

Cyient GmbH

Balance Sheet as at March 31, 2020

(All amounts in EUR except share and per share data and where otherwise stated)

Particulars	Notes	As at	
		March 31, 2020	March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3A	92,664	133,064
Right of use assets	3B	394,455	-
Intangible assets	4	35,093	84,964
Financial assets			
(a) Loans	5A	1,840,000	2,550,000
(b) Other financial assets	5B	8,595	12,869
Income tax assets	12	94,149	67,604
Other non-current assets	6		-
Total non-current assets		2,464,956	2,848,500
Current assets			
Financial assets			
(a) Trade receivables	7	20,757,927	23,629,101
(b) Cash and cash equivalents	8	4,243,856	937,678
(c) Bank balances other than (b) above	8	39,468	39,468
(d) Other financial assets	5B	5,313,207	1,932,398
(e) Loans	5A	710,000	710,000
Other current assets	6	130,001	74,436
Total current assets		31,194,458	27,323,082
Total assets		33,659,414	30,171,582
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	9	600,000	600,000
Other Equity	10	17,569,472	16,118,225
Total equity		18,169,472	16,718,225
Non-current liabilities			
Lease liability		287,236	-
Deferred tax liabilities (Net)	12	13,219	8,000
Total non-current liabilities		300,455	8,000
Current liabilities			
Financial Liabilities			
(a) Borrowings	14	-	2,006,487
(b) Trade payables	15	13,996,275	9,951,268
(c) Other financial liabilities		119,024	-
Provisions	11	425,239	349,771
Current tax liabilities (net)	12	99,742	307,374
Other current liabilities	13	549,206	830,458
Total current liabilities		15,189,487	13,445,357
Total liabilities		15,489,942	13,453,357
Total equity and liabilities		33,659,414	30,171,582

Cyient GmbH

Statement of Profit and Loss for the period ended March 31, 2020

(All amounts in EUR except share and per share data and where otherwise stated)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
INCOME			
Revenue from operations	16	25,947,022	27,020,727
Other income (net)	17	620,502	531,003
Total Income		26,567,524	27,551,730
Employee benefit expense	18	7,745,160	8,774,111
Finance costs	19	132,202	138,041
Depreciation and amortisation expense	20	204,727	97,264
Other Operating expenses	21	16,412,563	16,445,049
Total expenses		24,494,653	25,454,465
Profit before exceptional items and tax		2,072,871	2,097,265
Exceptional item (net)		-	-
Profit/(loss) before tax		2,072,871	2,097,265
Tax Expense			
Current tax	12	556,888	479,336
Deferred tax	12	8,658	(38,000)
Total tax expense		565,546	441,336
Profit/(loss) for the year		1,507,325	1,655,929
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit plans		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		(49,283)	(8,198)
Effective portion of gains and loss on designated portion of hedge instruments in a cash flow hedge		-	-
Income tax relating to items that may be reclassified to profit or loss		-	-
Total other comprehensive income		(49,283)	(8,198)
Total comprehensive income for the year		1,458,043	1,647,731

3A. Property, plant and equipment

Particulars	As at	
	March 31, 2020	March 31, 2019
Carrying amount of:		
Leasehold		
Office Equipment	-	65,870
Computers	25,526	57,443
Furnitures & Fixtures	67,138	9,750
Total	92,664	133,064
Capital work-in progress	-	-
	92,664	133,064

Description of assets	Furniture & Fixtures	Computers	Office Equipment	Total
I. Cost				
Balance as at March 31, 2018	39,179	322,323	270,582	632,084
Additions	10,255	14,247	61,484	85,986
Disposals	(33,889)	(152,760)	(110,338)	(296,986)
Acquisitions through business combination				-
Other adjustments		250,761.00		250,761
Foreign currency translation adjustments	(1.00)	(54)		(55)
Balance as at March 31, 2019	15,545	434,517	221,728	671,790
Additions		600		600
Disposals		(20,111)		(20,111)
Acquisitions through business combination				-
Change of class	221,727.86		(221,728)	-
Foreign currency translation adjustments	(1,056)	39		(1,017)
Balance as at March 31, 2020	236,217	415,044	-	651,261
II. Accumulated depreciation				
Balance as at March 31, 2018	37,276	233,870	248,466	519,613
Depreciation for the year	764	38,787	7,639	47,190
Disposals	(32,246)	(146,303)	(100,248)	(278,797)
Other adjustments		250,761		250,761
Foreign currency translation adjustments	1	(42)		(41)
Balance as at March 31, 2019	5,795	377,074	155,857	538,726
Depreciation for the year	7,731	32,814		40,545
Disposals		(18,910)		(18,910)
Change of class	155,857		(155,857)	-
Foreign currency translation adjustments	(304)	(1,459)		(1,763)
Balance as at March 31, 2020	169,079	389,519	-	558,598
III. Carrying Amounts (I-II)				
Balance as at March 31, 2019	9,750	57,443	65,870	133,064
Balance as at March 31, 2020	67,138	25,526	-	92,664

Cyient GmbH

Notes forming part of the financial statements

(All amounts in EUR except share and per share data and where otherwise stated)

3B. Right of use assets ("ROU" assets)

Transition

Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' which sets out the principles for recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. The Company has applied modified retrospective approach for all leases existing at the date of initial application and the cumulative effect of applying Ind AS 116 has been recognised as an adjustment to the opening balance of retained earnings. On transition, the adoption of this standard resulted in the recognition of Right of Use (ROU) asset of EUR 508,766 and a lease liability of EUR 520,622 and a net adjustment to opening balance of retained earnings of EUR 11,856 (net of deferred tax). The effect of adopting this standard is not material on the profit for the year.

(a) Movement in the carrying value of right of use assets is as below:

Particulars	As at March 31, 2020
Balance as at April 1, 2019	508,766
Additions	-
Deletions	-
Depreciation	114,311
Translation difference	-
Balance as at March 31, 2020	394,455

The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2020
Current lease liabilities	119,024
Non-current lease liabilities	287,236

The following is the movement in lease liabilities during the year ended:

Particulars	March 31, 2020
Balance at the beginning of the year	520,622
Additions	-
Deletions	-
Finance cost accrued during the year	18,302
Payment of lease liabilities	132,664
Translation difference	-
Balance at the end of the year	406,260

The Group does not face a significant liquidity risk with regard to its lease liabilities, as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the consolidated statement of profit and loss.

Rental expense for low value assets and short-term leases was USD 1,288,600 included under other expenses in the consolidated statement of profit and loss.

Cyient GmbH

Notes forming part of the financial statements

(All amounts in EUR except share and per share data and where otherwise stated)

4. Intangible Assets

Particulars	As at	
	March 31, 2020	March 31, 2019
Carrying amount of:		
Computer Software	35,093	84,964
Total	35,093	84,964
Total Intangible Assets	35,093	84,964

(ii). Movement in the carrying amount of intangible assets is as below:

Description of assets	Computer software	Total
I. Cost		
Balance as at March 31, 2018	500,815	500,815
Additions	41,242	41,242
Disposals	(127,980)	(127,980)
Other adjustments	(248,950)	(248,950)
Foreign currency translation adjustments	(1)	(1)
Balance as at March 31, 2019	165,125	165,125
Additions	-	-
Disposals	-	-
Foreign currency translation adjustments	-	-
Balance as at March 31, 2020	165,125	165,125
II. Accumulated amortisation		
Balance as at March 31, 2018	407,018	407,018
Amortisation for the year	50,074	50,074
Disposals	(127,980)	-
Other adjustments	(248,950)	-
Foreign currency translation adjustments	(0)	(0)
Balance as at March 31, 2019	80,161	80,161
Amortisation for the year	49,871	49,871
Balance as at March 31, 2020	130,032	130,032
III. Carrying Amounts (I-II)		
Balance as at March 31, 2019	84,964	84,964
Balance as at March 31, 2020	35,093	35,093

Cyient GmbH**Notes forming part of the financial statements**

(All amounts in EUR except share and per share data and where otherwise stated)

5A - Loans

Particulars	As at	
	March 31, 2020	March 31, 2019
Non - Current		
Loans to related parties (refer note below)	1,840,000	2,550,000
Total non-current loans	1,840,000	2,550,000
Current		
Loans to related parties (refer note below)	710,000	710,000
Unsecured, considered good		
Total current loans	710,000	710,000
Total loans	2,550,000	3,260,000

Note: Loan extended for amount of EUR 7,100,000 to Cyient Europe Limited on 1 November 2014 and same is repayable by 31 December 2023, as per the agreed repayment schedule carrying an interest rate of 3% p.a.

5B - Other financial assets

Particulars	As at	
	March 31, 2020	March 31, 2019
Non - Current		
Security Deposits		
- Unsecured, considered good	8,595	12,869
Total other Non current financial assets	8,595	12,869
Current		
Advance to Employees		
- Unsecured, considered good	7,718	51,260
Unbilled revenue	5,142,338	1,807,465
Interest accrued - inter company	120,064	24,068
Others	43,088	49,604
Total other current financial assets	5,313,207	1,932,398
Total other financial assets	5,321,801	1,945,267

6. Other assets

Particulars	As at	
	March 31, 2020	March 31, 2019
Current (unsecured):		
Prepaid expenses	73,430	74,436
Other advances, unsecured, considered good	56,571	
Total other current assets	130,001	74,436
Total other assets	130,001	74,436

Cyient GmbH

Notes forming part of the financial statements

(All amounts in EUR except share and per share data and where otherwise stated)

7. Trade receivables

Particulars	As at	
	March 31, 2020	March 31, 2019
Trade receivables		
- Unsecured, considered good	20,757,927	23,629,101
- Doubtful		-
Less: Allowance for doubtful debts (expected credit loss allowance)		-
Total	20,757,927	23,629,101

8: Cash and Bank Balances

8A. Cash and Cash Equivalents

Particulars	As at	
	March 31, 2020	March 31, 2019
Balances with Banks		
in current accounts	3,919,299	937,178
in deposit accounts	-	-
Cash on hand	500	500
Remittances in transit	324,057	-
Total Cash and Cash equivalents	4,243,856	937,678

8B. Other Bank balances

Particulars	As at	
	March 31, 2020	March 31, 2019
Deposits held as margin money/security for bank guarantees	39,468	39,468
Total	39,468	39,468

Notes forming part of the Consolidated financial statements

(All amounts in EUR except share and per share data and where otherwise stated)

9. Equity share capital

Particulars	As at	
	March 31, 2020	March 31, 2019
Authorised Share capital : 12,000 Equity Shares of 50 EUR each	600,000	600,000
Total equity share capital	600,000	600,000
Issued and subscribed capital comprises : 12,000 fully paid up equity shares of 50 EUR each	600,000	600,000
Total equity share capital	600,000	600,000

10. Other equity

Amt in EURO

Particulars	As at	
	March 31, 2020	March 31, 2019
(a.) General reserve		
(i) Opening balance	7,287,803	7,287,803
(ii) Movement during the year		
	7,287,803	7,287,803
(b) Foreign currency translation reserve		
(i) Opening balance	4,599	12,797
(ii) Additions / (deductions) during the year (net)	(49,283)	(8,198)
	(44,684)	4,599
(c) Retained earnings		
(i) Opening balance	8,825,823	8,825,823
(ii) profit for the year	1,507,325	
(iii) Ind AS 116 leases adjustment	(6,794)	
	10,326,354	8,825,823
Total	17,569,472	16,118,225

Nature of reserves

(a). General reserve

This represents appropriation of profit by the Company.

(b). Foreign currency translation reserve

Exchange difference relating to the translation of the keep it of the Company's foreign operations from their functional currencies to the Company's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

(c). Retained earnings

Retained earnings comprises of prior years' undistributed earnings after taxes.

Cyient GmbH**Notes forming part of the financial statements**

(All amounts in EUR except share and per share data and where otherwise stated)

11. Provisions

Particulars	As at	
	March 31, 2020	March 31, 2019
Employee benefits	425,239	349,771
Other Provisions		
	425,239	349,771
Non - Current		
Employee benefits	-	-
Other Provisions	-	-
	-	-
Current		
Employee benefits	425,239	349,771
Other Provisions	-	-
	425,239	349,771
Total	425,239	349,771

Cyient GmbH**Notes forming part of the financial statements**

(All amounts in EUR except share and per share data and where otherwise stated)

12. Income taxes**12.1 - Tax Expense****A. Income tax expense/(benefit) recognised in the statement of profit and loss**

Particulars	As at	
	March 31, 2020	March 31, 2019
Current tax		
In respect of the current year	568,449	590,451
In respect of prior years	(11,560)	(111,114)
	556,888	479,336
Deferred taxes expense/(benefit):		
In respect of the current year		(38,000)
	-	(38,000)
Total	556,888	441,336

12.2. Deferred tax assets and liabilities

A. The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Particulars	As at	
	March 31, 2020	March 31, 2019
Deferred tax assets	-	-
Deferred tax liabilities	13,219	8,000
Deferred tax liabilities, net	13,219	8,000

12.3 Current tax assets & liabilities

Particulars	As at	
	March 31, 2020	March 31, 2019
Current tax assets		
Current tax assets	94,149	67,604
Current tax liabilities		
Income tax payable	99,742	307,374
		-

Cyient GmbH**Notes forming part of the financial statements**

(All amounts in EUR except share and per share data and where otherwise stated)

13. Other liabilities

Particulars	As at	
	March 31, 2020	March 31, 2019
Current		
Unearned revenue	79,721	74,992
Statutory remittances	469,485	755,465
Total	549,206	830,458

14. Current borrowings

Particulars	As at	
	March 31, 2020	March 31, 2019
Secured - at amortised cost		
Loans repayable on demand from banks	-	2,006,487
Total	-	2,006,487

15. Trade Payables

Particulars	As at	
	March 31, 2020	March 31, 2019
Trade Payables	13,996,275	9,951,268
Total	13,996,275	9,951,268

Cyient GmbH**Notes forming part of the financial statements**

(All amounts in EUR except share and per share data and where otherwise stated)

16. Revenue from operations

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of services	25,947,022	27,020,727
Total	25,947,022	27,020,727

17. Other Income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Income		
Interest income on financial assets carried at amortised cost		
Bank deposits (at amortised cost)	84,191	92,735
Interest income from related parties	95,996	108,183
	180,187	200,918
Other non-operating income		
Liabilities no longer required, written back	-	-
Miscellaneous income (net)	40,589	68,762
	40,589	68,762
Other gains and losses		
Net foreign exchange gains/ (losses)	399,727	279,304
Loss on disposal of property, plant and equipment	-	(17,981)
	399,727	261,323
Total	620,502	531,003

18. Employee benefit expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages, including bonus	7,565,201	8,532,129
Social security and other benefits to overseas employees	142,235	124,608
Share based payments transactions expenses	17,401	7,397
Staff welfare expenses	20,323	109,976
Total	7,745,160	8,774,111

Cyient GmbH

Notes forming part of the financial statements

(All amounts in EUR except share and per share data and where otherwise stated)

19. Finance Cost

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on lease liability	18,302	-
Other interest expense	113,900	138,041
Total	132,202	138,041

20. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment	40,545	47,190
Depreciation of ROU assets	114,311	-
Amortisation of intangible assets	49,871	50,074
Total	204,727	97,264

21. Other operating expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rent including lease rentals	26,448	105,016
Rates and taxes	695	2,498
Insurance	26,781	37,495
Travelling and conveyance	495,957	530,232
Sub-contracting charges	15,071,836	14,653,905
Communication	90,292	100,202
Printing and stationery	2,467	6,937
Power and fuel	2,425	9,706
Marketing expenses	213,290	200,176
Advertisement	4,861	-
Repairs and maintenance		
- Buildings	-	-
- Machinery	154,811	123,903
- Others	4,092	(1,729)
Non executive directors commission		
Non executive directors commission		
Directors sitting fees		
Legal & professional charges	170,330	187,304
Bad debts/advances written off		
Expenditure for Corporate Social Responsibility		
Provision for doubtful debts (net)		
Bad debts written off	-	53,511
Less: Reversal of provision for doubtful debts	-	(53,511)
Auditors' remuneration	24,570	68,999
Freight Outwards		
Recruitment expenses	345	5,249
Training and development	14,224	86,799
Software charges		14,531
CSR	585	
Miscellaneous expenses	108,555	313,826
TOTAL	16,412,563	16,445,049