



INDEPENDENT AUDITOR'S REPORT

To the Members of **M/s Cyient Australia Pty Limited**

Report on Financial Statements

We have audited the accompanying financial statements of M/s Cyient Australia Pty Limited ("the Company") which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss and the Statement of Changes in Equity, for the period then ended, and other explanatory information.

Management's Responsibility of Financial Statements

The Company's Board of Directors are responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Indian Accounting Standards. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the applicable rules and regulations for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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





G P ASSOCIATES
Chartered Accountants
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not for the purpose of expressing an opinion on whether the Company has in place an adequate financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information require by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state affairs of the company as at 31st March 2021, and its Profit for the year ended on that date.



**For G P ASSOCIATES
CHARTERED ACCOUNTANTS**

K. Abhiram

**(CA K ABHIRAM)
PARTNER**

M.No: 239219

UDIN: 21239219AAAAMM5765

**Place: Hyderabad
Date: 25-05-2021**

Cyient Australia Pty Limited
Balance Sheet as at March 31, 2021

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,21,674	7,07,667
Right-of-use assets	4	8,85,621	14,15,827
Goodwill	4	1,15,32,729	
Intangible assets	5	33,66,406	11,17,857
Financial assets			
(a) Investments	6	6,71,550	6,71,550
(b) Other financial assets	7	22,005	5,000
Income tax assets (net)	18.3	-	2,91,085
Total non-current assets		1,70,00,270	42,08,986
Current assets			
Financial assets			
(b) Trade receivables	9	65,11,186	1,01,29,573
(c) Cash and cash equivalents	10	27,84,311	15,50,845
(e) Other financial assets	7	1,19,32,341	1,08,79,849
Other current assets	8	8,01,903	2,66,653
Total current assets		2,20,29,741	2,28,26,920
Total assets		3,90,30,011	2,70,35,906
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	1,000	1,000
Other equity	12	87,73,329	43,01,167
Equity attributable to Shareholders of the Company		87,74,329	43,02,167
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(a) Other financial liabilities	16	40,04,102	8,65,266
Provisions	17	18,79,764	17,59,123
Deferred tax liabilities (net)	18.2	25,75,059	20,97,831
Total non-current liabilities		84,58,925	47,22,220
Current liabilities			
Financial liabilities			
(a) Borrowings	15	46,15,553	-
(b) Trade payables	20	1,32,52,503	1,66,48,329
(c) Other financial liabilities	16	23,80,866	6,09,902
Income tax liabilities (net)	18.3	7,57,898	-
Provisions	17	2,57,843	2,04,550
Other current liabilities	19	5,32,094	5,48,738
Total current liabilities		2,17,96,757	1,80,11,519
Total liabilities		3,02,55,682	2,27,33,739
Total equity and liabilities		3,90,30,011	2,70,35,906



For G.P. ASSOCIATES
CHARTERED ACCOUNTANTS
FRN No. 006734S

K. Abhiram
(CA. K. ABHIRAM)
PARTNER
M.No. 239219

Cyient Australia Pty Limited
Statement of Profit and Loss for the Year March 31, 2021

Particulars	Note	For the Year ended March 31, 2021	For the Year ended March 31, 2020
INCOME			
Revenue from operations	21	7,02,68,643	6,31,26,652
Other income	22	3,07,266	(79,083)
Total income		7,05,75,909	6,30,47,569
EXPENSES			
Employee benefits expense	23	2,19,99,359	2,78,59,029
Finance costs	24	5,64,776	5,09,222
Depreciation and amortisation expense	25	19,40,252	22,44,146
Other expenses	26	3,94,59,678	3,33,34,158
Total expenses		6,39,64,065	6,39,46,555
Profit before exceptional item, share of profit from joint venture and tax		66,11,844	(8,98,986)
Exceptional item	36		
Profit before share of profit from joint venture and tax		66,11,844	(8,98,986)
Share in profit of joint venture	6(v)		
Profit before tax		66,11,844	(8,98,986)
Tax expense			
Current tax	18.1	14,84,940	2,84,142
Tax pertaining to earlier years		-	
Deferred tax	18.1	6,04,490	(3,92,930)
Total tax expense		20,89,430	(1,08,788)
Profit for the year		45,22,414	(7,90,198)
Total comprehensive income for the year		45,22,414	(7,90,198)

For G.P. ASSOCIATES
 CHARTERED ACCOUNTANTS
 FRN No. 006734S



K. Abhiram
 (CA. K. ABHIRAM)
 PARTNER
 M.No. 239219

Cyient Australia Pty Limited
Statement of Changes in Equity for the year ended March 31, 2021

A. Equity share capital

Particulars	Note	Amount
Balance at March 31, 2019	11	1,000
Balance as at March 31, 2020	11	1,000
Balance as at March 31, 2021		1,000

B. Other equity

Particulars	Note	Attributable to shareholders of the Company			Total other equity
		Surplus		Items of other comprehensive	
		Capital redemption reserve	Retained earnings	Capital reserve	
Balance at March 31, 2019		-	45,45,312	5,67,522	51,12,834
Profit for the year		-	(7,90,198)	-	(7,90,198)
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		-	(7,90,198)	-	(7,90,198)
Reserves impact on IND AS 116			(21,469)		(21,469)
Balance as at March 31, 2020		-	37,33,645	5,67,522	43,01,167
Profit for the year		-	45,22,414	-	45,22,414
Other comprehensive income		-	-	-	(50,252)
Total comprehensive income for the year		-	45,22,414	-	44,72,162
Balance as at March 31, 2021		-	82,56,059	5,67,522	87,73,329



3. Property, plant and equipment

Particulars	As at	
	March 31, 2021	March 31, 2020
Carrying amount of:		
Leasehold improvements	69,331	1,18,903
Computers	40,539	75,597
Plant and equipment	66,781	78,326
Office equipment	85,735	1,27,811
Furniture and fixtures	2,50,859	2,97,101
Electrical installations	8,429	9,929
Total	5,21,674	7,07,667

Notes:

(a) Movement in the carrying amount of property, plant and equipment is as below:

Particulars	Leasehold improvements	Computers	Plant and equipment	Office equipment	Furniture and fixtures	Electrical installations	Total
I. Cost or deemed cost							
Balance as at April 1, 2018	2,32,628	4,06,841	1,13,524	82,079	4,35,100	15,789	12,85,960
Additions	1,86,994	77,323	8,000	1,46,732	45,864	-	4,64,912
Foreign currency translation adjustments	-	-	-	-	-	-	-
Balance as at March 31, 2019	4,19,622	4,84,164	1,21,524	2,28,811	4,80,964	15,789	17,50,873
Additions	-	-	-	6,576	5,970	-	12,546
Foreign currency translation adjustments	-	-	-	-	-	-	-
Balance as at March 31, 2020	4,19,622	4,84,164	1,21,524	2,35,387	4,86,934	15,789	17,63,419
Additions	-	7,976	-	-	-	-	7,976
Balance as at March 31, 2021	4,19,622	4,92,140	1,21,524	2,35,387	4,86,934	15,789	17,71,395
II. Accumulated depreciation							
Balance as at April 1, 2018	1,40,469	1,96,798	20,407	32,782	99,901	2,860	4,93,217
Depreciation for the year	1,03,816	1,28,547	11,247	30,855	44,050	1,500	3,20,015
Foreign currency translation adjustments	-	-	-	-	-	-	-
Balance as at March 31, 2019	2,44,285	3,25,345	31,654	63,637	1,43,951	4,360	8,13,232
Depreciation for the year	56,434	83,222	11,545	43,938	45,881	1,500	2,42,520
Foreign currency translation adjustments	-	-	-	-	-	-	-
Balance as at March 31, 2020	3,00,719	4,08,567	43,198	1,07,575	1,89,832	5,860	10,55,752
Depreciation for the year	49,572	43,034	11,545	42,076	46,242	1,500	1,93,969
Balance as at March 31, 2021	3,50,291	4,51,601	54,743	1,49,651	2,36,074	7,360	12,49,721
III. Carrying amounts (I-II)							
Net book value as at March 31, 2019	1,75,337	1,58,819	89,871	1,65,174	3,37,012	11,429	9,37,641
Net book value as at March 31, 2020	1,18,903	75,597	78,326	1,27,811	2,97,101	9,929	7,07,667
Net book value as at March 31, 2021	69,331	40,539	66,781	85,735	2,50,859	8,429	5,21,674



Cyient Australia Private Limited
Notes forming part of the financial statements

3B. Leases

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 AUD 3,743,887 and a lease liability of AUD 3,794,373 and a net adjustment to opening balance of retained earnings of AUD 21,469 (net of deferred tax). The effect of adopting this standard is not material on the profit for the previous year.

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

Particulars	Category of ROU assets	
	Buildings	Total
Balance as at April 1, 2020	14,15,827	14,15,827
Additions	6,79,976	6,79,976
Termination	3,42,098	3,42,098
Depreciation	8,68,084	8,68,084
Balance as at March 31, 2021	8,85,621	8,85,621

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

Particulars	As at March 31, 2021
Current lease liabilities	4,74,158
Non-current lease liabilities	4,51,547

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

Particulars	March 31, 2021
Balance at the beginning of the year	14,75,168
Additions	6,55,757
Rent Relief	(27,457)
Finance cost accrued during the year	29,531
Payment of lease liabilities	(8,45,655)
Termination during the year	(3,61,639)
Balance at the end of the year	9,25,705



Cyient Australia Pty Limited
Notes forming part of the financial statements

4. Goodwill

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Balance at beginning of the year	-	-
Additions on account of business Acquisition	1,15,32,729	-
Impairment	-	-
On dissolution of subsidiary (refer note 36(a))	-	-
Balance at end of the year	1,15,32,729	-

5. Intangible assets

Particulars	As at	
	March 31, 2021	March 31, 2020
Carrying amount of:		
Computer software	23,814	80,277
Brand Name/Trademarks	-	-
Customer contracts	23,25,589	-
Process knowhow	8,01,159	-
Other intangible assets	2,15,844	10,37,580
Total intangible assets	33,66,406	11,17,857
	-	-
Total	33,66,406	11,17,857

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

Particulars	Computer software	Other Intangibles	Process Knowhow	Other Intangible Assets	Total
I. Cost or deemed cost					
Balance as at March 31, 2019	2,49,439	38,20,000			40,69,439
Balance as at March 31, 2020	2,49,439	38,20,000			40,69,439
Additions					
Disposals					
Balance as at December 31, 2020	2,49,439	38,20,000			40,69,439
Additions			23,25,589	8,01,159	31,26,748
Disposals					
Balance as at March 31, 2021	2,49,439	38,20,000	23,25,589	8,01,159	71,96,187
II. Accumulated depreciation					
Balance as at March 31, 2019	96,972	22,65,753	-	-	23,62,725
Depreciation for the year	72,190	5,16,667			5,88,857
Disposals					
Foreign currency translation adjustments					
Balance as at March 31, 2020	1,69,162	27,82,420	-	-	29,51,582
Depreciation for the year	56,463.08	5,16,666.67			5,73,130
Disposals					
Balance as at December 31, 2020	2,25,625	32,99,087	-	-	35,24,712
Depreciation for the year				3,05,070	3,05,070
Disposals					
Balance as at March 31, 2021	2,25,625	32,99,087	-	3,05,070	38,29,781
III. Carrying amounts (I-II)					
Net book value as at March 31, 2020	80,277	10,37,580			11,17,857
Net book value as at March 31, 2021	23,814	5,20,913	23,25,589	4,96,089	33,66,406



Cyient Australia Pty Limited
Notes forming part of the financial statements

6. Investments

Particulars	As at	
	March 31, 2021	March 31, 2020
A. Non-current (refer note (i) below)		
Investment carried at equity method of accounting		
(i) Equity instruments of Subsidiary company	6,71,550	6,71,550
	6,71,550	6,71,550

7. Other financial assets

Particulars	As at	
	March 31, 2021	March 31, 2020
Non-current:		
Security deposits		
Unsecured, considered good	22,005	5,000
Considered doubtful	-	-
Less : Allowance for doubtful deposits	-	-
	22,005	5,000
Retention money receivable	-	-
Total other non-current financial assets	22,005	5,000
Current:		
Unbilled revenue	1,19,07,590	1,07,13,979
Interest accrued on deposit accounts	-	90
Advance to employees	24,751	1,65,780
Total other current financial assets	1,19,32,341	1,08,79,849
Total other financial assets	1,19,54,346	1,08,84,849

8. Other assets

Particulars	As at	
	March 31, 2021	March 31, 2020
Current:		
Prepaid expenses	7,77,734	2,39,023
Balances with government authorities	-	-
Advances to suppliers	24,169	27,630
Other receivables	-	-
Total other current assets	8,01,903	2,66,653
Total other assets	8,02,188	2,66,653



9. Trade receivables

Particulars	As at	
	March 31, 2021	March 31, 2020
Trade receivables considered good - unsecured*	65,11,186	1,01,29,573
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	54,693	-
Expected credit loss allowance	(54,693)	-
Total	65,11,186	1,01,29,573

* Includes amount receivable from related parties

10: Cash and Bank Balances

10A. Cash and cash equivalents

Particulars	As at	
	March 31, 2021	March 31, 2020
Cash on hand	-	-
Cheques on hand	-	-
Balances with banks		
in current accounts	27,84,311	15,50,845
in deposit accounts	-	-
Deposits with financial institutions	-	-
Remittances in transit	-	-
Total	27,84,311	15,50,845

11B. Other bank balances

Particulars	As at	
	March 31, 2021	March 31, 2020
Unpaid dividend/ASOP account	-	-
Balance in escrow account (refer notes below)	-	-
Deposits held as margin money/security for bank guarantees	-	-
Total	-	-



Cyient Australia Pty Limited
Notes forming part of the financial statements

11. Equity share capital

Particulars	As at	
	March 31, 2021	March 31, 2020
Authorised share capital: 1000 equity shares of 1 AUD each	1,000	1,000
Issued and subscribed capital: 1000 equity shares of 1 AUD each	1,000	1,000
Total	1,000	1,000

12. Other equity

Particulars	As at	
	March 31, 2021	March 31, 2020
(a) Capital reserve		
(i) Opening balance	5,67,522	5,67,522
(ii) Additions due to Business Combination	-	-
	5,67,522	5,67,522
(b) Foreign currency translation reserve		
(i) Additions / (deductions) (net)	(50,252)	
	(50,252)	-
(b) Retained earnings		
(i) Opening balance	37,33,645	45,45,312
(ii) Profit for the year attributable to the shareholders of the Company	45,22,414	(7,90,198)
(iii) Lease impact on reserves	-	(21,469)
	82,56,059	37,33,645
Total	87,73,329	43,01,167





Cyient Australia Pty Limited
Notes forming part of the financial statements

15. Borrowings

Particulars	As at	
	March 31, 2021	March 31, 2020
Non-current		
Unsecured - at amortised cost		
Secured - at amortised cost		
Term loans from banks	-	
Total	-	-
Current		
Secured - at amortised cost		
Working capital loans from banks	46,15,553	
Total	46,15,553	-
Total borrowings	46,15,553	-

* Current maturities of non-current borrowings have been disclosed under the head 'other current financial liabilities' (refer note 16).

16. Other financial liabilities

Particulars	As at	
	March 31, 2021	March 31, 2020
Non-current		
Liability towards acquisition of business (refer note (i) below)	35,52,555	-
Lease liability	4,51,547	8,65,266
Security deposits	-	
Total	40,04,102	8,65,266
Current		
Interest accrued	6,708	
Liability towards acquisition of business (refer note (i) below)	19,00,000	
Lease Liability	4,74,158	6,09,902
Others		
Total	23,80,866	6,09,902
Total other financial liabilities	63,84,968	14,75,168



Cyient Australia Pty Limited
Notes forming part of the financial statements

17. Provisions

Particulars	As at	
	March 31, 2021	March 31, 2020
Gratuity (refer note (i) below)	-	-
Compensated absences	21,37,607	19,63,673
Other provisions	-	-
Total	21,37,607	19,63,673
Non-current:		
Gratuity	-	-
Compensated absences	18,79,764	17,59,123
Other provisions	-	-
Total non-current provisions	18,79,764	17,59,123
Current:		
Gratuity	-	-
Compensated absences	2,57,843	2,04,550
Other provisions	-	-
Total current provisions	2,57,843	2,04,550

18. Income taxes

18.1 Tax Expense

A. Income tax expense/(benefit) recognised in the consolidated statement of profit and loss

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax:		
In respect of the current year	14,84,940	2,33,464
In respect of prior years	-	50,678
	14,84,940	2,84,142
Deferred taxes expense/(benefit):		
In respect of the current year	6,04,490	(3,92,930)
MAT credit	-	-
	6,04,490	(3,92,930)
Total	20,89,430	(1,08,788)

18.2. Deferred tax assets and liabilities

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

Particulars	As at	
	March 31, 2021	March 31, 2020
Deferred tax assets	-	-
Deferred tax liabilities	(25,75,059)	(20,97,831)



Cyient Australia Pty Limited
Notes forming part of the financial statements

17. Provisions

Particulars	As at	
	March 31, 2021	March 31, 2020
Gratuity (refer note (i) below)	-	-
Compensated absences	21,37,607	19,63,673
Other provisions	-	-
Total	21,37,607	19,63,673
Non-current:		
Gratuity	-	-
Compensated absences	18,79,764	17,59,123
Other provisions	-	-
Total non-current provisions	18,79,764	17,59,123
Current:		
Gratuity	-	-
Compensated absences	2,57,843	2,04,550
Other provisions	-	-
Total current provisions	2,57,843	2,04,550

18.3. Income tax assets and liabilities

The following is the analysis of income tax assets/(liabilities) presented in the consolidated balance sheet:

Particulars	As at	
	March 31, 2021	March 31, 2020
Income tax assets, net	-	2,91,085
Income tax liabilities, net	(7,57,898)	



Cyient Australia Pty Limited
Notes forming part of the financial statements

19. Other liabilities

Particulars	As at	
	March 31, 2021	March 31, 2020
Non-current		
Unearned revenue		
Total	-	-
Current		
Unearned revenue	1,08,982	9,480
Statutory remittances	4,23,112	5,39,258
Total	5,32,094	5,48,738

20. Trade Payables

Particulars	As at	
	March 31, 2021	March 31, 2018
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises*	1,32,52,503	1,66,48,329
Total	1,32,52,503	1,66,48,329

* includes amount payable to its related parties



Cyient Australia Pty Limited
Notes forming part of the financial statements

21. Revenue from operations

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from services	7,02,68,643	6,31,26,652
Total	7,02,68,643	6,31,26,652

22. Other income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income on financial assets carried at amortised cost:		
Deposits with banks and financial institutions	187	2,077
	187	2,077
Other non-operating income		
Liabilities no longer required, written back	-	
Miscellaneous income	1,32,683	
	1,32,683	-
Other gain and loss		
Foreign exchange gain (net)	1,74,396	(81,160)
	1,74,396	(81,160)
Total	3,07,266	(79,083)

23. Employee benefit expense

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages	2,00,99,778	2,54,65,379
Social security and other benefits to overseas employees	15,02,331	18,31,858
Stock option expense	15,448	20,769
Staff welfare expenses	3,81,802	5,41,023
Total	2,19,99,359	2,78,59,029



Cyient Australia Pty Limited

Notes forming part of the financial statements

24. Finance costs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense		
Interest on bank overdrafts and borrowings	72,159	
Other interest expense	4,63,086	4,11,779
Interest on lease liability	29,531	97,443
Total	5,64,776	5,09,222

25. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of property, plant and equipment	1,93,969	2,42,520
Depreciation - ROU assets	8,68,084	14,12,769
Amortisation of intangible assets	8,78,199	5,88,857
Total	19,40,252	22,44,146

26. Other expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent including lease rentals	26,118	32,253
Rates and taxes	33,423	839
Insurance	5,36,188	1,49,674
Stores and spares consumed	-	-
Freight outwards	-	-
Travelling and conveyance	9,38,438	13,56,903
Sub-contracting charges	3,55,70,008	2,73,11,405
Communication	1,18,831	79,568
Printing and stationery	35,931	29,446
Power and fuel	5,034	8,422
Marketing and advertising expenses	21,983	50,636
Repairs and maintenance		
- Buildings	-	39
- Machinery	2,00,803	62,947
- Others	3,991	6,217
Non executive directors commission	-	-
Legal and professional charges	7,65,924	4,39,931
Expenditure for corporate social responsibility		
Expected credit loss	6,46,049	33,22,727
Bad debts written off, net of reversal of provision for doubtful debts		
Auditors' remuneration	39,604	44,000
Recruitment expenses	79,550	90,635
Training and development	555	12,800
Software charges	1,10,968	14,409
Electoral bonds (refer note (v) below)	-	-
Miscellaneous expenses	3,26,280	3,21,307
Total	3,94,59,678	3,33,34,158

