

**INDEPENDENT AUDITOR'S REPORT**

To the Members,

**CYIENT INSIGHTS PRIVATE LIMITED**

**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **CYIENT INSIGHTS PRIVATE LIMITED** ("the Company") which comprises the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss and Cash Flow statement for the year ended March 31, 2020, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of Companies Act 2013 ("The Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance and Cash flows of the Company are in accordance with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A" a statement of the matters specified in paragraph 3 and 4 of the order with respect to matters connected with holding company only.
2. As required by section 143(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

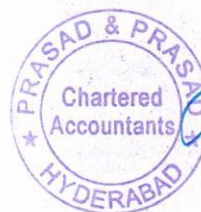



- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) The Balance Sheet, and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Hyderabad  
Date: 05-05-2020

**For Prasad & Prasad  
Chartered Accountants**

FRN:002746S



  
Srinivas Maddury  
(Partner)  
M. No.:228307

## **Annexure - A to the Independent Auditors' Report**

---

The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2020, we report that:

- i. In respect of fixed assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
  - b. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - c. All the tangible fixed assets are held by the company on its name. There are no immovable properties in the name of the company.
- ii. The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.
- iii. As informed to us, no loans, whether secured or unsecured, were granted to Companies, Firms, Limited Liability Partnerships or other parties, covered in the register maintained under Section 189 of the Companies Act, 2013. Hence the sub clauses (a), (b) and (c) of the clause (iii) of Para 3 of the order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, provisions of Sec. 185 have been complied with, in respect of loan given to director. No investments/loans were given in pursuance of provision of Sec. 186.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any outstanding unclaimed deposits as at March 31, 2020 and therefore, reporting under clause (v) of the Order is not applicable.
- vi. Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.
- vii. In respect of statutory dues,
  - a. The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods & Services Tax,



Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities. Excise duty is not applicable to the Company.

- b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods & Services Tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable. Excise duty is not applicable to the Company.
- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or issued any debentures. Hence, reporting under clause (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

- xv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable
- xvi. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Hyderabad  
Date: 05-05-2020

**For Prasad & Prasad  
Chartered Accountants**

FRN:002746S



Srinivas Maddury  
(Partner)

M. No.:228307



## **Annexure B to the Auditors' Report**

---

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of CYIENT INSIGHTS PRIVATE LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on Internal Controls Over Financial Reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing

the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



**Opinion**

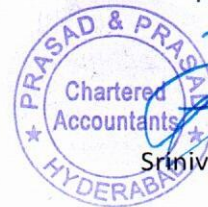
In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad

Date: 05-05-2020

**For Prasad & Prasad  
Chartered Accountants**

FRN:002746S



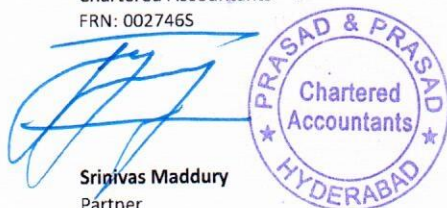
Srinivas Maddury  
(Partner)

MNo: 228307

(Amount in Rs.)

Particulars		Notes	As at March 31, 2020	As at March 31, 2019
A	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	3	698,564	1,143,557
	(b) Other intangible assets	4	-	-
	(c) Deferred tax assets (net)		27,654,489	28,409,950
	(d) Income tax assets (net)	20	4,278,992	8,800,538
	(e) Other non-current assets	6	1,265,137	5,337,781
	<b>Total Non - Current Assets</b>		<b>33,897,182</b>	<b>43,691,826</b>
2	<b>Current assets</b>			
	(a) Financial Assets			
	(i) Trade receivables	7	53,327,941	40,621,973
	(ii) Cash and cash equivalents	8	41,659,978	30,638,123
	(iii) Other Financial Assets	5	9,718,291	5,914,268
	(b) Other current assets	6	225,173	321,013
	<b>Total Current Assets</b>		<b>104,931,383</b>	<b>77,495,377</b>
	<b>Total Assets (1+2)</b>		<b>138,828,565</b>	<b>121,187,203</b>
B	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Equity Share capital	9	19,994,780	19,994,780
	(b) Other Equity	10	(74,818,524)	(78,399,582)
	Equity attributable to owners of the Company (I)		(54,823,744)	(58,404,802)
	<b>Total equity</b>		(54,823,744)	(58,404,802)
	<b>LIABILITIES</b>			
2	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	Borrowings	11	153,874,742	143,139,292
	(b) Provisions	12	5,751,507	6,415,628
	<b>Total Non - Current Liabilities</b>		<b>159,626,249</b>	<b>149,554,920</b>
3	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	Trade payables	13	31,029,661	22,802,887
	(b) Other current liabilities	14	2,067,710	6,407,011
	(c) Provisions	12	928,689	827,187
	<b>Total Current Liabilities</b>		<b>34,026,060</b>	<b>30,037,085</b>
	(e) Liabilities associated with assets held for sale			
	<b>Total Equity and Liabilities (1+2+3)</b>		<b>138,828,565</b>	<b>121,187,203</b>
	<b>See accompanying notes to the financial statements</b>			

For Prasad & Prasad  
Chartered Accountants  
FRN: 002746S



Sripivas Maddury  
Partner  
M No: 228307  
Place: Hyderabad  
Date: 05-May-2020



For and on behalf of the Board of Directors  
For Cyient Insights Private Limited

B Ashok Reddy  
Director  
DIN: 01848553  
Place: Hyderabad  
Date: 05-May-2020

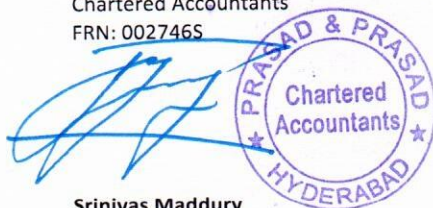
*B. Ashok Reddy*

N J Joseph  
Director  
DIN : 07033585  
Place: Hyderabad  
Date: 05-May-2020



Particulars	Notes	As at March 31, 2020	As at March 31, 2019
I Revenue from operations	15	85,759,742	118,117,704
II Other Income	16	434,377	1,225,065
III Total Revenue (I + II)		<b>86,194,119</b>	<b>119,342,769</b>
IV EXPENSES			
(a) Employee benefit expense	17	55,074,755	70,385,214
(b) Finance costs	18	14,313,930	13,012,228
(c) Depreciation and amortisation expense	19	444,993	453,590
(d) Other expenses	21	14,622,871	19,628,579
Total Expenses (IV)		<b>84,456,549</b>	<b>103,479,611</b>
V Share of profit / (loss) of associate			
VI Share of profit / (loss) of jointventure			
VII Profit/(loss) before tax (III-IV+V+VI)		<b>1,737,570</b>	<b>15,863,158</b>
VIII Tax Expense			
(1) Current tax		-	3,052,071
(2) Deferred tax	20	755,461	1,502,148
Total tax expense		<b>755,461</b>	<b>4,554,219</b>
IX Profit/(loss) for the Year (VII-VIII)		<b>982,109</b>	<b>11,308,939</b>
Other comprehensive income			
(i) Items that will not be recycled to profit or loss			
(a) Remeasurements of the defined benefit plans		2,598,949	308,603
(ii) Income tax relating to items that will not be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		-	-
Total other comprehensive income (i-ii)		2,598,949	308,603
Total comprehensive income for the Year (VII + VIII)		3,581,058	11,617,542
Earnings per equity share :			
(1) Basic		0.49	5.66
(2) Diluted			

For Prasad & Prasad  
Chartered Accountants  
FRN: 002746S



Srinivas Maddury  
Partner  
M No: 228307  
Place: Hyderabad  
Date: 05-May-2020



For and on behalf of the Board of Directors  
For Cyient Insights Private Limited

B Ashok Reddy  
Director  
DIN: 01848553  
Place: Hyderabad  
Date: 05-May-2020

N J Joseph  
Director  
DIN : 07033585  
Place: Hyderabad  
Date: 05-May-2020

**CYIENT Insights Pvt Ltd**

**Statement of changes in equity for the period ended March 31, 2020**

a. Equity share capital	
Particulars	Amount
<b>Balance at March 31, 2018</b>	19,994,780
Changes in equity share capital during the year	-
<b>Balance at March 31, 2019</b>	19,994,780
Issue of equity shares under employee share option plan	-
<b>Balance as at March 31, 2020</b>	19,994,780

b. Other equity				
Particulars	Reserves and Surplus		Items of other comprehensive income	Total other equity
	Securities premium reserve	Retained earnings		
Balance as at March 31, 2018	98,000	(89,897,697)	(217,425)	(90,017,122)
Remeasurement of net defined benefit liability/asset (net of tax)			308,603	308,603
Exchange difference arising on translating the foreign operation	-	-	-	-
Profit for the year	-	11,308,939	-	11,308,939
Balance as at March 31, 2019	98,000	(78,588,758)	91,178	(78,399,580)
Remeasurement of net defined benefit liability/asset (net of tax)	-	-	2,598,949	2,598,949
Exchange difference arising on translating the foreign operation	-	-	-	-
Profit for the year	-	982,109	-	982,109
Balance as at March 31, 2020	98,000	(77,606,649)	2,690,127	(74,818,522)

**For Prasad & Prasad**  
Chartered Accountants

FRN: 002746S



**Srinivas Maddury**

Partner

M No: 228307

Place: Hyderabad

Date: 05-May-2020

**For and on behalf of the Board of Directors**  
**For Cyient Insights Private Limited**



**B Ashok Reddy**

Director

**DIN: 01848553**

Place: Hyderabad

Date: 05-May-2020

**N J Joseph**

Director

**DIN : 07033585**

Place: Hyderabad

Date: 05-May-2020



CYIENT Insights Pvt Ltd  
Cash Flow Statement for the period ended March 31, 2020

Particulars		Year ended March 31, 2020		Year ended Mar 31, 2019	
<b>Cash flows from operating activities</b>					
Profit before tax for the year		1,737,570		15,863,158	
Adjustments for:					
Income tax expense recognised in profit or loss		2,598,949		15,466	
Gain on disposal of property, plant and equipment		-		61,653	
Gain on disposal of interest in former associate		-		-	
Net (gain)/loss on disposal of available-for-sale financial assets		-		453,590	
Depreciation and amortisation of non-current assets		444,993		308,603	
Gratuity OCI		-		-	
Net foreign exchange (gain)/loss		-		-	
Operating profit before working capital changes			4,781,512		16,702,470
Movements in working capital:					
Increase in trade and other receivables		(8,184,422)		(19,950,274)	
(Increase)/decrease in amounts due from customers under construction contracts					
(Increase)/decrease in inventories		364,461		2,191,437	
(Increase)/decrease in other assets		8,226,774		1,922,270	
Decrease in trade and other payables					
Increase/(decrease) in amounts due to customers under construction contracts					
Increase/(decrease) in provisions		(562,619)		1,607,276	
(Decrease)/increase in deferred revenue		(4,339,301)		423,494	
(Decrease)/increase in other liabilities					
Cash generated from operations			286,410		2,896,670
Income taxes paid		-		-	
Net cash generated by operating activities			286,410		2,896,670
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment		-		(642,524)	
Payments for investment property					
Proceeds from disposal of investment property					
Payments for intangible assets		-		-	
Net cash outflow on acquisition of subsidiaries					
Net cash inflow on disposal of subsidiary					
Net cash inflow on disposal of associate					
Net cash (used in)/generated by investing activities			-		(642,524)
<b>Cash flows from financing activities</b>					
Proceeds from borrowings		10,735,450		11,811,740	
Interest paid					
Net cash used in financing activities			10,735,450		11,811,740
<b>Net increase in cash and cash equivalents</b>			11,021,860		14,065,886
Cash and cash equivalents at the beginning of the year			30,638,123		16,572,237
Effects of exchange rate changes on the balance of cash held in foreign currencies					
Cash and cash equivalents at the end of the year(Refer Note (i) below)			41,659,983		30,638,123
* Comprises:					
Balances with Banks			41,619,997		30,544,941
Cheques, drafts on hand			-		-
Cash on hand			39,986		93,182
Others			-		-

For Prasad & Prasad  
Chartered Accountants  
FRN: 002746S

Partner  
M No: 228307  
Place: Hyderabad  
Date: 05-May-2020

For and on behalf of the Board of Directors  
For Cyient Insights Private Limited

B Ashok Reddy  
Director  
DIN: 01848553  
Place: Hyderabad  
Date: 05-May-2020

N J Joseph  
Director  
DIN : 07033585  
Place: Hyderabad  
Date: 05-May-2020



3. Tangible Assets

(Amount in Rs.)

Particulars	As at	
	March 31, 2020	March 31, 2019
Carrying amount of:		
Office Equipment	71,062	126,266
Computers	627,502	1,017,290
<b>Total Tangible assets</b>	<b>698,564</b>	<b>1,143,557</b>
Capital work-in progress	-	-
<b>Total</b>	<b>698,564</b>	<b>1,143,557</b>

Description of Assets	Land - Freehold	Leasehold Improvements	Office Equipment	Furniture and Fixtures	Computers	Total
<b>I. Cost</b>						
Balance as at 31 March, 2018			457,630		2,953,536	3,411,166
Additions					642,524	642,524
Disposals			(26,500)			(26,500)
Balance as at 31 March, 2019	-	-	431,130	-	3,596,060	4,027,190
Additions						-
Disposals						-
Balance as at 31 March, 2020	-	-	431,130.05	-	3,596,060.14	4,027,190.19
<b>II. Accumulated depreciation and impairment</b>						
Balance as at 31 March, 2018			260,280	-	2,191,816	2,452,096
Depreciation / amortisation expense for the year		-	55,618		386,953	442,571
Eliminated on disposal of assets		-	(11,034)			(11,034)
Balance as at 31 March, 2019	-	-	304,864	-	2,578,770	2,883,633
Depreciation / amortisation expense for the year			55,204		389,789	444,993
Eliminated on disposal of assets						-
Balance as at 31 March, 2020	-	-	360,068	-	2,968,559	3,328,626.28
<b>III. Carrying Amounts (I-II)</b>						
Balance as at March 31, 2019	-	-	126,266	-	1,017,290	1,143,557
Balance as at 31 March, 2020	-	-	71,062	-	627,502	698,564



CYIENT Insights Pvt Ltd  
Notes forming part of the financial statements

4. Intangible Assets

(Amount in Rs.)

Particulars	As at	
	March 31, 2020	March 31, 2019
Carrying amount of:		
Computer Software	-	-
Other Intangible Assets	-	-
<b>Total Intangible assets</b>	-	-
Intangible assets under development	-	-
<b>Total</b>	-	-

Movement in the carrying amount of intangible assets is as below:

Description of Assets	Computer Software	Other Intangible	Total
<b>I. Cost</b>			
Balance as at 31 March, 2018	370,629		370,629
Additions	-		-
Disposals			-
Balance as at 31 March, 2019	370,629	-	370,629
Additions			
Disposals			
Balance as at 31 March, 2020	370,629	-	370,629
	Computer Software	Other Intangible	Total
<b>II. Accumulated depreciation and impairment</b>			
Balance as at 31 March, 2018	359,610	-	359,610
Depreciation / amortisation expense for the year	11,019		11,019
Balance as at 31 March, 2019	370,629	-	370,629
Depreciation / amortisation expense for the year	-		-
Balance as at 31 March, 2020	370,629	-	370,629
<b>III. Carrying Amounts (I-II)</b>			
Balance as at March 31, 2018	-	-	-
Balance as at 31 March, 2020	-	-	-

CYIENT Insights Pvt Ltd  
Notes forming part of the financial statements

5 - Other financial assets

(Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
<b>Current</b>		
<b>Advance to Employees</b>		
- Unsecured, considered good	1,750,731	1,550,348
	1,750,731	1,550,348
-Unbilled revenue	7,967,560	4,363,920
<b>TOTAL</b>	<b>9,718,291</b>	<b>5,914,268</b>



**CYIENT Insights Pvt Ltd**  
**Notes forming part of the financial statements**

**6 . Other assets**

(Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
<b>Non - Current (unsecured):</b>		
Balance with Government authority	1,265,137	5,337,781
<b>Total</b>	<b>1,265,137</b>	<b>5,337,781</b>
<b>Current (unsecured):</b>		
Prepaid Expenses	206,078	256,918
Advance to Suppliers	19,095	64,095
	225,173	321,013
<b>Total</b>	<b>1,490,310</b>	<b>5,658,794</b>

**7. Trade receivables**

Particulars	March 31, 2020	March 31, 2019
(i) Secured, considered good		
(ii) Unsecured, considered good	53,327,941	40,621,973
(iii) Doubtful		
Less: Allowance for doubtful debts (expected credit loss allowance)		
<b>TOTAL</b>	<b>53,327,941</b>	<b>40,621,973</b>

8. Cash and Bank Balances

(Amount in Rs.)		
Particulars	March 31, 2020	March 31, 2019
Current Cash and bank balances		
Balances with Banks	41,619,997	30,544,941
Cash on hand	39,986	93,182
Cash and cash equivalents as per balance sheet	41,659,978	30,638,123



**CYIENT Insights Pvt Ltd**  
Notes forming part of the financial statements

**9. Equity share capital**

(Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
Equity share capital	19,994,780	19,994,780
<b>Total equity share capital</b>	<b>19,994,780</b>	<b>19,994,780</b>
<b>Authorised share capital :</b> 2,000,000 Equity Shares of Rs.10 each	20,000,000	20,000,000
<b>Issued and subscribed capital comprises :</b> 1,999,478 Equity Shares of Rs.10 each	19,994,780	19,994,780
<b>Total equity share capital</b>	<b>19,994,780</b>	<b>19,994,780</b>

9.1 Fully Paid equity shares	Number of shares	Share capital (Amount)
<b>Balance at March 31, 2018</b> Issue of shares under the Company's employee share option plan	1,999,478	19,994,780
<b>Balance at March 31, 2019</b> Issue of shares under the Company's employee share option plan	1,999,478	19,994,780
<b>Balance as at 31 March, 2020</b>	1,999,478	19,994,780

**9.2 Details of shares held by each shareholder holding more than 5% shares**

	March 31, 2020		March 31, 2019	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
<b>Fully paid equity shares</b> Sesha Chalapathi Modukuru M.s.Nearium Energy Pte Ltd Satish C Cyient Limited	1,999,478	100.0%	1,999,478	100.0%
	<b>1,999,478</b>	<b>100.0%</b>	<b>1,999,478</b>	<b>100.0%</b>

**9.3. Rights, preferences and restrictions attached to equity shares:**

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share

In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company in proportion to their shareholding

**CYIENT Insights Pvt Ltd**  
**Notes forming part of the financial statements**

**10. Other equity**

(Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
Securities premium account	98,000	98,000
Foreign currency translation reserve	-	-
Retained earnings	(74,916,525)	(78,497,582)
<b>Total</b>	<b>(74,818,524)</b>	<b>(78,399,582)</b>

10.1 Securities premium reserve	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	98,000	98,000
Issue of shares under the Company's employee share option plan		
<b>Total</b>	<b>98,000</b>	<b>98,000</b>

10.2 Foreign currency translation reserve	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	-	
Exchange difference arising on translating the foreign operation	-	
<b>Total</b>	<b>-</b>	<b>-</b>

10.3 Retained earnings	As at March 31, 2020	As at March 31, 2019
Balance at beginning of year	(78,497,583)	(90,115,124)
Profit attributable to owners of the Company	982,109	11,308,939
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	2,598,949	308,603
<b>Total</b>	<b>(74,916,525)</b>	<b>(78,497,582)</b>



**Cyient Insights Pvt Limited**  
**Notes forming part of the financial statements**

**11. Non-current borrowings**

(Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
<b>Unsecured - at amortised cost</b>		
(i) Laons from related parties(* Refer note 1 below)		
-CYIENT Limited	153,874,742	143,139,292
-Others	-	
<b>Total non-current borrowings</b>	<b>153,874,742</b>	<b>143,139,292</b>

\* Note - 1

- Outstanding loan from CYIENT Limited represents only principle & Interest.

- The rate of interest is 10%, which is to be repaid in half yearly installments.

**12. Provisions**

(Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
<b><u>Provisions</u></b>		
(i) Employee benefits	6,680,196	7,242,815
(ii) Other Provisions	-	-
<b>Total</b>	<b>6,680,196</b>	<b>7,242,815</b>
Current	928,689	827,187
Non - Current	5,751,507	6,415,628
	<b>6,680,196</b>	<b>7,242,815</b>

**Cyient Insights Private Limited**  
**Notes forming part of the financial statements**

**13. Trade Payables** (Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
Dues to Micro Enterprises and Small Enterprises	-	-
Dues to otherthan Micro Enterprises and Small Enterprises	31,029,661	22,802,887
<b>Total</b>	<b>31,029,661</b>	<b>22,802,887</b>

**14. Other current liabilities** (Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
Advance from Related Party transactions	-	-
Statutory remittance	2,067,710	6,407,011
<b>Total</b>	<b>2,067,710</b>	<b>6,407,011</b>

**15. Revenue from Operations**

The following is an analysis of the company's revenue for the year from continuing operations.

Particulars	March 31, 2020	March 31, 2019
Sale of services	85,759,742	118,117,704
<b>Total</b>	<b>85,759,742</b>	<b>118,117,704</b>



CYIENT Insights Pvt Ltd  
Notes forming part of the financial statements

17. Employee Benefits Expense

(Amount in Rs.)

Particulars	March 31, 2020	March 31, 2019
(i) Salaries and wages, including bonus	50,789,022	65,050,471
(ii) Contribution to provident and other funds	2,717,809	4,306,896
(iii) Share based payment transactions expenses	-	-
(iv) Staff welfare expenses	1,567,924	1,027,847
<b>Total</b>	<b>55,074,755</b>	<b>70,385,214</b>

18. Finance Cost

Particulars	March 31, 2020	March 31, 2019
(i) Interest costs:- Interest on loans from related parties	14,313,930	13,012,228
<b>Total</b>	<b>14,313,930</b>	<b>13,012,228</b>

19. Depreciation and amortisation expense

Particulars	March 31, 2020	March 31, 2019
Depreciation of property, plant and equipment	444,993	442,571
Amortisation of intangible assets	-	11,019
<b>Total</b>	<b>444,993</b>	<b>453,590</b>

20. Income taxes

20.1. Income Tax recognised in statement of Profit & Loss

(Amount in reporting currency)

Particulars	March 31, 2020	March 31, 2019
<b>Current tax</b>		
In respect of the current year	-	3,052,071
In respect of prior years		
	-	3,052,071

Deferred tax	March 31, 2020	March 31, 2019
In respect of the current year	755,461	4,554,219
MAT credit	-	(3,052,071)
	755,461	1,502,148

20.2. Income tax assets and liabilities

Particulars	As at	
	March 31, 2020	March 31, 2019
<b>Income tax assets, net.</b>		
Income tax assets	7,331,063	12,956,916
<b>Income tax liabilities, net.</b>		
Income tax payable (net of advance xxx) (March 31, 2017: XXX)	3,052,071	4,156,378
	<b>4,278,992</b>	<b>8,800,538</b>

## 21. Other expenses

Particulars	(Amount in Rs.)	
	March 31, 2020	March 31, 2019
Rent including lease rentals	33,60,000	33,60,000
Rates and taxes	26,857	39,220
Insurance	10,02,328	4,87,997
Travelling and conveyance	59,57,731	39,77,869
Sub-contracting charges		
Communication	1,97,594	24,42,417
Printing and stationery	5,633	35,041
Marketing expenses	56,500	14,750
Repairs and maintenance		
- Others		56,660
Non executive directors commission		
Legal & professional charges	26,19,838	72,54,449
Expenditure for Corporate Social Responsibility		
Provision for doubtful debts (net)		
Bad debts written off		
Less: Reversal of provision for doubtful debts		
Auditors' remuneration (Refer Note (i) below)	4,50,000	4,50,000
Recruitment expenses		91,641
Training and development	76,000	5,664
Software charges	8,32,152	12,27,384
Miscellaneous expenses	38,238	1,85,481
	<b>1,46,22,871</b>	<b>1,96,28,579</b>

## Notes

## (i) Payment to auditors

a) For audit	1,50,000	1,50,000
b) For taxation matters	50,000	50,000
d) For other services	2,50,000	2,50,000
e) For reimbursement of expenses	-	-
	<b>4,50,000</b>	<b>4,50,000</b>



Statement on Significant Accounting Policies

For the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March, 2020

**1. Corporate information**

Cyient Insights Private Limited is engaged in the business of providing Advance Business Analytics, Big Data/Data Sciences Research Lab for customers and its related services.

The Company is based in India and has clients spread out at various places in India.

**2. Significant accounting policies**

**2.1 Basis of accounting and preparation of the financial statements**

The financial statements comply in all material respects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

**2.2 Basis of preparation of financial statements**

The financial statements have been prepared on a historical cost basis. The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest rupee, except when otherwise indicated.

**2.3 Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenditure for the periods presented.

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

Future results could differ from these estimates – estimates and underlying assumptions are reviewed on an ongoing basis. The effects of changes in accounting estimates are reflected in the financial statements in the period in which results are known and, if material, are disclosed in the financial statements.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

## Statement on Significant Accounting Policies

For the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March, 2020

- Useful lives of plant and equipment and intangible assets.
- Assets and obligations relating to employee benefit
- Evaluation of recoverability of deferred tax assets
- Financial instruments
- Provisions and contingencies

The Company reviews the useful life of assets at the end of each reporting period. This reassessment may results in the change in depreciation expense in future periods.

### 3. Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the consideration required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense. Provisions are not recognized for future operating losses.

### 4. Related Party Transactions

Name of the Related Party	Relation	Nature of Transactions	Amount (Rs )
Cyient Limited	Holding Company (100%)	Sale of Services	1,03,02,665.00
		Interest expense accrued	1,43,13,929.00
		Rent	3,360,000 .00
		Trade Receivable	1,68,81,838.00
		Trade Payables	2,08,05,702.00
		Outstanding Loan	15,38,74,742.00



**Cyient Insights Private Limited (formerly Invati Insights Private Limited)**

**Statement on Significant Accounting Policies**

**For the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March, 2020**

Cyient Limited – Australia	Branch of Cyient Limited	Sale of Services	20,38,297.00
		Trade Payable	23,179.01
		Trade Receivables	10,42,832.00
Cyient Inc	Subsidiary of Cyient Limited	Sale of Services	3,24,61,260.00
		Trade Receivables	2,39,08,932.00
		Trade Payables	33,94,993.00
Cyient GMBH	Subsidiary of Cyient Limited	Sale of Services	2,83,27,600.00
		Trade Receivables	9,01,196.00
Cyient Europe	Subsidiary of Cyient Limited	Sale of Services	85,02,777.00
		Trade Receivables	33,03,917.00
Cyient Australia	Branch of Cyient Limited	Sale of Services	10,42,832.00
		Trade Receivables	43,43,702.55
		Trade Payables	980,668.00
Cyient AB-Sweden	Subsidiary of Cyient Limited	Trade Payables	98,678.00
Cyient BV	Subsidiary of Cyient Limited	Sale of Services	1,87,157.00
		Trade Receivables	1,87,157.00
Cyient Canada, Inc.	Subsidiary of Cyient Limited	Sale of Services	28,97,153.00
		Trade Receivables	28,97,153.00

**5. Earnings Per Share:**

The Company presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary



**Statement on Significant Accounting Policies**

**For the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March, 2020**

shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Profit after taxation (Rs).	:	9,82,109
No. of equity shares	:	19,99,478
Basic earnings per share (Rs).	:	0.49
Nominal value of equity shares (Rs).	:	10

**6. Income taxes:**

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**7. Cash and cash equivalents:**

Cash comprises of cash in hand and at bank.

Cash flows are reported using indirect method, whereby profit / (loss) after tax is adjusted for the effects of transaction of non- cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**Statement on Significant Accounting Policies**

**For the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March, 2020**

**8. Revenue Recognition:**

Revenue is measured at the fair value of the consideration received or receivable.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below:

**Income from services:**

Revenue recognition depends on the arrangements with the customer which are either on "Time and material" or on a "Time bound fixed price" basis.

Revenue from software services performed on a "time and material" basis is recognised as and when services are performed. The Company also performs work under "Time bound fixed-price" arrangements, under which customers are billed, based on completion of specified milestones or on the basis of efforts spent as per terms of the contracts. Revenue from such arrangements is recognised over the life of the contract using the percentage completion method. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the year in which the change becomes known. Provision for estimated losses on such engagements is made in the year in which such loss becomes probable and can be reasonably estimated.

Amounts received or billed in advance of services performed are recorded as unearned revenue. Unbilled revenue represents amounts recognized based on services performed in advance of billings in accordance with contract terms and is net of estimated allowances for uncertainties and provision for estimated losses.

**9. Other income:**

Foreign currency gains and losses are reported on a net basis. This includes the changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

**10. Office equipment and Computers:**

Office equipment and computers are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to the acquisition are capitalized until the office equipment and computers are ready for use, as intended by management. The Company depreciates office equipment and computers over their estimated useful lives using the Straight Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013.



**Statement on Significant Accounting Policies**

For the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March, 2020

Type of Asset	Useful life
Office Equipment	5 years
Computers	3 years

Depreciation methods, useful lives and residual values are reviewed periodically including at each financial year-end.

**11. Intangibles assets:**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their estimated useful life on a straight line basis as follows:

Type of Asset	Useful life
Software	3 years

**12. Investments:**

There are no investments made during the period.

**13. Employee benefit plans:**

Employee benefits include provident fund, gratuity fund and compensated absences.

**13.1 Post-employment obligations:**

**(i) Defined contribution plans:**

Contributions in respect of Employees Provident Fund and Pension Fund which are defined contribution schemes, are made to a fund administered and managed by the Government of India and are charged as an expense based on the amount of contribution required to be made and when service are rendered by the employees.

Contributions under the superannuation plan which is a defined contribution scheme, are made to a fund administered and managed by the Life Insurance Corporation of India and



**Statement on Significant Accounting Policies**

**For the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March, 2020**

are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

**(ii) Defined benefit plans**

- **Gratuity:**

The Company accounts for its liability towards Gratuity based on actuarial valuation made by an independent actuary as at the balance sheet date using projected unit credit method. The liability recognized in the balance sheet in respect of the gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined obligation and the fair value of plan assets. This cost is included in the employee benefit expense in the statement of profit and loss. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

- **Compensated absences:**

The employees of the Company are entitled to compensate absences. The employees can carry forward a portion of the un-utilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the un-utilized accrued compensated absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence based on actuarial valuation made by an independent actuary as at the balance sheet date on projected unit credit method.

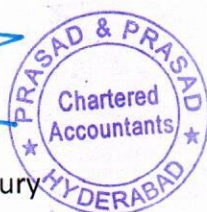

Statement on Significant Accounting Policies

For the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March, 2020

**13.2 Other short-term employee benefits**

Other short-term employee benefits, including overseas social security contributions and performance incentives expected to be paid in exchange for the services rendered by employees are recognized during the period when the employee renders service.

For Prasad & Prasad  
Chartered Accountants  
FRN: 002746S



Srinivas Maddury  
Partner  
M. No: 228307

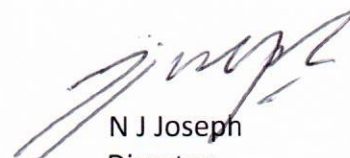
Place: Hyderabad  
Date: 05<sup>th</sup> May, 2020

For and on behalf of the Board of Directors  
Cyient Insights Private Limited



B Ashok Reddy  
Director  
DIN: 01848553

Place: Hyderabad  
Date: 05<sup>th</sup> May, 2020



N J Joseph  
Director  
DIN : 07033585

Place: Hyderabad  
Date: 05<sup>th</sup> May, 2020