



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **M/s Cyient Singapore Private Limited**

### **Report on Financial Statements**

We have audited the accompanying financial statements of M/s Cyient Singapore Private Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> 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**

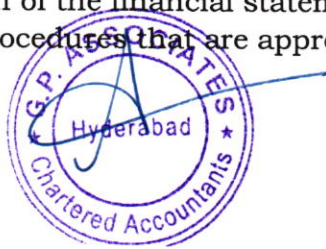
The Company's Board of Directors are responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Indian Accounting Standards. This responsibility also includes maintenance of adequate 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  
Hyderabad | Vijayawada | Guntur

603, 6th Floor, Plot No. 13,  
Cyber Heights, Road No. 2,  
Banjara Hills, Hyderabad - 34.  
Phone : 040-66330822/866/844  
e-Mail: hyderabad@gpassociates.in  
Web: <http://www.gpassociates.in>

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 31<sup>st</sup> March 2021, and its Loss for the year ended on that date.



**For G P ASSOCIATES  
CHARTERED ACCOUNTANTS**

**(CA K ABHIRAM)  
PARTNER**

**M.No: 239219**

**UDIN: 21239219AAAAMN5721**

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



Cyient Singapore Private Limited  
Balance Sheet as at March 31, 2021

Particulars	Note	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1	54,570	60,627
Intangible assets	2	292	3,844
(a) Other financial assets	3	60,624	1,72,588
<b>Total non-current assets</b>		<b>1,15,486</b>	<b>2,37,059</b>
<b>Current assets</b>			
Financial assets			
(a) Trade receivables	5	10,85,731	20,26,331
(b) Cash and cash equivalents	6	7,68,860	4,95,676
(c) Other financial assets	3	1,52,647	2,22,945
Other current assets	4	58,776	26,153
<b>Total current assets</b>		<b>20,66,014</b>	<b>27,71,105</b>
<b>Total assets</b>		<b>21,81,500</b>	<b>30,08,164</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	7	50,85,360	50,85,360
Other equity	8	(52,07,092)	(45,03,613)
<b>Total equity</b>		<b>(1,21,732)</b>	<b>5,81,747</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions	9	98,619	-
Deferred tax liabilities (net)		-	17,286
<b>Total non-current liabilities</b>		<b>98,619</b>	<b>17,286</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	10	21,57,921	22,03,761
Income tax liabilities (net)		11,384	-
Provisions	9	5,499	1,03,329
Other current liabilities	11	29,809	1,02,041
<b>Total current liabilities</b>		<b>22,04,613</b>	<b>24,09,131</b>
<b>Total liabilities</b>		<b>23,03,232</b>	<b>24,26,417</b>
<b>Total equity and liabilities</b>		<b>21,81,500</b>	<b>30,08,164</b>



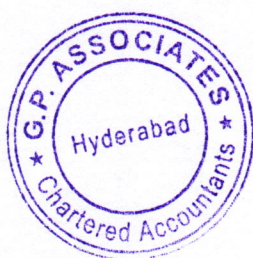
For G.P. ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN No. 006734S

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

Cyient Singapore Private Limited

Statement of Profit and Loss for the year ended March 31, 2021

Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
<b>INCOME</b>			
Revenue from operations	12	23,55,167	71,60,331
Other income	13	(38,333)	34,743
<b>Total income</b>		<b>23,16,834</b>	<b>71,95,074</b>
<b>EXPENSES</b>			
Employee benefits expense	14	20,33,504	53,85,134
Finance costs	15	14,173	52,882
Depreciation and amortisation expense	16	11,258	36,11,771
Other expenses	17	9,78,663	21,78,510
<b>Total expenses</b>		<b>30,37,598</b>	<b>1,12,28,297</b>
<b>Profit before tax</b>		<b>(7,20,764)</b>	<b>(40,33,223)</b>
<b>Tax expense</b>			
Current tax	11	-	(2,22,756)
Deferred tax	11	(17,286)	(6,000)
<b>Total tax expense</b>		<b>(17,286)</b>	<b>(2,28,756)</b>
<b>Profit for the year</b>		<b>(7,03,478)</b>	<b>(38,04,467)</b>



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

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

Cyient Singapore Pty Limited  
Notes forming part of the financial statements

**A. Equity share capital**

Particulars	Note	Amount
Balance as at March 31, 2020	7	50,85,360
Balance as at March 31, 2021		50,85,360

**B. Other equity**

Particulars	Note	Surplus	Total other equity
		Retained earnings	
Balance at March 31, 2019	8	(7,29,226)	(7,29,226)
Profit for the year		(38,04,467)	(38,04,467)
Other comprehensive income		30,080	30,080
Total comprehensive income for the year		(37,74,387)	(37,74,387)
Balance as at March 31, 2020	8	(45,03,612)	(45,03,612)
Profit for the year		(7,03,478)	(7,03,478)
Other comprehensive income		-	-
Total comprehensive income for the year		(7,03,478)	(7,03,478)
Balance as at March 31, 2021		(52,07,090)	(52,07,090)





1. Property, plant and equipment

Particulars	As at	
	March 31, 2021	March 31, 2020
Computers	16,844	15,309
Plant and equipment	36,708	43,858
Office equipment	137	411
Furniture and fixtures	881	1,049
<b>Total</b>	<b>54,570</b>	<b>60,627</b>

Notes:

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

Particulars	Computers	Plant & Machinery	Office Equipment	Furniture & Fixture	Total
<b>I. Cost or deemed cost</b>					
Balance as at April 1, 2019	3,44,849	75,261	2,747	1,763	4,24,620
Additions	-	-	-	-	-
Disposals	38,683	-	-	-	38,683
<b>Balance as at March 31, 2020</b>	<b>3,06,166</b>	<b>75,261</b>	<b>2,747</b>	<b>1,763</b>	<b>3,85,937</b>
Additions	1,650	-	-	-	1,650
Disposals	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>3,07,816</b>	<b>75,261</b>	<b>2,747</b>	<b>1,763</b>	<b>3,87,587</b>
<b>II. Accumulated depreciation</b>					
Balance as at April 1, 2019	3,18,622	24,254	1,814	546	3,45,236
Depreciation for the year	8,985	7,150	522	167	16,824
Disposals	36,749	-	-	-	36,749
<b>Balance as at March 31, 2020</b>	<b>2,90,858</b>	<b>31,403</b>	<b>2,336</b>	<b>714</b>	<b>3,25,311</b>
Depreciation for the year	115	7,150	274	167	7,706
<b>Balance as at March 31, 2021</b>	<b>2,90,972</b>	<b>38,553</b>	<b>2,610</b>	<b>881</b>	<b>3,33,016</b>
<b>III. Carrying amounts (I-II)</b>					
Net book value as at April 1, 2019	26,228	51,008	933	1,216	79,384
<b>Net book value as at March 31, 2020</b>	<b>15,309</b>	<b>43,858</b>	<b>411</b>	<b>1,049</b>	<b>60,626</b>
<b>Net book value as at March 31, 2021</b>	<b>16,844</b>	<b>36,708</b>	<b>137</b>	<b>881</b>	<b>54,570</b>



Cyient Singapore Private Limited  
Notes forming part of the financial statements

2. Intangible assets

Particulars	As at	
	March 31, 2021	March 31, 2020
Carrying amount of:		
Computer software	292	3,844
Other intangible assets	-	-
<b>Total intangible assets</b>	<b>292</b>	<b>3,844</b>

Particulars	Computer software	Other Intangibles	Total
<b>I. Cost or deemed cost</b>			
Balance as at April 1, 2019	2,64,909	1,12,49,600	1,15,14,509
Additions	-	-	-
Disposals	-	-	-
Impairment	-	20,62,855	20,62,855
<b>Balance as at March 31, 2020</b>	<b>2,64,909</b>	<b>91,86,745</b>	<b>94,51,654</b>
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at March 31, 2021</b>	<b>2,64,909</b>	<b>91,86,745</b>	<b>94,51,654</b>
<b>II. Accumulated depreciation</b>			
Balance as at April 1, 2019	2,40,204	80,17,137	82,57,341
Depreciation for the year	20,862	11,69,608	11,90,469
Disposals	-	-	-
<b>Balance as at March 31, 2020</b>	<b>2,61,066</b>	<b>91,86,745</b>	<b>94,47,811</b>
Depreciation for the year	3,552	-	3,552
Disposals	-	-	-
<b>Balance as at March 31, 2021</b>	<b>2,64,617</b>	<b>91,86,745</b>	<b>94,51,362</b>
<b>III. Carrying amounts (I-II)</b>			
Net book value as at April 1, 2019	24,705	32,32,463	32,57,168
Net book value as at March 31, 2020	3,844	0	3,844
Net book value as at March 31, 2021	292	0	292





### 3. Other financial assets

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Non-current:</b>		
Security deposits		
- Secured, considered good		
<b>Total other non-current financial assets</b>	<b>60,624</b>	<b>1,72,588</b>
<b>Current:</b>		
Unbilled revenue	1,52,647	2,17,432
Advance to employees	-	5,513
<b>Total other current financial assets</b>	<b>1,52,647</b>	<b>2,22,945</b>
<b>Total other financial assets</b>	<b>2,13,271</b>	<b>3,95,533</b>

### 4. Other assets

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Current:</b>		
Prepaid expenses	7,341	26,153
Advances to suppliers	51,435	-
<b>Total other current assets</b>	<b>58,776</b>	<b>26,153</b>
<b>Total other assets</b>	<b>58,776</b>	<b>26,153</b>

### 5. Trade receivables

Particulars	As at	
	March 31, 2021	March 31, 2020
Trade receivables considered good - unsecured	10,85,731	20,26,331
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	64,943	51,260
Expected credit loss allowance	(64,943)	(51,260)
<b>Total</b>	<b>10,85,731</b>	<b>20,26,331</b>

#### Note:

#### Expected credit loss (ECL):

The Group'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 Group 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 Group 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.

### 6: Cash and Bank Balances

#### Cash and cash equivalents

Particulars	As at	
	March 31, 2021	March 31, 2020
Balances with banks		
in current accounts	7,68,860	4,95,676
<b>Total</b>	<b>7,68,860</b>	<b>4,95,676</b>





Cyient Singapore Private Limited  
Notes forming part of the financial statements

**7. Equity share capital**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Authorised share capital:</b>		
3,599,977 fully paid up equity shares of USD 1 each	50,85,360	50,85,360
<b>Issued and subscribed capital:</b>		
3,599,977 fully paid up equity shares of USD 1 each	50,85,360	50,85,360
<b>Total</b>	<b>50,85,360</b>	<b>50,85,360</b>

**8. Other equity**

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>(a) Retained earnings</b>		
(i) Opening balance	(45,03,613)	(7,29,226)
(ii) Profit for the year attributable to the shareholders of the Company	(7,03,478)	(38,04,467)
(iii) Lease impact on reserves	-	30,080
<b>Total</b>	<b>(52,07,092)</b>	<b>(45,03,613)</b>

**Nature of reserves:**

**(a) Retained earnings**

- (i) Retained earnings comprises of prior years' undistributed earnings after taxes along with current year profit, net of dividends declared and dividend
- (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 Singapore Private Limited  
Notes forming part of the financial statements

9. Provisions

Particulars	As at	
	March 31, 2021	March 31, 2020
Compensated absences	1,04,118	1,03,329
Other provisions	-	-
<b>Total</b>	<b>1,04,118</b>	<b>1,03,329</b>
<b>Non-current:</b>		
Compensated absences	98,619	-
Other provisions	-	-
<b>Total non-current provisions</b>	<b>98,619</b>	<b>-</b>
<b>Current:</b>		
Compensated absences	5,499	1,03,329
Other provisions	-	-
<b>Total current provisions</b>	<b>5,499</b>	<b>1,03,329</b>

10. Trade Payables

Particulars	As at	
	March 31, 2021	March 31, 2020
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	21,57,921	22,03,761
<b>Total</b>	<b>21,57,921</b>	<b>22,03,761</b>

11. Other liabilities

Particulars	As at	
	March 31, 2021	March 31, 2020
<b>Current</b>		
Statutory remittances	29,809	1,02,041
Others	-	-
<b>Total</b>	<b>29,809</b>	<b>1,02,041</b>





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

**12. Revenue from operations**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from services	23,55,167	71,60,331
<b>Total</b>	<b>23,55,167</b>	<b>71,60,331</b>

**13. Other income**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Other non-operating income</b>		
Miscellaneous income	-	16,800
	-	<b>16,800</b>
<b>Other gain and loss</b>		
Foreign exchange (loss)/gain (net)	(38,333)	19,793
Loss on disposal of property, plant and equipment	-	(1,850)
	<b>(38,333)</b>	<b>17,943</b>
<b>Total</b>	<b>(38,333)</b>	<b>34,743</b>

**14. Employee benefits expense**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages	17,83,813	46,74,392
Social security and other benefits to overseas employees	1,93,020	6,23,347
Stock option expense	2,226	5,298
Staff welfare expenses	54,445	82,097
<b>Total</b>	<b>20,33,504</b>	<b>53,85,134</b>



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

**15. Finance costs**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Interest expense</b>		
Interest on bank overdrafts and borrowings	6,342	26,648
Other interest expense	7,831	23,195
Interest on lease liability	-	3,039
<b>Total</b>	<b>14,173</b>	<b>52,882</b>

**16. 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	7,706	16,824
Depreciation - ROU assets	-	3,41,622
Amortisation of intangible assets	3,552	11,90,469
Intangible asset impairment	-	20,62,855
<b>Total</b>	<b>11,258</b>	<b>36,11,771</b>

**17. Other expenses**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent including lease rentals	3,22,547	4,01,322
Rates and taxes	6	-
Insurance	9,868	33,084
Travelling and conveyance	6,897	96,228
Sub-contracting charges	3,16,907	1,26,074
Communication	5,328	6,570
Printing and stationery	7,878	10,669
Marketing and advertising expenses	-	75
Repairs and maintenance		
- Buildings	169	-
- Machinery	28,813	1,05,642
- Others	-	3,651
Non executive directors commission	-	-
Legal and professional charges	2,27,763	3,77,793
Expenditure for corporate social responsibility	-	-
Expected credit loss	13,683	9,65,021
Auditors' remuneration	8,996	10,000
Recruitment expenses	121	1,417
Training and development	-	3,171
Software charges	9,359	1,906
Electoral bonds	-	-
Miscellaneous expenses	20,328	35,887
<b>Total</b>	<b>9,78,663</b>	<b>21,78,510</b>

