 776	(131 646)
(c) Employee benefit expenses	2 263 885	2 364 311
(d) Other expenses	2 336 873	2 236 424
(e) Depreciation and amortisation expenses	713 722	825 320
(f) Finance costs	63 791	207 285
Total expenses (ii)	**11 549 244**	**25 201 405**
(Loss) / profit before exceptional items, share of (loss) / profit of associates and joint ventures and tax expense from discontinuing operations (i-ii)	2 797 993	(2 468 987)
Exceptional items	(2 915 508)	-
(Loss)/profit before share of (loss) / profit of associates and joint ventures and tax expense from discontinuing operations	(117 514)	(2 468 987)
Share of profit / (loss) of associates and joint ventures from discontinuing operations		
(Loss)/profit before tax expense from discontinuing operations	(117 514)	(2 468 987)
Tax expenses		
(a) Current tax	-	-
(b) Deferred tax	76 154	-
(Loss) / profit after tax expense from discontinuing operations	**(193 665)**	**(2 468 987)**
(Loss) / profit after tax expense from discontinuing operations		
Attributable to		
a) Equity holders of the parent	-	-
b) Non-controlling interests	(193 665)	(2 468 987)

3

d) The details of assets/disposal group classified as held for disposal and liabilties associated thereto are as under:

Group of asset classified as held for disposal

(Amount in EUR's)

Particulars	31 March 2020	31 March 2019
Property, plant and equipment		729 110
Capital work-in-progress		311 822
Other intangible assets		3 264 940
Intangible assets under development		1 552 664
Investment in Joint Ventures and Associates		-
Inventories		2 586 151
Trade receivables		1 472 537
Cash and cash equivalents		3 146
Other current financial assets		6 371 548
Other current assets		1 157 863
Total	-	**17 449 781**

Liabilities associated with group of assets classified as held for disposal

(Amount in EUR's)

Particulars	31 March 2020	31 March 2019
Long term provisions		54 874
Borrowings		3 913 034
Trade payables		5 299 424
Other current financial liabilities		93 638
Other current liabilities		3 948 146
Short term provisions		206 793
Total	-	**13 515 910**

37 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. Uncertainty 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.

Judgements
In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Operating lease commitments – Group as lessor
The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Discontinued operations and non-cash distribution
For more details on the discontinued operation and non-cash distribution, refer to Notes 21.

Consolidation of a structured entity
-

Consolidation of entities in which the Group holds less than a majority of voting rights (de facto control)
The Group owns less than 50% of the voting rights in 2 companies : Ausar Energy (30,45%) and Centum Adetel Transportation (35%).

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 consolidated 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.

Revaluation of property, plant and equipment
-

Impairment of non-financial assets
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years 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 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 with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 6.

Share-based payments
The Group initially measures the cost of cash-settled transactions with employees using a binomial model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For cash-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in the profit or loss. This requires a reassessment of the estimates used at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 41.

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 losses 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.

The Group has EUR 63 528 592 (31 March 2019: EUR 41 919 196) of tax losses carried forward. These losses relate to subsidiaries that have a history of losses, never expire 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.

Defined benefit plans (gratuity benefits)
The cost of the defined benefit gratuity plan and other post-employment medical benefits 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 in currencies consistent with the currencies of the post-employment benefit obligation. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. 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 the respective countries.

Further details about gratuity obligations are given in Note 40.

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. See Note 46 and 47 for further disclosures.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

Intangible asset under development
The Group capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. At 31 March 2020, the carrying amount of capitalised intangible asset under development was EUR 1 215 166 (31 March 2019: EUR 357 779).

Provision for decommissioning
-

Revenue recognition – GoodPoints for loyalty programme

38 Holding of Centum Adetel Group in its subsidiary:

Name of the subsidiary	As at 31 March 2020	As at 31 March 2019
Centum Adeneo	100,00%	100,00%
Centum Adeneo CRD	100,00%	100,00%
Centum Adetel Transportation System	100,00%	100,00%
Centum Adetel Transportation	35,00%	100,00%
Centum Adetel Synergies	100,00%	100,00%
Centum Adetel Solution	100,00%	100,00%
Centum Adetel Equipment	100,00%	100,00%
Adetel Maroc	96,11%	96,11%
Adetel Equipement Maroc	96,08%	96,08%

39 Related party disclosures

A. Parties where control exists:
Centum Electronics Limited

Subsidiary
Centum Adeneo
Centum Adeneo CRD
Centum Adetel Transportation System
Centum Adetel Synergies
Centum Adetel Solution
Centum Adetel Equipment
Adetel Maroc
Adetel Equipement Maroc

Associate
Ausar Energy SAS
Centum Adetel Transportation

B. Key executive management personnel represented on the Board:
François SEBES, CEO
Olivier PEQUET, CEO of Centum Adetel Transportation division
Xavier BENOIT, Chief Technical Officer
Vincent FRADIN, Chief Financial Officer

D. Key managerial personnel
François SEBES, CEO
Olivier PEQUET, CEO of Centum Adetel Transportation division
Xavier BENOIT, Chief Technical Officer
Vincent FRADIN, Chief Financial Officer

E. Transactions with Key management personnel
(i) Key Management Personnel Compensation

	For the year ended 31 March 2020	For the year ended 31 March 2019
Short term employee benefits	1 064 000	803 000
Post-employment defined benefits	-	-
Compensated absences	-	-
Total Compensation	**1 064 000**	**803 000**

F. The following is a summary of transactions with related parties by the Company:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of goods and services		
Associate companies		
Centum Electronics Ltd	606 464	16 628
Centum Adeneo India	27 168	-
Centum Adetel Transportation	1 063 504	-
Ausar Energy	323 327	5 500
Other operating income		
Centum Electronics Ltd	37 127	-
Centum Adeneo India	-	1 460
Centum Adetel Transportation	621 102	-
Ausar Energy	5 048	5 077
Purchase of goods and services		
Centum Electronics Ltd	21 819	-
Centum Adeneo India	1 465 961	557 719
Centum Adetel Transportation	1 573 395	-
Interest income		
Ausar Energy	13 545	14 640
Centum Adetel Transportation	32 523	-
Extraordinary income and expenses		
Centum Adetel Transportation (income)	468 396	-
Centum Adetel Transportation (expenses)	5 404 196	-

G. The balances receivable from and payable to related parties are as follows:

Particulars		As at 31 March 2020	As at 31 March 2019
Borrowings (including current maturities of long-term debt)			
Centum Electronics UK Ltd		350 000	350 000
Trade receivables			
Centum Electronics Ltd		1 235 044	37 818
Centum Adeneo India		34 241	7 073
Ausar Energy		409 496	115 445
Centum Adetel Transportation		307 695	-
Advance to suppliers			
Associate companies			
Trade payables			
Centum Electronics Ltd		2 810 060	6 543
Centum Adeneo India		81 806	(106 124)
Centum Adetel Transportation		195 029	-
Other current liabilities			
Parties under common control			
Managerial remuneration payable			
Other assets			
Ausar Energy	*Bonds*	800 000	800 000
Ausar Energy	*Interest on bonds to be received*	67 615	57 295
Centum Adeneo India	*Cash advance*	-	351 000
Ausar Energy	*Cash advance*	250 000	250 000
Ausar Energy	*Interest on cash advance to be received*	15 600	12 375

40 During the year ended 31 March 2020, no material foreseeable loss was incurred for any long-term contract including derivative contracts.

42 Leases

Group as a lessee

The Group has lease contracts for premises, plant and equipment and computers. The Group adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019.

Before the adoption of Ind AS 116, the Group classified each of its leases at the inception date as either a finance lease or an operating lease. Refer to Note 42 Leases for the accounting policy prior to 1 April 2019.

Upon adoption of Ind AS 116, the Group applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 42 Leases for the accounting policy beginning 1 April 2019.

The Group did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 were applied to these leases from 1 April 2019.

The effect of adoption Ind AS 116 as at 1 April 2019 (increase/(decrease)) is, as follows:

Assets	EUR
Right-of-use asset	2 911 620
Property, Plant and equipment	-
Total assets	**2 911 620**
Liabilties	
Long term borrowings	
Current maturities of long term borrowings	
Deffered tax impact	(70 263)
Interest of lease liabilities	91 059
Lease liabilities	3 101 681
Total Liabilities	**3 122 477**
Total adjustment on equity	**(210 857)**

The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as of 31 March 2019, as follows:

Liabilities	EUR
Operating lease commitments as at March 31, 2019	-
Weighted average incremental borrowing rate as at 1 April 2019	12%
Discounted operating lease commitments as at 1 April 2019	
Less:	
Commitments relating to short-term leases	-
Commitments relating to leases of low-value assets	-
Commitments relating to leases previously classified as finance lease	-
Lease payments relating to renewal periods not included in operating lease	3 101 681
Lease liabilities as at 1 April 2019	**3 101 681**

The carrying amounts of right-of-use assets recognised and the movements during the period is as follows:

Particulars	Building	Plant and equipment	Electrical installations	Total
Gross Block (at cost/ deemed cost)				
As at April 01, 2018	-	-	-	-
Additions	-	-	-	-
As at March 31, 2019	-	-	-	-
First application of IFRS 16	10 956 922	335 484	589 516	11 881 922
Additions	4 039 012	47 906	81 059	4 167 977
Disposals	(4 324 510)	-	-	(4 324 510)
Exchange differences	(51 035)	(878)	-	(51 913)
As at March 31, 2020	**10 620 389**	**382 512**	**670 575**	**11 673 476**
				-
Accumulated Amortisation				-
As at April 01, 2018	-	-	-	-
Charge for the year	-	-	-	-
As at March 31, 2019	-	-	-	-
First application of IFRS 16	8 416 427	219 857	334 018	8 970 302
Charge for the year	1 282 547	76 311	136 586	1 495 444
Disposals	(3 637 115)	-	-	(3 637 115)
Exchange differences	(55 071)	(518)	-	(55 589)
As at March 31, 2020	**6 006 788**	**295 650**	**470 604**	**6 773 042**
				-
Net block				-
As at March 31, 2020	**4 613 601**	**86 862**	**199 971**	**4 900 434**
As at March 31, 2019	-		-	-

The carrying amounts of liabilities recognised and the movements during the period is as follows

	Electrical installations
As at April 1, 2019	3 101 681
Additions	4 164 472
Accretion of Interest	7 336
Payments	(2 251 338)
As at March 31, 2020	**5 022 151**
Current	3 925 449
Non Current	1 096 702

The following are the amounts recognised in profit or loss:

Particulars	**March 31, 2020**
Depreciation expense of right-of-use assets	(1 495 444)
Interest expense on lease liabilities	(53 416)
Disposal value of assets in leasing	45 301
Deferred tax on profits	(22 782)
Leasing fee	-
Expense relating to short-term leases (included in other expenses)	(535 704)
Expense relating to leases of low-value assets (included in other expenses)	-
Total amount recognised in profit or loss	**(2 062 045)**

43 Commitments and Contingencies

(a) Commitments

Capital Commitments

	31 March, 2020	**31 March, 2019**
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	48 225	48 225
Details :		
- Product Lifecycle Management software	48 225	48 225

(The project was on stand-by due to the sale of Centum Adetel Transportation. It will restart during the next months.)

The Group has no lease contracts that have not yet commenced as at 31 March 2020. The future lease payments for these non-cancellable lease contracts are EUR 0 within one year EUR 0 within five years and EUR 0 thereafter.

Other Commitments

Nil

(b) Contingent liabilities

In the ordinary course of business, the Group faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an ongoing basis with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its consolidated financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the consolidated financial statements but does not record a liability in its accounts unless the loss becomes probable.

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 operation or cash flow.

Contingent liabilities (with details)

Claims against the Company not acknowledged as debts in respect of :	
Human resource litigation	50 000
Supplier litigation	330 000
Any other litigation matters	-

Human resource litigation :

- Dispute with an executive staff member dismissed for serious misconduct. The Court sentenced Centum Adeneo to €56,880 by judgment dated 9 January 2020. A provision has been put in accounting for €60,000. The payment has been made in April 2020.
- New litigation with an employee for termination without cause. A conciliation meeting was scheduled for 30 January 2020 but postponed to October 2020 (due to Covid-19). The employee claims €50,000.

Supplier litigation :

Centum Adetel Group has informed *Adviso Partner* of its dissatisfaction with the level of performance observed in the support for the CAT sale project. By letter dated 17/10/2019, Centum Adetel Group requested compensation. *Adviso Partner* replied by letter dated 23/10/2019 and asked for payment of invoices and commissions for a total claim amount of 330 K€. Centum Adetel Group's position is to settle the matter by the payment of 30 K€. Exchanges between lawyers are ongoing.

Any other litigation matters:

Nil

44 Segment information

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'.

(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.

B *Geographical information*

Geography	Segment revenue*		Non-current assets**	
	31 March, 2020	31 March, 2019	31 March, 2020	31 March, 2019
(i) India	1 450 790	524 488	-	
(ii) Europe	1 834 403	1 398 210	-	
(iii) USA and Canada	5 615 924	4 943 292	382 217	489 401
(iv) France	42 748 310	46 558 796	8 711 142	3 922 693
(v) Rest of the world	30 148	127 047	-	-
Total Revenue	**51 679 575**	**53 551 833**	**9 093 359**	**4 412 094**

*Revenue by geographical area are based on the geographical location of the client.
**Non-current assets exclude financial assets and tax assets.

C Information about major customers

Revenue from external customers are more than 10 % of the company's total revenue amounting Euro 12.286 million (previous year : Euro 17.635 million).

45 Share Based Payments

The Company has agreed that the Management Shareholders of Centum Adetel Group S.A. shall be issued 58,425 additional free shares in the Centum Adetel Group S.A. The issuance of these shares is contingent on the achievement of certain revenue and EBIT targets by the Centum Adetel Group S.A. on a consolidated basis, which have been detailed in the Sharesholders Agreement dated July 5, 2016.

The fair value of the aforementioned share options has been measured using Binomial Lattice model by an independent external valuer. The fair value of the options and the input used in the measurement of the fair values by independent external valuer are as follows:

A Description of the share based payment arrangements

The company has following share based payment arrangements :

(i) Share option plans (equity settled)

B Measurement of fair values

The fair value of the aforementioned share options has been measured using Binomial Lattice model by an independent external valuer. The fair value of the options and the input used in the measurement of the fair values by independent external valuer are as follows:

	Revenue target	EBIT target
Issue date of the share options	July 1, 2016	July 1, 2016
Maturity date of the share options	December 31, 2019	December 31, 2019
Fair value of shares at grant date	Euro 16.14	Euro 16.14
Volatility (%)	5,80%	17,30%
Risk free rate (%)	0,49%	0,49%
Maximum number of shares	58,425	58,425
Binomial Tree Metrics - Up move probability (%)	50,80%	49,20%
Binomial Tree Metrics - Down move probability (%)	49,20%	50,80%

C Movements during the year

The number and weighted- average exercise prices of share options under the Centum ESOP - 2007 are as follows.

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding at 1 April	58 425		58 425	
Granted during the period				
Exercised during the period				
Forfeited / lapsed during the period	58 425			
Options outstanding at 31 March			**58 425**	
Exercisable as at 31 March				

The exercise of options was contingent on the achievement of certain revenue and EBIT targets by the Centum Adetal Group S.A. on a consolidated basis, as detailed in the Shareholders Agreement dated July 5, 2016. All the options granted have lapsed during the year as result of non-fulfilment of revenue and EIT targets.

D Expense recognised in statement of profit and loss

The expense recognised for employee services received during the year is shown in the following table :

	Year ended 31 March 2020	Year ended 31 March 2019
Expense arising from equity settled share based payment transaction	292 000	292 000

46 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 total debt divided by total capital plus total 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.

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Borrowings	17 248 128	19 712 349
Less: Cash and cash equivalents	(873 156)	(1 638 269)
Total debts (A)	**16 374 972**	**18 074 080**
Capital components		
Equity share capital (refer note 16)	5 405 416	5 405 416
Other equity (refer note 17)	(456 295)	184 748
Total Capital (B)	**4 949 121**	**5 590 164**
Capital and borrowings (C = (A+B))	**21 324 093**	**23 664 244**
Gearing ratio (D=(A/C))	**77%**	**76%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

Centum Adetel Group
Notes to the consolidated financial statements for the year ended 31 March 2020

47 Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

(a) Fair values

Financial instruments carried at amortised cost such as cash and cash equivalents, trade receivables, loans and advances, other financial assets, borrowings, financial guarantee contracts, trade payables and other financial liabilities are considered to be same as their fair values, due to short term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
• The fair values of the quoted investments are based on price quotations at the reporting date.
• Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
• The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2017 was assessed to be insignificant.

(a) Financial assets and liabilities

As at March 31, 2020 (Euro)

Particulars	Fair value through statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total fair value	Total carrying value
Financial assets					
(i) Investments (other than investments in associates and joint ventures)	806 136	-	3 983 212	4 789 348	4 789 348
(ii) Trade receivables	-	-	24 728 366	24 728 366	24 728 366
(iii) Cash and cash equivalents	-	-	873 156	873 156	873 156
(iv) Bank balances other than cash and cash equivalents	-	-	-	-	-
(v) Other financial assets	-	-	11 240 678	11 240 678	11 240 678
Total	**806 136**	**-**	**40 825 412**	**41 631 548**	**41 631 548**
Financial liabilities					
(i) Borrowings	-	-	22 270 279	22 270 279	22 270 279
(ii) Trade payables	-	-	11 869 187	11 869 187	11 869 187
(iii) Other financial liabilities	-	-	-	-	-
Total	**-**	**-**	**34 139 466**	**34 139 466**	**34 139 466**

As at March 31, 2019 (Euro)

Particulars	Fair value through statement of profit or loss	Derivative instruments not in hedging relationship	Amortised cost	Total fair value	Total carrying value
Financial assets					
(i) Investments (other than investments in associates and joint ventures)	896 066	-	690 689	1 586 755	1 586 755
(ii) Trade receivables	-	-	28 795 331	28 795 331	28 795 331
(iii) Cash and cash equivalents	-	-	1 638 269	1 638 269	1 638 269
(iv) Bank balances other than cash and cash equivalents	-	-	-	-	-
(v) Other financial assets	-	-	5 090 853	5 090 853	5 090 853
Total	**896 066**	**-**	**36 215 142**	**37 111 208**	**37 111 208**
Financial liabilities					
(i) Borrowings	-	-	19 712 349	19 712 349	19 712 349
(ii) Trade payables	-	-	6 382 179	6 382 179	6 382 179
(iii) Other financial liabilities	-	-	-	-	-
Total	**-**	**-**	**26 094 528**	**26 094 528**	**26 094 528**

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

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.

(Euro)

Particulars	Fair value measurements at reporting date using			
	Total	**Level 1**	**Level 2**	**Level 3**
March 31, 2020				
Financial assets				
Investments (other than investments in associates and joint ventures)	806 136	-	-	806 136
March 31, 2019				
Financial assets				
Investments (other than investments in associates and joint ventures)	896 066	-	-	896 066

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(c) Financial risk management objectives and policies

In the course of its business, the Group is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which

Market risk
(a) Market risk- Interest rate risk

Interest rate sensitivity

i

(Euro)

Particulars	Increase / decrease in basis points	Effect on profit before tax
March 31, 2020		
	50	5 527
	-50	(5 527)
a **March 31, 2019**		
	50	10 013
	-50	(10 013)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

(b) 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 exposure

Particulars	Currency	March 31, 2020	March 31, 2019
Trade payables and borrowings (including short term borrowing and long term borrowing)	USD	(3 780 710)	(1 099 398)
Trade receivables and cash and cash equivalents	USD	2 261 721	1 669 296
Net assets / (liabilities) in USD		(1 518 989)	569 898
Net assets / (liabilities) in EUR		(1 320 949)	493 525

Particulars	Currency	March 31, 2020	March 31, 2019
Trade payables and borrowings (including short term borrowing and long term borrowing)	CAD	(375 427)	(625 000)
Trade receivables and cash and cash equivalents	CAD	1 913	233 571
Net assets / (liabilities) in CAD		(373 514)	(391 429)
Net assets / (liabilities) in EUR		(239 180)	(250 873)

Foreign currency sensitivity

Particulars	Change in currency	Effect on profit or loss	
		Strengthening	Weakening
March 31, 2020			
USD	*0,50%*	(6 605)	6 605
EURO	*0,50%*	(1 196)	1 196
March 31, 2019			
USD	*0,50%*	2 468	2 468
EURO	*0,50%*	(12 544)	(12 544)

The sensitivity analysis has been based on the composition of the financial assets and liabilities at March 31, 2020 and March 31, 2019 of entities within the Group having exposure other than their functional currency. The period end balances are not necessarily representative of the average debt outstanding during the period.

ii Credit risk

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was EUR 1,56 million and EUR 0,24 million as at March 31, 2020 and March 31, 2019, respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments (other than investments in associates and joint ventures) and other financial assets (excluding assets held for disposal).

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.

The following table summarises the changes in the loss allowance measured using ECL:

(Euro)

Particulars	March 31, 2020	March 31, 2019
Opening balance		
Amount provided/ (reversed) during the year		
Closing provision		

Credit risk from balances with bank and financial institutions 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.

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 following table shows a maturity analysis of the anticipated cash flows excluding interest obligations for the Group's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period.

(Euro)

Particulars	0-1 years	1 to 5 years	> 5 years	Total
March 31, 2020				
Borrowings	11 246 401	6 031 726		17 278 127
Trade payables	7 566 664			7 566 664
Other financial liabilities	3 822 483	3 925 449		7 747 932
	22 635 548	**9 957 175**	-	**32 592 723**
March 31, 2019				
Borrowings	11 647 956	8 064 393		19 712 349
Trade payables	7 040 087			7 040 087
Other financial liabilities	1 525 587	-		1 525 587
	20 213 630	**8 064 393**	-	**28 278 023**

48 Disclosure under IFRS 15

a) Timing of rendering of services

Particulars	March 31, 2020			March 31, 2019		
	Performance obligation satisfied at point in time	Performance obligation satisfied over time*	Total	Performance obligation satisfied at point in time	Performance obligation satisfied over time*	Total
Sale of products (including excise duty)	12 103 035		12 103 035	6 527 238	-	6 527 238
Sale of services	-	33 351 282	33 351 282	-	39 745 147	39 745 147
Management fees	-	661 198	661 198	-	742 794	742 794
Other operating revenues	-	499 916	499 916	-	790 434	790 434
Income from government grants	-	5 064 144	5 064 144	-	5 746 220	5 746 220
Interest income on bank deposits	-	48 588	48 588	-	174 303	174 303
Total	**12 103 035**	**39 625 128**	**51 728 163**	**6 527 238**	**47 198 898**	**53 726 136**

* 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:

Particulars	31 March, 2020	31 March, 2019
Receivables		
- Current (Gross)	24 823 071	29 088 685
- Provision for impairment loss (current)	-	-
Contract assets:*		
Unbilled revenue		
- Current	-	-
Contract Liabilities*		
Deferred / unearned revenue		
- Current	2 185 872,00	4 835 339,00
Advance received from customers		
- Current	754 600	-

*A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group 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.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract

c) Revenue recognised during the year from the performance obligation satisfied upto previous year (arising out of contract modifications) amounts to Rs Nil