

<b>Cyient DLM Private Limited</b> <b>(CIN No.: U31909TG1993PTC141346)</b> <b>Balance Sheet as at March 31, 2021</b> (All amounts in ₹ millions, except share and per share data and where otherwise stated)			
Particulars	Notes	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	1,400.89	572.36
Right of use assets	3B	420.11	452.69
Capital work-in-progress		23.16	774.00
Goodwill	4	30.30	30.30
Other intangible assets	5	4.94	6.58
Financial assets			
(a) Investments	6	3.22	3.22
(b) Loans and deposits	7A	46.20	46.20
(c) Other financial assets	7B	-	9.68
Deferred tax assets (net)	17.2	50.86	61.98
Income tax assets	17.3	5.84	8.54
Other non-current assets	8	32.52	89.24
<b>Total non-current assets</b>		<b>2,018.04</b>	<b>2,054.79</b>
<b>Current assets</b>			
Inventories	9	1,554.47	2,225.77
Financial assets			
(a) Trade receivables	10	2,263.83	545.85
(b) Cash and cash equivalents	11A	146.69	234.58
(c) Other bank balances	11B	195.07	426.87
(d) Other financial assets	7B	30.93	28.82
Other current assets	8	241.28	418.26
<b>Total current assets</b>		<b>4,432.27</b>	<b>3,880.15</b>
<b>Total assets</b>		<b>6,450.31</b>	<b>5,934.94</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	12	13.67	13.67
Other equity	13	362.85	243.39
<b>Total equity</b>		<b>376.52</b>	<b>257.06</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(a) Borrowings	14	640.00	651.88
(b) Lease liabilities	3B	400.02	417.50
Provisions	16	53.78	49.23
<b>Total non-current liabilities</b>		<b>1,093.80</b>	<b>1,118.61</b>
<b>Current liabilities</b>			
Financial liabilities			
(a) Borrowings	14	1,342.02	1,832.29
(b) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	19	60.60	22.98
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	19	1,839.65	1,025.59
(c) Lease liabilities	3B	52.52	48.23
(d) Other financial liabilities	15	455.05	295.15
Income tax liabilities (net)	17.3	27.13	2.41
Provisions	16	12.35	12.44
Other current liabilities	18	1,190.67	1,320.18
<b>Total current liabilities</b>		<b>4,979.99</b>	<b>4,559.27</b>
<b>Total liabilities</b>		<b>6,073.79</b>	<b>5,677.88</b>
<b>Total equity and liabilities</b>		<b>6,450.31</b>	<b>5,934.94</b>
Corporate information and significant accounting policies	1 & 2		
Accompanying notes form an integral part of the financial statements As per our report of even date			
For <b>S.R. Batliboi &amp; Associates LLP</b> Chartered Accountants ICAI Firm registration number: 101049W/E300004		For and on behalf of the Board of Directors <b>Cyient DLM Private Limited</b>	
<b>Shankar Srinivasan</b> Partner Membership No.: 213271		<b>Ajay Aggarwal</b> Director (DIN - 02565242)	
		<b>Rajendra Velagapudi</b> Managing Director & CEO (DIN - 06507627)	
		<b>Parvati K R</b> Company Secretary (M.No. - A23584)	
Place: Hyderabad Date: May 24, 2021		Place: Hyderabad Date: May 24, 2021	

<b>Cyient DLM Private Limited</b> <b>(CIN No.: U31909TG1993PTC141346)</b> <b>Statement of Profit and Loss for the year ended March 31, 2021</b> (All amounts in ₹ millions, except share and per share data and where otherwise stated)			
Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>INCOME</b>			
Revenue from operations	20	6,280.28	4,570.87
Other income	21	88.83	78.25
<b>Total income</b>		<b>6,369.11</b>	<b>4,649.12</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	4,778.52	3,881.79
Changes in inventories of finished goods and work-in-progress	23	174.41	(232.69)
Employee benefits expense	24	468.63	440.95
Finance costs	25	207.70	181.94
Depreciation and amortisation expense	26	184.62	105.79
Other expenses	27	399.28	343.50
<b>Total expenses</b>		<b>6,213.16</b>	<b>4,721.28</b>
<b>Profit/(loss) before tax</b>		<b>155.95</b>	<b>(72.16)</b>
<b>Tax expense</b>			
(a) Current tax	17.1	5.03	(0.96)
(b) Deferred tax	17.1	32.78	(4.16)
<b>Total tax expense</b>		<b>37.81</b>	<b>(5.12)</b>
<b>Profit/(Loss) for the year</b>		<b>118.14</b>	<b>(67.04)</b>
<b>Other comprehensive income (OCI)</b>			
(a) Items that will not be reclassified subsequently to statement of profit or loss:			
(i) Remeasurements of the net defined benefit liability	29	1.84	(14.26)
(ii) Income tax relating to items that will not be reclassified to profit or loss	17.1 (B)	(0.52)	3.59
<b>Total other comprehensive income for the year</b>		<b>1.32</b>	<b>(10.67)</b>
<b>Total comprehensive income for the year</b>		<b>119.46</b>	<b>(77.71)</b>
<b>Earnings per equity share</b> (par value of ₹ 10 each)	31		
Basic and diluted (₹)		86.42	(49.04)
Corporate information and significant accounting policies	1 & 2		
Accompanying notes form an integral part of the financial statements As per our report of even date			
<b>For S.R. Batliboi &amp; Associates LLP</b> Chartered Accountants ICAI Firm registration number: 101049W/E300004		<b>For and on behalf of the Board of Directors</b> <b>Cyient DLM Private Limited</b>	
<b>Shankar Srinivasan</b> Partner Membership No.: 213271		<b>Ajay Aggarwal</b> Director (DIN - 02565242)	<b>Rajendra Velagapudi</b> Managing Director & CEO (DIN - 06507627)
		<b>Parvati K R</b> Company Secretary (M.No. - A23584)	
Place: Hyderabad Date: May 24, 2021		Place: Hyderabad Date: May 24, 2021	

<b>Cyient DLM Private Limited</b> <b>(CIN No.: U31909TG1993PTC141346)</b> <b>Cash Flow Statement for the year ended March 31, 2021</b> (All amounts in ₹ millions, except share and per share data and where otherwise stated)		
Particulars	Year ended	
	March 31, 2021	March 31, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(loss) for the year	118.14	(67.04)
Adjustments for:		
Tax expense/(income)	37.81	(5.12)
Depreciation and amortisation expense	184.62	105.79
Net unrealised exchange loss	27.92	14.68
Finance costs	207.70	181.94
Interest income	(17.59)	(78.25)
Expected credit loss allowance, net	8.68	83.68
<b>Operating profit before working capital changes</b>	<b>567.28</b>	<b>235.68</b>
<b>Changes in working capital</b>		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Trade receivables	(1,722.86)	596.68
Inventories	671.30	(436.43)
Other assets and other financial assets	154.55	11.13
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	820.72	55.65
Provisions and other liabilities	(123.21)	(332.52)
<b>Cash generated from operations</b>	<b>367.78</b>	<b>130.19</b>
Income taxes recovered/(paid), net	0.73	2.57
<b>Net cash flow from operating activities (A)</b>	<b>368.51</b>	<b>132.76</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment towards purchase of property, plant and equipment and intangible assets	(273.87)	(829.68)
Investment in equity instruments	-	(3.19)
Movement in other bank balances	231.80	(63.43)
Interest received	33.06	63.83
<b>Net cash flow used in investing activities (B)</b>	<b>(9.01)</b>	<b>(832.47)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from non current borrowings	230.00	700.00
Repayment of non current borrowings	(15.79)	(37.90)
Movement in current borrowings (net)	(491.03)	334.68
Repayment of lease liabilities	(59.26)	(91.40)
Interest paid	(111.31)	(204.06)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>(447.39)</b>	<b>701.32</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(87.89)</b>	<b>1.61</b>
Cash and cash equivalents at the beginning of the year	234.58	232.97
<b>Cash and cash equivalents at the end of the year (refer note (i) below)</b>	<b>146.69</b>	<b>234.58</b>
<b>Notes :</b>		
<b>(i) Cash and cash equivalents comprises of: (refer note 11A)</b>		
Balances with banks		
in current accounts	146.62	220.54
Remittances in transit	-	14.01
Cash on hand	0.07	0.03
	<b>146.69</b>	<b>234.58</b>
Accompanying notes form an integral part of the financial statements As per our report of even date		
<b>For S.R. Batliboi &amp; Associates LLP</b> Chartered Accountants ICAI Firm registration number: 101049W/E300004	<b>For and on behalf of the Board of Directors</b> <b>Cyient DLM Private Limited</b>	
<b>Shankar Srinivasan</b> Partner Membership No.: 213271	<b>Ajay Aggarwal</b> Director (DIN - 02565242)	<b>Rajendra Velagapudi</b> Managing Director & CEO (DIN - 06507627)
	<b>Parvati K R</b> Company Secretary (M.No. - A23584)	
Place: Hyderabad Date: May 24, 2021	Place: Hyderabad Date: May 24, 2021	

Cyient DLM Private Limited

(CIN No.: U31909TG1993PTC141346)

**Statement of changes in equity for the year ended March 31, 2021**

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**A. Equity share capital**

Particulars	Note	No's	Amount
Balance as at April 1, 2019	12	13,67,000	13.67
Balance as at March 31, 2020	12	13,67,000	13.67
Balance as at March 31, 2021	12	13,67,000	13.67

**B. Other Equity**

Particulars	Note	Reserves and Surplus			Total
		Securities premium	General reserve	Retained earnings	
Balance at April 01, 2019		92.09	3.72	239.77	335.58
Impact on account of adoption of Ind AS 116, net of tax		-	-	(14.48)	(14.48)
Loss for the year	13	-	-	(67.04)	(67.04)
Other comprehensive Income	13	-	-	(10.67)	(10.67)
Balance as at March 31, 2020		92.09	3.72	147.58	243.39
Profit for the year	13	-	-	118.14	118.14
Other comprehensive Income	13	-	-	1.32	1.32
Balance at March 31, 2021		92.09	3.72	119.46	362.85

Corporate information and significant accounting policies

Accompanying notes form an integral part of the financial statements

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

**For and on behalf of the Board of Directors**

**Cyient DLM Private Limited**

**Shankar Srinivasan**

Partner

Membership No.: 213271

**Ajay Aggarwal**

Director

(DIN - 02565242)

**Rajendra Velagapudi**

Managing Director & CEO

(DIN - 06507627)

**Parvati K R**

Company Secretary

(M.No. - A23584)

Place: Hyderabad

Date: May 24, 2021

Place: Hyderabad

Date: May 24, 2021

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

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**3. Property, plant and equipment**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Carrying amount of:</b>		
Buildings	832.37	82.42
Leasehold improvements	6.41	7.81
Computers	37.70	21.49
Plant and equipment	395.17	354.84
Office equipment	10.62	4.47
Furniture and fixtures	68.27	60.45
Electrical installations	15.13	12.03
Vehicles	0.01	0.01
Tools and equipment	35.21	28.84
<b>Total</b>	<b>1,400.89</b>	<b>572.36</b>

Notes :

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

Particulars	Buildings (refer note below)	Leasehold improvements	Computers	Plant and equipment	Office equipment	Furniture and fixtures	Electrical installations	Vehicles	Tools and equipment	Total
<b>I. Cost or Deemed Cost</b>										
Balance as at April 1, 2019	-	17.31	39.20	648.60	18.40	117.60	27.61	0.27	83.89	952.88
Additions	83.56	1.72	16.99	83.04	1.64	3.19	3.12	-	17.54	210.80
<b>Balance as at March 31, 2020</b>	<b>83.56</b>	<b>19.03</b>	<b>56.19</b>	<b>731.64</b>	<b>20.04</b>	<b>120.79</b>	<b>30.73</b>	<b>0.27</b>	<b>101.43</b>	<b>1,163.68</b>
Additions	791.53	0.57	28.98	100.85	8.68	19.21	6.81	-	17.86	974.49
<b>Balance as at March 31, 2021</b>	<b>875.09</b>	<b>19.60</b>	<b>85.17</b>	<b>832.49</b>	<b>28.72</b>	<b>140.00</b>	<b>37.54</b>	<b>0.27</b>	<b>119.29</b>	<b>2,138.17</b>
<b>II. Accumulated depreciation</b>										
Balance as at April 1, 2019	-	9.15	26.26	326.95	13.79	50.41	16.79	0.26	64.47	508.08
Depreciation for the year	1.14	2.07	8.44	49.85	1.78	9.93	1.91	-	8.12	83.24
<b>Balance as at March 31, 2020</b>	<b>1.14</b>	<b>11.22</b>	<b>34.70</b>	<b>376.80</b>	<b>15.57</b>	<b>60.34</b>	<b>18.70</b>	<b>0.26</b>	<b>72.59</b>	<b>591.32</b>
Depreciation for the year	41.58	1.97	12.77	60.52	2.53	11.39	3.71	-	11.49	145.96
<b>Balance as at March 31, 2021</b>	<b>42.72</b>	<b>13.19</b>	<b>47.47</b>	<b>437.32</b>	<b>18.10</b>	<b>71.73</b>	<b>22.41</b>	<b>0.26</b>	<b>84.08</b>	<b>737.28</b>
<b>III. Carrying Amounts (I-II)</b>										
Balance as at March 31, 2020	82.42	7.81	21.49	354.84	4.47	60.45	12.03	0.01	28.84	572.36
<b>Balance as at March 31, 2021</b>	<b>832.37</b>	<b>6.41</b>	<b>37.70</b>	<b>395.17</b>	<b>10.62</b>	<b>68.27</b>	<b>15.13</b>	<b>0.01</b>	<b>35.21</b>	<b>1,400.89</b>

(b) Includes ₹ 832.37 (March 31, 2020: ₹ 82.42) relating to building constructed on leasehold land.

**3B. Leases****Transition**

Effective April 1, 2019, the Company had 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 had applied modified retrospective approach for all leases existing at the date of initial application and the cumulative effect of applying Ind AS 116 had 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 ₹ 493 and a lease liability of ₹ 513.19 and a net adjustment to opening balance of retained earnings of ₹ 14.48 (net of deferred tax). The effect of adopting this standard was not material on the profit for the previous year.

**(a) Right of use assets:**

Particulars	Leasehold land	Buildings	Total
<b>Balance as at April 1, 2019</b>	<b>428.21</b>	<b>65.42</b>	<b>493.63</b>
Depreciation (refer note 26)	-	(18.42)	(18.42)
Depreciation transferred to CWIP	(22.52)		(22.52)
<b>Balance as at March 31, 2020</b>	<b>405.69</b>	<b>47.00</b>	<b>452.69</b>
Additions	-	20.27	20.27
Deletions	-	(12.87)	(12.87)
Depreciation (refer note 26)	(16.98)	(17.37)	(34.35)
Depreciation transferred to CWIP	(5.63)	-	(5.63)
<b>Balance as at March 31, 2021</b>	<b>383.08</b>	<b>37.03</b>	<b>420.11</b>

**b) Current and non-current lease liabilities:**

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	52.52	48.23
Non-current lease liabilities	400.02	417.50
<b>Total</b>	<b>452.54</b>	<b>465.73</b>

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

Particulars	March 31, 2021	March 31, 2020
<b>Balance at the beginning of the year</b>	<b>465.73</b>	<b>513.19</b>
Additions	20.27	-
Deletions	(17.85)	-
Finance cost accrued during the year (refer note 25)	34.56	7.67
Finance cost transferred to CWIP	9.09	36.27
Payment of lease liabilities	(59.26)	(91.40)
<b>Balance at the end of the year</b>	<b>452.54</b>	<b>465.73</b>

The table below provides details regarding contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	56.85	54.27
One to five years	239.62	212.04
More than five years	604.18	691.04
<b>Total</b>	<b>900.65</b>	<b>957.35</b>

The Company 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.

**4. Goodwill**

Particulars	As at	
	March 31, 2021	March 31, 2020
Balance at beginning of year	30.30	30.30
<b>Balance at end of the year</b>	<b>30.30</b>	<b>30.30</b>

The Company has identified Techno Tools as a Cash Generating Units (CGU) and the goodwill has been allocated to this CGU for the purpose of impairment testing. This goodwill is tested for impairment at least on an annual basis or more frequently when there is an indication for impairment. The estimated value-in-use of this cash generating unit (CGU) is based on the future cash flows discounted at the rate of 14% for the forecast period of 5 years and a nil terminal growth rate. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

**5. Other intangible assets**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Carrying amount of:</b>		
Computer software	4.94	6.58
<b>Total</b>	<b>4.94</b>	<b>6.58</b>
(ii). Movement in the carrying amount of intangible assets is as below:		
Particulars	Computer software	Total
<b>I. Cost or deemed cost</b>		
<b>Balance as at April 1, 2019</b>	<b>85.83</b>	<b>85.83</b>
Additions	3.09	3.09
<b>Balance as at March 31, 2020</b>	<b>88.92</b>	<b>88.92</b>
Additions	2.67	2.67
<b>Balance as at March 31, 2021</b>	<b>91.59</b>	<b>91.59</b>
<b>II. Accumulated amortisation</b>		
<b>Balance as at April 1, 2019</b>	<b>78.21</b>	<b>78.21</b>
Amortisation for the year	4.13	4.13
<b>Balance as at March 31, 2020</b>	<b>82.34</b>	<b>82.34</b>
Amortisation for the year	4.31	4.31
<b>Balance as at March 31, 2021</b>	<b>86.65</b>	<b>86.65</b>
<b>III. Carrying amounts (I-II)</b>		
<b>Net book value as at March 31, 2020</b>	<b>6.58</b>	<b>6.58</b>
<b>Net book value as at March 31, 2021</b>	<b>4.94</b>	<b>4.94</b>

**6. Investments**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Investments carried at fair value through other comprehensive income (unquoted)</b>		
Equity instruments in Mysore ESDM Cluster	3.22	3.22
<b>Balance as on March 31, 2021</b>	<b>3.22</b>	<b>3.22</b>

The Company is one of the founder promoters of the Mysore ESDM (Electronic Systems Design and Manufacturing) Cluster, an initiative of the Government of India, to establish common facilities centre, for the development of ESDM companies in this region. The objective of the investment is not to obtain economic benefits through the activities and accordingly, the Company has not presented consolidated financial statements.

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

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**7. Loans and other financial assets****7A. Loans and deposits**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Non-current (at amortised cost)</b>		
Security deposits		
- Unsecured, considered good	46.20	46.20
<b>Total loans and deposits</b>	<b>46.20</b>	<b>46.20</b>

**7B. Other financial assets**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Non-current (at amortised cost)</b>		
Retention money receivable	-	9.68
<b>Total</b>	<b>-</b>	<b>9.68</b>
<b>Current (at amortised cost)</b>		
Interest accrued on deposit accounts	12.46	27.93
Advance to employees	1.21	0.89
Others	17.26	-
<b>Total</b>	<b>30.93</b>	<b>28.82</b>
<b>Total other financial assets</b>	<b>30.93</b>	<b>38.50</b>

**8. Other assets**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Non-current :</b>		
<b>(at amortised cost)</b>		
Capital advances	17.99	89.24
Deferred contract costs	14.53	-
<b>Total</b>	<b>32.52</b>	<b>89.24</b>
<b>Current :</b>		
<b>(at amortised cost)</b>		
Prepaid expenses	32.40	11.05
Advance to suppliers	131.93	285.60
Balances with government authorities	21.37	46.98
Deferred contract costs	24.91	58.58
Other current assets	30.67	16.05
<b>Total</b>	<b>241.28</b>	<b>418.26</b>
<b>Total other assets</b>	<b>273.80</b>	<b>507.50</b>

**9. Inventories**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Inventories</b>		
Raw materials	1,190.73	1,686.58
Work-in-progress	106.97	140.32
Finished goods	225.70	366.76
Consumables & stores	31.07	32.11
<b>Total</b>	<b>1,554.47</b>	<b>2,225.77</b>

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

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**10. Trade receivables**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Trade receivables</b>		
Unsecured, considered good*	2,263.83	545.85
Trade receivables - significant increase in credit risk	-	-
Trade receivables - credit impaired	137.15	128.47
Expected credit loss allowance	(137.15)	(128.47)
<b>Total</b>	<b>2,263.83</b>	<b>545.85</b>

\* includes amount receivable from related parties (refer note 30)

**Note:****Expected Credit Loss (ECL):**

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. The average credit period is between 60-90 days. Before accepting any new customer, the Company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits for each customer. Limits and scoring attributed to customers are reviewed once a year.

As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL allowance (or reversal) during the year is recognised in the statement of profit and loss

Ageing	As at	
	March 31, 2021	March 31, 2020
Within the credit period	1,528.59	318.67
1-90 days past due	647.05	150.35
91-180 days past due	82.35	43.05
181-365 days past due	31.17	40.18
More than 365 days past due	111.82	122.07
<b>Balance at the end of the year</b>	<b>2,400.98</b>	<b>674.32</b>

Movement in the expected credit loss allowance	As at	
	March 31, 2021	March 31, 2020
Balance at the beginning of the year	128.47	44.79
Provision made during the year (refer note 27)	22.40	85.04
Reversal of provision on account of collection (refer note 27)	(13.72)	(1.36)
<b>Balance at the end of the year</b>	<b>137.15</b>	<b>128.47</b>

**Cyient DLM Private Limited**

**Notes forming part of the financial statements**

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**11: Cash and Bank Balances**

**11A. Cash and cash equivalents**

Particulars	As at	
	March 31, 2021	March 31, 2020
Balances with banks		
in current accounts	146.62	220.54
Cash on hand	0.07	0.03
Remittances in transit	-	14.01
<b>Total</b>	<b>146.69</b>	<b>234.58</b>

**11B. Other bank balances**

Particulars	As at	
	March 31, 2021	March 31, 2020
Deposits held as margin money/security for bank guarantees	195.07	426.87
<b>Total</b>	<b>195.07</b>	<b>426.87</b>

Deposits held as margin money is towards non-fund based limits sanctioned by the bank for establishment of bank guarantee and letter of credits.

**Note :**

**Reconciliation of liabilities arising from financing activities:**

**(a) For the year end March 31, 2021:**

Particulars	As at March 31, 2020	New Leases	Proceeds	Repayment	Foreign exchange	As at March 31, 2021
Non-current borrowings (including current portion)	781.42	-	230.00	(15.79)	-	995.63
Current borrowings (net)	1,832.29	-	-	(491.03)	0.76	1,342.02
Lease liabilities	465.73	46.07	-	(59.26)	-	452.54
<b>Total liabilities from financing activities</b>	<b>3,079.44</b>	<b>46.07</b>	<b>230.00</b>	<b>(566.08)</b>	<b>0.76</b>	<b>2,790.19</b>

**(b) For the year end March 31, 2020:**

Particulars	As at March 31, 2019	Proceeds/ Additions	Impact on account of adoption of Ind AS 116	Repayment	Foreign exchange	As at March 31, 2020
Non-current borrowings (including current portion)	119.32	700.00	-	(37.90)	-	781.42
Current borrowings (net)	1,484.21	339.06	-	(4.38)	13.40	1,832.29
Lease liabilities	-	-	557.13	(91.40)	-	465.73
<b>Total liabilities from financing activities</b>	<b>1,603.53</b>	<b>1,039.06</b>	<b>557.13</b>	<b>(133.68)</b>	<b>13.40</b>	<b>3,079.44</b>

**12. Equity share capital**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Authorised share capital:</b> 4,750,000 equity shares of ₹ 10 each (March 31, 2020 : 4,750,000)	47.50	47.50
<b>Issued and subscribed capital:</b> 1,367,000 fully paid up equity shares of ₹ 10 each (March 31, 2020: 1,367,000)	13.67	13.67
<b>Total</b>	<b>13.67</b>	<b>13.67</b>

Note:

**(A) Reconciliation of the number of shares outstanding:**

Particulars	As at	
	March 31, 2021	March 31, 2020
Balance as at beginning of the year	13,67,000	13,67,000
<b>Balance as at end of the year</b>	<b>13,67,000</b>	<b>13,67,000</b>

**(B) Details of shares held by each shareholder holding more than 5% shares**

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
<b>Fully paid up equity shares</b>				
Cyient Limited (Holding company)	13,66,999	99.99%	13,66,999	99.99%
Sudheendra Putty (beneficially held on behalf of Cyient Limited)	1	0.01%	1	0.01%

As per records of the Company, including its register of shareholders and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares

**(C) 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.

**13. Other equity**

Particulars	As at	
	March 31, 2021	March 31, 2020
(a) General reserve	<b>3.72</b>	<b>3.72</b>
(b) Securities premium account	<b>92.09</b>	<b>92.09</b>
(c) Retained earnings		
(i) Opening balance	147.58	239.77
(ii) Profit/(loss) for the year	118.14	(67.04)
(iii) Other comprehensive Income	1.32	(10.67)
(iv) Impact on account of adoption of Ind AS 116, net of tax	-	(14.48)
	<b>267.04</b>	<b>147.58</b>
<b>Total</b>	<b>362.85</b>	<b>243.39</b>

Notes :

**a) General reserve:**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**b) Securities premium reserve:**

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**(c) Retained earnings**

(i) Retained earnings comprises of prior years' undistributed earnings after taxes along with current year profit, net of dividends declared and dividend distribution tax thereon.

(ii) Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. These are presented within retained earnings.

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

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**14. Borrowings**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Non-current- at amortised cost</b>		
<b>Unsecured</b>		
Term loan from related party (refer note 30)*	640.00	651.88
<b>Total</b>	<b>640.00</b>	<b>651.88</b>
<b>Current- at amortised cost</b>		
<b>Unsecured</b>		
Working capital loan from related party (refer note 30)	315.00	315.00
<b>Secured</b>		
Working capital loans from banks	1,027.02	1,517.29
<b>Total</b>	<b>1,342.02</b>	<b>1,832.29</b>
<b>Total borrowings</b>	<b>1,982.02</b>	<b>2,484.17</b>

\* Current maturities of non-current borrowings have been disclosed under the head Other financial liabilities (refer note 15).

**Details of the borrowings along with their terms and conditions:****a. Term loan from related party:**

The Company has obtained term loan of ₹ 1,000.00 from Cyient Limited for capital expenditure purpose, which is availed in various tranches starting from February 2019 repayable in 16 quarterly installments starting from the agreed date for each tranche. Outstanding balance of the term loan as at March 31, 2021 was ₹ 995.63 (March 31, 2020: ₹ 765.63). Rate of interest is 6.00% p.a. There is no default in the repayment of principal loan and interest amount.

**b. Working capital loan from related party:**

The Company has availed working capital loan repayable on demand from Cyient Limited whose outstanding balance as at March 31, 2021 is ₹ 315 (March 31, 2020: ₹ 315.00). The rate of interest is 6.00% p.a.

**c. Working capital loans from banks:**

- The Company has availed working capital loans from various banks whose outstanding balance as at March 31, 2021 is ₹ 659.66 (March 31, 2020 is ₹ 826.56). The rate of interest on these loans range from 6.50% to 8.15%.
- The Company has availed packing credit facility from banks whose outstanding balance as at March 31, 2021 is ₹ 367.36 (March 31, 2020 is ₹ 690.73). The rate of interest on these facilities range from 1.00% to 2.00%.

**Security terms for loans from banks:**

- First pari-passu charge on present and future current assets including stock and book debts of the Company
- Second pari-passu charge on all existing and future movable fixed assets of the Company
- Corporate guarantee from Cyient Limited

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

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**15. Other financial liabilities**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Current</b>		
<b>(at amortised cost)</b>		
Current maturities of non-current borrowings* (refer note 14)	355.63	129.54
Capital creditors	28.17	156.19
Interest accrued but not due on borrowings*	71.25	9.42
<b>Total other financial liabilities</b>	<b>455.05</b>	<b>295.15</b>

\* includes amount payable to related parties (refer note 30)

**16. Provisions**

Particulars	As at	
	March 31, 2021	March 31, 2020
Gratuity (refer note 29)	41.02	38.71
Compensated absences (refer note 29)	25.11	22.96
<b>Total provisions</b>	<b>66.13</b>	<b>61.67</b>
<b>Non-current:</b>		
Gratuity	31.39	29.52
Compensated absences	22.39	19.71
<b>Total</b>	<b>53.78</b>	<b>49.23</b>
<b>Current:</b>		
Gratuity	9.63	9.19
Compensated absences	2.72	3.25
<b>Total</b>	<b>12.35</b>	<b>12.44</b>

**17. Income taxes****17.1 Tax Expense****A. Income tax expense/(benefit) recognised in the statement of profit and loss**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Current tax</b>		
In respect of current year	27.13	-
In respect of prior years	-	(0.96)
Minimum Alternate Tax (MAT) credit availed	(22.10)	-
	<b>5.03</b>	<b>(0.96)</b>
<b>Deferred taxes expense/(benefit):</b>		
In respect of the current year	32.78	(4.16)
	<b>32.78</b>	<b>(4.16)</b>
<b>Total</b>	<b>37.81</b>	<b>(5.12)</b>

**B. Income tax benefit recognised in other comprehensive income**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Income tax benefit recognised directly in equity consists of:</b>		
Tax effect on remeasurements of the net defined benefit liability	(0.52)	3.59
<b>Total</b>	<b>(0.52)</b>	<b>3.59</b>
<b>Bifurcation of the income tax recognised in other comprehensive income into:</b>		
Items that will not be reclassified to profit or loss	(0.52)	3.59
Items that may be reclassified to profit or loss	-	-

**C. Reconciliation of effective tax rate**

The following is the reconciliation of the company's effective tax rate for the year ended March 31, 2021 and 2020:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Profit before tax</b>	<b>155.95</b>	<b>(72.16)</b>
Enacted rate in India	31.20%	31.20%
<b>Computed expected tax expense</b>	<b>48.66</b>	<b>(22.51)</b>
<b>Tax effect of adjustments to reconcile expected tax expense:</b>		
Deferred tax liability reversing during tax holiday period	(10.22)	(7.07)
Reversal of deferred tax asset recognised on tax losses and other timing differences	6.43	11.13
Impact of change in tax rate for future period	8.89	14.79
Others	5.75	(1.46)
<b>Income tax expense</b>	<b>37.81</b>	<b>(5.12)</b>

**17.2. 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, 2021	March 31, 2020
<b>Deferred tax assets</b>		
Provision for doubtful debts	34.52	32.36
Section 43B disallowances	20.03	20.02
Carry forward of tax losses	-	22.46
MAT Credit Entitlement	24.51	2.41
Right of use assets/lease liabilities (refer note 3B)	(4.15)	10.36
<b>Total (A)</b>	<b>74.91</b>	<b>87.61</b>
<b>Deferred tax liabilities</b>		
Property, plant and equipment & Intangible assets	(24.05)	(25.63)
<b>Total (B)</b>	<b>(24.05)</b>	<b>(25.63)</b>
<b>Deferred tax asset, net (A+B)</b>	<b>50.86</b>	<b>61.98</b>

Deferred tax assets have been recognised considering the utilisation plan against future taxable profits which are supported by existing and future sale orders.

**17.3. Income tax assets and liabilities****The following is the analysis of income tax assets/(liabilities) presented in the Company balance sheet:**

	As at	
	March 31, 2021	March 31, 2020
<b>Income tax assets, net</b>		
Advances income taxes	5.84	8.54
<b>Income tax liabilities, net</b>		
Income tax payable	27.13	2.41

**18. Other liabilities**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Current</b>		
Advance from customers	1,156.46	1,282.78
Statutory dues	5.27	8.46
Other current liabilities	28.94	28.94
<b>Total</b>	<b>1,190.67</b>	<b>1,320.18</b>

**19. Trade Payables**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>(at amortised cost)</b>		
(i) total outstanding dues of micro enterprises and small enterprises	60.60	22.98
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises (*)	1,839.65	1,025.59
<b>Total</b>	<b>1,900.25</b>	<b>1,048.57</b>

\* includes amount payable to related parties (refer note 30)

Trade payables are non-interest bearing and are normally settled on 60-day terms

**20. Revenue from operations**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of goods	6,239.96	4,550.27
Rendering of services	40.32	20.60
<b>Total</b>	<b>6,280.28</b>	<b>4,570.87</b>

The Company presents revenues net of indirect taxes in the statement of profit and loss.

**1. Disaggregated revenue information**

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Type of goods or service</b>		
Sale of printed circuit boards	6,239.96	4,550.27
Job work charges	40.32	20.60
<b>Total</b>	<b>6,280.28</b>	<b>4,570.87</b>
<b>Based on geographical location of customers</b>		
Within India	3,985.09	2,085.94
Outside India	2,295.19	2,484.93
<b>Total</b>	<b>6,280.28</b>	<b>4,570.87</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	6,239.96	4,550.27
Services transferred over time	40.32	20.60
<b>Total</b>	<b>6,280.28</b>	<b>4,570.87</b>

**2. Transaction price allocated to the remaining performance obligations:**

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts that have original expected duration of one year or less.

**21. Other income**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Interest income on financial assets carried at amortised cost</b>		
Bank deposits	17.59	27.26
	<b>17.59</b>	<b>27.26</b>
<b>Other non-operating income</b>		
Export incentives (refer note (i) below)	46.88	31.01
Miscellaneous income	24.36	19.98
	<b>71.24</b>	<b>50.99</b>
<b>Total</b>	<b>88.83</b>	<b>78.25</b>

**Note:**

(i) Recognised upon satisfying the specified conditions under the applicable scheme defined by the Government of India.

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

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**22. Cost of materials consumed**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening stock	1,686.58	1,502.92
Add: Purchases	4,282.67	4,065.45
Less: Closing stock	(1,190.73)	(1,686.58)
<b>Cost of materials consumed</b>	<b>4,778.52</b>	<b>3,881.79</b>

**23. Changes in inventories of finished goods and work-in-progress**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Opening Stock:</b>		
Finished goods	366.76	252.14
Work-in-progress	140.32	22.25
	<b>507.08</b>	<b>274.39</b>
<b>Closing Stock:</b>		
Finished goods	225.70	366.76
Work-in-progress	106.97	140.32
	<b>332.67</b>	<b>507.08</b>
<b>Net (Increase) / Decrease</b>	<b>174.41</b>	<b>(232.69)</b>

**24. Employee benefits expense**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages, including bonus	414.83	392.04
Contribution to provident and other funds (refer note 29)	25.96	23.51
Staff welfare expenses	27.84	25.40
<b>Total</b>	<b>468.63</b>	<b>440.95</b>

**25. Finance costs**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Interest expense</b>		
Interest on borrowings from banks	95.80	112.76
Interest on borrowings from related parties (refer note 30)	77.34	61.51
Interest on lease liabilities (refer note 3B)	34.56	7.67
<b>Total</b>	<b>207.70</b>	<b>181.94</b>

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

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**26. 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	145.96	83.24
Depreciation of right-of-use assets (refer note 3B)	34.35	18.42
Amortisation of intangible assets	4.31	4.13
<b>Total</b>	<b>184.62</b>	<b>105.79</b>

**27. Other expenses**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rates and taxes	0.72	0.80
Insurance	17.42	8.59
Stores and spares consumed	19.44	20.76
Freight outwards	101.05	64.81
Travelling and conveyance	2.82	11.29
Communication	1.44	3.16
Printing and stationery	1.01	0.49
Power and fuel	30.29	26.23
Marketing expenses	62.78	38.64
Repairs and maintenance		
- Machinery	18.44	7.70
- Others	8.95	13.91
Legal and professional charges	27.75	12.09
Foreign exchange loss (net)	61.71	24.95
Expected credit loss allowance (net) (refer note 10)	8.68	83.68
Auditors' remuneration*		
-For statutory audit	1.40	1.40
-For reimbursement of expenses	0.03	0.05
Training and development	1.14	1.80
Miscellaneous expenses	34.21	23.15
<b>Total</b>	<b>399.28</b>	<b>343.50</b>

\* Exclusive of applicable taxes

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

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**28. Contingent liabilities and Commitments**

	As at	
	March 31, 2021	March 31, 2020
<b>(A) Contingent liabilities:</b>		
Claims against the Company not acknowledged as debt:		
(i) Pending statutory forms (C/H/I)	7.79	13.34
(ii) EPCG licence obligation	-	7.46
(iii) Pending obligation under Advance authorisation scheme	-	7.86
	<b>7.79</b>	<b>28.66</b>
<b>(B) Commitments:</b>		
(i) Contracts remaining to be executed on capital account and not provided for (net of capital advances)	33.82	194.57
<b>Total</b>	<b>41.61</b>	<b>223.23</b>

**29. Employee benefits:**

The employee benefit schemes are as under:

**1 Defined contribution plans**
**i. Provident fund:**

The Company makes provident fund contributions which are defined contribution plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. These contributions are made to the Fund administered and managed by the Government of India. The Company's monthly contributions are charged to the statement of profit and loss in the period they are incurred. Total expense recognised during the year aggregated to ₹ 16.49 (2019-20 : ₹ 15.33).

**2 Defined Benefit Plans**
**i. Gratuity:**

In accordance with the 'Payment of Gratuity Act, 1972' of India, the Company provides for gratuity, a defined retirement benefit plan (the 'Gratuity Plan') covering eligible employees. Liabilities with regard to such gratuity plan are determined by an independent actuarial valuation and are charged to the Statement of Profit and Loss in the period determined. The gratuity plan is administered by the Company's own trust which has subscribed to the "Group Gratuity Scheme" of Life Insurance Corporation of India.

The present value of the defined benefit obligation (DBO), and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:	For the year ended March 31, 2021	For the year ended March 31, 2020
Discount rate (%)	6.99%	6.69%
Salary increase rate (%)	10.00%	10.00%
Attrition (%)	8.00%	8.00%
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	58 years	58 years

The following table sets out the defined benefit costs as per actuarial valuation for the Company.

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	6.95	6.94
<b>Net interest cost</b>		
Interest expense on defined benefit obligation	4.51	2.84
Interest income on plan assets	(1.99)	(1.59)
<b>Defined benefit cost included in P&amp;L</b>	<b>9.47</b>	<b>8.19</b>

Remeasurement effects recognised in Other Comprehensive Income	For the year ended March 31, 2021	For the year ended March 31, 2020
Actuarial (Gain) / Loss due to demographic assumptions change in defined benefit obligation	-	(0.38)
Actuarial (Gain) / Loss due to Financial assumptions change in defined benefit obligation	(2.16)	6.30
Actuarial (Gain) / Loss due to Experience on defined benefit obligation	0.32	8.34
<b>Components of defined benefit costs recognised in Other Comprehensive Income</b>	<b>(1.84)</b>	<b>14.26</b>

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of funded defined benefit obligation	72.85	65.75
Fair value of plan assets	(31.83)	(27.04)
<b>Net liability arising from defined benefit obligation</b>	<b>41.02</b>	<b>38.71</b>

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

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

<b>Movement in the present value of the defined benefit obligation</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>
Projected benefit obligation at the beginning of the year	65.75	43.13
Current service cost	6.95	6.94
Interest cost	4.51	2.84
Actuarial loss/(gain)	(1.84)	14.26
Benefits paid	(2.52)	(1.42)
<b>Defined benefit obligation at the end of the year</b>	<b>72.85</b>	<b>65.75</b>

<b>Change in Plan assets</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>
Plan assets at the beginning of the year	27.04	22.04
Return on plan assets	1.99	1.59
Employer contribution	5.32	4.83
Benefits paid	(2.52)	(1.42)
<b>Plan Assets at the end of the year</b>	<b>31.83</b>	<b>27.04</b>

The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends and management's estimate of future salary increases.

**Composition of plan assets**

Plan assets comprise of 100% insurer managed funds. Fund is managed by Life Insurance Corporation of India as per Insurance Regulatory and Development Authority of India (IRDA) guidelines, category wise composition of the plan assets is not available.

**Sensitivity Analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

<b>Particulars</b>	<b>As at March 31, 2021</b>		<b>As at March 31, 2020</b>	
	<b>Increase</b>	<b>Decrease</b>	<b>Increase</b>	<b>Decrease</b>
Discount rate (1% movement)	(7.20)	8.43	(6.75)	7.94
Future salary growth (1% movement)	7.91	(6.89)	7.41	(6.42)

**Maturity profile of defined benefit obligation (discounted cash flows):**

<b>Particulars</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Within 1 year	3.48	2.85
1-2 year	3.10	2.86
2-3 year	2.92	2.53
3-4 year	4.68	2.38
4-5 year	2.49	4.08
5-10 year	16.17	12.53
Payouts above 10 years	40.00	38.51

**ii. Assumptions for compensated absences:**

<b>Particulars</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>
Discount rate (%)	6.99%	6.69%
Salary increase rate (%)	10.00%	10.00%
Attrition (%)	8.00%	8.00%
Leave availment ratio	5.00%	5.00%
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	58 years	58 years

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at year-end as per Company's policy. The value of such leave balance eligible for carry forward, is determined by an independent actuarial valuation and charged to Statement of Profit and Loss in the period determined.

The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends and management's estimate of future salary increases.

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

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**30. Related Party Transactions**

(i) The list of related parties of the Company is given below:

Name of the related party	Nature of relationship
Cyient Limited	Holding company
Cyient Inc.	Fellow subsidiary
Cyient Israel India Limited	Fellow subsidiary
<b>Key Managerial Personnel:</b>	
Krishna Bodanapu	Director
Ajay Aggarwal	Director
Rajendra Velagapudi	Managing Director & CEO
Suchitra R C (w.e.f. October 16, 2019)	Additional Director & Vice President Operations
Jehangir Ardeshir (until September 13, 2019)	Independent Director
Haritha Saranga (until September 13, 2019)	Independent Director
Avinash Chander (until September 13, 2019)	Independent Director

(ii) Summary of the transactions with the above related parties are as follows:

Nature of the transaction	Party name	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations	Cyient Limited	10.91	38.27
	Cyient Inc.	6.52	4.47
	Cyient Israel India Limited	-	0.16
Marketing expenses	Cyient Israel India Limited	20.00	13.88
Purchases of goods	Cyient Israel India Limited	-	4.20
	Cyient Limited	8.23	-
Reimbursement of expenses	Cyient Limited	37.09	29.51
	Cyient Inc.	22.64	-
Loans received	Cyient Limited	530.00	900.00
Loans paid	Cyient Limited	300.00	204.00
Corporate guarantee received	Cyient Limited	-	1,450.00
Corporate guarantee liquidated	Cyient Limited	-	2,210.00
Interest on loan from holding company	Cyient Limited	77.34	61.51
Managerial remuneration	Rajendra Velagapudi #1*	12.06	13.77
	Suchitra R C #1	6.26	5.80
	Independent Directors	-	0.90

#1 The above figures do not include provisions for leave encashment, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

\* Managerial remuneration to Mr. Rajendra Velagapudi (Managing Director & CEO) is paid by Cyient Limited, Holding Company and is recharged to the Company.

(iii) Balances at the year-end:

Nature of the transaction	Party name	As at March 31, 2021	As at March 31, 2020
Trade Receivables	Cyient Limited	-	59.36
	Cyient Inc.	6.12	5.06
	Cyient Israel India Limited	-	0.05
Trade Payables	Cyient Limited	222.83	170.42
	Cyient Israel India Limited	44.53	62.53
	Cyient Inc.	22.96	-
Advance from customer	Cyient Limited	2.92	-
Advance to suppliers	Cyient Israel India Limited	-	19.26
Corporate guarantee outstanding	Cyient Limited	4,520.00	4,520.00
Loans outstanding	Cyient Limited	1,310.63	1,080.63
Interest on loans outstanding	Cyient Limited	70.75	7.32

**31. Earnings per share**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit/(Loss) for the year	118.14	(67.04)
<b>Basic and diluted:</b>		
Number of equity shares outstanding at the year end	13,67,000	13,67,000
Weighted average number of equity shares	13,67,000	13,67,000
<b>Earnings per share (₹)</b>	<b>86.42</b>	<b>(49.04)</b>

\*There were no dilutive instruments outstanding during the year

**32. Financial Instruments****32.1 Capital management**

The Company manages its capital to ensure that it maximises the return to stakeholders through the optimisation of the capital structure. The Company monitors the return on capital. In order to optimise the Company's position with regards to its borrowings, interest income and interest expense, treasury team performs a comprehensive corporate interest risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

**32.1.1 Gearing ratio**

The gearing ratio at end of the reporting period is as follows.

Particulars	As at	
	March 31, 2021	March 31, 2020
Borrowings from banks*	1,027.02	1,533.08
Less: Cash and bank balances	(341.76)	(661.45)
<b>Net debt</b>	<b>685.26</b>	<b>871.63</b>
Total equity	376.52	257.06
<b>Net debt to equity</b>	<b>182%</b>	<b>339%</b>

\* Includes current, non-current and current maturities of non-current borrowings from banks (refer note 14)

**32.1.2 : Financial Instruments by category**

Particulars	Carrying value as at	
	March 31, 2021	March 31, 2020
<b>Financial assets:</b>		
<b>Amortised cost</b>		
Trade receivables	2,263.83	545.85
Cash and cash equivalents	146.69	234.58
Other bank balances	195.07	426.87
Loans and deposits	46.20	46.20
Other financial assets	30.93	38.50
<b>Fair value through other comprehensive income</b>		
Investments in other equity instruments (unquoted)	3.22	3.22
<b>Total financial assets</b>	<b>2,685.94</b>	<b>1,295.22</b>
<b>Financial liabilities:</b>		
<b>Amortised cost</b>		
Borrowings*	2,337.65	2,613.71
Trade payables	1,900.25	1,048.57
Lease liabilities	452.54	465.73
Other financial liabilities	99.42	165.61
<b>Total financial liabilities</b>	<b>4,789.86</b>	<b>4,293.62</b>

\* Includes current, non-current and current maturities of non-current borrowings from banks (refer note 14)

The management assessed that fair value of cash and cash equivalents and other bank balances, trade receivables, other financial assets, loans and deposits, trade payables, borrowings, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments, and hence these are carried at amortised cost.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**32.2 Financial risk management****Financial risk factors**

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk and interest rate risk. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The liquidity risk is measured by the Company's inability to meet its financial obligations as they become due.

**Foreign exchange risk**

The Company operates internationally and a major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services and purchases from overseas suppliers in various foreign currencies. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against these currencies. The Company monitors and manages its financial risks by analysing its foreign exchange exposures.

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

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**Foreign currency exposure unhedged**

The following table analyzes foreign currency risk from financial instruments as of March 31, 2021:

Particulars	US Dollars	EURO	United Kingdom Pound Sterling	Other currencies*
<b>Cash and cash equivalents</b>				
In Foreign currency	0.96	0.17	-	-
Equivalent ₹	70.50	14.65	-	-
<b>Trade receivables</b>				
In Foreign currency	11.28	0.08	-	-
Equivalent ₹	828.47	6.89	-	-
<b>Trade payables</b>				
In Foreign currency	(17.05)	(0.52)	(0.24)	(6.51)
Equivalent ₹	(1,252.13)	(44.77)	(24.23)	(94.09)
<b>Current borrowings</b>				
In Foreign Currency	(5.00)	-	-	-
Equivalent ₹	(367.20)	-	-	-

\* Others include currencies such as Singapore \$, Israeli New Shekel, Japanese Yen etc.

The following table analyzes foreign currency risk from financial instruments as of March 31, 2020:

Particulars	US Dollars	EURO	United Kingdom Pound Sterling	Other currencies*
<b>Cash and cash equivalents</b>				
In Foreign currency	2.67	0.15	-	-
Equivalent ₹	201.32	12.29	-	-
<b>Trade receivables</b>				
In Foreign currency	3.31	0.11	-	-
Equivalent ₹	249.79	9.29	0.31	-
<b>Trade payables</b>				
In Foreign currency	(6.75)	(0.64)	-	(2.89)
Equivalent ₹	(508.70)	(53.36)	(0.26)	(61.16)
<b>Current Borrowings</b>				
In Foreign currency	(8.03)	(0.74)	-	-
Equivalent ₹	(605.78)	(61.50)	-	-

\* Others include currencies such as Singapore \$, Israeli New Shekel, Japanese Yen etc.

**Sensitivity analysis:**

For the year ended March 31, 2021, every 5% increase / decrease of the respective foreign currencies compared to functional currency of the Company would impact by ₹ 43.04 (for year ended March 31, 2020: ₹ 40.85).

**Interest Risk**

There is no material interest risk relating to the Company's financial liabilities which are detailed in note 14.

**Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade receivables.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of percentage of total receivables from top five customers and others:

Particulars	As at	
	March 31, 2021	March 31, 2020
Receivable from top 5 customers	72%	42%
Others	28%	58%

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of 31 March 2021 and 31 March 2020, the Company had unutilized credit limits from banks of ₹ 588.37 & ₹ 794.00 respectively.

The Company had negative working capital of ₹ 547.72 (March 31, 2020: ₹ 679.12), including cash and bank balances of ₹ 341.76 (March 31, 2020: ₹ 661.45)

The table below provides details regarding the contractual maturities of significant financial liabilities (excluding borrowings and lease liabilities) as at March 31, 2021:

Particulars	Less than 1 year	1-2 years	2 years and more
Trade payables	1,900.25	-	-
Other financial liabilities	455.05	-	-
<b>Total</b>	<b>2,355.30</b>	-	-

The table below provides details regarding the contractual maturities of significant financial liabilities (excluding borrowings and lease liabilities) as at March 31, 2020:

Particulars	Less than 1 year	1-2 years	2 years and more
Trade and other payables	1,048.57	-	-
Other financial liabilities	295.15	-	-
<b>Total</b>	<b>1,343.72</b>	-	-

The Company's obligation towards payment of borrowings has been included in note 14 and 15.

The Company's obligation towards payment of lease liabilities has been included in note 3B.

**33. Segment information**

The Company's operations fall within a single operating segment "Electronic manufacturing solutions" which is considered as the primary reportable business segment.

The reporting of geographical segments is based on the location of customers i.e., Domestic (Within India) and Overseas (Outside India).

**Geographical segment information**

Particulars	As at March 31, 2021			As at March 31, 2020		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from operations	3,985.09	2,295.19	6,280.28	2,085.94	2,484.93	4,570.87
Non-current assets*	1,911.92	-	1,911.92	1,925.17	-	1,925.17

\*Geographical non-current assets (property, plant and equipment, right of use assets, capital work-in-progress, goodwill, intangible assets and other non-current assets) are allocated based on location of assets.

**Information about major customers**

Particulars	For year ended			
	31-Mar-21	Percentage	31-Mar-20	Percentage
Revenue from top customers (*)	2,795.09	44.51%	2,170.54	47.49%
Others	3,485.19	55.49%	2,400.33	52.51%
<b>Total Revenue</b>	<b>6,280.28</b>	<b>100.0%</b>	<b>4,570.87</b>	<b>100%</b>

\* Includes revenue from customers individually amounting to 10% or more of the Company's revenues.

**34. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at	
	March 31, 2021	March 31, 2020
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	60.60	22.28
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	0.04
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

**35.** The code of Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020 and its effective date is yet to be notified. The Company will assess and record the impact of the Code, once it is effective.

**36.** Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

Accompanying notes form an integral part of:

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

**For and on behalf of the Board of Directors**

**Cyient DLM Private Limited**

**Shankar Srinivasan**

Partner

Membership No.: 213271

**Ajay Aggarwal**

Director

(DIN - 02565242)

**Rajendra Velagapudi**

Managing Director & CEO

(DIN - 06507627)

**Parvati K R**

Company Secretary

(M.No. - A23584)

Place: Hyderabad

Date: May 24, 2021

Place: Hyderabad

Date: May 24, 2021